

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A meeting of the Development Corporation of Abilene, Inc. ("DCOA") will be held on November 8, 2023, at 174 Cypress Street, 2nd Floor Board Room, Abilene, Texas commencing at 2:00 p.m. 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 is allowed for up to 6 minutes).

AGENDA

November 8, 2023
2:00 p.m.

1. Call the meeting to order
2. Invocation
3. Public Comment on Agenda Items
4. International Economic Development Council Economic Development Organization of the Year
5. Governance Schedule
6. Approval of Minutes from the September 21, 2023 Board meeting
7. DCOA Financial Report for September 2023
8. DCOA Investment 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:
 - A. 551.071 (Consultation with Attorney)
 1. Agreements for Financial Assistance with PDPP Abilene, LLC
 2. Contracts or Transactions Involving Interested Directors, Officers, and Members under the Texas Business Organizations Code
 3. AEP easement on Lot 7 at Five Points Business Park
 - B. 551.072 (Deliberations about Real Property)
 1. Acquisition of property in North Abilene

- 2. Acquisition of property in North Central Abilene
- C. 551.074 (Personnel Matters)
- D. 551.087 (Business Prospect/Economic Development)
 - 1. Project Roadrunner
 - 2. Project Balance
 - 3. Project Apollo
- 10. 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
- 11. Discussion and possible approval of amendments to the DCOA's Investment Policy, Financial Policies and Procedures, and Expense Policy (formerly the Travel and Expense Policy)
- 12. Discussion and possible approval of an easement on Lot 7 at Five Points Business Park for AEP
- 13. Discussion and possible approval of a Resolution authorizing an agreement with Project Balance
- 14. Discussion and possible approval of a Resolution authorizing the President to enter into a contract to acquire property in North Central Abilene and expend funds for due diligence prior to purchase
- 15. Discussion on next Board meeting date
- 16. Adjournment

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the 3rd day of November 2023 at _____.

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.

FY 2024 DCOA Governance Schedule

2023			2024									
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Post Agenda (72 hrs prior to the meeting)
	✓											Monthly Board Meeting (minimum quarterly meeting)
												Annual Meeting of Board of Directors (first regularly scheduled board meeting of the year)
												State of the City Address by Mayor
												Annual Economic Development Plan to City Council (prior to, or in conjunction with, the annual budget)
												Annual Budget to City Council (sixty days prior to start of next fiscal year: August 1, 2024)
												Additional Meetings, as needed

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

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Governance: Semi-Annual & Annual Reviews
												Presentation/Proclamation to Outgoing Board Members (City of Abilene and the Board)
												Welcome New Board Member(s)
												New Board Member(s) Onboarding
												Officer Election (President, Chair, Vice Chair, Secretary, Treasurer & others, as determined)
												Bank Account Signature Card
												President & CEO Annual Review
												DCOA Insurance Coverage

FY 2024 DCOA Governance Schedule

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Governance: Reports of Activity
✓												Partners Written Reports of Activity for activity from April 1, 2023 - September 30, 2023 due October 15, 2023
												Partner Written Reports of Activity for activity from October 1, 2023 - March 31, 2024 due April 15, 2024
												Report of Activity from Partners

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Governance: Annual Approvals
	✓											Annual Consideration and Commission for a Financial Audit
												Review and adopt a written resolution approving the DCOA Investment Policy, Investment Strategy, and Procedures for Operation of the Investment Program (annually)
												Financial Audit Prepared by 3rd Party Auditor
												Financial Audit Presented to Board
												Submit Required Report (Local Gov. Code 502.151) to Comptroller by April 1, 2024
												Annual Budget Request from Partners due June 1, 2024
												Annual Budget to Board (sixty days prior to start of next fiscal year: August 1, 2024)
												Staffing/Staff Evaluation (Staff Potential Conflicts of Interest)
												New Fiscal Year Contracts for Partners

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

Rev. 10/31/23

**DCOA Board
Meeting Minutes
September 21, 2023**

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
September 21, 2023

MEMBERS PRESENT: Sam Vinson Vic Corley Shea Hall
Tracy Howle Floyd Miller

STAFF PRESENT: Misty Mayo Julie Johncox Lindsay Dennis
Ashley Whitmer Evan Steele Bonnie Brzozowski
Sevie Schonerstedt Rick Jones Regi McCabe-Gossett

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

1. CALL THE MEETING TO ORDER: Chair Sam Vinson called the meeting to order at 9:00 am and introduced all Board Members present.

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 a public comment. Thus, Chair Sam Vinson moved on to Agenda Item 4.

4. GOVERNANCE SCHEDULE: President & CEO Misty Mayo stated that the governance schedule for Fiscal Year 2023 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. The DCOA is currently on schedule with both the governance schedule and strategic plan.

5. APPROVAL OF MINUTES FROM THE AUGUST 22, 2023, BOARD MEETING: Shea Hall moved to approve the Minutes from the August 22, 2023, Board Meeting. Tracy Howle seconded, and the motion passed.

6. DCOA FINANCIAL REPORT FOR AUGUST 2023 AND QUARTERLY SALES TAX REPORT: Regi McCabe-Gossett, DCOA Controller, presented the Financial Report for August 2023. As of August 31, 2023, the DCOA's year-to-date total operating revenue was \$17,622,776 and cash at the end of the period was \$32,265,375. The DCOA's total assets were \$105,823,985, and the DCOA's total liabilities were \$195,386.

Regi McCabe-Gossett presented the Sales Tax Report for August 2023 as reported by the City of Abilene. The sales tax rebate for September is \$1,202,398.94 which represents July

2023 sales. The year-to-date sales tax rebate was 7.1% above last year and 5.7% above the budgeted amount.

7. 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 September 21, 2023, and the time is 9:14 am. Later, Chair Sam Vinson announced the date is still September 21, 2023, and the time is 11:00 am, and that no vote or action was taken in Executive Session.

8. REPORT FROM THE PRESIDENT AND CEO: President & CEO Misty Mayo provided a report on the DCOA's Strategic Plan Initiatives.

Business Retention and Expansion Initiatives

Strategy – Establish a sustainable system for identifying, researching, and engaging existing Type A businesses.

- 5 Business Retention & Expansion Engagements with Type A Existing Companies
- 2 Business Retention & Expansion meetings with existing Type A companies regarding future expansion plans

Strategy – Develop programs to support the growth of existing businesses.

- 2 Business Retention & Expansion meetings with existing Type A companies regarding workforce training needs
- DCOA Team Members joined the AbiMar Foods Team to visit their new Welcome Center
- DCOA Team celebrated the Grand Opening of the Gayle and Max Dillard Science and Engineering Research Center at Abilene Christian University – Home to the Nuclear Energy eXperimental Testing Laboratory (NEXT Lab)
 - NEXT Lab - 25,895 square foot research & development facility
 - DCOA partnered with NEXT Lab through incentives for the project in 2018 & 2021
 - 2021 Project - \$29.3 Million Capital Investment, 28 jobs retained, 37 jobs created

Business Attraction Initiatives

Strategy – Implement systems that identify and engage targeted prospects, manage their interactions with the DCOA and lead them to an Abilene location decision.

- 5 Marketing Missions – Representing Abilene as the premier location for business at targeted industry marketing missions
- Prospective companies and/or site consultants touring Abilene with DCOA Team to experience Abilene's competitive advantages
- 24 RFIs (Request for Information) Submitted from October 1, 2022 – September 13, 2023
 - Requests for detailed information about the community including, but not limited to, available sites, maps, utilities, infrastructure, and workforce demographics
 - 374,881 average existing building square footage demand

- 114.51 average acreage demand (*less than 1000 acres required)

Marketing & Brand Management Initiatives

Strategy – Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

- Social Media Update – Follow @DevelopAbilene
 - “This past Saturday DCOA President and CEO Misty Mayo, EVP and COO Julie Johncox, and DCOA Board Member Tracy Howle represented the DCOA at the 70th Annual Military Affairs Committee Air Force Gala. The DCOA has had a long-standing partnership with Dyess Air Force Base for over 30 years, most recently committing \$1.3 million in matching grants for upgrades and improvements at Dyess Air Force Base. These improvements are critical to increase the value of Dyess to our nation’s defense and strengthen its position as one of our country’s premier air force bases.”
 - “The DCOA demonstrates Abilene’s commitment to supporting the businesses that have made Abilene their home which allows them to expand and thrive. Moreover, these efforts ensure that our workforce is highly skilled and equipped with advanced training opportunities. I am grateful for the leadership and collective efforts of the DCOA in making decisions and partnering with companies that are best for our community. Their success is a success for all of Abilene.” | Mayor Weldon Hurt #DevelopAbilene

Workforce Development Initiatives

Strategy – Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.

