

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A meeting of the Development Corporation of Abilene, Inc. ("DCOA") will be held on September 21, 2022, at 174 Cypress Street, 2nd Floor Board Room, Abilene, Texas commencing at 9:00 am to consider the Agenda set forth below.

The meeting may include members of the DCOA's Board of Directors ("Board") participating remotely by videoconference. In accordance with the Texas Government Code, the location of the meeting where a quorum of the DCOA's Board will be physically present is 174 Cypress Street, 2nd Floor Board Room, Abilene, Texas and it is the intent of the DCOA to have a quorum present at that location.

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 are allowed for up to 6 minutes).

AGENDA

September 21, 2022

9:00 am

1. Call the meeting to order
2. Invocation
3. Public Comment on Agenda Items
4. Governance Schedule
5. Approval of minutes from the August 19, 2022 board meeting
6. DCOA Financial Report for July 2022
7. 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:
 - A. 551.071 (Consultation with Attorney)
 1. Primal Pet Group Agreement(s) for Financial Assistance and Real Property Lease Agreement
 2. Quality Implement Co. Agreement for Financial Assistance
 3. Amendment to Funeral Directors Life Insurance Company Incentive Agreement(s)
 4. Agreement(s) with the City of Abilene in reference to street expenditures
 - B. 551.072 (Deliberations about Real Property)
 - C. 551.074 (Personnel Matters)
 1. CEO Evaluation

2. CEO Compensation
 3. CEO Incentive Bonus
 - D. 551.087 (Business Prospect/Economic Development)
 1. Project Eagle II
 2. Project Wishbone
 3. Project Vista
 4. Business Retention and Expansion Project Maverick
8. Report from the President and CEO:
 - A. Strategic Plan Objectives:
 1. Business Retention & Expansion Initiatives
 2. Business Attraction Initiatives
 3. Marketing & Brand Management Initiatives
 4. Workforce Development Initiatives
 5. Real Estate Initiatives
 6. Effective Operations Initiatives
 - B. Discussion and possible approval of a Resolution approving expenditures over \$50,000 as described in the President and CEO's report
9. Discussion and possible approval of a Resolution approving the DCOA's Chief Executive Officer to enter into amended incentive agreement(s) with Funeral Directors Life Insurance Company
10. Discussion and possible approval of a Resolution approving an agreement with Project Eagle II
11. Discussion and possible approval of a Resolution approving an agreement with the Business Retention and Expansion Project Maverick
12. Discussion and possible approval of a Resolution authorizing street expenditures for Marigold Street
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 16th day of September, 2022 at 3:30 p.m.



City Secretary



Misty Mayo, President & CEO

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.

GOVERNANCE SCHEDULE

2022 DCOA Governance Schedule

2021			2022									
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Post Agenda (72 hrs prior to the meeting)
X	X	X	X		X		X	X	X	X	X	Monthly Board Meeting (Minimum quarterly meeting)
			X									Annual Meeting of Board of Directors (first regularly scheduled board meeting of the year)
					X							State of the City Address by Mayor
									X			Economic Development Plan to City Council (annually: prior to, or in conjunction with, the annual budget)
									X			Annual Budget to City Council (sixty days prior to start of next fiscal year: August 2, 2022)
												Additional Meetings, as needed

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Governance: Monthly Board Meeting Review
X	X	X	X	X	X	X	X	X	X	X	X	Approval of Last Meeting's Minutes
X		X	X		X		X	X	X	X	X	Financial Report Presented by DCOA Staff (Accounting Firm, As Requested)
X		X	X		X		X	X	X	X	X	Schedule Next Meeting Date
X			X				X		X			Sales Tax Report - Quarterly
							X					Review of Strategic Plan
								X				Review of Governance Checklist
X									X			Written Quarterly Investment Report (within 45 days following the end of the quarter)

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

2022 DCOA Governance Schedule

2021			2022									
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Governance: Reports of Activity
X												Partners Written Reports of Activity for activity from April 1, 2021 - September 30, 2021 due October 15, 2021
						X						Partner Written Reports of Activity for activity from October 1, 2021 - March 31, 2022 due April 15, 2022
	X						X					Report of Activity from Partners

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Governance: Annual Approvals
X										X		New Fiscal Year Contracts (ABI, AIF, AISD, SBDC, MAC & Griggs)
			X									Review and adopt a written resolution approving the DCOA Investment Policy (annually)
					X							Financial Audit Prepared by 3rd Party Auditor
					X							Financial Audit Presented to Board
						X						Submit Required Report (Local Gov. Code 502.151) to Comptroller by April 1, 2022
									X			Approve Annual Street Expenditure Projects per Agreement COA ('19-'23)
								X				Partners: Annual Budget Request (ABI, AIF, AISD, SBDC, MAC & Griggs) due June 1, 2022
								X				Annual Budget to Board (sixty days prior to start of next fiscal year: August 2, 2022)
X												Annual Consideration and Commission for a Financial Audit
								X				Staffing/Staff Evaluation (Staff Potential Conflicts of Interest)

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

Rev. 09/20/22

**BOARD MEETING MINUTES
AUGUST 19, 2022**

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
AUGUST 19, 2022

MEMBERS PRESENT: Sam Vinson Vic Corley Shea Hall*
Floyd Miller Jack Rich

**Shea Hall joined the meeting by videoconference.*

STAFF PRESENT: Misty Mayo Brock New Regi McCabe-Gossett
Ashley Whitmer Akane Thaxton Marissa Ransted
Rick Jones

GUESTS PRESENT: Chris Shelton, McMahon Surovik Suttle, PC
Officer Lastner, Abilene Marshal's Department

1. CALL THE MEETING TO ORDER: Chair Sam Vinson called the meeting to order at 9:02 am and introduced all Board Members present both in-person and virtually. It was noted that Shea Hall was having technical difficulties with her Wi-Fi and camera during the meeting.

