

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A meeting of the Development Corporation of Abilene, Inc. ("DCOA") will be held on February 26, 2021, by videoconference commencing at 9:30 am, to consider the Agenda set forth below.

In accordance with social distancing guidelines, the DCOA Board room will not be open to the public, and the meeting will be held by videoconference. In accordance with the Texas Open Meetings Act, or under the provisions provided by the Governor of Texas in conjunction with the Proclamation and Declaration of Disaster enacted March 13, 2020: 1) Board Members of the DCOA may participate in this meeting remotely by videoconference; and 2) Members of the public may attend this meeting free of charge by videoconference at the following link: <https://global.gotomeeting.com/join/863735773>. The videoconference will remain open from 9:30 am until the end of the meeting.

Under Agenda Item 3, the opportunity for public comment will be announced and members of the public should identify themselves at that time should he or she choose to make any comments concerning any Items on the Agenda. Under Item 3 on the Agenda, public comments concerning Items on the Agenda are allowed for up to 3 minutes per person (or in the event that a person addresses the Board through a translator, such public comments on Items on the Agenda is allowed for up to 6 minutes). While the Board is in executive session the videoconference will remain active. Should you get disconnected at any time during the meeting, you may log back into the meeting using the same link that is set forth above to re-join the meeting.

The following public telephone dial-in number may also be used during the meeting to access the Board's open session deliberations and/or provide public comment on any Items on the Agenda under Agenda Item 3: +1 (646) 749-3122, Access Code 863-735-773.

AGENDA

February 26, 2021
9:30 am

1. Call the meeting to order
2. Invocation
3. Public Comment on Agenda Items
4. Governance Schedule
5. Approval of minutes from the January 27, 2021 board meeting
6. DCOA Financial Report for January 2021
7. Announcement for Military Affairs Committee's Defense Economic Adjustment Assistance Grant (DEAAG)

8. Announcement that DCOA received the Texas Economic Development Council's 2020 Economic Excellence Recognition Award
9. Executive Session:
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code Sections:
 1. 551.071 (Consultation with Attorney)
 - A. DCOA Travel and Expense Policy
 2. 551.072 (Deliberations about Real Property)
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
 - A. Project Legacy
 - B. Project Double T
 - C. Project Golden
 - D. Project Tiger
10. Review and discussion of a DCOA Investment Policy
11. Update after winter storm regarding the status of potential damage to DCOA owned properties
12. Discussion and possible approval of a Resolution approving an Agreement with Project Double T
13. Discussion and possible approval of a DCOA Travel and Expense Policy
14. Texas Economic Development Council's Legislative Priorities to keep Texas competitive in economic development
15. Discussion of the next board meeting date
16. Adjournment

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the 23rd day of February, 2021 at 9:15 a.m.


Deputy City Secretary

NOTICE

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact the Development Corporation of Abilene, Inc., (325) 676-6390, at least forty-eight (48) hours in advance of this meeting. Telecommunication device for the deaf is (325) 676-6360.

DCOA Governance Schedule

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
												Post Agenda (72 hrs prior to the meeting)
X	X											Monthly Board Meeting
												Semi-Annual Report Presentation to City Council (April or May)
												Annual Proposed Budget to City Council (July or Aug)
												Annual Report Presentation to City Council (Nov. or Dec.)
	X											State of the City Address by Mayor
												Other Meetings, as needed
												Governance: Semi-Annual & Annual Reviews
X												Presentation/Proclamation to Outgoing Board Members (City of Abilene and the Board)
X												Welcome New Board Member(s)
X												New Board Member(s) Onboarding
X												Officer Election (President, Chair, Vice Chair, Secretary, Treasurer & others, as determined)
X												Bank Account Signature Card
												Governance: Reports of Activity
												Partners: Written Reports of Activity (10.01 - 03.31) due 04.01
												Present Written Report of Activity -- DCOA (6 mos ending 03.31)
												Present Written Report of Activity -- ABI (6 mos ending 03.31)
												Present Written Report of Activity -- ACU (6 mos ending 03.31)
												Present Written Report of Activity -- AIF (6 mos ending 03.31)
												Present Written Report of Activity -- Griggs (6 mos ending 03.31)
												Present Written Report of Activity -- SBDC (6 mos ending 03.31)
												Present Written Report of Activity -- MAC (6 mos ending 03.31)
												Partners: Written Reports of Activity (04.01 - 09.30) due 10.15
												Present Written Report of Activity -- DCOA (6 mos ending 09.30)
												Present Written Report of Activity -- ABI (6 mos ending 09.30)
												Present Written Report of Activity -- ACU (6 mos ending 09.30)
												Present Written Report of Activity -- AIF (6 mos ending 09.30)
												Present Written Report of Activity -- Griggs (6 mos ending 09.30)
												Present Written Report of Activity -- SBDC (6 mos ending 09.30)
												Present Written Report of Activity -- MAC (6 mos ending 09.30)
												Present Written Report of Activity -- BE in Abilene (due 10.15)