- NEXTU Program Update - NEXTU, powered by the DCOA, is 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.
- 61% Growth in Dual Credit Enrollment at Abilene Independent School District & Wylie Independent School District.
 - 54 Dual Credit Students in 2022
 - 87 Dual Credit Students in 2023
- "I chose to do the internship because I thought it would be fun and I was hopeful that I could get a good job there because that was what I wanted my career to be in. I would recommend this for others. I think it was a great way for someone to get into what they want to do, and it'll help them better their knowledge and understanding of what they are getting into." Cesar Perez, NEXTU Student at Wylie High School Intern at BWJ Metalworks

Real Estate Initiatives

Strategy – Evaluate master plans for both Industrial Parks for updates and improvements.

- Completed repairs of fire suppression system infrastructure at Hangar 2 allowing EASI to operate at full capacity.

Effective Operations Initiatives

Strategy – Employ systems to ensure engagement of qualified and dedicated Staff and Board Members to ensure their contributions through effective training and education.

- DCOA Team Member attended the 2023 Association for Supply Chain Management Conference where they received an update on industry trends and best practices.
- DCOA Team Members completed 3 training courses: Public Funds Investment Training (Certification), Private Public Partnership Financing (Course), TEDC Economic Development Sales Tax Workshop (Training)

Strategy – Implement best practices for policies and financial management systems to ensure future strategic projects are considered, as well as appropriate budgeting, monitoring, recording, and reporting of financial practices.

- Completed implementation of Oracle's NetSuite accounting system - *Enables staff to perform advanced analysis & accounting processes.*

DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING EXPENDITURES OVER \$50,000 AS DESCRIBED IN THE PRESIDENT AND CEO'S REPORT: President & CEO Misty Mayo presented Resolution 2023.32, approving expenditures greater than or equal to \$50,000 for approval. Vic Corley made a motion to approve Resolution DCOA-2023.32, approving expenditures greater than or equal to \$50,000. Floyd Miller seconded, and the motion passed.

9. DISCUSSION AND POSSIBLE APPROVAL OF AN INCENTIVE BONUS AND/OR AN AMENDMENT TO THE DCOA'S PRESIDENT AND CEO'S EMPLOYMENT AGREEMENT, SALARY, AND/OR BENEFITS: Tracy Howle made a motion to appoint Board Members Sam Vinson and Shea Hall to jointly:

1. Make changes to the current salary of the DCOA's CEO, Misty Mayo;
2. Award an incentive bonus to the DCOA's CEO, Misty Mayo; and
3. Make changes to the Employment Agreement for the DCOA's CEO, Misty Mayo,

based on the Board's discussion in Executive Session. Floyd Miller seconded, and the motion passed.

10. DISCUSSION AND POSSIBLE APPROVAL OF AN AMENDED AND RESTATED RESOLUTION AUTHORIZING A STREET EXPENDITURE AGREEMENT FOR USE OF THE 2023 STREET EXPENDITURE FUNDS: President & CEO Misty Mayo presented Resolution DCOA-2023.30 amending and restating the DCOA's previous authorization for the 2023 street expenditures. The Resolution authorizes the expenditure of \$1,799,427.53 in 2023 and completes the DCOA's commitment of \$8,500,000 under the 2019-2023 Master Street Expenditure Agreement.

Shea Hall made a motion to approve Resolution DCOA-2023.30, authorizing the approval of an amended and restated resolution regarding a street expenditure agreement for use of the 2023 street expenditure funds. Tracy Howle seconded, and the motion passed.

11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE PRESIDENT TO ENTER INTO A CONTRACT TO ACQUIRE PROPERTY IN NORTH ABILENE AND EXPEND FUNDS FOR DUE DILIGENCE PRIOR TO PURCHASE: Tracy Howle disclosed to the DCOA's other Board Members that she has an existing client

relationship with the owner of the property in North Abilene and will abstain from voting on this matter. Shea Hall made a motion to approve Resolution DCOA-2023.29, authorizing the President to enter into a contract to acquire property in North Abilene and expend funds for due diligence prior to purchase. Floyd Miller seconded, and the motion passed.

*Tracy Howle abstained.

12. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN AGREEMENT WITH PROJECT CAMPO: President and CEO Misty Mayo Presented Resolution DCOA-2023.31 authorizing an incentive for Project Campo. The Resolution authorizes the sale of property valued at \$49,900 in exchange for the company's capital investment of \$130,000 and retention of 12 full-time employees over a 2-year period.

Floyd Miller made a motion to approve Resolution DCOA-2023.31, authorizing an agreement with Project Campo. Shea Hall seconded, and the motion passed.

13. 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 October 25, 2023, at 9:00 am.

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

Sam Vinson, Chair

Shea Hall, Secretary & Treasurer

DCOA Financial Report for September 2023

Development Corporation of Abilene, Inc.
Statement of Net Position
As of September 30, 2023
Unaudited

	FY23 <u>September 30, 2023</u>	FY22 <u>September 30, 2022</u>
ASSETS		
Current Assets		
Cash & Cash Equivalents		
Cash	\$ 18,630,044	\$ 17,908,806
Investments	\$ 14,772,641	\$ 13,624,524
Total Cash & Cash Equivalents	\$ 33,402,685	\$ 31,533,330
Other Current Assets		
Accounts Receivable	\$ 2,532,780	\$ 2,757,760
Interest Receivable on Investments	\$ 132,379	\$ 81,280
Prepaid Expenses	\$ 357,658	\$ 464,974
Total Other Current Assets	\$ 3,022,817	\$ 3,304,014
Total Current Assets	\$ 36,425,502	\$ 34,837,344
Fixed Assets		
Land	\$ 2,694,232	\$ 2,715,874
Construction in Progress	\$ 1,237,752	\$ 40,712
Building & Improvements	\$ 25,311,780	\$ 25,230,356
Other Improvements	\$ 21,933,404	\$ 21,933,404
Machinery & Equipment	\$ 7,264	\$ 7,264
Vehicles	\$ 70,862	\$ 70,862
Total Accumulated Depreciation	\$ (16,966,167)	\$ (15,537,294)
Total Fixed Assets	\$ 34,289,128	\$ 34,461,178
Notes Receivable		
Notes Receivable - Earning Economic Incentives	\$ 7,371,194	\$ 12,608,277
Notes Receivable - BE in Abilene	\$ 153,333	\$ 358,333
Notes Receivable - Long Term	\$ 4,758,388	\$ 5,254,132
Accrued Interest on Notes Receivable	\$ 287,849	\$ 287,849
Allowance for Accrued Interest on Notes Receivable	\$ (287,849)	\$ (287,849)
Total Other Assets	\$ 12,282,915	\$ 18,220,743
Lease Receivables from Contracts (GASB 87)	\$ 23,589,822	\$ 26,150,890
TOTAL ASSETS	<u>\$ 106,587,367</u>	<u>\$ 113,670,154</u>
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 902,744	\$ 793,840
Payroll Liabilities	\$ 143,554	\$ 165,478
Total Liabilities	\$ 1,046,298	\$ 959,318
Deferred Lease Revenue from Contracts (GASB 87)	\$ 23,271,829	\$ 26,023,174
Net Assets		
Investment in Capital Assets	\$ 34,289,128	\$ 34,461,177
Unrestricted Net Assets	\$ 1,057,066	\$ (48,705)
Restricted Net Assets	\$ 51,341,468	\$ 54,597,907
Net Income	\$ (4,418,422)	\$ (2,322,717)
Total Net Assets	\$ 82,269,240	\$ 86,687,662
TOTAL LIABILITIES & NET ASSETS	<u>\$ 106,587,367</u>	<u>\$ 113,670,154</u>

As companies complete contractual requirements this amount may reduce year over year based on active contracts.

The Government Accounting Standards Board (GASB) sets accounting requirements for governments and non-profits. GASB 87 added new requirements for how leases are presented on financials.