2. INVOCATION: Chair Sam Vinson offered the invocation.

3. PUBLIC COMMENT ON AGENDA ITEMS: Chair Sam Vinson 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 Sam Vinson moved on to Agenda Item 4.

4. GOVERNANCE SCHEDULE: CEO Misty Mayo stated that the 2022 governance schedule is in the packet. The governance schedule is a tool that ensures the DCOA is operating on schedule, and it can be amended as needed.

5. APPROVAL OF MINUTES FROM THE JUNE 2, 2022 BOARD MEETING: Jack Rich moved to approve the minutes from the June 2, 2022 Board meeting. Floyd Miller seconded, and the motion passed.

6. DCOA FINANCIAL REPORT FOR JUNE 2022 AND QUARTERLY SALES TAX REPORT: Regi McCabe-Gossett, DCOA Controller, presented the Financial Report for June 2022. As of June 30, 2022, the DCOA's year-to-date total operating revenue was \$12,211,018, and cash at the end of the period was \$29,070,904. The DCOA's total assets were \$85,595,445, and the DCOA's total liabilities were \$140,569.

Regi McCabe-Gossett presented the Sales Tax Report for June 2022 as reported by the City of Abilene. The sales tax rebate for June is \$1,153,080, which represents April 2022 sales. The year-to-date sales tax rebate was 11.90% above last year and 13.40% above the budgeted amount. Regi McCabe-Gossett also presented a comparison of Abilene's sales tax compared to peer cities that were identified in studies conducted by Site Selection Group and TIP Strategies.

7. INVESTMENT COMMITTEE REPORT: Regi McCabe-Gossett, DCOA Controller, provided the Q2 2022 Investment Committee Report. This strategy meets the requirements of the DCOA's Investment Policy and the limited options set forth in the Texas Government Code, as referenced in the DCOA's Investment Policy.

Total Invested = \$19.9 Million

- Investment strategy is a 3-year US Treasury ladder

Q2 2022 Portfolio Summary for Period

- Beginning Market Value = \$19,857,636.67
- Ending Market Value = \$19,801,784.95
- % Change in Market Value = -0.28%
- Total Accrued Interest = \$65,650.92
- Total Payments Received = \$22,500
- Bond Portfolio Yield = 2.53%
- Current 91 Day US Treasury Bill Yield on = 1.66%
- Estimated Annual Income = \$389,851.54

8. EXECUTIVE SESSION: Chair Sam Vinson 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 Sam Vinson announced the date is August 19, 2022, and the time is 9:27 am. Later, Chair Sam Vinson announced the date is still August 19, 2022, and the time is 1:00 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 VISTA: CEO Misty Mayo presented Resolution DCOA-2022.29, authorizing an incentive for Project Vista in an amount not to exceed \$35,000,000 in exchange for the Company's creation of approximately 350 new full-time equivalents by the end of a period of up to 10-years. Project Vista is a business attraction project for a company in the food and beverage industry who will construct a new manufacturing facility in Abilene, Texas at a projected capital investment of \$500,000,000.

Jack Rich made a motion to approve Resolution DCOA-2022.29, as amended during the Board's discussion, authorizing an incentive for Project Vista in an amount not to exceed \$35,000,000 in exchange for the Company's creation of approximately 350 new full-time equivalents by the end of a period of up to 10-years. Vic Corley seconded, and the motion passed.

It was noted that Jack Rich left the meeting after the Project Vista vote. Shea Hall was having technical difficulties and was not able to participate in the Project Vista vote, but her technical difficulties were resolved, and she was able to participate in all portions of the meeting after the Project Vista vote.

10. REPORT FROM THE PRESIDENT AND CEO: CEO Misty Mayo provided a report on the DCOA's initiatives regarding the DCOA's Strategic Plan Initiatives.

Business Retention & Expansion Initiatives

- 34 companies with an active DCOA contract and/or employ 100+ employees
 - 4,050 Employees
 - 419 Job Openings
 - Common Issue – Workforce Availability
 - *Information gathered through the DCOA's Business Retention and Expansion visits*
- 31 of the 34 companies met with the DCOA to discuss current operations, workforce, and potential expansion projects (March – June 2022)
- 275 Type A Companies within Abilene City Limits (*State Comptroller's Office*)

Business Attraction Initiatives

9 Marketing Missions

1. SelectUSA Investment Summit
2. Team Texas Consultant Event
3. The Consultants Forum
4. IEDC Economic Future Forum
5. BREI Annual Conference
6. TEDC Mid-Year Conference
7. Stand Up Rural America Summit
8. Logistics Development Forum
9. SEDC Annual Conference