DCOA Governance Schedule

														Present Written Report of Activity -- <i>NEXT</i> University (due 10.15)
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Governance: Annual Approvals		
														Submit Required Report (Local Gov. Code 502.151) to Comptroller by 04.01
														Financial Audit Prepared/Presented by 3rd Party Auditor
X														Approve Annual Street Expenditure Projects per Agreement COA ('20-'23)
														Review Financial Audit
														Review of Investment Policy
														Partners: Annual Budget Request (ABI, AIF, AISD, SBDC, MAC & Griggs) due 06.01
														Annual Budget Proposal for Following Year Presented to Board
														New Fiscal Year Contracts (ABI, AIF, AISD, SBDC, MAC & Griggs)
														Annual Consideration/Commission for a Financial Audit
														Staffing/Staff Evaluation (Staff Potential Conflicts of Interest)

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Governance: Monthly Board Meeting Review		
X	X													Approval of Last Meeting's Minutes
X	X													Financial Report Presented by DCOA Staff (Accounting Firm, As Requested)
X	X													Schedule Next Meeting Date
X														Sales Tax Report - Quarterly
														Review of Strategic Plan
														Review of Governance Checklist

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Project & Properties Review on Demand		
X	X													Properties, As Needed
X	X													Projects, As Needed
X	X													Board Approval of Expenditures Over \$50,000, As Needed
														● Benchmark Comparisons

Rv. 02/15/21

BOARD MEETING MINUTES

JANUARY 27, 2021

**DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
JANUARY 27, 2021**

MEMBERS PRESENT: Jack Rich Vic Corley Sam Vinson
Floyd Miller

Shea Hall: It was reported that she was experiencing technology issues in reference to logging in using the videoconference link; therefore, she used the videoconference dial in number to join the meeting and as a result it was announced that her votes would not be counted during the meeting.

STAFF PRESENT: Misty Mayo Brock New Amy Whitmer
Julie Johncox Allysun Gutierrez Akane Thaxton

Ashley Whitmer

GUESTS PRESENT: Mark Zachary McMahan Surovik Suttle, PC
Samuel Garcia

1. **CALL THE MEETING TO ORDER:** Chair Jack Rich called the meeting to order at 12:01 pm by videoconference.

2. **INVOCATION:** Floyd Miller offered the invocation.

3. **PUBLIC COMMENT ON AGENDA ITEMS:** Chair Jack Rich announced an opportunity for the public to comment on any of the agenda items. He further stated that there would be no votes or formal action taken during public comment, that this would allow members of the public to present ideas and information to the DCOA Board and staff pertaining to the items on the agenda, and that if there was anyone who would like to make a public comment, to please state their name and address. No members of the public requested to make public comment. Thus, Chair Jack Rich moved on to Agenda Item 4.

4. **GOVERNANCE SCHEDULE:** CEO Misty Mayo stated that the updated 2021 governance schedule is in the packet. The governance schedule is a tool that guides the Board on what to include each month during the Board Meeting.

5. **OFFICER ELECTIONS: PRESIDENT, CHAIR, VICE CHAIR, SECRETARY, AND TREASURER (AND OTHERS AS DETERMINED):** Sam Vinson moved to elect Jack Rich as the DCOA Board Chair. Vic Corley seconded, and the motion passed. Jack Rich moved to elect Sam Vinson as the DCOA Board Vice Chair. Floyd Miller seconded, and the motion passed. Jack Rich moved to elect Vic Corley as the DCOA Board Secretary and Treasurer. Floyd Miller seconded, and the motion passed. Vic Corley moved to elect Misty Mayo as the DCOA Board President. Floyd Miller seconded, and the motion passed.

Chair Jack Rich noted that the Board has discussed the value of having continuity this year as the DCOA continues to transition.

6. **APPROVAL OF MINUTES FROM THE DECEMBER 10, 2020, DECEMBER 15, 2020, AND DECEMBER 30, 2020 BOARD MEETINGS:** Vic Corley moved to approve the minutes from the December 10, 2020, December 15, 2020, and December 30, 2020 Board meetings. Floyd Miller seconded, and the motion passed.