Restricted Net Assets Detail - Contractual Obligations & Operating Expenses	
Contracted Economic Development Expenses	\$ 41,341,468
FY 24-28 City Street Maintenance (Approved; Contract Pending)	\$ 10,000,000
	\$ 51,341,468

Development Corporation of Abilene
Revenues, Expenses, and Changes in Net Position
September 30, 2023

Unaudited

	Sept '23	FY23 YTD Oct '22 - Sept '23	FY23 Annual Budget
OPERATING REVENUES			
Sales and Use Tax	\$ 1,202,399	\$ 15,411,389	\$ 14,623,392
Interest Revenues	\$ 2,744	\$ 92,821	\$ 19,600
Land and Building Leases	\$ 242,283	\$ 3,565,992	\$ 3,285,529
TOTAL OPERATING REVENUES	\$ 1,447,426	\$ 19,070,203	\$ 17,928,521
OPERATING EXPENSES			
Workforce Development Initiatives	\$ 83,254	\$ 244,832	\$ 400,000
Business Retention & Expansion	\$ 664	\$ 9,308	\$ 209,746
Abilene Industrial Foundation	\$ 87,500	\$ 349,735	\$ 350,000
Small Business Development Center	\$ 32,044	\$ 157,669	\$ 253,000
Military Affairs Committee	\$ 54,711	\$ 377,318	\$ 437,000
Abilene Regional Airport Business Development	\$ -	\$ 179,151	\$ 231,959
ACU Griggs Center	\$ -	\$ -	\$ -
Asset Management and Administration	\$ 451,911	\$ 3,649,128	\$ 4,616,515
* Property Maintenance (Multi Year)	\$ 67,819	\$ 1,019,995	\$ 1,120,000
TOTAL OPERATING EXPENSES	\$ 777,902	\$ 5,987,136	\$ 7,618,220
NET OPERATING REVENUE	\$ 669,524	\$ 13,083,067	\$ 10,310,301
NON OPERATING REVENUES			
Miscellaneous Revenue	\$ -	\$ 15,000	\$ -
Investment Earnings	\$ 50,318	\$ 610,499	\$ 109,780
Investment Unrealized Gain/loss	\$ (17,807)	\$ 67,507	\$ -
Gain/Loss on Disposal of Asset	\$ -	\$ 732,459	\$ -
TOTAL NON OPERATING REVENUES	\$ 32,511	\$ 1,425,465	\$ 109,780
NON OPERATING EXPENSES			
* Total Economic Development Expenses (Multi Year)	\$ 924,344	\$ 17,498,080	
Depreciation Expense	\$ 118,021	\$ 1,428,874	
Miscellaneous Expense	\$ -	\$ -	
TOTAL NON OPERATING EXPENSES	\$ 1,042,366	\$ 18,926,954	
NET NON OPERATING REVENUES	\$ (1,009,855)	\$ (17,501,489)	
NET REVENUES	\$ (340,330)	\$ (4,418,422)	

* Includes approved multi year expenses.

FYTD 2023 Investments Market Value and Interest Earned			
Month	Market Value	% Change from Prior Month	Interest Earned
August '23	\$ 20,270,329	0.41%	\$ 56,868
Setember '23	\$ 20,275,152	0.02%	\$ 50,318
Fiscal Year 2023 Total			\$ 610,499

Development Corporation of Abilene, Inc.
Statement of Cash Flow
September 2023
Unaudited

	FY23 YTD Sept '23
OPERATING ACTIVITIES	
Net Revenue	(\$4,418,422)
Adjustments to Reconcile Net Revenue to Net Cash Provided by Operations:	
Accounts Receivable	\$13,306
Current Portion of Notes Receivables	\$227,218
Prepaid Expense/Escrow	\$107,316
Accounts Payable	(\$86,980)
Net Cash Provided by Operating Activities	(\$4,157,561)
INVESTING ACTIVITIES	
Construction in Progress	(\$1,197,041)
Fixed Assets	(\$59,783)
Accumulated Depreciation	\$1,428,874
Lease Receivables (GASB 87)	\$2,561,068
Notes Receivables	\$5,937,828
Prepaid Expense/Escrow	\$107,316
Net Cash Provided by Investing Activities	\$8,778,262
FINANCING ACTIVITIES	
Deferred Lease Revenue (GASB 87)	(\$2,751,345)
Net Cash Provided by Financing Activities	(\$2,751,345)
Net Cash Increase for Period	\$1,869,355
Cash at Beginning of Period	\$31,533,330
Cash at End of Period	\$33,402,685

Development Corporation of Abilene, Inc.
Economic Development Program Status
September 30, 2023

FY23 Economic Development Project Activity for Multi Year Contracts

Multi Year Capital Improvement Projects & Contracts	Project Budget Amount	Prior Years Spend	Current YTD FY23 Spend	Balance Reserved	Project Completed?
City Street Maintenance Fund 2019	8,500,000	4,958,150	1,088,858	2,452,993	
Building C Truck Maneuvering Area	1,803,870	-	1,237,752	566,118	
Bridgestone/Bandag (Project Eagle II) 2022	6,000,000	-	-	6,000,000	
ABI Windows (Project Bonanza) 2023	6,721,250	-	758,000	5,963,250	
Hendrick Operations Center Phase II (Project Saldo) 2023	909,500	-	-	909,500	
EASI De-Fuel Truck 2015	222,500	212,750	9,750	-	Yes
Great Lakes Cheese Incentive 2021	30,000,000	8,000,000	8,000,000	14,000,000	
Building C Permanent Parking	287,326	-	-	287,326	
Great Lakes Cheese Land & Infrastructure 2021	3,300,000	2,659,653	63,138	-	Yes
Workforce Development Initiatives - NEXTU FY 2023	100,000	-	99,593	407	
Marigold & Fulwiler St. Upgrade/EDA Grant Match 2021	3,000,000	152,986	134,388	2,712,626	
United Ag & Turf (Quality Implement) 2021	500,000	250,000	50,000	200,000	
BCBS Parking Lot 2022	273,201	136,601	136,601	-	Yes
Lancium 2021	2,500,000	-	-	2,500,000	
BWJ Metalworks 2022	100,000	-	100,000	-	Yes
ACU Next Lab 2021	2,930,000	-	1,172,000	1,758,000	
Hendrick Medical Center Operations Center 2021	1,540,000	-	-	1,540,000	
Dyess AFB DEAAG/Matching Grant 2022	300,000	-	92,217	207,783	
Dyess AFB JLUS Implementation/Matching Grant 2022	55,000	-	31,934	23,066	
Dyess AFB DEAAG/Matching Grant 2021	536,337	527,045	-	-	Yes
TSTC New Abilene Campus 2017	4,000,000	1,779,600	-	2,220,400	
TOTAL Multi Year Capital Projects	\$ 73,578,984	\$ 18,676,784	\$ 12,974,231	\$ 41,341,468	

Multi Year Economic Incentives Principal Reductions*	Economic Incentive Budget	Prior Years Expensed	Current YTD FY23 Expense	Remaining Economic Incentive Budget	Contract Completed?
BE in Abilene 2018	\$ 200,000	\$ 125,000	\$ 75,000	\$ -	Yes
BE in Abilene 2019	200,000	50,000	46,354	103,646	
BE in Abilene 2020	250,000	116,667	83,333	50,000	
Primal Pet Group 2015	9,500,000	4,002,432	5,497,568	-	Yes
Broadwind Towers 2016	570,628	456,503	114,126	-	Yes
FDLIC 2020	1,035,000	258,750	258,750	517,500	
Hartmann's 2020	900,000	-	-	900,000	
Abimar Foods 2020	2,000,000	666,667	1,333,333	-	Yes
Primal Pet Group 2021	3,160,000	-	-	3,160,000	
Bavarian - Extrusion Concepts 2020	400,000	-	80,000	320,000	
Chike Next Level Blending 2020	387,000	-	-	387,000	
Primal Pet Group 2022	1,372,988	-	172,988	1,200,000	
Vista Flags 2021	60,000	20,000	20,000	20,000	
United Ag & Turf (Quality Implement) 2021	300,000	-	100,000	200,000	
TOTAL Multi Year Economic Incentive Principal Reduction Earned	\$ 20,335,616	\$ 5,696,018	\$ 7,781,452	\$ 6,858,146	

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

DCOA

Investment Report

Q3 2023 Investment Report

PORTFOLIO SUMMARY

Beginning Market Value for Reporting Period (7/1/2023)	\$ 20,058,438
Ending Market Value for Reporting Period (9/30/2023)	\$ 20,275,152
\$ Change in Market Value for Reporting Period (July-Sept 2023)	\$ 216,714
% Change in Market Value for Reporting Period (July-Sept 2023)	1.08%
Total Accrued Interest for the Period (July-Sept 2023)	\$ 117,368
Estimated Annual Income Based on Current Holdings	\$ 689,832

DCOA INVESTMENT POLICY REQUIREMENTS

Article IV(C) - Portfolio yield greater than Bloomberg 1-3 US Treasury Index yield.	
9/30/23 DCOA Portfolio Yield	5.22%
9/30/23 Bloomberg 1-3 US Treasury Index	<u>5.11%</u>

Article IX(A) - The Market Value of the pledged collateral must be equal to or greater than 102% of the principal and accrued interest for cash balances in excess of Federal Deposit Insurance Corporation (FDIC) insurance coverage.

First Financial Bank Cash Balance in Excess of FDIC Insurance Coverage	\$ 13,053,847.71
Collateral Required for at 102% of Balances	\$ 13,314,924.66
Market Value of Pledged Collateral as of 9/30/23	\$ 18,673,314.85

Committee Minutes and Compliance Certification

The Committee reviewed the portfolio's market value, yield, and collateral requirements as outlined in the DCOA's Investment Policy.

The market value of the DCOA's portfolio at 9/30/2023 was \$20,275,152, showing an unrealized market value increase of 1.08% for the quarter.

This Investment Report meets the requirements set for in the DCOA's Investment Policy; and because of that, this report is compliant with the Public Funds Investment Act (Chapter 2256 of Texas Government Code).

