

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A meeting of the Development Corporation of Abilene, Inc. (“DCOA”) will be held on March 31, 2021, by videoconference commencing at 9:00 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/941871261>. The videoconference will remain open from 9:00 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 941-871-261.

AGENDA

March 31, 2021
9:00 am

1. Call the meeting to order
2. Invocation
3. Public Comment on Agenda Items
4. Approval of minutes from the February 26, 2021 board meeting
5. Governance Schedule
6. Report from the President and CEO:
 - A. Discussion and possible approval of a Resolution approving expenditures over \$50,000 as described in the President and CEO’s report
7. DCOA Financial Report for February 2021

8. Report related to progress of the Abilene Industrial Foundation (AIF) regarding its Services Agreement with the DCOA and updates from the AIF Quarterly Report
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 Investment Policy
 - B. Agreement with Allied Employer Group for professional services
 2. 551.072 (Deliberations about Real Property)
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
 - A. Project Legacy
 - B. Project Golden
 - C. Project Future Hope
10. Discussion and possible approval of a Resolution approving and adopting the DCOA's Investment Policy and appointing Investment Officers and a Chief Financial Officer
11. Discussion and possible approval of a Resolution approving an Agreement with Allied Employer Group for professional services
12. Presentation on DCOA's role, history, and 2020 site selection criteria
13. Discussion of the next board meeting date
14. 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 26th day of March, 2021 at 2:40 p.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.

**BOARD MEETING MINUTES
FEBRUARY 26, 2021**

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
FEBRUARY 26, 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 Akane Thaxton

Ashley Whitmer

GUESTS PRESENT: Mark Zachary McMahan Surovik Suttle, PC
Doug Williamson Abilene Chamber of Commerce
Brent Schroeder Abilene Industrial Foundation
Gray Bridwell Military Affairs Committee

1. **CALL THE MEETING TO ORDER:** Chair Jack Rich called the meeting to order at 9:30 am by videoconference.
2. **INVOCATION:** Chair Jack Rich 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. Chair Jack Rich also announced there would be an additional opportunity for the public comment on Agenda Item 13 following Executive Session. No members of the public requested to make public comment. Thus, Chair Jack Rich moved on to Agenda Item 4.
4. **GOVERNANCE SCHEDULE:** Misty Mayo, DCOA CEO, stated that the 2021 governance schedule is in the packet. The governance schedule is a tool that ensures the DCOA is operating on schedule and is a living document that can be amended as needed.
5. **APPROVAL OF MINUTES FROM THE JANUARY 27, 2021 BOARD MEETING:** Sam Vinson moved to approve the minutes from the January 27, 2021 Board Meeting. Vic Corley seconded, and the motion passed.
6. **DCOA FINANCIAL REPORT FOR JANUARY 2021:** Akane Thaxton, DCOA Finance Manager, presented the Financial Report for January 2021. The DCOA's total current assets as of January 31, 2021, were \$36,222,518. The January revenues totaled \$1,008,043 and total expenditures were \$2,276,430. One of the major expenses in January was the Street Maintenance Fund payment. CEO Misty Mayo stated that the Street Maintenance Fund payment was a part of a five-year annual payment approved by the DCOA Board through a Resolution in 2019. CEO Misty Mayo noted on the Balance Sheet the difference in the

checking/savings account for January 2021 compared to January 2020. Since October 1, 2020, the DCOA has managed its' financial accounts with Condley and Company. Chair Jack Rich asked CEO Misty Mayo to clarify where the assets are currently being held. CEO Misty Mayo explained the assets were at First Financial Bank, excluding the investment monies which would be discussed later on the Agenda.

The Board asked clarification questions and made comments regarding the Financial Reports. CEO Misty Mayo explained the team would continue working on the Financial Reports and asked the Board to review and continue to provide feedback on the monthly Financial Reports.

7. ANNOUNCEMENT FOR MILITARY AFFAIRS COMMITTEE'S DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT (DEAAG): CEO Misty Mayo introduced Gray Bridwell, with the Military Affairs Committee, to announce the receipt of the Defense Economic Adjustment Assistance Grant (DEAAG). Gray Bridwell explained that because of the DCOA's commitment of 10% matching funds for security upgrades at Dyess Air Force Base, the Military Affairs Committee applied for and received a 50% grant for the security upgrades, with the Air Force providing the remaining 40%. For a 10% return on a \$3.7 million project, the DCOA and Military Affairs Committee were able to help Dyess Air Force Base with needed upgrades.

Gray Bridwell noted that these projects help Dyess Air Force Base with Base Realignment and Closure (BRAC) decisions and community partnership. Gray Bridwell thanked the Board for their contribution and the huge win that everyone involved had achieved. CEO Misty Mayo thanked Gray for his work with the Military Affairs Committee and Dyess Air Force Base. She also thanked the Board for continuing to ensure the DCOA supports Dyess Air Force Base in maintaining the quality and longevity of their commitment to Abilene. Chair Jack Rich thanked Gray for the Military Affairs Committee's efforts and for announcing the DEAAG win.

8. ANNOUNCEMENT THAT DCOA RECEIVED THE TEXAS ECONOMIC DEVELOPMENT COUNCIL'S 2020 ECONOMIC EXCELLENCE RECOGNITION AWARD: CEO Misty Mayo announced that the DCOA received the 2020 Economic Excellence Recognition award from the Texas Economic Development Council. The recognition is provided to economic development organizations that meet a desired level of professionalism and commitment to excellence. Recipients qualify for the recognition based on training taken by their governing board members, as well as their economic development executive and professional staff team members. CEO Misty Mayo congratulated the Board for the commitment to excellence and to continually learning the business of economic development in Texas. CEO Misty Mayo recognized the DCOA staff for their commitment to continue to be engaged in the economic development professional organizations and international professional organizations, as well as continual improvement through educational opportunities for economic development.

9. EXECUTIVE SESSION: Chair Jack Rich announced that the Travel and Expense Policy was posted on the Abilene DCOA website for review and reminded that there would be an additional public comment for Agenda Item 13 after 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 February 26, 2021 and the time is 9:56 am. Later, Chair Jack Rich announced the date is still February 26, 2021 and the time is 11:12 am, and that no vote or action was taken in Executive Session.

10. REVIEW AND DISCUSSION OF A DCOA INVESTMENT POLICY: CEO Misty Mayo presented the DCOA Investment Policy, reminding the Board and the public that the DCOA Investment Policy was posted online at the beginning of the meeting. The Chair formed a two-person committee comprised of Secretary and Treasurer Vic Corley and Chair Jack Rich to review the recommended Investment Policy. The committee brought in outside consultants to provide advice, including Marelyn Shedd at First Financial Bank. The Board will review the Policy in further detail and discuss at the next board meeting.

11. UPDATE AFTER WINTER STORM REGARDING THE STATUS OF POTENTIAL DAMAGE TO DCOA OWNED PROPERTIES: CEO Misty Mayo stated the DCOA is assessing any potential storm damage of DCOA-owned properties. The DCOA discovered damage at Hangar 4, which is currently leased from the DCOA by Eagle Aviation Services, Inc. (EASI). The DCOA believes the damage will be covered by the TMLIRP Policy, which is currently owned by the City of Abilene. The DCOA is working in conjunction with the City of Abilene to assess the damages and potential insurance coverage for Hangar 4. The DCOA is continuing to assess all other properties owned or operated by the DCOA to uncover additional damage.

12. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING AN AGREEMENT WITH PROJECT DOUBLE T: Chair Jack Rich tabled Agenda Item 12.

13. DISCUSSION AND POSSIBLE APPROVAL OF A DCOA TRAVEL AND EXPENSE POLICY: Chair Jack Rich announced an opportunity for the public to comment on Agenda Item 13. He further stated 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 a discussion and possible approval of a DCOA Travel and Expense.

Chair Jack Rich made an introductory explanation of the Policy prior to the discussion. He stated that there was concern expressed through open meetings and open records information about expenses incurred by the DCOA and the fulfillment of its responsibilities of trying to attract businesses to the community. The Chair formed a committee comprised of Chair Jack Rich and Board Member Floyd Miller to review the recommended Travel and Expense Policy. Chair Jack Rich further explained this is a continuation of his commitment he made to City Council to review the DCOA's Travel and Expense Policy. The Policy reflects the competitive nature of economic development and attracting businesses to the community. The committee discussed with the DCOA leadership multiple sections and drafts

of the Policy, including the alcohol policy, to understand the most appropriate way to draft the Policy. The committee and Board recognized that the DCOA must have the necessary tools to make Abilene competitive and expected the DCOA Team to be professional and cognizant of the fact that the DCOA is using money that is provided by the sales tax in the City of Abilene; and the trust that goes with that process. The Policy is written in a way that reflects those expectations and recognitions. The Policy recognizes that a big part of the responsibility that the Board charges the DCOA administration with is to build relationships. To do this, the DCOA must look for places and times where people are receptive to conversation, which is often meals at conferences and when people are coming to town to visit.

Chair Jack Rich thanked Floyd Miller for his time and commitment to working on the committee for the Policy. Floyd Miller stated that the expectation of team members is to do the right thing. The Policy outlines the expectation for the DCOA team to do the right thing, behave honestly and responsibly within the guidelines of the Policy, and seek to keep costs to a minimum where possible in line with the best interest of Abilene. Floyd Miller explained that it is not just about one meal; but that the DCOA team work to bring companies to Abilene who can provide meals for thousands of families. Floyd Miller further stated that it is important to keep focused on the goal of bringing new jobs here and enlarging the tax base. If the DCOA team continues to focus on that goal, a more expensive meal can be justified over time.

CEO Misty Mayo explained the DCOA did a tremendous amount of benchmarking not only of like-sized markets and their economic development organizations, but of small and larger markets and corporate expense policies. Some of the wording in the Policy was pulled from other economic development organizations in the State. CEO Misty Mayo stated that is also important to remember that it has only been six months since the DCOA, along with the support of partners and the City Council, determined the DCOA realignment would include internally executing the Business Attraction and Marketing and Brand Awareness Core Pillars. Over the last six months, there has been a tremendous amount of work aligning the organization from an administrative side.

Sam Vinson made a motion for the DCOA to approve a DCOA Travel and Expense Policy. Vic Corley seconded, and the motion passed.

14. TEXAS ECONOMIC DEVELOPMENT COUNCIL'S LEGISLATIVE PRIORITIES TO KEEP TEXAS COMPETITIVE IN ECONOMIC DEVELOPMENT: CEO Misty Mayo explained the DCOA team commits to bring an educational development piece to the Board each month. The Texas Economic Development Council legislative priorities are issues addressed every two years. The six ways to keep Texas strong in economic and community development are:

1. Protect the Economic Development Sales Tax for Economic and Community Development.
2. Support the 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 Zone.
4. Maintain Funding for Texas Workforce Development Programs.
5. Support and Promote Innovation and Entrepreneurship.
6. Promote and Protect Local Control including Preserving Local Tax Incentives like Chapter 312 of the Texas Tax Code. (Tax Code Chapter 312 – Tax Abatement Act)

15. DISCUSSION OF THE NEXT BOARD MEETING DATE: Board members considered dates for the next meeting, and Chair Jack Rich announced that the next scheduled regular meeting of the DCOA Board will be on March 31, 2021 at 9:00 am.

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

Jack Rich, Chair

Vic Corley, Secretary & Treasurer

GOVERNANCE SCHEDULE

2021 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	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

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	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

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Governance: Reports of Activity
												Partner Written Reports of Activity for activity from October 1, 2020 - March 31, 2021 due April 15, 2021 (ABI, AIF, AISD, Griggs, SBDC, & MAC)
												Partners Written Reports of Activity for activity from April 1, 2021 - September 30, 2021 due October 15, 2021 (ABI, AIF, AISD, Griggs, SBDC, & MAC)
	X											Present Report of Activity -- MAC
		X										Present Report of Activity -- AIF
												Present Report of Activity -- DCOA
												Present Report of Activity -- AISD
												Present Report of Activity -- Griggs
												Present Report of Activity -- ABI
												Present Report of Activity -- SBDC

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Governance: Annual Approvals
	X											Review and adopt a written resolution approving the DCOA Investment Policy
		X										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)

2021 DCOA Governance Schedule

													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	X																							Approval of Last Meeting's Minutes
X	X	X																							Financial Report Presented by DCOA Staff (Accounting Firm, As Requested)
X	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	X																							Properties, As Needed
X	X	X																							Projects, As Needed
X	X	X																							Board Approval of Expenditures Over \$50,000, As Required
																									● Benchmark Comparisons

Rv. 03/29/21

REPORT FROM THE PRESIDENT & CEO

RESOLUTION NO. DCOA-2021.13

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) APPROVING EXPENDITURES GREATER THAN OR EQUAL TO \$50,000.

WHEREAS, the DCOA’s President (“President”) has provided a report of upcoming DCOA expenditures, each of which are expected to be greater than or equal to \$50,000 (the “Report”).

NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:

PART 1. Each expenditure described in the Report is hereby approved and the President shall be and hereby is authorized to make and/or contract for each expenditure described in the Report.

The President is further authorized to, if necessary, on behalf of the DCOA, negotiate, enter into and execute all agreements, make expenditures under said agreements, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

PART 2. This Resolution takes effect immediately upon passage.

ADOPTED this the 31st day of March, 2021.

ATTEST:

Vic Corley
Secretary/Treasurer

Jack Rich
Chairman of the Board

APPROVED AS TO FORM:

Mark S. Zachary, Attorney at Law

PENDING EXPENDITURES OVER \$50,000

Vendor	Contract Amount	Details
Automatic Fire	\$ 423,000.00 <small>(Contract requires checks paid at project pace of progression)</small>	Approved in Budget in July 2020 <ul style="list-style-type: none"> Five Points Business Park: Fulwiler Properties Pumphouses Construction
Illuminate Painting	\$ 163,346.00 <small>(Contract requires checks paid at project pace of progression)</small>	Approved in Budget in July 2020 <ul style="list-style-type: none"> Five Points Business Park: Pactiv Exterior Paint
Illuminate Painting	\$ 110,090.25 <small>(Contract requires checks paid at project pace of progression)</small>	Approved in Budget in July 2020 <ul style="list-style-type: none"> Five Points Business Park: Prairie Dog Pet Products Exterior Paint
Tapit Fire	\$ 236,565.42 <small>(Contract requires checks paid at project pace of progression)</small>	Approved in Budget in July 2020 & Commitment to Eagle Aviation Services, Inc. (EASI) through Agreement <ul style="list-style-type: none"> Abilene Regional Airport: Hangar 2 Expansion
City of Abilene	\$ 267,426.19	Approved in Budget in July 2020
Project Grasshopper	\$ 500,000.00	Approved in Budget in July 2020 & Approved Project in August 2020
Owens Machine & Tool	\$ 50,000.00	Approved in Budget in July 2020 & Approved Project in July 2020