Marketing & Brand Management Initiatives

- Targeted Site Consultant Direct Mail Campaign
 - 114 Site Consultants
 - 15.8% Response Rate (average response rate is 9% for direct mail campaigns)
- Intentional Advertising Partners – Texas Techsan, Texas Monthly, Expansion Solutions Magazine, Site Selection Magazine, Abilene Reporter News, Area Development, Elite Reports
 - Advertising Impressions
 - 2.6 million + current subscribers
 - 50 states represented
 - 225,000 website visits since February 2022

Workforce Development Initiatives

- DCOA Presented NEXTU Program Session at the Career and Technical Association of Texas Summer Conference
- 3 Externs hosted by DCOA connecting educators with local industry
- Partnered with Region 14 Education Service Center to discuss industry trends and DCOA activity with local educators
 - Career Technical Education Teacher Professional Development Speaker
 - Welding Summit Luncheon Connecting Industry to Educators from Region
 - Regional Counselor Professional Development Speaker
- NextU Program
 - Powered by the DCOA, NextU is a career empowerment program designed to enhance workforce training opportunities to create a pipeline of skilled local employees prepared to meet the demands of Abilene-based Type A employers
 - NextU Program received a new forklift to further enhance training in all Career Technical Education Programs for students in Abilene Independent School District

- 7 Interviews Conducted with local companies and NextU Students to highlight the NextU Program in Site Selection Magazine
- Childcare Study
 - \$35,000 study commissioned by the DCOA (beginning October 1, 2022)
 - In partnership with the Community Foundation of Abilene for Thrive ABI
 - Gain insight and define main childcare issues our military families and local Type A businesses' employees face
- DCOA Manufacturing Certification
 - Custom curriculum facilitated by Texas State Technical College, Hardin-Simmons University, and Texas Manufacturers Assistance Center
 - Will train up to 20 individuals at no cost to the participant
 - \$20,000 match funding committed by DCOA for the Texas Workforce Commission's High Demand Job Training Grant (written by Workforce Solutions of West Central Texas)
 - Innovative regional partnership with Sweetwater Enterprise for Economic Development and Brownwood Economic Development Corporation
- Average Annual Wage in 2021 (*TexasLMI.com*)
 - Abilene = \$44,501
 - Taylor County = \$44,436
 - Texas = \$54,228
- Average Quarterly Wage (*TexasLMI.com*)
 - Q1 2021
 - Abilene = \$43,472
 - Taylor County = \$43,680
 - Texas = \$65,468
 - Q2 2021
 - Abilene = \$46,072
 - Taylor County = \$46,280
 - Texas = \$62,920
 - Q3 2021
 - Abilene = \$49,956
 - Taylor County = \$47,468
 - Texas = \$63,804
 - Q4 2021
 - Abilene = \$52,468
 - Taylor County = \$52,468
 - Texas = \$71,552

Real Estate Initiatives

- Upon completion of the annual preventative maintenance check, over 1,000 feet of the railroad spur at Five Points Business Park was repaired and improved, ensuring uninterrupted rail service to the Park's tenants
- IT infrastructure upgrades were completed for the 174 Cypress Building. The upgrades bolstered our cybersecurity measures and improved the dependability of internet access throughout the building

Effective Operations Initiatives

- 100% team certified in Economic Development by AEP Course
- 2 team members certified in basic economic development through 1-week course with Texas Economic Development Council

- 1 team member completed Economic Development Ethics Workshop through International Economic Development Council
- 1 GIS Guru data software training to better meet the needs of current and prospective companies
- 5 webinars to train staff on best practices in economic development to ensure Abilene remains competitive and forward-thinking
- 100% of the DCOA Team has received certification in Basic Economic Development by the Texas Economic Development Council
- The entire DCOA Board of Directors and DCOA Team hold certificates for the State Sales Tax Economic Development continuing education

CEO Misty Mayo presented Resolution DCOA-2022.30, approving expenditures greater than or equal to \$50,000 for approval. Vic Corley made a motion to approve Resolution DCOA-2022.30, approving expenditures greater than or equal to \$50,000. Floyd Miller seconded, and the motion passed.

CEO Misty Mayo announced the national Gold Shovel Award received by the State of Texas and the Development Corporation of Abilene for excellence in economic development by Area Development.

11. DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION AUTHORIZING A STREET EXPENDITURE AGREEMENT FOR USE OF STREET EXPENDITURE FUNDS FOR FISCAL YEAR 2023: CEO Misty Mayo presented Resolution DCOA-2022.24, authorizing a street expenditure agreement with the City of Abilene for the use of street expenditure funds for Fiscal Year 2023. The DCOA committed \$8.5 million over 5 years toward street expenditures required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises. The City of Abilene presented a request to the DCOA for the \$1,000,000 allocated for Fiscal Year 2023 to be used for the reconstruction of a portion of South 27th Street/Southwest Drive from Barrow Street to South Danville Drive.

Vic Corley made a motion to approve Resolution DCOA-2022.24, authorizing a street expenditure agreement with the City of Abilene for the use of street expenditure funds for Fiscal Year 2023. Shea Hall seconded, and the motion passed.

12. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN AGREEMENT WITH THE CITY OF ABILENE IN REFERENCE TO STREET EXPENDITURES FROM FISCAL YEAR 2024 TO FISCAL YEAR 2028: CEO Misty Mayo presented Resolution DCOA-2022.25, authorizing a street expenditure agreement with the City of Abilene for Fiscal Year 2024 to Fiscal Year 2028. The DCOA is committing \$10 million towards street expenditures over 5 years for street expenditures required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises. \$8 million of the \$10 million will be used towards improvements of streets in Access Business Park and Five Points Business Park.

Floyd Miller made a motion to approve Resolution DCOA-2022.25, as amended during the Board's discussion, authorizing a street expenditure agreement with the City of Abilene for Fiscal Year 2024 to Fiscal Year 2028. Shea Hall seconded, and the motion passed.

13. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING THE DCOA'S CHIEF EXECUTIVE OFFICER TO ENTER INTO AMENDED INCENTIVE AGREEMENT(S) WITH ABIMAR FOODS, INC.: CEO Misty Mayo presented Resolution DCOA-2022.26, authorizing an amendment to the DCOA's Sale of Facility and Performance Agreement with AbiMar Foods. The DCOA and AbiMar Foods entered into an agreement effective April 30, 2020, which requires AbiMar Foods to

retain 550 full-time employees over a 3-year period. AbiMar Foods had a full-time employee county of 527 in Year 1 and despite increasing its payroll to over \$18,000,000, due to the current market conditions, AbiMar Foods' full-time employee count was less than 550 in Year 2. The amendment to the agreement would require AbiMar Foods to retain 550 full-time employees and/or have \$18,000,000 in payroll annually.

Floyd Miller made a motion to approve Resolution DCOA-2022.26, as amended during the Board's discussion, authorizing an amendment to the DCOA's Sale of Facility and Performance Agreement with AbiMar Foods. Vic Corley seconded, and the motion passed.

14. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING THE DCOA'S CHIEF EXECUTIVE OFFICER TO ENTER INTO AMENDED INCENTIVE AGREEMENT(S) WITH FUNERAL DIRECTORS LIFE INSURANCE COMPANY: Chair Sam Vinson tabled this Agenda Item.

15. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE DCOA'S CHIEF EXECUTIVE OFFICER TO ENTER INTO FISCAL YEAR 2023 CONTRACTS WITH THE CITY OF ABILENE FOR THE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM, GRIGGS CENTER FOR ENTREPRENEURSHIP AND PHILANTHROPY AT ABILENE CHRISTIAN UNIVERSITY, TEXAS TECH UNIVERSITY FOR THE SMALL BUSINESS DEVELOPMENT CENTER, MILITARY AFFAIRS COMMITTEE OF THE CHAMBER OF COMMERCE, AND ABILENE INDEPENDENT SCHOOL DISTRICT: CEO Misty Mayo presented Resolution DCOA-2022.31, approving the Fiscal Year 2023 contracts with the City of Abilene for the Airport Business Development Management Program, Griggs Center for Entrepreneurship and Philanthropy at Abilene Christian University, Texas Tech University for the Small Business Development Center, Military Affairs Committee of the Chamber of Commerce, and Abilene Independent School District.

Shea Hall made a motion to approve Resolution DCOA-2022.31, approving the Fiscal Year 2023 contracts with the City of Abilene for the Airport Business Development Management Program, Griggs Center for Entrepreneurship and Philanthropy at Abilene Christian University, Texas Tech University for the Small Business Development Center, Military Affairs Committee of the Chamber of Commerce, and Abilene Independent School District. Floyd Miller seconded, and the motion passed.

16. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING MATCH FUNDING FOR A STATE OF TEXAS DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT FOR DYESS AIR FORCE BASE FOR SECURITY UPGRADES: CEO Misty Mayo presented Resolution DCOA-2022.28, authorizing funding for security upgrades at Dyess Air Force Base. The Military Affairs Committee is applying for a Defense Economic Adjustment Assistance Grant to install Security Upgrades at Dyess Air Force Base at a cost of up to \$600,000. The Military Affairs Committee is requesting a match of up to \$280,000 from the DCOA before applying for a 50% commitment from the Defense Economic Adjustment Assistance Grant.

Vic Corley made a motion to approve Resolution DCOA-2022.28, authorizing funding for security upgrades at Dyess Air Force Base. Shea Hall seconded, and the motion passed.

17. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AWARDED A CONTRACT FOR PARKING LOT REPAIRS AT 4002 LOOP 322, ABILENE, TEXAS: CEO Misty Mayo presented Resolution DCOA-2022.22, authorizing the award of a bid for parking lot repairs at 4002 Loop 322,

Abilene, Texas. CEO Misty Mayo explained the DCOA put the project out to bid following the DCOA's Construction Procurement Policy and received two bids. The DCOA evaluated and scored both bids in accordance with the DCOA's Construction Procurement Policy and the highest-ranking contractor is B&R Asphalt, LLC.

Shea Hall made a motion to approve Resolution DCOA-2022.22, authorizing the award of a bid for parking lot repairs at 4002 Loop 322, Abilene, Texas to B&R Asphalt, LLC, for the improvements in the amount of \$234,351.80. Vic Corley seconded, and the motion passed.

18. DISCUSSION OF THE NEXT BOARD MEETING DATE: Board Members considered dates for the next meeting, and Chair Sam Vinson announced that the next scheduled meeting of the DCOA Board of Directors is tentatively scheduled for September 21, 2022, at 9:00 am.