Shea Hall, Secretary/Treasurer of the DCOA Board of Directors & Investment Officer

Floyd Miller, DCOA Board of Directors & Investment Officer

Misty Mayo, DCOA President & CEO; Investment Officer

Julie Johncox, DCOA EVP & COO; Investment Officer

Regi McCabe-Gossett, DCOA Controller; Investment Officer

Date

Report from the President and CEO

VISION

The Vision of the Development Corporation of Abilene is to build the future Abilene.



MISSION

The Mission of the Development Corporation of Abilene is to lead economic growth in Abilene by attracting and sustaining industries that support job creation, foster strong business, and ensure a prosperous community.

BUSINESS RETENTION AND EXPANSION

Influence business growth in the community.

Create a culture that engages existing targeted-industry businesses as the catalyst for sustaining and growing our economic base.

BUSINESS ATTRACTION

Promote Abilene as the premier location for business.

Strengthen Abilene's competitive advantage by activating strategies that attract consistent and sustainable investment for the community.

MARKETING AND BRAND MANAGEMENT

Market the community aggressively and proactively.

Develop a robust marketing strategy for DevelopAbilene encompassing communication systems and strategic research to support all initiatives of the DCOA under a highly recognizable brand.

WORKFORCE DEVELOPMENT

Implement innovative workforce initiatives to support Type A Companies.

Initiate new innovative approaches to broaden workforce capacity, creating a sustainable pipeline of available workforce and support systems for existing and future Type A Companies.

REAL ESTATE

Prioritize real estate assets that spur Abilene's future growth.

Lead industry development initiatives and strategic projects that most effectively impact long-term economic development success.

EFFECTIVE OPERATIONS

Ensure effectiveness to continue long-term success and impact for Abilene in economic development.

Establish sustainable mission-critical operations that maximize the DCOA's effectiveness in implementing strategies aligned with the Mission.

BUSINESS RETENTION & EXPANSION STRATEGIES

- Establish a sustainable system for identifying, researching, and engaging existing Type A businesses.
- Develop programs to support the growth of existing businesses.
- Become a hub for creative and innovative business.



BUSINESS ATTRACTION STRATEGIES

- Implement systems that identify and engage targeted prospects, manage their interactions with us, and lead them to an Abilene location decision.
- Commission a competitive analysis and target industry study to prepare research that evaluates our resource capacities and identifies prospect industries aligned with those resources.
- Utilize and expand data & software assets to perform next-level, competitive business retention and expansion, business development, promotion, and marketing operations.

MARKETING AND BRAND MANAGEMENT STRATEGIES

- Identify and develop resources needed to draw prospect interest and confirm the appropriateness of an Abilene location.
- Utilize proactive marketing to implement organizational and industry marketing, and state, national, and international outreach efforts.
- Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

WORKFORCE DEVELOPMENT STRATEGIES

- Examine all aspects of the regional workforce and create an action summary to support the needs identified.
- Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.
- Further enhance and invest in education and training with educational partners, including an emphasis on exiting Dyess Airmen.

REAL ESTATE STRATEGIES

- Implement a real-time sustainable system that identifies and inventories all aspects of available real estate potentially suitable for the needs of targeted prospects, including consideration of acquisition & expansion of existing assets and Industrial Parks.
- Analyze and evaluate costs and benefits of all DCOA properties to determine the best use for each property and formulate plans to implement.
- Plan for long-term opportunities related to economic development incentives, incentive zones, and emerging opportunities.
- Evaluate master plans for both Industrial Parks for updates and improvements.

EFFECTIVE OPERATIONS STRATEGIES

- Employ systems to ensure engagement of qualified and dedicated Staff and Board members to ensure their contributions through effective training and education.
- Manage engagement of Partners to help deliver aspects of the DCOA's comprehensive responsibilities.
- Implement best practices for policies and financial management systems to ensure future strategic projects are considered, as well as appropriate budgeting, monitoring, recording, and reporting of financial practices.

BUSINESS RETENTION & EXPANSION INITIATIVES

*BUSINESS RETENTION & EXPANSION STRATEGY –
Become a hub for creative and innovative business.*

REPORT FROM PRESIDENT & CEO
September 22, 2023 – October 31, 2023



DCOA identified opportunity to partner with the **Texas Manufacturing Assistance Center** to create series supervisor training for manufacturers

DCOA attended the Abilene **Interdisciplinary Symposium on Cancer & Biomedical Research** to gather information on healthcare industries



TEXAS TECH UNIVERSITY
HEALTH SCIENCES CENTER..
at Abilene



BUSINESS RETENTION & EXPANSION INITIATIVES

BUSINESS RETENTION & EXPANSION STRATEGY –

Establish a sustainable system for identifying, researching, and engaging existing Type A businesses.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

35

Company On-Site Visits

The DCOA team leveraged **ABILITY in ABILENE** Campaign to celebrate **National Manufacturing Month** by targeting communication, outreach, and appreciation for Abilene Manufactures and the manufacturing workforce



5

BRE visits with local existing companies to gather data and company progress information

6

projects announced and contracted in FY 2023



4 of the 6 projects are local, existing companies (67%)


BUSINESS RETENTION & EXPANSION INITIATIVES

BUSINESS RETENTION & EXPANSION STRATEGY –

Develop programs to support the growth of existing businesses..

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



Schedule of Manufacturers

CHIKE NUTRITION - OCTOBER 10 @ 4 P.M.
2121 E STAMFORD STREET, ABILENE

OX MANUFACTURING - OCTOBER 11 @ 3:30 P.M.
942 CR 175, BRECKENRIDGE

RENTECH - OCTOBER 12 @ 9:30 A.M.
5025 EAST BUSINESS 20, ABILENE

HARTMANN'S INC. - OCTOBER 17 @ 3:30 P.M.
1221 FULWILER ROAD, ABILENE

RAM INC. - OCTOBER 18 @ 4 P.M.
808 E 6TH STREET, CISCO

GREAT LAKES CHEESE - OCTOBER 19 @ 4 P.M.
2670 GREAT LAKES DRIVE, ABILENE

BWJ METALWORKS - OCTOBER 24 @ 4 P.M.
3125 E HWY 80, ABILENE

USG - OCTOBER 25 @ 4 P.M.
1 USG ROAD, SWEETWATER

The Big Country Manufacturing Alliance and area manufacturers are opening their doors to the community. Step in and step up to a career in manufacturing!

- ✓ LOOK INTO THE WORLD OF MANUFACTURING
- ✓ LEARN WHAT MANUFACTURING BUSINESSES DO
- ✓ EXPLORE THE MANY CAREER OPPORTUNITIES

Big Country Manufacturing Alliance Open Houses for National Manufacturing Month

DCOA participates in Big Country Manufacturing Alliance (BCMA) as a critical industry led collaboration to advance manufacturing and the manufacturing workforce in the region



BUSINESS ATTRACTION INITIATIVES

BUSINESS ATTRACTION STRATEGY –

Implement systems that identify and engage targeted prospects, manage their interactions with us, and lead them to an Abilene location decision.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

9

Marketing Missions

WESTEC
Tradeshow

Team Texas New York City
Targeted Market Mission

Transatlantic Business & Investment Council Targeted
Market Mission to International Food & Beverage TradeShow

2

Site Visits from
prospective companies

Prospective companies and/or Site Selection Consultants
that the DCOA has engaged to experience Abilene's
competitive advantages

3

Requests for Proposals (RFP)
responded to in FY 2024
(October 1, 2023 - October 30, 2023)

Requests for Proposals (RFPs) – requests for detailed
information about the community including, but not
limited to, available sites, maps, utilities, infrastructure, and
workforce demographics

BUSINESS ATTRACTION INITIATIVES

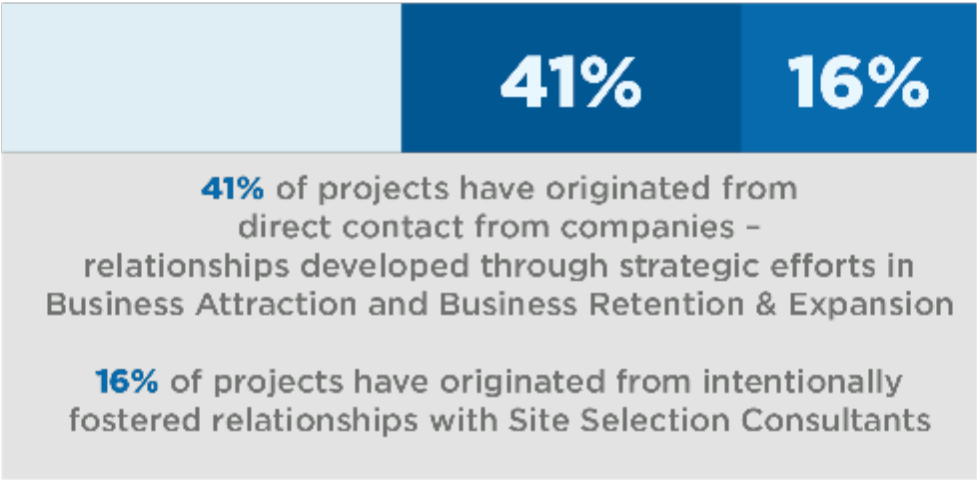
BUSINESS ATTRACTION STRATEGY –

Utilize and expand data & software assets to perform next-level, competitive business retention and expansion, business development, promotion, and marketing operations.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