FINANCIAL REPORT FEBRUARY 2021

Development Corporation of Abilene
Summary Balance Sheet
As of February 28, 2021

Accrual Basis

	Feb 28, 21
ASSETS	
Current Assets	
Checking/Savings	9,054,876.55
Accounts Receivable	2,089,793.09
Other Current Assets	29,475,676.76
	40,620,346.40
Total Current Assets	40,620,346.40
Fixed Assets	35,641,267.55
Other Assets	16,840,933.82
	93,102,547.77
TOTAL ASSETS	93,102,547.77
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	390,238.41
Credit Cards	455.04
Other Current Liabilities	-45,264.24
	345,429.21
Total Current Liabilities	345,429.21
Total Liabilities	345,429.21
Equity	92,757,118.56
	93,102,547.77
TOTAL LIABILITIES & EQUITY	93,102,547.77

Development Corporation of Abilene
Balance Sheet Prev Year Comparison
As of February 28, 2021

Accrual Basis

	Feb 28, 21	Feb 29, 20	% Change
ASSETS			
Current Assets			
Checking/Savings			
10001 · Cash in Bank - FFB	8,876,930.55	25,000.00	35,407.7%
11001 · Fair Value Market Adjustment	0.00	-8,228.28	100.0%
11002 · Investment Pool Participation	177,946.00	0.00	100.0%
Total Checking/Savings	9,054,876.55	16,771.72	53,889.0%
Accounts Receivable			
12000 · Accounts Receivable	19,036.74	0.00	100.0%
12102 · A/R Sales Tax Due From State	2,070,677.00	2,042,065.00	1.4%
12501 · Accounts Receivable Employee	79.35	1,520.94	-94.8%
Total Accounts Receivable	2,089,793.09	2,043,585.94	2.3%
Other Current Assets			
12602 · Accrued Interest	74,283.58	31,303.00	137.3%
12610 · Allowance for Doubtful Accounts	-74,283.58	-31,303.00	-137.3%
12710 · Current Portion of LT Debt	2,448,223.28	0.00	100.0%
13710 · Due From Pooled Cash	663.10	966.93	-31.4%
13720 · Due From Investment Fund	23,869,355.85	35,647,499.26	-33.0%
16001 · Prepaid Expense/Escrow	18,508.83	0.00	100.0%
17311 · TTU 842 Pine N/R	0.00	385,000.00	-100.0%
17313 · ABIMAR Foods, Inc 2015	300,000.00	300,000.00	0.0%
17317 · ERG 2020 Extreme Exteriors	245,020.00	0.00	100.0%
17319 · Hendrick Medical Center Soph.15	557,551.70	836,327.56	-33.3%
17320 · HSU-ABLABS N/R	0.00	250,000.00	-100.0%
17321 · ERG 2020 Lauren Engineers N/R	250,000.00	0.00	100.0%
17322 · ERG 2020 Lone Star Canvas	195,000.00	0.00	100.0%
17323 · ERG 2020 Sokdolagers	30,000.00	0.00	100.0%
17324 · ERG 2020 PDPP	300,000.00	0.00	100.0%
17325 · ERG 2020 Tiger Manufacturing	222,778.00	0.00	100.0%
17326 · ERG 2020 Dansco	186,000.00	0.00	100.0%
17334 · ERG 2020 Petrosmith Equipment	502,576.00	0.00	100.0%
17335 · ERG BWJ Metalworks, LLC	300,000.00	0.00	100.0%
17336 · ERG Owens 2020	50,000.00	0.00	100.0%
Total Other Current Assets	29,475,676.76	37,419,793.75	-21.2%
Total Current Assets	40,620,346.40	39,480,151.41	2.9%
Fixed Assets			
15000 · Furniture and Equipment	8,718.59	0.00	100.0%
18107 · Land	3,123,699.09	3,336,888.59	-6.4%
18201 · Construction in Progress	223,587.11	1,566,830.39	-85.7%
18307 · Building & Improvements	25,294,669.84	35,648,761.80	-29.0%
18407 · Other Improvements	19,783,306.45	18,707,441.19	5.8%
18607 · Machinery & Equipment	7,264.00	24,663.62	-70.6%
18707 · Vehicles	70,862.00	70,862.00	0.0%
18837 · Accumulated Dep. Building	-8,253,499.51	-10,194,863.14	19.0%
18847 · Accumulated Depr Other Improve	-4,574,064.67	-4,437,793.12	-3.1%
18867 · Accumulated Depr Machin & Equip	-3,753.07	-20,184.17	81.4%
18877 · Accumulated Depr Vehicles	-39,522.28	-33,407.21	-18.3%
Total Fixed Assets	35,641,267.55	44,669,199.95	-20.2%

Development Corporation of Abilene
Balance Sheet Prev Year Comparison
As of February 28, 2021

Accrual Basis

	Feb 28, 21	Feb 29, 20	% Change
Other Assets			
17307 · Notes Receivable Misc.			
17307.1 · BBP Bird, LP N/R	2,292,933.61	2,652,933.52	-13.6%
17307.2 · AbiMar N/R	361,111.06	0.00	100.0%
17307.3 · Hartmann's Bldg. A 2020	2,401,000.00	0.00	100.0%
17307.5 · Receptor Logic, Inc.	1,857,089.40	2,000,000.00	-7.2%
17307.6 · Extrusion Concepts Bldg. B 2020	535,334.19	0.00	100.0%
17307 · Notes Receivable Misc. - Other	0.00	-81,119.99	100.0%
Total 17307 · Notes Receivable Misc.	7,447,468.26	4,571,813.53	62.9%
17308 · N/R - Earning Economic Incentiv			
17309 · PDPP 2015	6,290,622.68	4,500,000.00	39.8%
17312 · ABIMAR 4109 Vine Job Creation	1,333,333.33	0.00	100.0%
17314 · Broadwind Towers, Inc 2016	-89.99	356,830.27	-100.0%
17315 · Coca-Cola Refreshments USA, Inc	616,355.61	1,849,066.85	-66.7%
17316 · BE 2018 Elements Automotive N/R	25,000.00	100,000.00	-75.0%
17318 · FDLIC N/R	1,035,000.00	0.00	100.0%
17327 · BE 2020 2 Profs Ice Cream	75,000.00	0.00	100.0%
17328 · BE 2020 Belt Buckle Distillery	75,000.00	0.00	100.0%
17329 · BE 2020 Moose Mountain Goods	33,333.33	0.00	100.0%
17330 · BE 2018 Pappy Slokum Brewing Co	-25,000.00	100,000.00	-125.0%
17331 · BE 2019 Sockdolagers, LLC N/R	50,000.00	100,000.00	-50.0%
17332 · BE 2019 Unique Kid Beds, Inc.	75,000.00	100,000.00	-25.0%
17333 · Extrusion Concepts 20	320,000.00	0.00	100.0%
17337 · Hartmann 2020	900,000.00	0.00	100.0%
17338 · Chike 2020	387,000.00	0.00	100.0%
17339 · Vista Flags	60,000.00	0.00	100.0%
Total 17308 · N/R - Earning Economic Incentiv	11,250,554.96	7,105,897.12	58.3%
17310 · N/R - Receptor Logic	-1,857,089.40	-2,000,000.00	7.2%
Total Other Assets	16,840,933.82	9,677,710.65	74.0%
TOTAL ASSETS	93,102,547.77	93,827,062.01	-0.8%
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
21001 · Accounts Payable	340,426.63	0.00	100.0%
21004 · Accounts Payable - Retainage	0.00	126,051.00	-100.0%
23001 · Accrued Wages Payable	16,675.78	0.00	100.0%
26901 · Curr - Compensated Absences PA	8,934.00	0.00	100.0%
27901 · Lt Compensated Absences Payable	24,202.00	0.00	100.0%
Total Accounts Payable	390,238.41	126,051.00	209.6%
Credit Cards			
21002 · Home Depot Credit Card	455.04	0.00	100.0%
Total Credit Cards	455.04	0.00	100.0%
Other Current Liabilities			
20008 · Due to City of Abilene	-45,264.24	-169,599.98	73.3%
Total Other Current Liabilities	-45,264.24	-169,599.98	73.3%
Total Current Liabilities	345,429.21	-43,548.98	893.2%
Total Liabilities	345,429.21	-43,548.98	893.2%