7. SALES TAX REPORT FOR JANUARY 2021 AND FINANCIAL REPORT FOR DECEMBER 2020: Akane Thaxton, DCOA Finance Manager, presented the Sales Tax Report for January 2021 as reported by the City of Abilene. The sales tax rebate for January is \$3,594,644.18, which represents November 2020 sales. Economic Development received \$898,661.04 of the sales tax rebate. For the period of October 2020 through January 2021, sales tax is 0.94% above last year and 0.94% above the approved FY 2021 budget amount. Finance Manager Akane Thaxton explained the City of Abilene predicted a sales tax revenue reduction of 4.0% due to the Internet Tax Freedom Act Enactment in July 2020. However as of now, they have not seen a reduction of sales tax revenue due to other sectors overperforming their projected FY 2021 budgeted amount.

Finance Manager Akane Thaxton presented the Financial Report for December 2020. The DCOA's total assets as of December 31, 2020, were \$95,151,752. The December revenues totaled \$1,116,152 and total expenditures were \$391,427. CEO Misty Mayo reminded the Board that the DCOA staff is continuing the process of taking over the DCOA's financials. The DCOA began managing its own finances in October 2020. CEO Misty Mayo asked the Board to review and continue providing feedback on the monthly Financial Reports.

8. EXECUTIVE SESSION: Chair Jack Rich stated: I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, .074, and .087 to consult with legal counsel, discuss real property transactions, personnel matters, and discuss economic development negotiations involving a business prospect, as set forth on the agenda, and that any vote or action will be taken in open session.

Chair Jack Rich announced the date is January 27, 2021 and the time is 12:28 pm. Later, Chair Jack Rich announced the date is still January 27, 2021 and the time is 1:54 pm, and that no vote or action was taken in Executive Session.

9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING AN AGREEMENT WITH PROJECT LITTLE GIANT: Chair Jack Rich tabled Agenda Item 9.

10. DISCUSSION AND POSSIBLE APPROVAL OF CONSENT TO LIEN ON PROPERTY LOCATED AT 1221 FULWILER ROAD, ABILENE, TEXAS THAT IS SUBORDINATE TO DCOA'S LIEN: Chair Jack Rich noted that the Board consulted with the DCOA's Attorney in Executive Session in reference to legal matters relating to this item. CEO Misty Mayo presented the consent to lien on property located at 1221 Fulwiler Road, Abilene, TX for an oral motion. She further explained that while there was not a Resolution for Agenda Item 10, there was information for the Board and public in the general session packet.

Sam Vinson made a motion for the DCOA to consent to a lien on property located at 1221 Fulwiler Road, Abilene, Texas that is subordinate to the DCOA's lien and to give CEO Misty Mayo the authority to negotiate and approve the consent. Floyd Miller seconded, and the motion passed.

11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A STREET EXPENDITURE AGREEMENT FOR USE OF STREET EXPENDITURE FUNDS

FOR FY 2022: Chair Jack Rich recused himself from the discussion and vote of Agenda Item 11. CEO Misty Mayo presented Resolution DCOA 2021.10 authorizing street expenditures for FY 2022 for the reconstruction of a portion of East North 10th Street from Almond Street to TX-322 Loop as requested by the City of Abilene. CEO Misty Mayo explained the DCOA committed \$8.5 million over 5 years toward street expenditures. The City of Abilene presented a request to the DCOA for the \$2,000,000 allocated for FY 2022 to be used for the infrastructure upgrades on a portion of East North 10th. Vice Chair Sam Vinson noted that the Board consulted with the DCOA’s Attorney in Executive Session in reference to legal matters relating to this item.

Vic Corley made a motion to approve Resolution DCOA-2021.10 authorizing street expenditures for FY 2022 for the reconstruction of a portion of East North 10th Street from Almond Street to TX-322 Loop as requested by the City of Abilene. Floyd Miller seconded, and the motion passed.

12. BOARD MEMBER EDUCATION – TYPE A & TYPE B ECONOMIC DEVELOPMENT ORGANIZATIONS: CEO Misty Mayo explained the advantages of Type A Economic Development Organizations and the differences between Type A and Type B organizations. The DCOA was the first Type A sales tax funded organization in the State of Texas 31 years ago.

The advantages of Type A Economic Development Organizations include: a) ensures long-term prosperity of the community, b) secures future growth and success of communities, c) stimulates the flow of investment back into the community through the creation of primary jobs, d) empowers communities to play an active role in the retention of existing companies, e) enables communities to support companies’ investments in the community, and f) increases and generates tax revenues for the city, enabling the city to increase the quality of life in the community. The Texas Economic Development Council’s Legislative Agenda announced that one fourth of Texas’ job growth since 1990 and over 20% of net new jobs in Texas are contributed by sales tax for economic development.