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

Sam Vinson, Chair

Shea Hall, Secretary & Treasurer

**FINANCIAL REPORT
JULY 2022**

Development Corporation of Abilene, Inc.

Statement of Net Position

As of July 31, 2022

Unaudited

	FY22 July 31, 2022	FY21 July 31, 2021
ASSETS		
Current Assets		
Checking/Savings		
Cash in Bank	\$ 10,417,655	\$ 10,430,704
Petty Cash	\$ 30	\$ 50
Investments Treasuries	\$ 12,334,344	\$ -
Investment Money Market Fund	\$ 7,523,293	\$ -
Due From Pooled Cash	\$ -	\$ 663
Due From Investment Fund	\$ -	\$ 24,047,302
Total Checking/Savings	<u>\$ 30,275,322</u>	<u>\$ 34,478,719</u>
Total Accounts Receivable	\$ 2,428,879	\$ 2,082,949
Other Current Assets		
Accrued Interest on Investments	\$ 65,651	\$ -
Accrued Interest	\$ 221,106	\$ 163,239
Allowance for Doubtful Accounts	\$ (218,208)	\$ (162,645)
Current Portion of Notes Receivable	\$ 559,434	\$ 605,003
Prepaid Expenses	\$ 459,635	\$ 362,707
Total Short Term Notes Receivable	\$ 353,776	\$ 2,594,261
Total Other Current Assets	<u>\$ 1,441,393</u>	<u>\$ 3,562,566</u>
Total Current Assets	<u>\$ 34,145,595</u>	<u>\$ 40,124,234</u>
Fixed Assets		
Land	\$ 2,715,874	\$ 2,715,874
Construction in Progress	\$ -	\$ 1,310,928
Building & Improvements	\$ 25,230,356	\$ 24,995,325
Other Improvements	\$ 21,933,404	\$ 19,877,835
Machinery & Equipment	\$ 7,264	\$ 7,264
Vehicles	\$ 70,862	\$ 70,862
Total Accumulated Depreciation	\$ (15,271,300)	\$ (13,887,387)
Total Fixed Assets	<u>\$ 34,686,461</u>	<u>\$ 35,090,701</u>
Other Assets		
Total Notes Receivable	\$ 6,639,136	\$ 7,212,483
Total Notes Receivable Earning Economic Incentive	\$ 12,958,277	\$ 10,815,987
Allowance for Doubtful Notes Receivable	\$ (1,857,089)	\$ (1,857,089)
Total Other Assets	<u>\$ 17,740,323</u>	<u>\$ 16,171,381</u>
TOTAL ASSETS	<u>\$ 86,572,379</u>	<u>\$ 91,386,316</u>
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 194,749	\$ 247,490
Due to City of Abilene	\$ 6,298	\$ 60,684
Payroll Liabilities	\$ 31,060	\$ 33,383
Total Liabilities	<u>\$ 232,107</u>	<u>\$ 341,557</u>
Net Assets		
Investment in Capital Assets	\$ 35,311,054	\$ 35,090,701
Unrestricted Net Assets	\$ 16,741,339	\$ (1,778,903)
Restricted - Contractual Obligations	\$ 37,031,893	\$ 58,534,926
Net Income	\$ (2,744,014)	\$ (801,966)
Total Net Assets	<u>\$ 86,340,272</u>	<u>\$ 91,044,759</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 86,572,379</u>	<u>\$ 91,386,316</u>

Development Corporation of Abilene
Revenues, Expenses, and Changes in Net Position

July 31, 2022

Unaudited

	July '22	FY22 YTD Oct '21 - July '22	FY22 Annual Budget
OPERATING REVENUES			
Sales and Use Tax	\$ 1,163,955	\$ 11,769,819	\$ 12,474,516
Interest Revenues	\$ 8,375	\$ 32,162	\$ 28,390
Land and Building Leases	\$ 290,208	\$ 1,871,576	\$ 983,282
TOTAL OPERATING REVENUES	\$ 1,462,539	\$ 13,673,557	\$ 13,486,188
OPERATING EXPENSES			
* Total Economic Development Expenses	\$ 2,051	\$ 11,452,598	
Abilene Industrial Foundation	\$ -	\$ 281,250	\$ 375,000
Small Business Development Center	\$ 16,581	\$ 140,572	\$ 253,000
Military Affairs Committee	\$ 21,916	\$ 281,586	\$ 437,000
Abilene Regional Airport Business Development	\$ -	\$ 123,840	\$ 220,913
ACU Griggs Center	\$ -	\$ 20,000	\$ 24,500
Asset Management and Administration	\$ 220,810	\$ 2,425,619	\$ 4,188,210
* Property Maintenance	\$ 64,361	\$ 564,477	\$ 1,132,560
Depreciation Expense	\$ 115,607	\$ 1,156,072	
TOTAL OPERATING EXPENSES	\$ 441,326	\$ 16,446,015	\$ 6,631,183
NET OPERATING REVENUE	\$ 1,021,213	\$ (2,772,458)	\$ 6,855,005
NON OPERATING REVENUES			
Miscellaneous Revenue	\$ -	\$ 5,000	
Investment Earnings	\$ -	\$ 23,444	
Gain/Loss on Disposal of Asset	\$ -	\$ -	
TOTAL NON OPERATING REVENUES	\$ -	\$ 28,444	
NON OPERATING EXPENSES			
Miscellaneous Expense	\$ -	\$ -	
TOTAL NON OPERATING EXPENSES	\$ -	\$ -	
NET NON OPERATING REVENUES	\$ -	\$ 28,444	
NET REVENUES	\$ 1,021,213	\$ (2,744,014)	\$ 6,855,005

