

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON AUGUST 8, 2023  
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the SEDCO Board Room, 307 W. Washington St, Ste 102, Sherman, Texas on August 8, 2023, at 11:30 a.m.

MEMBERS PRESENT: Mrs. Janie Bates, Mr. Scott Bandemir, Mr. Jason Brumm, Dr. Al Hambrick, Ms. Gail Utter

MEMBERS ABSENT: None

EX OFFICIO Mr. Robby Hefton, Mr. Shawn Teamann, Dr. Tyson Bennett, Mr. MEMBERS PRESENT: Terrence Steele, Mayor David Plyler

STAFF PRESENT: Mr. Kent Sharp, Mrs. Shannon Blake, Ms. April Day

STAFF ABSENT: Mrs. Ashton Bellows

GUESTS PRESENT: Mr. Jeff Moore, Mr. Michael Hutchins, Mrs. Mary Lawrence

**CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS, INVOCATION**

Mrs. Bates called the meeting to order at 11:30 a.m., declared a quorum present, meeting declared open.

The invocation was given by Mr. Sharp.

**PUBLIC COMMENTS**

There were no public comments.

**DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING MINUTES**

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve the Regular Scheduled Meeting Minutes of July 11, 2023. Motion was approved unanimously.

**DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS**

Mr. Sharp presented the Balance Sheet, Budget Report, Anomalies, and Commitments for the month ending June 30, 2023, and reported the following:

- Cash – SEDCO Checking: \$ 4,306,207.42
- Accounts Payable: \$ 10,206.83
- Fund Balance: \$ 16,288,563.45
- Revenues Over/Under Expenses: \$ 3,666,255.70
- Total Liabilities, Equity and Current Surplus (Deficit): \$ 19,965,025.98
- Revenue Total: \$610,098.86

- Expense Total: \$422,970.17

On the Anomalies Report, Mr. Sharp noted that Dues & Licenses increased to 96.75% used due to payment of the Downtown Sherman NOW membership fee; Other Services & Charges increased to 201.10% used due to payments for City Services and the Monday.com subscription; Marketing & Attraction increased to 81.85% used due to the cost of new aerial maps, refreshments for the WOMO 2<sup>nd</sup> Quarter Small Group, Facebook and Google Ads, and 2x2 Media Reels Installment; Land Maintenance increased to 78.57% used due to mowing and maintenance of SEDCO land; and Professional Services increase to 122.3% used due to legal services, legislative consulting fees, and appraisal services.

On the Commitments Report, Mr. Sharp reported the paid year-to-date figures including incentives which totaled \$368,022 and other commitments totaling \$424,542, bringing the overall total paid year-to-date as of June 30, 2023 to \$792,564.

Motion was made by Mr. Brumm and seconded by Ms. Utter to approve the financial reports for the month ending June 30, 2023. Motion was approved unanimously.

Mrs. Lawrence presented the investment report for the quarter ending June 30, 2023 and reported the portfolio book value and market value were approximately \$15.6 million. Of this amount, \$3.1 million was held in a Local Government Investment Pool (LGIP), \$6.1 million was held in Certificates of Deposit (CD), and \$6.4 million was held in an FDIC insured investment account. Activity during the quarter included interest earned on the investments. The weighted average yield on the portfolio was 4.63%, 80 basis points below the three-month Constant Maturity Treasury Index of 5.43%, and 28 basis points above the previous quarter. The weighted average maturity for the portfolio decreased from 113 days at March 31, 2023, to 77 days at June 30, 2023.

## **SALES TAX AND ECONOMIC BAROMETER REPORTS**

At the time of the meeting, the historic sales tax report was not available.

Mrs. Blake presented the July 2023 Economic Barometer Report and reported the following:

1. New residential permits were up approx. 47% compared to July 2022 and down about 50% on the YTD. Roof permits kept additions and alterations up 297%. Commercial and industrial permits were up 222% compared to this time last year and up 96% on the YTD. A large portion is roof permits. One notable large interior remodel is almost \$1M at Austin College. All other permits, which includes demos and miscellaneous permits like new signs is up approx. 130%.
2. The city is up 324 water customers from last July and up 18 customers from last month.
3. Sales tax increased 47% compared to July 2022, and it's up approx. 24% on the YTD.
4. In June, Grayson County's months supply of housing inventory was 3.7 months, up from 3.3 months in May.
5. Sherman's unemployment remained at 4% for the month June.

## **REVIEW OF COMMUNITY INVOLVEMENT ADDITION TO APPLICATION FOR FINANCIAL ASSISTANCE**

Mr. Sharp presented an updated draft of the proposed language for the community involvement addition

to the application for financial assistance.