Lead Sources



Represented Abilene on seven webinars focused on:



BUSINESS ATTRACTION INITIATIVES

BUSINESS ATTRACTION STRATEGY –

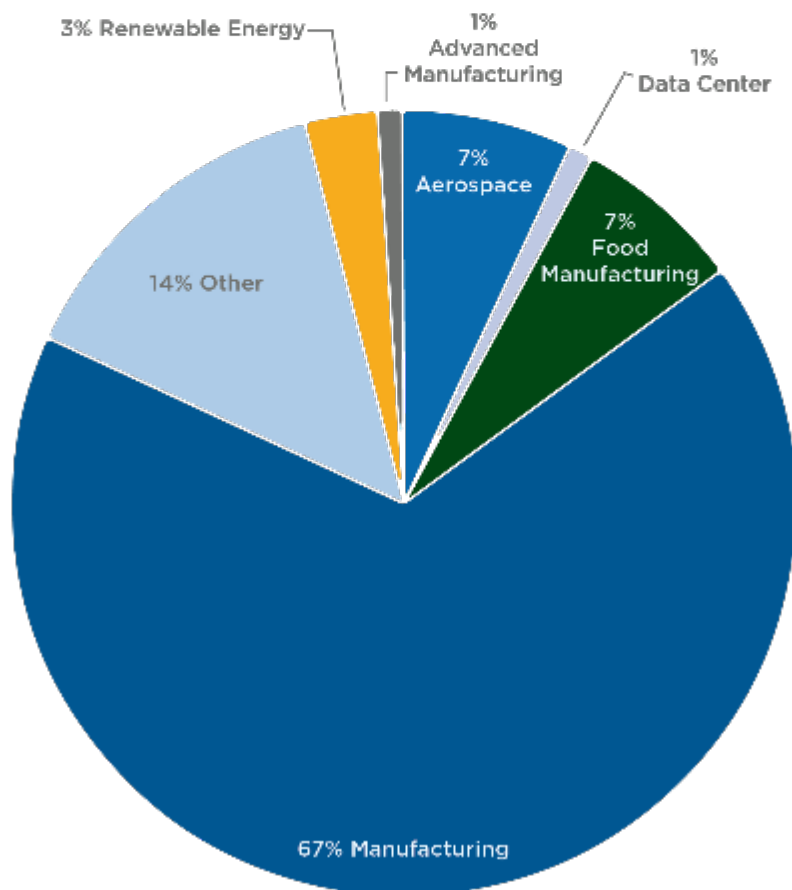
Commission a competitive analysis and target industry study to prepare research that evaluates our resource capabilities and identifies prospect industries aligned with those resources.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

72 RFPs received in Fiscal Year 2023 (October 1, 2022 – September 30, 2023)

Requests for Proposals (RFPs) – requests for detailed information about the community including, but not limited to, available sites, maps, utilities, infrastructure, and workforce demographics



247.36 acres

Average Acreage Requirement
(*from all 72 RFPs received)

383,609 square feet

Average existing building square footage requirement
(*from all 72 RFPs received)

72 RFPs required the following considerations:

43% - Existing Building Requirements

(20,000 square feet – 1.2 million square feet)

14% - Large Acreage Requirements

(100 acres – 8,500 acres)

11% - Rail Served Property Requirements

(20 acres – 100 acres site requirements)

MARKETING & BRAND MANAGEMENT

International Awards

MARKETING & BRAND AWARENESS STRATEGY –

Utilize proactive marketing to implement organizational and industry marketing, and state, national, and international outreach efforts.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



-Gold-



DIGITAL
MEDIA

-Silver-



MULTIMEDIA /
VIDEO PROMOTION

-Silver-



ANNUAL
REPORT

-Bronze-



GENERAL
PURPOSE
WEBSITE

-Bronze-

MARKETING & BRAND MANAGEMENT

Recent Accolades

MARKETING & BRAND AWARENESS STRATEGY –

Utilize proactive marketing to implement organizational and industry marketing, and state, national, and international outreach efforts.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

THE 2023 INTERNATIONAL ECONOMIC DEVELOPMENT ORGANIZATION OF THE YEAR



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL



Develop**Abilene**
DEVELOPMENT CORPORATION OF ABILENE

The DCOA has fostered relationships that have allowed us to build an extensive network of site selection consultants, developers, companies, and stakeholders.

Over 2,100 from this network were reached.

Today, Abilene Mayor Weldon Hurt and the City Council recognized the DCOA for being named the "Economic Development Organization of the Year" by the [International Economic Development Council](#) (IEDC). This prestigious "Gold Designation" signifies excellence in setting the gold standard for Abilene's economic growth and prosperity. It's the first time Abilene has earned this honor, marking a pivotal moment in our city's history.

This award is a testament to the unwavering commitment of the DCOA team, our vital partnerships with the business community, and the power of collaboration. It demonstrates our collective dedication to elevating Abilene's economic landscape and securing³⁰ our place as a competitive business hub.

MARKETING & BRAND MANAGEMENT

Social Media

MARKETING & BRAND AWARENESS STRATEGY –

Identify and develop resources needed to draw prospect interest and confirm the appropriateness of an Abilene location

Social Media Statistics

2,500+

CURRENT FOLLOWERS

250,000+

SOCIAL IMPRESSIONS

11,000+

INTERACTIONS

Comments, Shares, Likes, Clicks



REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



This past Saturday, DCOA President and CEO Misty Mayo, EVP and COO Julie Johncox, and DCOA Board Member Tracy Howle represented The DCOA at the 70th Annual Military Affairs Committee Air Force Gala. The DCOA has had a long-standing partnership with Dyess Air Force Base for over 30 years, most recently committing \$1.3 million in matching grants for upgrades and improvements at [Dyess Air Force Base](#). These improvements are critical to increase the value of Dyess to our nation's defense and strengthen its position as one of our country's premier air force bases.



WELDON HURT
Mayor Of Abilene

The DCOA demonstrates
Abilene's commitment
to supporting the
businesses that have
made Abilene their home
which allows them to
expand and thrive.

"The DCOA demonstrates Abilene's commitment to supporting the businesses that have made Abilene their home which allows them to expand and thrive. Moreover, these efforts ensure that our workforce is highly skilled and equipped with advanced training opportunities. I am grateful for the leadership and collective efforts of the DCOA in making decisions and partnering with companies that are best for our community. Their success is a success for all of Abilene." | Mayor Weldon Hurt

MARKETING & BRAND MANAGEMENT

Social Media

MARKETING & BRAND AWARENESS STRATEGY –

Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



DCOA team members and members of city council were on hand to celebrate the start of the academic school year at [Hardin-Simmons University](#) 's 2023 Convocation. The DCOA partners with all six higher education institutions in Abilene that provide more than 13,000 students in post-secondary education to support our qualified labor force for Abilene's employers. Abilene has spent decades building a pipeline of skilled workers who are ready to work. Choosing Abilene to build their business allows companies to collaborate with four universities and state-of-the-art technical training facilities for high school and college students to build the best workforce pipeline in the country. Abilene's future is BRIGHT.

Follow Us!

@DevelopAbileneTX
#ABITX
#DevelopedInAbilene



The DCOA is celebrating National Manufacturing Month by visiting and honoring the skilled and dedicated manufacturers who form the backbone of our local Abilene economy. Manufacturing is at the heart of our city's growth, job creation, and economic strength. We recognize the incredible contributions of Abilene's manufacturers. Your hard work, innovation, and commitment are driving our community forward, and we proudly support your unwavering dedication to excellence. Together, we're shaping the future of Abilene. There is Ability in Abilene, Texas.

MARKETING & BRAND MANAGEMENT

Recent Advertisements

MARKETING & BRAND AWARENESS STRATEGY –

Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

Trade and Industry Magazine Case Study



Read the full case study on the next page
or by visiting our website here: <https://bit.ly/3sdhftf>

Site Selection Magazine and Homepage



Choosing to call Abilene home allows companies to collaborate with four universities and state-of-the-art technical training facilities for high school and college students to build the best workforce pipeline in the country.

Explore the endless possibilities at DevelopInABI.com

DevelopAbilene
DEVELOPMENT CORPORATION OF ABILENE

CASE STUDY | Abilene, Texas

ABILENE, TEXAS:

A Manufacturing Powerhouse Backed by Robust Education Resources



Manufacturing success hinges on two key factors: a well-thought-out business plan and a strategic location teeming with essential resources and a skilled workforce. Abilene, Texas emerges as a standout choice when considering the ideal site for manufacturing endeavors.