* Expenses include multiyear expenses/prior year budget

Development Corporation of Abilene, Inc.
Statement of Cash Flow
October 2021 through July 2022
Unaudited

	FY22 YTD Oct '21 - Jul 22
OPERATING ACTIVITIES	
Net Revenue	(\$2,744,014)
Adjustments to Reconcile Net Revenue to Net Cash Provided by Operations:	
Accounts Receivable	(\$4,362)
Accrued Interest	(\$39,471)
Allowance for Doubtful Accounts	\$37,142
Current Portion of Notes Receivables	\$47,787
Purchase of Accrued Interest on Treasuries	(\$65,651)
Prepaid Expense/Escrow	(\$47,589)
Notes Receivables - Earning Economic Incentives	\$1,243,932
Accounts Payable	(\$1,632,797)
	(\$3,205,024)
INVESTING ACTIVITIES	
Construction in Progress	(\$531,478)
Accumulated Depreciation	\$1,156,072
Notes Receivables	(\$1,748,959)
	(\$1,124,366)
Net Cash Increase for Period	(\$4,329,390)
Cash at Beginning of Period	34,604,712
Cash at End of Period	\$30,275,322

Development Corporation of Abilene, Inc.
Economic Development Program Status
July 31, 2022

FY22 Economic Development Project Activity for Multi Year Contracts

Multi Year Capital Improvement Projects & Contracts	Project Budget Amount	Prior Years Spend	Current YTD FY22 Spend	Balance Reserved	Project Completed?
Access BP Phase II Development 2021	\$ 1,000,000	\$ 511,906	\$ 531,478	\$ -	Yes
Amazon (Project Golden) 2021	337,250	-	-	337,250	
City Street Maintenance Fund 2019	8,500,000	4,700,573	-	3,799,427	
EASI De-Fuel Truck 2015	224,660	195,200	17,550	11,910	
Great Lakes Cheese Cash Incentive 2021	30,000,000	-	8,000,000	22,000,000	
Great Lakes Cheese Land & Infrastructure 2021	3,300,000	2,513,876	145,777	640,347	
Industrial Maintenance Training AISD FY 2022	50,000	-	23,325	26,675	
Marigold & Fulwiler St. Upgrade/EDA Grant Match 2021	787,500	81,153	-	706,347	
Quality Implements 2021	500,000	-	250,000	250,000	
Prairie Dog Pet Products 2021	3,160,000	-	3,160,000	-	Yes
Lancium 2021	2,500,000	-	-	2,500,000	
ACU Next Lab 2021	2,930,000	-	-	2,930,000	
Hendrick Medical Center Operations Centers 2021	1,540,000	-	-	1,540,000	
Dyess AFB DEAAG/Matching Grant 2021	536,337	489,213	37,833	9,292	
Dyess AFB/Egress Barriers/Matching Grant (Q3 2022)	199,017	-	199,017	-	Yes
Dyess AFB/Gate Upgrade/Matching Grant (Q3 2022)	188,608	-	188,608	-	Yes
TSTC New Abilene Campus 2017	4,000,000	1,379,600	400,000	2,220,400	
TOTAL Multi Year Capital Projects	\$ 59,753,371	\$ 9,871,521	\$ 12,953,587	\$ 36,971,648	

Multi Year Economic Incentives Principal Reductions*	Economic Incentive Budget	Prior Years Expensed	Current YTD FY22 Expense	Remaining Economic Incentive Budget	Contract Completed?
BE in Abilene 2018	\$ 200,000	\$ 100,000	\$ 25,000	\$ 75,000	
BE in Abilene 2019	200,000	50,000	-	150,000	
BE in Abilene 2020	250,000	66,667	-	183,333	
2020 Economic Relief Incentives	2,331,374	1,478,798	602,576	-	Yes
Coca Cola Refreshments 2016	3,081,778	2,465,422	616,356	-	Yes
TTUHSC School of Public Health 2015	1,951,431	1,672,655	-	278,776	
Prairie Dog Pet Products 2015	9,500,000	3,452,598	549,835	5,497,568	
Broadwind Towers 2016	570,628	342,377	114,126	114,126	
FDLIC 2020	1,035,000	-	-	1,035,000	
Hartmann's 2020	900,000	-	-	900,000	
Abimar Foods 2020	2,000,000	666,667	-	1,333,333	
Bavarian - Extrusion Concepts 2020	400,000	-	-	400,000	
Chike Next Level Blending, LLC 2020	387,000	-	-	387,000	
Prairie Dog Pet Products 2021	3,160,000	-	-	3,160,000	
Vista Flags 2021	60,000	-	20,000	40,000	
TOTAL Multi Year Economic Incentive Principal Reduction Earned	\$ 26,027,211	\$ 10,295,184	\$ 1,927,892	\$ 13,554,136	