**Development Corporation of Abilene
Balance Sheet Prev Year Comparison
As of February 28, 2021**

Accrual Basis

	Feb 28, 21	Feb 29, 20	% Change
Equity			
30001 · Investment in Capital Assets	35,436,708.00	45,313,720.44	-21.8%
32000 · Unrestricted Net Assets	-3,561,909.74	-4,281,684.60	16.8%
34000 · Unreserved Fund Balance	39,380,445.98	36,815,659.48	7.0%
38001 · Encumb/Commit Accrual	20,587,452.00	13,275,354.23	55.1%
Net Income	914,422.32	2,747,561.44	-66.7%
Total Equity	92,757,118.56	93,870,610.99	-1.2%
TOTAL LIABILITIES & EQUITY	93,102,547.77	93,827,062.01	-0.8%

Development Corporation of Abilene, Inc.
Economic Development Program Status
February 28, 2021

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

	Original Amount	Prior Years Disbursements	FY21 Disbursement YTD Oct-Feb	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	50,000		5,503	44,497
NEXUniversity 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	3,061,211	148,167	6,290,623
* 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	169,519
* BE in Abilene 2018	200,000		-	200,000
* 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	0
* 842/834 Pine St. Sale	770,000	385,000	385,000	0
* FDLIC	1,035,000		-	1,035,000
Airport-Aerospace Cluster Study	55,000	50,073	-	4,927
174 Cypress & Parking Garage	1,100,000	1,097,077	87,209	-84,286
Marigold St. Upgrade	1,325,000	60,669	-	1,264,331
Fulwiler Rd. Upgrade	1,275,000	4,200	-	1,270,800
* Economic Relief Grant 2020	3,000,000	-	-	3,000,000
* Hartmann's	900,000		-	900,000
* AbiMar Foods 2020	2,000,000		-	2,000,000
* Bavarian	400,000		-	400,000
Hangar 2 Expansion A/E & Construction	1,100,000	85,929	296,442	717,629
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	600	-	224,400
Fulwiler C&D Clean Out	125,000	6,181	14,125	104,694
* Chike	387,000		-	387,000
* Vista Flags	60,000		-	60,000
TOTAL FOR ECONOMIC PROGRAMS	\$ 49,049,484	\$ 16,391,721	\$ 3,239,189	\$ 29,418,574

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

APPROVED PROJECTS - PENDING SIGNED CONTRACTS:

	Approved Amount
JLUS Implementation/Matching Grant	\$ 55,000
Dyess AFB DEAAG/Matching Grant	536,337
Dyess AFB/Egress Barriers/Matching Grant	199,017
Dyess AFB/Gate Upgrade/Matching Grant	188,608
Jacob and Martin	525,000
Quality Implement	500,000

SUMMARY OF MULTIYEAR BUDGET ACTIVITY FOR FEBRUARY 2021:

EASI De-Fuel Truck	\$ 1,950
Industrial Maintenance Training	816
Hangar 2 Expansion	17,106
TOTAL FOR FEBRUARY ECONOMIC PROGRAMS	\$ 19,872

* Information generated from annual multiyear budgets

ABILENE INDUSTRIAL FOUNDATION (AIF) REPORT

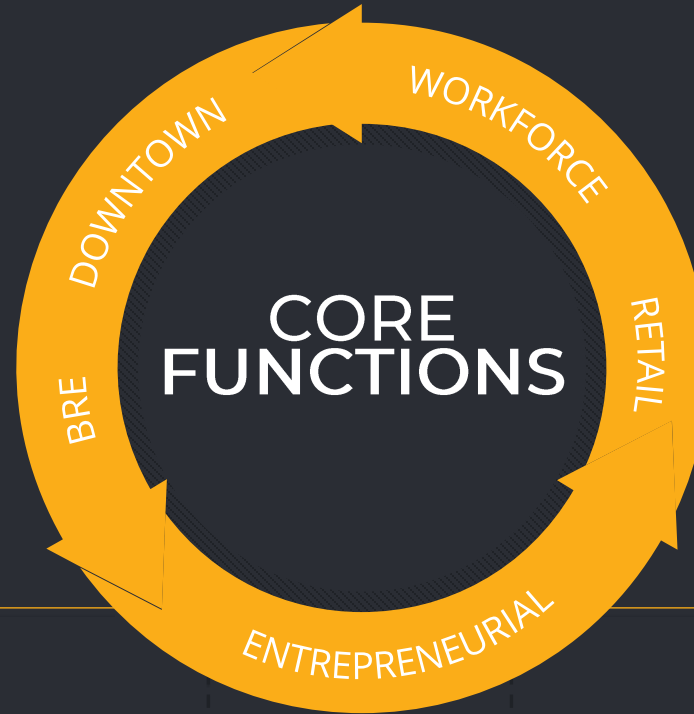


ABILENE INDUSTRIAL FOUNDATION

QUARTERLY UPDATE
Jan – March 2021

HISTORY

Incorporated in 1962, the Abilene Industrial Foundation (AIF) is a storied, long-standing private sector-driven economic development arm of the Abilene Chamber of Commerce. One leg, as it were, of a three-legged stool that included the City of Abilene and the Development Corporation of Abilene to bring the balance.



ABOUT

An affiliate of the Abilene Chamber of Commerce, the **Abilene Industrial Foundation (AIF)** is a public private partnership between the **Development Corporation of Abilene** and the Abilene business community. The AIF works to cultivate Abilene's economic ecosystem through entrepreneurial services, business retention and expansion and downtown development. The AIF also serves as a liaison between education and business to help shape the future of our Abilene workforce.