Expansion Fuels Economic Growth

Last year, the Development Corporation of Abilene (DCOA) announced a \$60 million expansion of Bridgestone Bandag, a Bridgestone Americas Tire Operations (BATO) division. Bridgestone Bandag, a

global leader of medium and heavy-duty truck tires for North America's original equipment and replacement markets, has been an integral part of the Abilene community for more than half a century.

This expansion, which adds 50,000 square feet to the existing 200,000-square-foot facility, is about more than just growth in physical space. It signifies growth in jobs, revenues and community prosperity. It is expected to create 25 new jobs, retain 179 full-time employees and contribute approximately \$21 million in taxes to the City of Abilene, Taylor County and Abilene Independent School District.

"To have a company that has invested such a long history of manufacturing in Abilene and make this additional commitment, is a true highlight of the exciting things happening in Abilene," said Misty Mayo, President and Chief Executive Officer of the Development Corporation of Abilene. "Bridgestone Bandag's expansion project is representative of the type of work the DCOA prioritizes — building long-term partnerships with local existing companies."

Bridgestone Bandag Has a Committed Partner in the DCOA

The DCOA is the economic development driver of Abilene, and the organization's mission is building the future of Abilene by attracting and sustaining industries that support job creation, fostering strong business and ensuring a prosperous community. The DCOA worked intensively with Bridgestone Bandag to facilitate this expansion and create an unrivaled seamless experience. The results are paying off for Abilene.

Over the next 10 years, the total estimated economic impact, direct and indirect, of the expansion is \$1.81 billion. This \$60 million expansion marks the fifth largest project in the DCOA's history and continues to prove Abilene has a successful platform for business growth. By creating true partnerships with companies, the DCOA works creatively to find ways to meet their needs locally and to support their future prosperity in the community.

"We want to ensure Abilene's companies stay here, grow here and prosper here," said Mayo. "The Development Corporation of Abilene is invested in the success and future of the community."

The DCOA noted that the decision by Bridgestone Bandag to expand in Abilene is a testament to the region's robust business environment and high quality of life.

"Bridgestone Bandag is a well-established and respected company in our community," said Sam Vinson, DCOA Board Chair. "This expansion project brings immense value to our community because Bridgestone Bandag has chosen to grow here in Abilene, Texas."

For its part, Bridgestone Bandag noted that its decision to grow in Abilene was driven by the success it has experienced

in the community in the past, according to Chris Daniel, Executive Director of Bandag Manufacturing, Bridgestone Americas, at the groundbreaking ceremony.

"Today, we celebrate the growth and commitment of this plant and this community, with new investment and a physical expansion driven by growing demand for our products and, just as fundamentally, by this team's commitment to delivering innovation and superior quality for our customers here and around the world," said Daniel. "Our company and our Abilene team have a vital role to play in the transformation of mobility brought forth by a desire of building greener retreats while helping maximize fuel efficiency for fleets."

The expansion's significance goes beyond mere numbers. It's about planning for future-ready manufacturing, leveraging automation to meet the burgeoning demand in the retread tire industry. As a leading tire retread manufacturer, Bridgestone Bandag's expansion involves developing an automated rubber mixing and production operation. This aligns perfectly with Bridgestone's broader commitment to sustainability.

A Sustainable Approach

This expansion provides forward momentum — one that includes building a sustainable future. Bridgestone Bandag's investment aligns with its E8 Commitment, a visionary program to achieve carbon neutrality in mobility by 2050. This program encompasses eight core values, each beginning with the letter "E," including Energy, Ecology and Efficiency. It underscores Bridgestone's dedication to sustainability and determination to contribute to a greener, more fuel-efficient future, especially for commercial fleets.

Retread tires aren't merely cost-effective; they also represent an environmentally responsible way to extend the lifecycle of tires. Since its inception in 1957, Bandag has been instrumental in diverting approximately 300 million tires away from landfills, significantly reducing material emissions, water consumption and energy use associated with producing new tires. The Bandag retreading process has also conserved approximately four billion gallons of oil.



An Ideal Central Location in the United States

Abilene, Texas, is located in Taylor County, Texas, directly on I-20, just two and half hours from the Dallas/Fort Worth metro area, making it strategically located in the south-central United States. Abilene's metropolitan statistical area, a three-county region, has a population of 179,308.

Global leaders in the manufacturing industry recognize Abilene as a premier location for their companies due to the region's reliable infrastructure, pro-business environment conducive to economic growth and progressive business incentives, all of which enable a healthy and robust business environment.

Strong Support from Abilene Education Resources

The project taps into Abilene's skilled labor force in the manufacturing industry, a situation bolstered by the region's education initiatives, which provide the necessary education to support future workforce needs.

Four universities, a technical college, a community college and unique training opportunities for high school students help ensure that Abilene-based

companies have enough talent in the pipeline to hire the workers they need.

The Development Corporation of Abilene has a one-of-a-kind program called NEXTUniversity, which prepares and trains students for degree programs through local independent school districts in the area. NEXTU is a career development program that assists young professionals in pursuing careers like welding, industrial systems, aircraft maintenance, nursing and more. Through high school and beyond, NEXTU students are supported with scholarship dollars that pay for their technical classes, books, supplies and tools.

With guidance from a career coach, NEXTU students obtain industry-based certifications and connections to their careers. Today, more than 13,000 students are actively being educated in Abilene. Primary manufacturing is a focus at institutions like Texas State Technical College (TSTC) and Cisco College. In addition to powerful professionals, the community has a robust infrastructure and a strategic location in the south-central United States that secures Abilene as the premier location for manufacturing. The future is bright in Abilene, Texas.