**These incentives are expensed as Principal Reductions based on client's contractual compliance reports.*

APPROVED PROJECTS - NOT STARTED:

	Amount Reserved
JLUS Implementation/Matching Grant (Fall 2023)	\$ 55,000
TOTAL PENDING SIGNED CONTRACTS	\$ 55,000

**REPORT FROM THE
PRESIDENT AND CEO**

RESOLUTION NO. DCOA-2022.35

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 21st day of September, 2022.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law

EXPENDITURES OVER \$50,000

REPORT FROM PRESIDENT & CEO

VENDOR	CONTRACT AMOUNT	DETAILS
AmWINS	\$87,190.00	General Liability & Excess Liability Insurance
Illuminate Painting	\$92,780.50	Blue Cross Blue Shield Painting
Illuminate Painting	\$67,720.00	Hangar 4 Painting

**RESOLUTION APPROVING THE
DCOA'S CHIEF EXECUTIVE OFFICER
TO ENTER INTO
AMENDED INCENTIVE AGREEMENT(S)
WITH FUNERAL DIRECTORS LIFE
INSURANCE COMPANY**

RESOLUTION NO. DCOA-2022.27

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING AN AMENDMENT TO THE DCOA’S AGREEMENT FOR FINANCIAL ASSISTANCE AND PROMISSORY NOTE (COLLECTIVELY, THE “AGREEMENTS”) WITH FUNERAL DIRECTORS LIFE INSURANCE COMPANY (“FDLIC”).

WHEREAS, the DCOA and FDLIC entered into the Agreements that provided for principal reductions of the DCOA’s incentive in Years 4 and 5 of the Agreements; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors authorize an amendment to the Agreements to reflect accelerated creation of jobs by FDLIC during Years 1-3 of the Agreements so that FDLIC may earn principal reductions during Years 2 and 3 of the Agreement.

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 execute an amendment to the Agreements, and any other related incentive agreements, to allow FDLIC to earn principal reductions of \$258,750 each year during Years 2-5 of the Agreements. The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements and/or amendments, make all expenditures under said agreements and/or amendments, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

PART 2. The 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 President prior to the expiration date.

PART 3. This Resolution takes effect immediately upon passage.

ADOPTED this the 21st day of September, 2022.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law

**RESOLUTION APPROVING AN
AGREEMENT WITH PROJECT EAGLE II**

RESOLUTION NO. DCOA-2022.32

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AMENDING AND RESTATING THE DCOA’S PREVIOUS AUTHORIZATION OF AN INCENTIVE FOR PROJECT EAGLE II (“COMPANY”).

WHEREAS, the DCOA previously approved Resolution No. DCOA-2022.14 on March 11, 2022 in relation to Project Eagle II and the DCOA now desires to approve this Resolution amending and restating Resolution No. DCOA-2022.14; and,

WHEREAS, Company will expand its existing facility (the “**Facility**”) in Abilene, Texas to develop a new production operation supportive to its current business operations at a projected capital investment of approximately \$60,305,000; and,

WHEREAS, Company currently employs 179 full-time employees (“**FTEs**”) and projects to create, by the end of a 5-year period, an additional 25 FTEs for total employment of 204 FTEs; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors approve an incentive for Project Eagle II in an amount up to \$6,000,000; and,

WHEREAS, the DCOA's Board of Directors finds that Project Eagle II (a) creates and/or retains primary jobs, and (b) is suitable for the development, retention or expansion of a manufacturing and industrial facility, and/or any other facilities described in Section 501.101(2) of the Texas Local Government Code.

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

- PART 1.** DCOA hereby authorizes an incentive package for Project Eagle II in an amount not to exceed \$6,000,000 in exchange for the Company’s retention of at least 179 FTEs and creation of 25 new FTEs for total employment of 204 FTEs by the end of a 5-year period. The incentive package will be up to \$6,000,000, funded at 9.95% of the Company’s actual capital investment for the expansion of the Company’s Facility, earned over 5 years.
- PART 2.** 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 funding commitment herein is extended in writing by the DCOA’s President (“**President**”) prior to the expiration date.
- PART 3.** The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements, make the expenditures described above, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.
- PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 21st day of September, 2022.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