BUSINESS
RETENTION &
EXPANSION

ENTREPRENEURSHIP

DOWNTOWN &
RETAIL
DEVELOPMENT

WORKFORCE &
TALENT
DEVELOPMENT

GUIDE:  COMPLETED  ON TRACK  DELAYED/DEFERRED

WORKFORCE & TALENT KNOWLEDGE

-  Commission an updated workforce study

-  Serve as a liaison and subject matter expert in workforce

-  Report monthly on labor market

-  Prepare workforce reports and plans for local businesses

-  Conduct onsite visits focused on skills and labor gaps

-  Connect businesses to workforce programs and projects

-  Collaborate with DCOA on marketing of talent resources

EDUCATION & WORKFORCE

-  Research and implement business apprenticeship program

-  Foster relationships between businesses and educational institutions


-  Connect with post-secondary graduates and career centers


-  Serve as a conduit for linking businesses to students through internships and apprenticeships


INDUSTRY SPECIFIC INITIATIVES

-  Utilize local experts for funding access, international trade, lean manufacturing, succession planning and sales and marketing


LEVERAGE FUNDING RESOURCES FOR WORKFORCE


-  Collaborate and leverage Texas Workforce Commission funds


-  Identify USEDAs grants


-  Collaborate with Texas Workforce Commission to promote workforce grants


TALENT RECRUITMENT & PIPELINE DEVELOPMENT

-  Launch an awareness campaign of employment opportunities


-  Work closely with Dyess Air Force Base Family Readiness Center


-  Work to reach re-emerging and disabled workforce


-  Participate with IRC to help fill workforce gaps


-  Coordinate placement of student internships

DOWNTOWN REVITALIZATION & DEVELOPMENT

-  Make Downtown Abilene a center of employment and investment

-  Update downtown plan

-  Continue redeveloping the Pine Street corridor

-  Plan and develop funding mechanisms



ENTREPRENEURIAL DEVELOPMENT

-  Engage local entrepreneurs to support and participate in local entrepreneurial initiatives

-  Grow entrepreneurs through workshops and classes

-  Conduct and grow the "BE IN ABILENE" competition

-  Coordinate activities with the Small Business Development Center (SBDC)

-  Create student entrepreneurial programs

-  Generate a network of financial support for local entrepreneurs

BUSINESS RETENTION & EXPANSION

-  Know the existing business market and Type A companies

-  Serve companies based on BRE program performance measures

-  Become a BRE industry expert

-  Host an annual roundtable in conjunction with workforce and talent development and DCOA

-  Conduct an annual survey of businesses with Abilene Chamber of Commerce

-  Devise and present a plan for onsite business visits

-  Conduct 50 on-site company visits

-  Conduct annual BRE blitz

-  Expand BRE efforts focused on downtown

-  Conduct targeted corporate headquarters trips

*Dashboard will be updated in April with pending adjustments to the service agreement from COVID-19

IMPACT NUMBERS

FROM THE SERVICE AGREEMENT

67

Responses to three surveys gaining insights on industry needs



\$300K

Advanced Together Implementation Grant

338

Hours of continuing education for staff

530

Type A companies identified

3

On-site visits focused on skills and labor gaps

TWO

Newsletters launched for workforce related issues for businesses. Career Connection and Workforce Wednesday



\$ 37,500

Matching grant to commission new workforce study

98

Businesses connected to education, industry, Dyess and community projects related to workforce

10

Workshops and classes related to entrepreneurship & businesses

450

Updated Type A business information

150

Entrepreneurs reached through educational opportunities, networking, etc.



IMPACT NUMBERS

FROM A PUBLIC PRIVATE PARTNERSHIP

Private Funding

\$170K in PRIVATE resources invested into the creation of the downtown Festival District that is ongoing.

AIF contributed more than \$100k in PRIVATE cash to create the downtown vision plan, which has led to more than \$150 million in investment in downtown ABI.

\$112 million in pipeline projects in Downtown and Downtown corridor.

Pro-business environment

The AIF also provides the PRIVATE resources that provide for boots on the ground in Austin to ensure pro-business, pro-growth legislation and conditions for area businesses.

- SB 144 - Economic Development/Chapter 313, reauthorizing school districts' ability to provide tax abatement for economic development projects.
- HB 1511 - Creation of the connectivity office within the Office of the Governor to work with the Governor's Broadband Development Council and others in developing a statewide connectivity plan expanding access to high-speed internet service in Texas.
- HB 1195/SB 372 - The amount of the forgiveness of a loan made under the Paycheck Protection Program is not considered part of a business' total revenue for franchise tax purposes.
- SB 551 - Prohibiting local authorities to require an employer to provide employment benefits to workers.



PUBLIC PRIVATE PARTNERSHIP

WITH THE ABILENE INDUSTRIAL FOUNDATION



AIF
PROVIDES

- \$125k of private opportunity investment
- 2,060 job views on private funded job board
- 925 years of combined experience from board of directors
- 594 hours of volunteer time since Jan. 1
- 78 years of professional experience

DCOA INVESTMENT POLICY

RESOLUTION NO. DCOA-2021.11

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”), APPROVING AND ADOPTING AN INVESTMENT POLICY AND APPOINTING CERTAIN OFFICERS.

WHEREAS, the DCOA desires to approve and adopt an Investment Policy for the investment practices of the DCOA; and,

WHEREAS, the DCOA also desires to appoint Misty Mayo and Julie Johncox as Investment Officers of the DCOA and Misty Mayo as the Chief Financial Officer of the DCOA.

NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:

PART 1. DCOA approves and adopts the attached Investment Policy.

PART 2. Misty Mayo and Julie Johncox are each appointed as an Investment Officer of the DCOA and Misty Mayo is appointed as the Chief Financial Officer of the DCOA.

PART 3. This Resolution takes effect immediately upon passage.

ADOPTED this the 31st day of March, 2021.

ATTEST:

Vic Corley
Secretary/Treasurer

Jack Rich
Chairman of the Board

APPROVED AS TO FORM:

Mark S. Zachary, Attorney at Law

DEVELOPMENT CORPORATION OF ABILENE, INC. INVESTMENT POLICY

ARTICLE I PURPOSE AND NEED FOR POLICY

In accordance with Chapter 2256 of the Texas Government Code, as amended, (the “**Public Funds Investment Act**”), this Investment Policy provides for rules governing the investment practices of the Development Corporation of Abilene, Inc. (the “**DCOA**”) and defines the authority of the DCOA’s investment officers. This Investment Policy addresses the methods, procedures and practices which must be exercised to ensure effective and prudent fiscal management of the DCOA’s funds.

As allowed under the Public Funds Investment Act and this Policy, it is the goal of the DCOA to handle funds in a way which will provide the highest investment on return with the maximum security while meeting daily cash flow demands.

This Investment Policy applies to all financial assets and funds held by the DCOA.

ARTICLE II SCOPE

This Investment Policy applies to the investment and management of all public funds in the custody of the DCOA that the DCOA has authority to invest under the Public Funds Investment Act (the “**Fund Balance**”).

A. These funds are accounted for in the DCOA’s financial statements.

This Investment Policy shall apply to all transactions involving the financial assets and related activity of all the foregoing funds.

B. This Investment Policy excludes:

- (1) Employee Retirement funds;
- (2) Employee Health Care funds; and
- (3) Employee accrued vacation and sick time.

C. Review and Amendment

The DCOA’s Board of Directors (the “**Board**”) shall review this Investment Policy and the Investment Strategy (defined hereinafter) not less than annually and adopt a written resolution stating the review has been completed and recording any changes made to either this Investment Policy or the Investment Strategy.