MARKETING & BRAND MANAGEMENT

DevelopAbilene.com Updates

MARKETING & BRAND AWARENESS STRATEGY –

Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



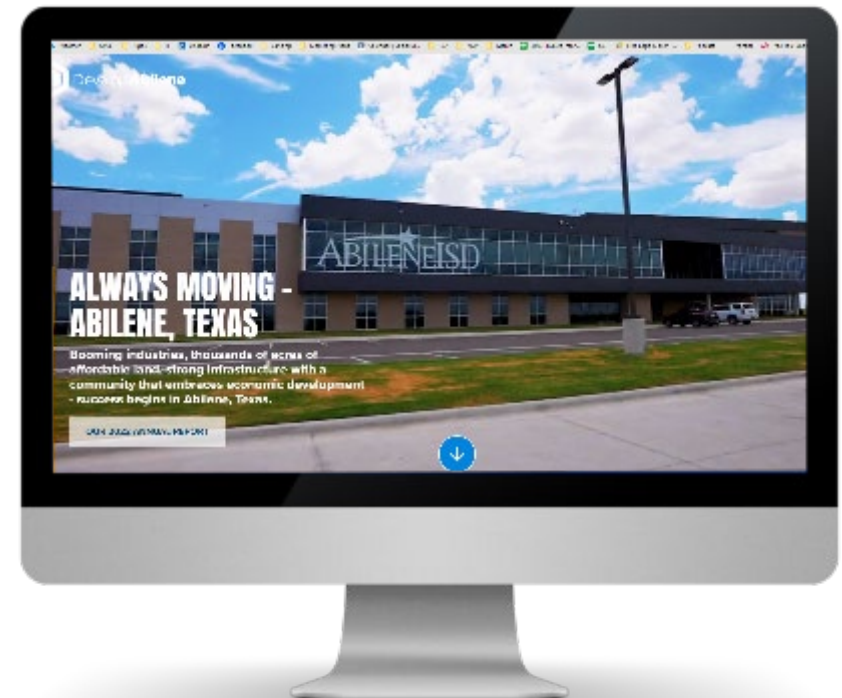
Unique Worldwide Website Visitors

11,500+

Over 11,500 website visits originated
from unique IP Addresses

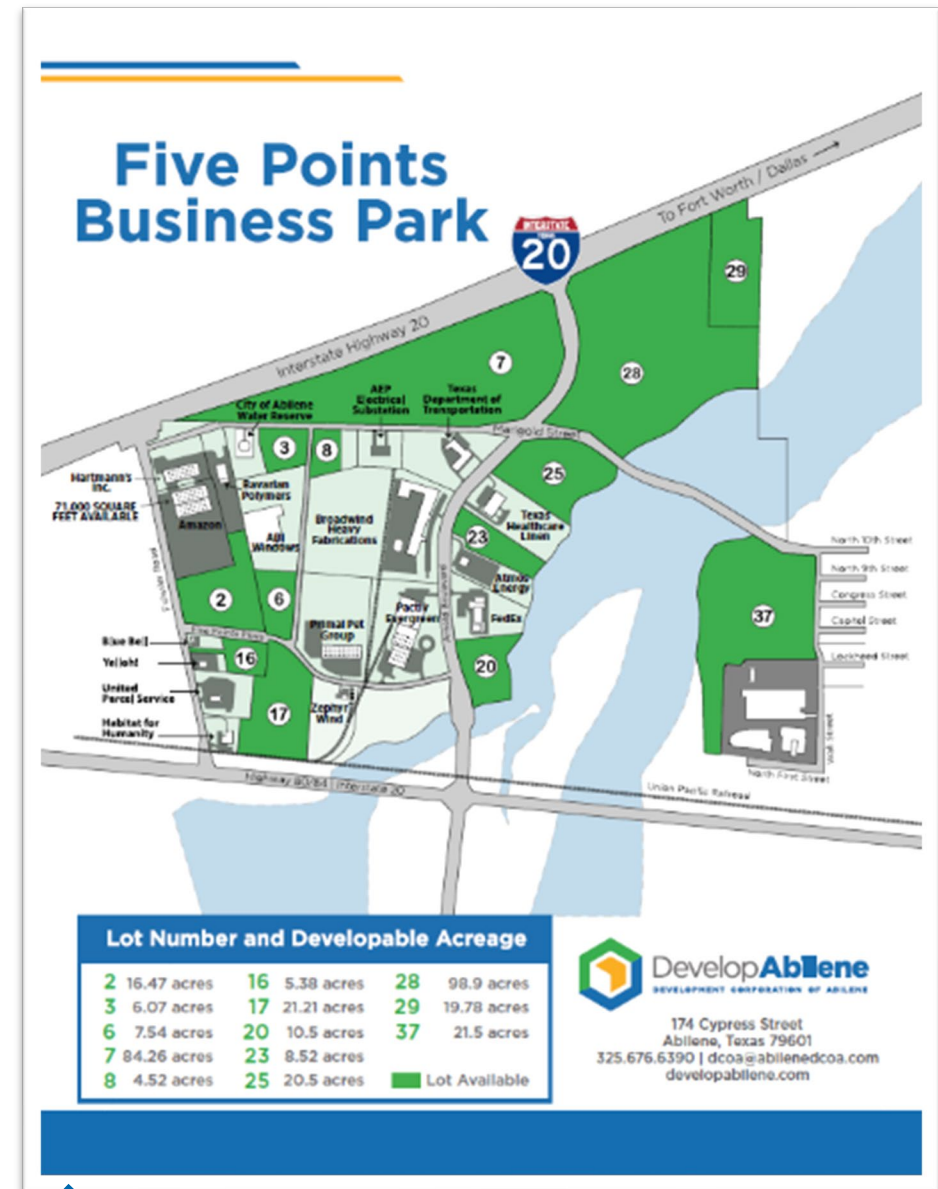
Google Analytics GA4 Upgrade

We recently completed an upgrade to GA4 Analytics which allows for better tracking, enhanced search engine optimization and paid search, as well as enhanced quality of the website.



MARKETING & BRAND MANAGEMENT

Marketing Collateral



Updated marketing collateral to showcase
DCOA Business Parks in Abilene.

**MARKETING &
BRAND AWARENESS STRATEGY –**
Identify and develop resources needed to draw prospect interest
and confirm the appropriateness of an Abilene location

MARKETING & BRAND MANAGEMENT

Economic Development Day: Leadership Abilene

MARKETING & BRAND AWARENESS STRATEGY -

Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



Misty Mayo | President and CEO alongside **Julie Johncox | Executive Vice President** represented Abilene at the Texas Economic Development Council's Annual Meeting to receive a prestigious award while **Brock New | Vice President of Business Development**, and **Lindsay Dennis | Vice President of Business Retention and Expansion**, took the opportunity to present to Leadership Abilene Program Members on Economic Development Day to discuss the DCOA's efforts to attract, retain, and expand the companies that build the Future Abilene.

WORKFORCE DEVELOPMENT INITIATIVES

WORKFORCE DEVELOPMENT STRATEGY –

Examine all aspects of the regional workforce and create an action summary to support the needs identified.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



DCOA Sponsored the
World of Work Youth Expo
with the goal to expose, educate, and
engage students with future careers and
training opportunities



3,000+

High School Students
throughout the region attended

600+

students received information
from DCOA on NEXTU



WORKFORCE DEVELOPMENT INITIATIVES

WORKFORCE DEVELOPMENT STRATEGY –

Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



GRACE Conference

Growth through Reentry to Advance Careers & Employment

DCOA focused on enhancing efforts to encourage formerly incarcerated individuals gain meaningful employment

YTexas Summit is a resource for companies relocating, expanding and growing within the State of Texas.

The 2023 Summit focused on **skilled workforce in Texas**.



The DCOA supported two Abilene School Districts: **Abilene ISD and Eula ISD**

WORKFORCE DEVELOPMENT INITIATIVES

WORKFORCE DEVELOPMENT STRATEGY –

Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



Provided infrastructure grant to the **Leadership and Innovation in Future Technologies** - Abilene ISD to support the NEXTU construction, carpentry, and electrical pathway.



6 Wylie ISD students in their NEXTU scholarship classroom materials that support their electrical Career & Technical Education pathway



Provided a scholarship to pay for **Career and Technical Education instructor to gain Department of Labor - Occupational Safety and Health Administration** teaching certification. Allows instructor to teach nationally recognized certification-based curriculum.

40 Students will graduate with a welding certification.

WORKFORCE DEVELOPMENT INITIATIVES

WORKFORCE DEVELOPMENT STRATEGY –

Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



TSTC is in its 6th year of contracting with the DCOA for an incentive which supported the 2018 campus expansion and the establishment of industrial maintenance and welding programs in Abilene. Contract concludes in 2028.

Big Country Society for Human Resource Management

- Participates in the DCOA's NEXTU 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.
- Human resources and business management are the 2 pathways offered.



WORKFORCE DEVELOPMENT INITIATIVES

WORKFORCE DEVELOPMENT STRATEGY –

Further enhance and invest in education and training with educational partners, including an emphasis on exiting Dyess Airmen.

DCOA hosted event to educate transitioning Airmen as a part of our effort to retain the Abilene Air Force population to grow the Abilene workforce

JOIN THE DEVELOPMENT CORPORATION OF ABILENE
**FROM ACTIVE DUTY
TO ACTIVE CAREER**
Defending Our Freedom | Building Your Future



The Development Corporation of Abilene is honored to invite you to connect and network with industry leaders and local employers to discuss potential career opportunities available as you build your future in Abilene.

UPCOMING EVENTS

October 17, 2023 & December 5, 2023
1100 to 1300

Hangar Center | 357 Avenue B, Dyess Air Force Base
Lunch provided



Scan to RSVP



2

2023 Events
Scheduled

11

Airmen in
Attendance

2

Presentations from
Abilene Employers



REAL ESTATE INITIATIVES

REAL ESTATE STRATEGY

Evaluate master plans for both Industrial Parks for updates and improvements.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

Substantial Completion of Building C Maneuvering Area

- Installation of 1,015 ft long retaining wall
- Addition of 3 loading docks
- Expanded from one semi-truck capacity to up to three 55-foot semi-trucks



REAL ESTATE INITIATIVES

Five Points Business Park

REAL ESTATE STRATEGY

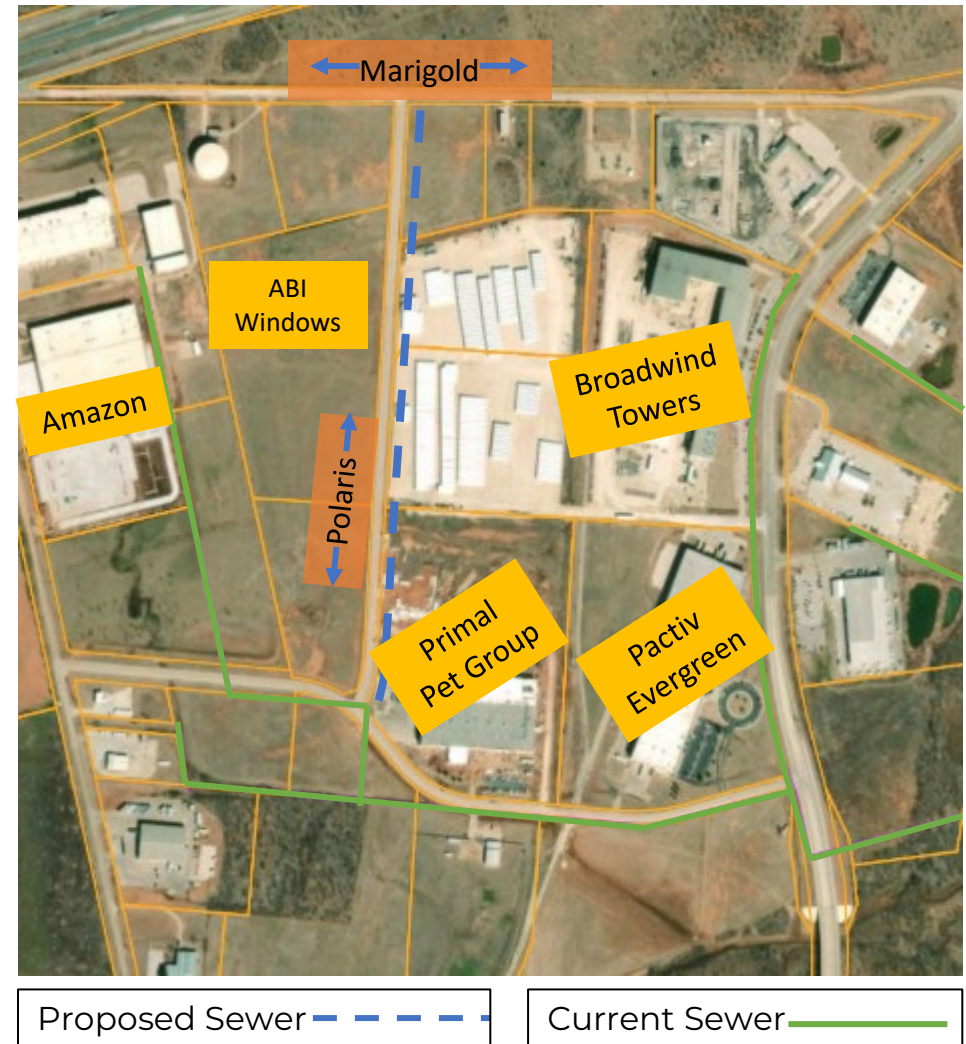
Analyze and evaluate costs and benefits of all DCOA properties to determine the best use for each property and formulate plans to implement.