## DISCUSSION OF PROPOSED FY 23-24 PROGRAM OF WORK

Mrs. Blake presented the proposed FY 23-24 Program of Work which included the following Goals to Promote Capital Investment and Jobs:

- A. Retain and expand existing primary employers
- B. Recruit targeted primary employers and allies
- C. Support workforce development and employment programs
- D. Manage and market SEDCO real estate to attract industrial real estate investments
- E. Continue the Raising Innovative Sherman Entrepreneurs Program (RISE)
- F. Educate and promote Sherman women-owned and minority-owned (WOMO) businesses

She also noted a change in verbiage in Goals A and B from “semiconductor” to “advanced manufacturing and the addition of a new RISE partner, Lori Ann Cannon, CPA.

## DISCUSSION OF PROPOSED FY 23-24 SEDCO BUDGET

Mr. Sharp presented the proposed FY 2023-2024 SEDCO budget summary:

SUMMARY									
Revenues									
Sales Tax 4A - SEDCO	60204	\$ 5,509,655	\$ 5,509,654	\$ 4,811,363	\$ 6,415,816	\$ 506,162	\$ 6,500,000	\$	990,348
Interest Earned	66000	\$ 103,071	\$ 150,000	\$ 438,290	\$ 513,838	\$ 463,836	\$ 652,745	\$	502,745
Miscellaneous Revenue	68010	\$ -	\$ 654,818	\$ -	\$ 1,762,675	\$ 607,867	\$ 654,818	\$	-
<b>TOTAL REVENUES</b>		<b>\$ 5,612,727</b>	<b>\$ 6,614,472</b>	<b>\$ 5,250,153</b>	<b>\$ 8,792,327</b>	<b>\$ 2,177,865</b>	<b>\$ 8,107,563</b>	<b>\$</b>	<b>1,493,091</b>
Expenses									
Personnel Expenses TOTAL	81000	\$ 525,634	\$ 579,265	\$ 347,639	\$ 500,807	\$ 68,456	\$ 573,445	\$	(5,800)
Supplies TOTAL	82000	\$ 27,019	\$ 13,500	\$ 3,894	\$ 3,880	\$ (9,620)	\$ 14,500	\$	1,000
Maintenance and Repairs TOTAL	83000	\$ 7,319	\$ 8,580	\$ 4,237	\$ 15,617	\$ 7,037	\$ 18,580	\$	7,000
Utilities and Communications TOTAL	84000	\$ 12,715	\$ 10,400	\$ 6,240	\$ 8,637	\$ (1,763)	\$ 10,000	\$	(400)
Contractual or Sundry Services TOTAL	85000	\$ 837,125	\$ 3,607,324	\$ 744,961	\$ 1,627,051	\$ (1,380,867)	\$ 2,648,524	\$	(762,300)
Debt Service TOTAL	86000	\$ 602,892	\$ 568,056	\$ 283,028	\$ 566,056	\$ -	\$ 1,227,347	\$	661,291
Capital Expenses TOTAL	88000	\$ 1,118,235	\$ 1,000,000	\$ 18,875	\$ 1,118,675	\$ 118,675	\$ 2,500,000	\$	1,500,000
<b>TOTAL EXPENSES</b>		<b>\$ 3,128,345</b>	<b>\$ 5,785,725</b>	<b>\$ 1,408,374</b>	<b>\$ 3,660,729</b>	<b>\$ (1,924,996)</b>	<b>\$ 7,185,436</b>	<b>\$</b>	<b>1,400,771</b>
<b>NET INCOME (LOSS)</b>									<b>Surplus or (Deficit) Amount</b>
		<b>\$ 2,486,781</b>	<b>\$ 828,747</b>	<b>\$ 3,841,779</b>	<b>\$ 4,931,598</b>	<b>\$ 4,102,851</b>	<b>\$ 821,967</b>	<b>\$</b>	
<b>CASH &amp; INVESTMENTS ENDING BALANCE</b>									<b>\$ 19,708,411</b>

## EXECUTIVE SESSION

The Sherman Economic Development Corporation held an Executive Session pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon’s Texas Code Annotated, in accordance with the authority contained in the following sections:

- a. 551.071 (Consultation with Attorney)
- b. 551.072 (Deliberations about Real Property)
  1. Disposition and Acquisition
  2. William Martin Survey, Abstract No. 765 (Water Line Easements: .1737 ac, 1.223 ac, 1.804 ac; ROW 3.983 ac, ROW 1.762 ac)
- c. 551.074 (Personnel Matters)
  1. Employee Tuition Reimbursement
- d. 551.087 (Business Prospect/Economic Development)
  1. Wrap, EZ, Yoyo, Alpha Omega, Bowling, Zion, CT, Lasso RFI, TXR, Creek Side, Electro State, Shermanator
  2. Prospective Projects and Building Requirements

The open meeting recessed in executive session at 11:47 a.m.