ARTICLE III PRUDENCE

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

In determining whether an Investment Officer (defined hereinafter) has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (1) the investment of all funds, or funds under the DCOA's control, over which the Investment Officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (2) whether the investment decision was consistent with this Investment Policy.

All participants in the investment program will seek to act responsibly as custodians of the public's trust. Investment Officers will avoid any transaction that might impair public confidence in the DCOA's ability to conduct business effectively. Investment Officers shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism which is worthy of the public's trust. Nevertheless, the DCOA recognizes that in a marketable, diversified portfolio, occasional measured losses are inevitable and must be considered within the context of the overall portfolio's investment rate of return.

ARTICLE IV OBJECTIVES

Investment of funds shall be governed by the following investment objectives, in order of priority: (1) preservation and safety of principal; (2) liquidity; and (3) yield.

A. Preservation and Safety of Principal

Preservation of capital and meeting cash flow demands are the foremost objectives of the DCOA. Each investment transaction shall seek first to ensure that capital losses are avoided.

B. Liquidity

The DCOA's investment portfolio will remain sufficiently liquid to enable the DCOA to meet all operating requirements which can be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow requirements.

C. Yield

The investment portfolio of the DCOA shall be designed to meet or exceed the average rate of

return on 91-day United States Treasury Bills throughout budgetary and economic cycles, considering the DCOA's investment risk constraints and the cash flow characteristics of the portfolio.

ARTICLE V RESPONSIBILITY AND CONTROL

A. Written Procedures

Management responsibility to establish written procedures for the operation of the investment program consistent with this Investment Policy shall be assigned to the DCOA's President/Chief Executive Officer (the "**President/CEO**") and the DCOA's EVP/Chief Operating Officer ("**EVP/COO**"). Such procedures shall include explicit delegation of authority to persons responsible for the daily cash management operation, the execution of investment transactions, overall portfolio management and investment reporting.

B. Subordinates

All persons involved in investment activities shall be referred to as "**Investment Officers**". No person shall engage in an investment transaction except as provided under the terms of this Investment Policy, the procedures established by the DCOA's President/CEO, the DCOA's EVP/COO, and the explicit authorization by the President/CEO to withdraw, transfer, deposit and invest the DCOA's funds. The President/CEO, EVP/ COO, and Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

C. Internal Controls

Internal controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by Investment Officers. Controls deemed most important would include control of collusion, separation of duties, third-party custodial safekeeping, clear delegation of authority, written confirmation of telephone transactions, minimizing the number of authorized Investment Officers, and documentation of and rationale for investment transactions.

In conjunction with the DCOA's annual independent financial audit, a compliance audit of management controls on investments and adherence to this Investment Policy and the Investment Strategy shall be performed by the DCOA's independent auditor.

D. Ethics and Conflicts of Interest

An Investment Officer of the DCOA who has a personal business relationship with a business organization offering to engage in an investment transaction with the DCOA shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree of affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to sell an investment to the DCOA shall file a statement disclosing that relationship. Any statements required to be filed under this Article

shall be filed with the Texas Ethics Commission and the Board. For purposes of this Investment Policy, an Investment Officer has a personal business relationship with a business organization if:

- (1) the Investment Officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- (2) funds received by the Investment Officer from the business organization exceed 10 percent of the Investment Officer's gross income for the previous year; or
- (3) the Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

Investment Officers shall not utilize investment advice concerning specific securities or classes of securities obtained in the transaction of the DCOA's business for personal investment decisions, will in all respects subordinate their personal investment transactions to those of the DCOA, particularly with regard to the timing of purchase and sales and will keep all investment advice obtained on behalf of the DCOA and all transactions contemplated and completed by the DCOA confidential, except when disclosure is required by law.

E. Investment Training Requirements

The DCOA's President/CEO, EVP/ COO, Chief Financial Officer, Treasurer, Finance Manager, and Investment Officers shall attend at least one ten-hour training session from an independent source relating to their investment responsibilities within 12 months after assuming their duties. In addition to this ten-hour requirement, the President/CEO, EVP/ COO, Finance Manager, and Investment Officers shall receive not less than ten hours of instruction in their investment responsibilities from an independent source at least once during each two-year period beginning on the first day of the DCOA's fiscal year after which the individual last completed their training and ending on the last day of the second fiscal year. For purposes of this Investment Policy, an "*independent source*" from which investment training shall be obtained would include a professional organization or an institute of higher learning. Such training shall include education in investment controls, credit risk, market risk, investment strategies, and compliance with investment laws, including the Public Funds Investment Act. Training under this Section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act.

ARTICLE VI AUTHORIZED INVESTMENTS

- A. Obligations, including letters of credit, of the United States, its agencies, and instrumentalities.
- B. Direct obligations of the State of Texas, its agencies, and instrumentalities that have an investment rating of not less than "A" or its equivalent rating from other rating agencies.

- C. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, the State of Texas, the United States, or their respective agencies and instrumentalities.
- D. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent rating from other rating agencies.
- E. Certificates of deposit issued by a depository institution that has its main office or branch office in Texas and such certificates of deposit are:
 - (1) Guaranteed or insured by the Federal Deposit Insurance Corporation; or
 - (2) Secured by obligations described in this Article VI, Sections A through D above.
- F. A no-load money market mutual funds if the mutual fund:
 - (1) Is registered with and regulated by the Securities and Exchange Commission;
 - (2) Provides the DCOA with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and
 - (3) Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).
- G. A no-load mutual fund if the mutual fund:
 - (1) Is registered with the Securities and Exchange Commission;
 - (2) Has an average weighted maturity of less than two years; and
 - (3) Either:
 - (A) Has a duration of one year or more and is invested exclusively in obligations approved by Subchapter A of the Public Funds Investment Act; or
 - (B) Has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

Only investments authorized by this Investment Policy in this Article VI, Sections A through F above will be allowed. All other types of investments (whether allowed by the Public Funds Investment Act or not) will be prohibited investments. Additionally, all investments prohibited in the Public Funds Investment Act, Section 2256.009(b) will also be prohibited by the DCOA.

If an investment in the DCOA's portfolio becomes an unauthorized investment due to changes in this Investment Policy or the Public Funds Investment Act, or an authorized investment is rated in a way that causes it to become an unauthorized investment, the Investment Officers of the DCOA shall review the investment and determine whether it would be more prudent to hold the investment until its maturity, or to redeem the investment. The Investment Officers shall consider the time remaining until maturity of the investment, the quality of the investment, and the quality and amounts of any collateral which may be securing the investment in determining the appropriate steps to take. Except as provided by Chapter 2270, the Public Funds Investment Act does not require the DCOA to liquidate investments that were authorized investments at the time of

purchase.

An investment that requires a minimum rating under this Investment Policy does not qualify as an authorized investment during the period the investment does not have the minimum rating and the DCOA shall take all prudent measures that are consistent with this Investment Policy to liquidate an investment that does not have the minimum rating. The following procedures shall be used to monitor rating changes in investments: (1) the DCOA will monitor financial news made available over e-mail, the internet, and/or live news reports; and/or (2) the DCOA will utilize its broker/dealers to provide market information and financial news updates. Any rating changes in the DCOA's investments which are required to obtain a minimum rating under this Investment Policy shall be included in the DCOA's report under Article X.