CEO Misty Mayo explained that Type A organizations are critical for long-term job growth and community prosperity, while Type B organizations are more focused on community infrastructure and development that do not require the creation of primary jobs or capital investment from companies in the community.

13. DISCUSSION OF THE NEXT BOARD MEETING DATE: Board members considered dates for the next meeting, and President Jack Rich announced that the next scheduled regular meeting of the DCOA Board will be on Wednesday, February 24, 2021 at 9:00 am.

14. ADJOURNMENT: There being no further business, the meeting was adjourned.

Jack Rich, Chair

Vic Corley, Secretary & Treasurer

FINANCIAL REPORT JANUARY 2021

Development Corporation of Abilene, Inc.
Statement of Cash Flow
January 31, 2021

	January 2021	FY21 YTD Oct '20 - Jan '21
OPERATING ACTIVITIES		
Net Income	\$ (1,305,647)	\$ 630,347
Accounts Receivable	(32,918)	(32,918)
Accounts Payable	1,864,311	1,167,289
Due to City of Abilene	69,191	(237,936)
Net Cash Provided by Operating Activities	594,937	1,526,783
INVESTING ACTIVITIES		
Furniture and Equipment	-	(8,719)
Building and Improvements	(202,956)	(260,331)
Notes Receivable	80,257	243,560
Notes Receivables Earning Economic Incentive	(60,000)	(1,369,845)
Net Cash Provided by Investing Activities	(182,700)	(1,395,335)
Net Cash Increase for Period	412,238	131,448
Cash at Beginning of Period	9,846,745	10,127,535
Cash at End of Period	\$ 10,258,983	\$ 10,258,983

Development Corporation of Abilene, Inc.
Income Statement
January 31, 2021

	January 2021	FY21 Oct-Jan	% of Budget FY21 YTD	FY21 Annual Budget
REVENUES				
City Sales Tax	\$ 898,661	\$ 4,029,081	34%	\$ 11,913,770
Investment Earning	870	10,855	2%	500,000
Land/Building Leases	106,443	343,011	35%	974,345
Miscellaneous Revenue	2,068	7,021		-
TOTAL REVENUES	1,008,043	4,389,967	33%	13,388,115

EXPENSES				
* Multiyear Budget (ED and Property Projects)	1,982,402	2,127,026	28%	7,631,393
Abilene Industrial Foundation	39,850	105,101	21%	505,000
Small Business Development Center	10,866	56,814	22%	253,000
Military Affairs	81,360	166,473	38%	437,000
Airport Business Development Manager	-	109,210	49%	220,913
BE in Abilene (Admin)	-	-	0%	24,500
Economic Development Operating Division (Administration and Property Maintenance)	161,952	858,340	19%	4,512,290
TOTAL EXPENSES	\$ 2,276,430	\$ 3,422,964	25%	\$ 13,584,096

CHANGE IIN NET POSITION	(1,268,387)	967,004		
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* **SUMMARY OF MULTIYEAR BUDGET ACTIVITIES FOR CURRENT PERIOD**

174 Cypress Garage Renovation	\$ 19,800
Hangar 2 Expansion	31,730
Industrial Maintenance Training	3,574
City Street Maintenance	1,925,348
EASI De-Fuel Truck Services	1,950
TOTAL PROJECTS	\$ 1,982,402

Development Corporation of Abilene, Inc.
Balance Sheet
January 31, 2021 and 2020

	January 2021	January 2020
ASSETS		
Current Assets		
Checking/Savings	\$ 10,258,983	\$ 16,772
Accounts Receivable	2,074,983	2,043,150
Other Current Assets	23,888,553	34,723,802
Total Current Assets	36,222,518	36,783,724
Other Assets		
Fixed Assets	41,026,275	44,798,104
Notes Receivable	8,119,851	4,599,600
Notes Receivable, Earning Economic Incentives	10,267,483	6,862,771
Total Other Assets	59,413,609	56,260,476
TOTAL ASSETS	\$ 95,636,127	\$ 93,044,200
LIABILITIES & NET POSITION		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 2,895,958	\$ 148,575
Other Current Liabilities	(215,101)	(205,044)
Total Current Liabilities	2,680,856	(56,469)
Total Liabilities	2,680,856	(56,469)
Net Position		
Investment in Capital Assets	45,313,720	45,313,720
Unrestricted Net Assets	(3,079,810)	(4,281,685)
Unreserved Fund Balance	36,815,659	36,815,659
Encumbered/Commit Accrual	13,275,354	13,275,354
Net Income	630,347	1,977,619
Total Net Position	92,955,271	93,100,669
TOTAL LIABILITIES & NET POSITION	\$ 95,636,127	\$ 93,044,200