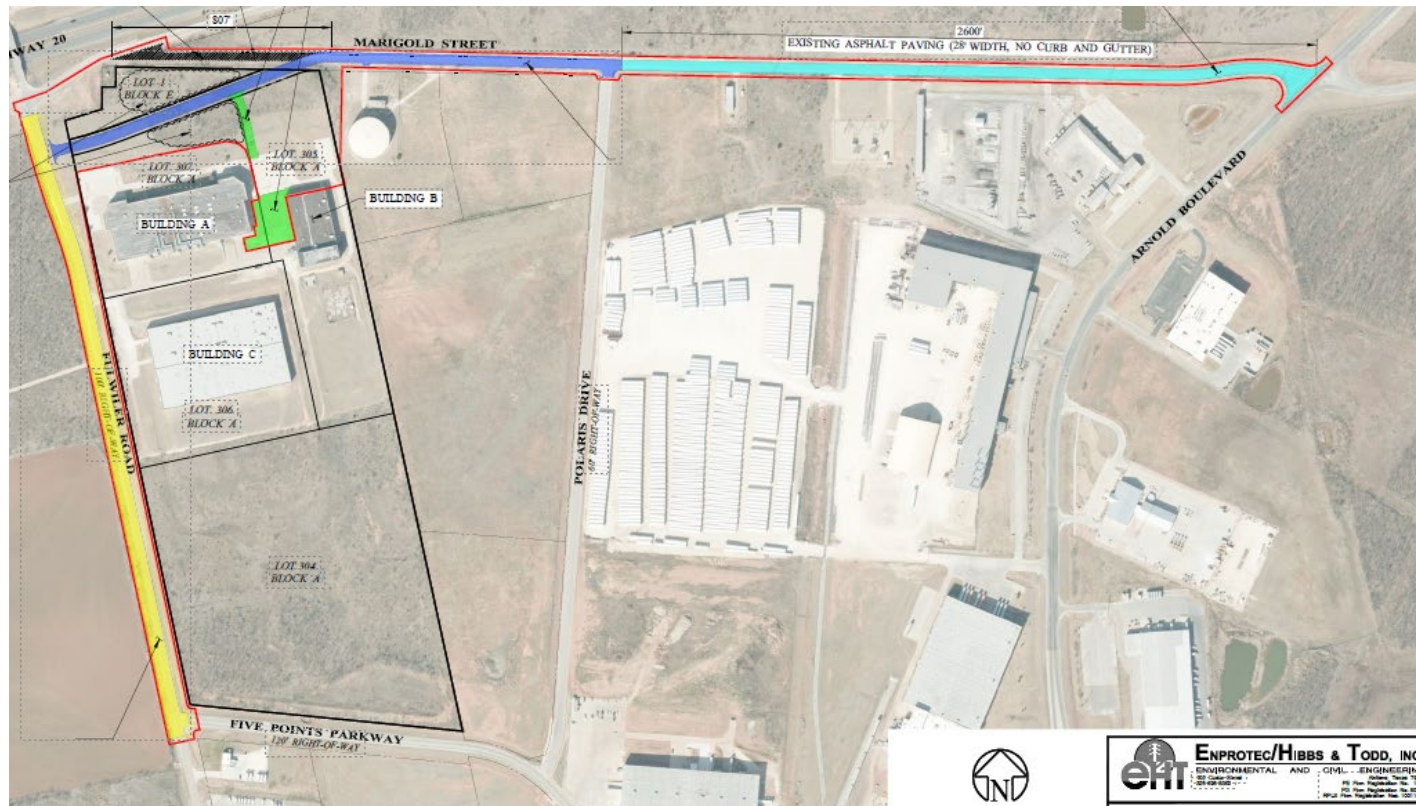
APPROVED AS TO FORM:

Chris Shelton, Attorney at Law

**RESOLUTION APPROVING AN
AGREEMENT WITH
BUSINESS RETENTION AND EXPANSION
PROJECT MAVERICK**

**RESOLUTION AUTHORIZING
STREET EXPENDITURES FOR
MARIGOLD STREET**

STREET EXPENDITURES FOR MARIGOLD STREET



Existing EDA Grant Summary

- Estimated project total was \$2,625,000
 - \$1,837,500 coming from the EDA Grant
 - \$787,500 matching funds from DCOA

New Project Update

- Improving the portion of Marigold from Polaris to Arnold Blvd. (Light Blue Line) with additional concrete in order to support heavy truck traffic
- Additional expenditure of up to \$3 million so that the scope of work in the EDA Grant can be amended

RESOLUTION NO. DCOA-2022.34

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”), ABILENE, TEXAS AUTHORIZING A STREET EXPENDITURE FOR MARIGOLD STREET.

WHEREAS, the City of Abilene, in partnership with the DCOA, previously submitted an application and received a grant from the Economic Development Administration (the “**EDA Grant**”) to expand, enhance and improve both Fulwiler Road and Marigold Streets at Five Points Business Park; and,

WHEREAS, the project described in the EDA Grant had a budget of \$2,625,000 with \$1,837,500 coming from the EDA Grant and the DCOA’s commitment of up to \$787,500 in funds matched at 30% of the total project cost; and,

WHEREAS, during the pursuit of several projects, the DCOA has determined that this area is likely to have a high volume of heavy truck traffic and the original scope of work in the EDA Grant will not be adequate; and,

WHEREAS, the DCOA’s staff requests that the DCOA’s Board of Directors authorize an additional expenditure of up to \$3,000,000 for a portion of Marigold Street from Polaris Drive to Arnold Blvd. (the “**Street**”) so that the scope of work in the EDA Grant can be amended to account for the high volume of heavy truck traffic on the Street; and,

WHEREAS, after consideration and discussion, the DCOA’s Board of Directors finds that an additional expenditure of up to \$3,000,000 for the Street is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises.

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

- PART 1.** DCOA authorizes an additional expenditure of up to \$3,000,000 for the Street. The DCOA’s President (“**President**”) is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements, make all expenditures under said agreements, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

- PART 2.** The funding described in this Resolution is subject to the Abilene City Council’s approval of a DCOA Budget that includes expenditures for the items described above.

- PART 3.** The funding commitment authorized under this Resolution shall expire without notice 360 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the funding commitment herein is extended in writing by the DCOA’s President prior to the expiration date.

- PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 21st day of September, 2022.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law