ARTICLE VII PORTFOLIO AND INVESTMENT ASSET PARAMETERS

A. Bidding Process for Investments

It is the policy of the DCOA to require competitive bidding for all investment transactions except for:

- (1) transactions with money market mutual funds (which are deemed to be made at prevailing market rates); and
- (2) treasury and agency securities purchased at issue through an approved broker/dealer.

Bids must be solicited for all other investment transactions. Bids for certificates of deposit may be solicited in writing, electronically or in any combination of those methods.

B. Maximum Maturities

The DCOA will manage its investments to meet anticipated cash flow requirements. Unless matched to a specific cash flow, the DCOA will not directly obtain investments maturing more than three years from the date of purchase.

C. Diversification

The allocation of assets in the portfolios should be flexible depending upon the outlook for the economy. In establishing specific diversification strategies, the following general policies and constraints shall apply.

- (1) To attain sufficient liquidity, the DCOA shall schedule the maturity of its investments to coincide with known disbursements.
- (2) The following maximum limits, by instrument, are established for the DCOA's total portfolio:
 - U.S. Treasury Notes/Bills.....100%
 - Obligations of the United States or its Agencies
& Instrumentalities.....100%

- Certificates of Deposit.....100%
 - Mutual Funds (see C. (3) below).....100%
 - State of Texas Obligations & Agencies.....100%
 - Obligations of States, Agencies, Counties, Cities and other Political Subdivisions.....100%
- (3) The DCOA shall not: (A) invest in the aggregate more than 15 percent of its monthly average Fund Balance, excluding bond proceeds and reserves and other funds held for debt service, in a no-load mutual fund; (B) invest any portion of bond proceeds, reserves and funds held for debt service in a no-load mutual fund; and/or (C) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one no-load money market mutual fund and/or no-load mutual fund, in an amount that exceeds 10 percent of the total assets of the mutual fund.
- (4) The Board shall review diversification strategies and establish or confirm guidelines on at least an annual basis regarding the percentages of the total portfolio that may be invested in securities other than obligations of the United States or its agencies and instrumentalities. The Board shall review quarterly investment reports and evaluate the probability of market and default risk in various investment sectors as part of its consideration.

D. Delivery versus Payment

Except for mutual funds, the settlement of all transactions shall be made on a delivery versus payment basis.

**ARTICLE VIII
AUTHORIZED BROKER/DEALERS
AND FINANCIAL INSTITUTIONS**

A. The Investment Committee (defined hereinafter) shall, at least annually, review, revise, and adopt a list of financial institutions and broker/dealers selected by credit worthiness, who are authorized to engage in investment transactions and provide investment services to the DCOA. These firms may include:

- (1) all primary government securities dealers; and
- (2) those regional broker/dealers who qualify under Securities and Exchange Commission Rule 15c3-1 (17 C.F.R. Section 240.15c3-1) and/or Rule 15c3-3 (17 C.F.R. Section 240.15c3-3), and who meet other financial credit criteria standards in the industry.

The Investment Committee may select up to three firms or use only one firm from the approved list to conduct a portion of the daily DCOA investment business. These firms will be selected based on their competitiveness, participation in agency selling groups, the experience, and background of the salesperson handling the account. The approved broker/dealer list will be reviewed and approved along with this Investment Policy at least annually by the Investment Committee. A written copy of this Investment Policy shall be presented to any business organization offering to engage in an investment transaction with the DCOA.

B. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officers with the following:

- (1) Audited financial statements;
- (2) Proof of National Association of Securities Dealers certification, unless it is a bank;
- (3) Resumes of all sales representatives who will represent the financial institution or broker/dealer firm in dealings with the DCOA; and
- (4) An executed written instrument, by the qualified representative of the business organization, in a form acceptable to the DCOA and the business organization substantially to the effect that the business organization has received and reviewed this Investment Policy and acknowledges that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the DCOA and the organization that are not authorized by this Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the DCOA's entire portfolio; requires an interpretation of subjective investment standards; or relates to investment transactions of the DCOA that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The Investment Officers and/or the DCOA may not acquire or otherwise obtain any authorized investment described in this Investment Policy from a business organization that has not delivered to the DCOA the instrument required by this Article VIII, Section B(4).

ARTICLE IX COLLATERAL

The DCOA's depository bank shall comply with Chapter 2257 of the Texas Government Code, Collateral for Public Funds, which shall also be required in the DCOA's bank depository contract.

A. Market Value

The Market Value of pledged Collateral must be equal to or greater than 102% of the principal and accrued interest for cash balances in excess of the Federal Deposit Insurance Corporation insurance coverage. The Federal Reserve Bank and the Federal Home Loan Bank are designated as custodial agents for collateral. An authorized DCOA representative will approve and release all pledged collateral. The securities comprising the collateral will be marked to market monthly using quotes by a recognized market pricing service quoted on the valuation date, and the DCOA will be sent reports monthly.

B. Collateral Substitution

Collateralized investments often require substitution of collateral. The safekeeping bank must contact the President/CEO for approval and settlement. The substitution will be approved if its value is equal to or greater than the required collateral value.

C. Collateral Reduction

Should the collateral's market value exceed the required amount, the safekeeping bank may request approval from the President/CEO to reduce collateral. Collateral reductions may be permitted only if the collateral's market value exceeds the required amount.

D. Letters of Credit

Letters of Credit are acceptable collateral for certificates of deposit. Upon the discretion of the President/CEO, a Letter of Credit can be an acceptable collateral for the DCOA funds held by the DCOA's depository bank.

**ARTICLE X
INVESTMENT REPORTS**

A. Reporting Requirements

The Investment Officers shall prepare and submit to the Board a written quarterly investment report, in compliance with Section 2256.023 of the Public Funds Investment Act, of the DCOA's investment transactions for all funds covered by the Public Funds Investment Act. The report shall be submitted to the Board and the Investment Committee within 45 days following the end of the quarter. At a minimum, the report must:

- (1) describe in detail the DCOA's investment position on the date of the report;
- (2) be prepared jointly by all Investment Officers of the entity;
- (3) be signed by each Investment Officer of the entity;
- (4) contain a summary statement of each pooled fund group, if any, that states the:
 - (A) beginning market value for the reporting period;
 - (B) ending market value for the period; and
 - (C) fully accrued interest for the reporting period;
- (5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- (6) state the maturity date of each separately invested asset that has a maturity date;
- (7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired;
- (8) state the DCOA's compliance with its investment portfolio as it relates to:
 - (A) the Investment Strategy expressed or referenced in this Investment Policy; and
 - (B) the relevant provisions of the Public Funds Investment Act; and
- (9) state any rating changes in the DCOA's investments which are required to obtain a minimum rating under this Investment Policy.

B. Investment Records

The Finance Manager designated by the President/CEO shall be responsible for the recording of investment transactions and the maintenance of the investment records with reconciliation of the accounting records.

C. Auditor Review

The DCOA’s independent external auditor shall formally review the quarterly investment reports annually to ensure compliance with the Public Funds Investment Act and any other applicable state statutes and the results of the review shall be reported to the Board by the auditor.

**ARTICLE XI
INVESTMENT COMMITTEE**

A. Members

The Board will serve as the investment committee in addition to, the President/CEO, the EVP/COO, Finance Manager, and any additional Investment Officers (the “**Investment Committee**”). The Investment Committee shall review the DCOA's investment strategies and monitor the results of the investment program annually, or as needed. This review can be done by reviewing the quarterly written reports and by holding committee meetings as necessary. The Investment Committee will be authorized to invite other advisors to attend meetings as needed.

