

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**JULY 22, 2008**

**MEMBERS PRESENT:** Stan Lambert  
Paul Cannon

Mike Schweikhard

**STAFF PRESENT:** Richard Burdine  
Pat McGinnis

Kim Tarrant  
Stanley Smith

**GUEST PRESENT:** Bill Ehrie-Abilene Industrial Foundation

1. **CALL TO ORDER.** Mike Schweikhard called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
2. **APPROVAL OF MINUTES FROM THE JUNE 24, 2008 MEETING.** Paul Cannon made a motion to approve the minutes from the June 24, 2008, meeting. Stan Lambert seconded and the motion carried.
3. **SALES TAX REPORT FOR JULY 2008 AND FINANCIAL STATUS REPORT FOR JUNE 2008.** In Mindy Patterson's absence, Richard Burdine reviewed these reports. The sales tax rebate for economic development for July 2008 is \$684,703.44 which is 2.41% above last year for the period of October through July. As of June 30, 2008, the undesignated fund balance was \$2.8 million. Included in the Cash Flow Management Report for FY08 – FY12 are proposed future sources of revenue and uses of funds even though funding for certain projects has not been approved by the DCOA board yet but are in the pipeline. The pro forma cash balance at the end of FY09 is expected to be somewhat lean – dipping to almost \$2.3 million, but then is expected to grow steadily and rapidly from FY2010 through FY2012, peaking at \$18.9 million.

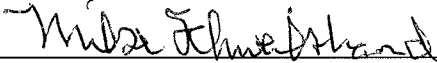
In the event of a worst-case scenario whereby Abilene's citizens vote to do away with the half-cent sales tax, the DCOA would continue collecting revenue to meet all indebtedness (i.e. contractual obligations). Also, approximately \$450,000 of previously encumbered funds has been unencumbered and available for new projects.

There was considerable discussion about the financial status of Eagle Aviation. There was also considerable discussion about Colgan Air and Continental Airlines.

4. **EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

The date is July 22, 2008 and the time is 2:05 p.m. The date is still July 22, 2008 and the time is now 2:15 p.m. No vote or action was taken in Executive Session.

5. **ADJOURNMENT.** The next meeting will be August 19, 2008. There being no further business, the meeting was adjourned.

  
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Mike Schweikhard, Vice President