**RECONVENE OPEN MEETING AND CONSIDER APPROVAL OF THE ITEMS DISCUSSED IN EXECUTIVE SESSION**

Mrs. Bates reconvened the open meeting at 12:33 p.m.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.18 (TUITION REIMBURSEMENT)**

Resolution No. SEDCO-2023.18: Authorizing SEDCO to amend the tuition and fees reimbursement program for SEDCO employees to be reimbursed up to Five Thousand Dollars (\$5,000.00) per calendar year for tuition and fees and books incurred for approved courses, certifications, and degrees directly related to the employee's current position, future career advancement within the organization, or aligned with organizational needs.

Motion to approve Resolution No. SEDCO-2023.18 (Tuition Reimbursement) was made by Mr. Brumm and seconded by Ms. Utter. Motion was approved unanimously.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.19 (WATER LINE EASEMENT .1737 AC)**

Resolution No. SEDCO-2023.19: A resolution authorizing and approving a 0.1737-acre water line easement within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, being a portion called 43.75 acre tract of land as described in the deed to SEDCO recorded under document no. 2021-35900 of the official public records of Grayson County, Texas and generally located in close proximity to Flanary Road. The City shall use the easement for water line utility purposes to construct, reconstruct, operate, repair, enlarge, re-build, replace, relocate, alter, remove and perpetually maintain water facilities, together all incidental improvements, and all necessary laterals, over, across, in, on, or under and through certain real property owned by SEDCO and located in the City of Sherman.

Motion to approve Resolution No. SEDCO-2023.19 was made by Mr. Bandemir and seconded by Dr. Hambrick. Motion was approved unanimously.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.20 (WATER LINE EASEMENT 1.223 AC)**

Resolution No. SEDCO-2023.20: A resolution authorizing and approving a 1.223-acre water line easement within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, being a portion called 117.01-acre tract of land as described in the special warranty deed to Sherman Economic Corporation recorded in volume 3585, page 922 of the deed of records of Grayson County, Texas and generally located in close proximity to Flanary Road. The City shall use the easement for water line utility purposes to construct, reconstruct, operate, repair, enlarge, re-build, replace, relocate, alter, remove, and perpetually maintain water facilities, together all incidental improvements, and all necessary laterals, over, across, in, on, or under and through certain real property owned by SEDCO and located in the City of Sherman

Motion to approve Resolution No. SEDCO-2023.20 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.21 (WATER LINE EASEMENT 1.804 AC)**

Resolution No. SEDCO-2023.21: A resolution authorizing and approving a 1.804-acre water line easement within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas,



being a portion called a 57.3214-acre tract of land as described in the general warranty deed to SEDCO recorded under document no. 201800023004 of the official public records of Grayson County, Texas, and generally located in close proximity to Flanary Road. The City shall use the easement for water line utility purposes to construct, reconstruct, operate, repair, enlarge, re-build, replace, relocate, alter, remove, and perpetually maintain water facilities, together all incidental improvements, and all necessary laterals, over, across, in, on, or under and through certain real property owned by SEDCO and located in the City of Sherman.

Motion to approve Resolution No. SEDCO-2023.21 was made by Ms. Utter and seconded by Dr. Hambrick. Motion was approved unanimously.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.22 (ROW 3.983 AC)**

Resolution No. SEDCO-2023.22: A resolution authorizing and approving a 3.983-acre Right of Way within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, being a portion a called a 43.575-acre tract of land as described in the deed to Sherman Economic Development Corporation recorded under Document No. 2021-35900, generally located in close proximity to Flanary Road . The City shall use said Right of Way for public street, utility, access, sidewalk, and other public purposes, including the right of ingress and egress therein, and any other public purpose authorized by Texas Local Government Code Section 273.001.

Motion to approve Resolution No. SEDCO-2023.22 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.23 (ROW 1.762 AC)**

Resolution No. SEDCO-2023.23: A resolution authorizing and approving a 1.762 acre Right of Way within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, being a portion a called 27.836-acre tract of land as described in the deed to Sherman Economic Development Corporation recorded under Document No. 2021-35900 of the official public records of Grayson County, Texas, generally located in close proximity to Flanary Road. The City shall use said Right of Way for public street, utility, access, sidewalk, and other public purposes, including the right of ingress and egress therein, and any other public purpose authorized by Texas Local Government Code Section 273.001.

Motion to approve Resolution No. SEDCO-2023.23 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

**ADJOURNMENT**

The meeting was adjourned at 12:35 p.m.

**CERTIFICATION OF PRESIDING OFFICER**

I, Janie Bates, Presiding Officer, do certify that these minutes of the Regular Scheduled Board Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.

  
\_\_\_\_\_  
PRESIDING OFFICER