B. Scope

The Investment Committee shall include in its deliberations such topics as economic outlook, investment strategies, portfolio diversification, maturity structure, potential risk to the DCOA's funds, evaluation and authorization of broker/dealers, rate of return on the investment portfolio, and compliance with this Investment Policy. The Investment Committee will also advise the Board of any future amendments to this Investment Policy that are deemed necessary or recommended.

C. Procedures

This Investment Policy shall require the Investment Committee to provide minutes of investment information discussed at any meetings held. The Investment Committee should meet at least annually to discuss the investment program and policies.

**ARTICLE XII
INVESTMENT STRATEGY**

Pursuant to Section 2256.005(d) of the Public Funds Investment Act, the DCOA shall adopt a separate written investment strategy (the “**Investment Strategy**”) for each of the funds or group of funds under its control.

This Investment Policy was adopted the 31st day of March, 2021 by DCOA Resolution 2021.11.

Misty Mayo, President/CEO

ALLIED EMPLOYER GROUP

RESOLUTION NO. DCOA-2021.12

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING THE PROCUREMENT OF PROFESSIONAL SERVICES FROM ALLIED EMPLOYER GROUP, INC. (“ALLIED”).

WHEREAS, the DCOA desires to contract with Allied for certain professional services including but not limited to payroll, tax filings, employee related policy manuals and handbooks, and other related human resource functions (the “Services”).

NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:

PART 1. The DCOA’s President (“President”) be and hereby is authorized to enter into an agreement with Allied for the Services pursuant to which the DCOA will pay Allied, for each of the DCOA’s pay periods, the DCOA’s gross payroll for each pay period, a fee equal to 3% of the DCOA’s gross payroll for each pay period, and any other additional payments and/or fees for any special services required by the DCOA.

The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements, make expenditures under said agreements, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

PART 2. Funding under this Resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this Resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.

PART 3. This Resolution takes effect immediately upon passage.

ADOPTED this the 31st day of March, 2021.

ATTEST:

Vic Corley
Secretary/Treasurer

Jack Rich
Chairman of the Board

APPROVED AS TO FORM:

Mark S. Zachary, Attorney at Law

PRESENTATION ON DCOA'S ROLE, HISTORY, AND 2020 SITE SELECTION CRITERIA

Focus on creating the Abilene of the future.

Communicate that Abilene, Texas is the competitive option.

Recruit and retain companies for Abilene to ensure the viability of the community for years to come.

BOARD OF DIRECTORS

JACK RICH

Chair

CEO & Chief Investment Officer,
Abilene Christian University
Investment Management Company

SAM VINSON

Vice Chair

President, Pine Street Capital

VIC CORLEY

Secretary & Treasurer

Regional President – West Texas,
Lone Star Truck Group

SHEA HALL

Board Member

Retired West Texas Outreach
Director, US Senator Ted Cruz, &
Abilene Business Owner

FLOYD MILLER

Board Member

Financial Advisor, FSC Securities
Corporation

- Abilene has the assets to compete. The DCOA has placed building blocks over the past 30 years that put us in a position now, more than ever, to accelerate our growth in economic development.
- Formed in 1989 as a Type A municipal economic development corporation
- Purchased and continued developing two business parks: Five Points Business Park and Access Business Park
- Underwent an intensive and successful realignment in 2020 to define strategy
- Core Pillars/Goals: Business Attraction, Business Retention & Expansion, Entrepreneurial, Workforce & Talent Development, and Marketing & Brand Awareness

125+

Incentives Provided to
Private, State, and
Federal Entities

\$1 = \$7

Invested by DCOA in
Company Invested by
Company in
Community

**Average capital investment of 6
incentivized projects in FY 2020*

11,000+

Jobs Created and
Retained

CORE PILLARS



BUSINESS ATTRACTION

Aggressively market & promote Abilene as a destination for new investment.



BUSINESS RETENTION & EXPANSION

Spur and facilitate the growth and prosperity of existing businesses.



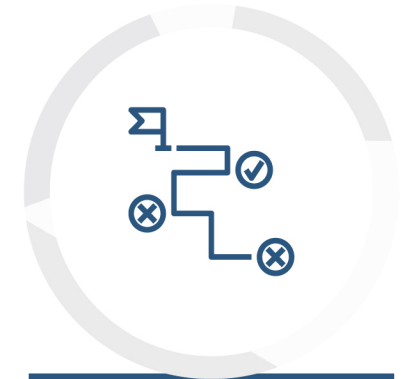
ENTREPRENEURIAL

Develop an ecosystem that spawns and supports innovative businesses.



WORKFORCE & TALENT DEVELOPMENT

Elevate initiatives and partnerships to create and retain a viable workforce that can support current and future industry.



MARKETING & BRAND AWARENESS

Activate strategies to promote Abilene as the premier location for business.

ONE COMMUNITY

The Chamber of Commerce...

Is the heartbeat of the business community and helps the City and DCOA better understand the business community's needs and wants

Helps to shape the vision and direction of economic development for the community in concert with the City and DCOA

Purpose of the Chamber:

Promotes the economy and quality of life in Abilene by providing services to local businesses

Offers valuable connections and services to companies doing business in the community

Purpose of the Abilene Industrial Foundation:

Serves as the Public/Private Partnership of the community's economic development efforts

Manages business retention and expansion, entrepreneurial, and workforce and talent development services provided, by contract to the DCOA

Engages private business leaders in economic development to support the growth and prosperity of existing businesses

ONE TEAM

The Development Corporation of Abilene...

Is the leader of the community's economic development operation and serves as the pathway system for all of Abilene's economic development efforts

Is the driver of recruitment and retention efforts

Helps to shape the vision and direction of economic development for the community in concert with the City and the Chamber

Purpose of the DCOA:

To coordinate and lead the economic development efforts of the community; including long-term visioning and the coordination of the economic development strategic plan

To fund pursuits and partnerships that align with DCOA's mission and strategies which drive increased capital investment and primary job creation for the Abilene community; leading the DevelopAbilene strategies and priorities

ONE BRAND

The City of Abilene...

Serves as a catalyst for economic development and growth

Reinforces the importance of the City/DCOA/ Chamber 'Public/Private Partnership'

Helps to shape the visions and direction of economic development for the community in concert with the DCOA and Chamber

Purpose of the City:

City departments are a catalyst to assist the business development process

Champions the role of customer service as a key indicator for economic development success

Administer incentives:

- Tax Increment Reinvestment Zones (TIRZ)
- Empowerment Zones (EZ)
- Infrastructure Assistance
- Chapter 380 Agreements
- Tax Abatements

Key driver non-Type A projects such as Infill Development and Housing

Appoint DCOA Board members

Approves DCOA budget and large projects

2020 SITE SELECTION CRITERIA

1. Workforce Skills
2. Workforce Development
3. Transportation Infrastructure
4. Ease of Permitting & Regulatory Procedures
5. State and Local Tax Scheme
6. Right-to-Work State
7. Utilities (cost, reliability)
8. Quality of Life
9. Incentives
10. Legal Climate (tort reform)

*Source: Site Selection survey of corporate site selectors, October 2020
published by Site Selection Magazine 48*