Development Corporation of Abilene, Inc.
Economic Development Program Status
January 31, 2021

**MULTIYEAR BUDGET:
FOR ECONOMIC DEVELOPMENT AND PROPERTY PROJECTS**

	Original Amount	Prior Years Disbursements	FY21 Oct-Jan Disbursements	Balance Reserved
EASI De-Fuel Truck	\$ 181,760	\$ 171,800	\$ 9,750	\$ 210
* Coca Cola Refreshments	3,081,778	1,849,068		1,232,710
Industrial Maintenance Training AISD	50,000		4,687	45,313
NEXTUniversity Workforce Coach	23,993			23,993
* Abimar Foods 2015	1,500,000	1,200,000		300,000
* TTUHSC School of Public Health	1,951,431	1,393,879		557,552
* Prairie Dog Pet Products	9,500,000	6,290,623		3,209,377
* Broadwind Towers	570,628	228,251	* 114,126	228,251
TSTC New Abilene Campus	4,000,000	1,200,000	-	2,800,000
Access Business Park Ph 1 Development	1,258,101	1,140,758		117,343
Fulwiler Property Roof Design and Construction	3,034,793	2,861,754	3,520	173,039
* BE in Abilene 2018	200,000		* 100,000	100,000
* BE in Abilene 2019	200,000	25,000		175,000
* BE in Abilene 2020	250,000			250,000
* 1325 Pine Sale	750,000	500,000	* 250,000	
* 842/834 Pine St. Sale	770,000	385,000	* 385,000	
* FDLIC	1,035,000			1,035,000
Airport-Aerospace Cluster Study	55,000	50,073		4,927
174 Cypress & Parking Garage	1,100,000	1,088,054	66,300	(54,354)
Marigold St. Upgrade	1,325,000	60,669		1,264,331
Fulwiler Rd. Upgrade	1,275,000	4,200		1,270,800
Economic Relief Incentives 2020	3,000,000	2,602,721		397,279
Chamber 2020 Census	100,000	26,471	25,438	444
* Hartmann's	900,000			900,000
* AbiMar 2020	2,000,000			2,000,000
Hangar 2 Expansion A/E & Construction	1,100,000	85,929	73,301	940,770
City Street Maintenance Fund	8,500,000	997,483	1,925,348	5,577,169
Fulwiler A&B Fire Pump House	240,000	72,788		167,212
Fulwiler C&D Fire Pump House	225,000	6,181	600	218,219
Fulwiler C&D Clean Out	125,000			125,000
* Chike	387,000			387,000
* Vista Flags	60,000			60,000
TOTAL FOR ECONOMIC PROGRAMS	\$ 48,749,484	\$ 22,240,702	\$ 2,958,069	\$ 23,506,586

* *Funding for company expansions will be recorded as projects earn principal reductions*

APPROVED PROJECTS - PENDING SIGNED CONTRACTS:

	Original Amount
JLUS Implementation Grant Match	\$ 55,000
Dyess AFB DEAAG/Matching Grant	536,337
Dyess AFB/Egress Barriers	199,017
Dyess AFB/Gate Upgrade	188,608
Jacob and Martin	525,000
Quality Implement	500,000
TOTAL PENDING SIGNED CONTRACTS	\$ 2,003,961

DCOA INVESTMENT POLICY

(PROVIDED IN GENERAL SESSION)

PROJECT DOUBLE T

(PROVIDED IN GENERAL SESSION)

DCOA TRAVEL AND EXPENSE POLICY

(PROVIDED IN GENERAL SESSION)

TEDC LEGISLATIVE PRIORITIES

TEXAS ECONOMIC DEVELOPMENT COUNCIL'S LEGISLATIVE PRIORITIES

SIX WAYS TO KEEP TEXAS STRONG & COMPETITIVE IN ECONOMIC & COMMUNITY DEVELOPMENT

- 1. Protect** the Economic Development Sales Tax for Economic & Community Development Purposes
- 2. Support** Reauthorization of Chapter 313 of the Texas Tax Code
*(Tax Code Chapter 313 – Was part of the **Texas Economic Development Act of 2001**. It provides the means for school districts across the state of **Texas** to grant property tax abatements to companies within their school district who commit to developing new jobs.)*
- 3. Support** Continued Funding of the Texas Enterprise Fund
- 4. Maintain** Funding for Texas Workforce Development Programs
- 5. Support & Promote** Innovation and Entrepreneurship
- 6. Promote & Protect** Local Control including Preserving Local Tax Incentives like Chapter 312 of the Texas Tax Code
(Tax Code Chapter 312 – Tax Abatement Act)