Polaris Drive Sewer Line Project

- Combining this project for the entire length of Polaris Drive realizes improvements for all of Five Points Business Park.
- Installation of 2,200 feet of 10" PVC sewer line to connect the current sewer to ABI Windows' and contiguous DCOA properties along Polaris & Marigold
- Estimated Cost = \$218,000
 - Contractual deliverable to ABI Windows previously approved through their incentive contract - \$110,000
 - Additional \$108,000 is budgeted from the \$2M FY2024 Capital Improvement Budget

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023



EFFECTIVE OPERATIONS INITIATIVES

EFFECTIVE OPERATIONS STRATEGY

Employ systems to ensure engagement of qualified and dedicated Staff and Board members to ensure their contributions through effective training and education.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

Training Courses Completed by DCOA Team Members:



EFFECTIVE OPERATIONS INITIATIVES

EFFECTIVE OPERATIONS STRATEGY

Manage engagement of Partners to help deliver aspects of the DCOA's comprehensive responsibilities.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

Executed FY 2024 Partner/Stakeholder Agreements:



**Partner/Stakeholder
Annual Report Submissions for FY 2023:**



EFFECTIVE OPERATIONS INITIATIVES

EFFECTIVE OPERATIONS STRATEGY

Implement best practices for policies and financial management systems to ensure strategic projects are considered, as well as appropriate budgeting, monitoring, recording, and reporting of financial practices.

REPORT FROM PRESIDENT & CEO

September 22, 2023 – October 31, 2023

FORVIS[®]

DCOA FY 2023 audit has begun with FORVIS, audit firm, conducting initial fieldwork.

The DCOA now uses Oracle's NetSuite accounting software, which provides new better financial tools making it easier to implement two new accounting rules from the Governmental **Accounting** Standards Board: GASB 94 & GASB 96.

ORACLE[®]

NETSUITE

**Discussion and possible
approval of a Resolution
approving Expenditures
over \$50,000**

EXPENDITURES OVER \$50,000

REPORT FROM PRESIDENT & CEO

VENDOR	CONTRACT AMOUNT	DETAILS
Polaris Drive Sewer Line	\$218,000	New sewer line along Polaris Drive to service ABI Windows and contiguous DCOA properties.
City of Abilene	\$653,565.17	Street Maintenance Expense for East North 10 th (from Almond St. to Loop 322). Funding approved by Resolution DCOA-2021.10.
United Ag & Turf	\$200,000	Business Retention project approved in 2020 Funding approved by Resolution DCOA-2020.42.

RESOLUTION NO. DCOA-2024.05

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 8th of November, 2023.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law

**Discussion and possible
approval of
amendments to the
DCOA's Investment
Policy, Financial
Policies and
Procedures, and
Expense Policy**

Amendments to the DCOA's Investment Policy, Financial Policies and Procedures, and Expense Policy

EFFECTIVE OPERATIONS: Implement best practices for polices and financial management systems to ensure strategic projects are considered, as well as appropriate budgeting, monitoring, recording, and reporting of financial practices.

- Investment Policy – Recommendations from First Financial Trust are all incorporated
- Expense Policy – Changed from a Travel and Expense Policy to a more comprehensive Expense Policy
- Financial Policies and Procedures – Refinements to align with the DCOA's current processes and procedures.
- The following administrative procedures and guidelines have been updated and aligned with all the Policies approved by the DCOA Board of Directors
 - Procedures for the Operation of the Investment Account
 - Guidelines Regarding DCOA Expenditure Approvals
 - Accounting and Finance Policies
 - Vehicle Policy

RESOLUTION NO. DCOA-2024.01

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) ADOPTING AMENDMENTS TO THE DCOA’S INVESTMENT POLICY, FINANCIAL POLICIES AND PROCEDURES, AND EXPENSE POLICY (FORMERLY THE TRAVEL AND EXPENSE POLICY).

WHEREAS, the DCOA desires to approve and adopt amendments to the following policies and procedures:

1. Amended and Restated Investment Policy, attached hereto as **Exhibit A** and fully incorporated herein;
2. Amended and Restated Financial Policies and Procedures, attached hereto as **Exhibit B** and fully incorporated herein; and
3. Amended and Restated Expense Policy, attached hereto as **Exhibit C** and fully incorporated herein.

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

PART 1. DCOA approves the attached Amended and Restated Investment Policy; Amended and Restated Financial Policies and Procedures; and Amended and Restated Expense Policy.

PART 2. This Resolution takes effect immediately upon passage.

ADOPTED this the 8th day of November, 2023.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law

Exhibit A



AMENDED AND RESTATED 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 Amended and Restated Investment Policy (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 with the objective of investing funds in investments which yield a market average rate of return throughout budgetary and economic cycles, taking into account the DCOA's investment risk constraints, liquidity needs, and the

cash flow characteristics of the investment portfolio. For purposes of evaluating the relative performance of the investment portfolio, an appropriate benchmark shall be the average rate of return on US Treasury Bills at a maturity level comparable to the investment portfolio's weighted average maturity in days as provided by the Bloomberg 1-3 Year U.S. Treasury Index.

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, Controller, 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, Controller, 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 G 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. Investments shall not be liquidated prior to maturity with the following exceptions:

- (1) An investment with declining credit may be sold early to minimize loss of principal;
- (2) If an investment swap would improve the quality, yield, or target duration in the portfolio; or
- (3) Liquidity needs of the investment portfolio require that the investment be sold or redeemed.

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 Controller 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 members of the Investment Committee are as follows: (i) the President/CEO; (ii) the EVP/COO; (iii) the DCOA's Controller; (iv) the DCOA's Treasurer; (v) a member of the Board appointed by the Chairman of the Board; and (vi) any additional Investment Officers (collectively 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 Amended and Restated Investment Policy was adopted the 8th day of November, 2023 by DCOA Resolution 2024.01.

Misty Mayo, President/CEO

Exhibit B



AMENDED AND RESTATED FINANCIAL POLICIES AND PROCEDURES

POLICIES

- **Annual Budget:**
 - Annually, the Development Corporation of Abilene, Inc. (the “**DCOA**”) shall prepare a budget to be submitted to the DCOA’s Board of Directors (the “**Board**”) and the Abilene City Council (“**City Council**”) for approval. The budget for the DCOA, to be approved by the Board and City Council, shall include the expected costs of implementation of the DCOA’s objectives for the upcoming fiscal year.
 - At least sixty (60) days prior to the commencement of each fiscal year of the DCOA, the Board shall approve a proposed budget of expected revenues and proposed expenditures for the ensuing fiscal year, and this budget shall be presented to the City Council. The budget shall not be effective until it has been approved by both the Board and City Council.
 - The DCOA may make expenditures within the total budget amount approved by the Board and City Council so long as such expenditures do not increase the total budget amount previously approved by the Board and City Council.
- **Books, Records, Audits:**
 - In accordance with generally accepted accounting principles, the DCOA shall keep and properly maintain books, records, accounts, financial statements, corporate funds, activities, and affairs.
 - The DCOA shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent, auditing and accounting firm selected by the DCOA. Such audit shall be at the expense of the DCOA and shall be a certified audit. This audit may be used by the City to incorporate into the City’s annual financial audit.
- **Deposits and Investment of Corporate Funds:**
 - The President/Chief Executive Officer (“**President/CEO**”) and Board shall designate the accounts and depositories to be created and designated with financial institution(s) (the “**Bank**”) for such purposes, and the methods of withdrawal of funds for use by, and for the purposes of, the DCOA.
 - Five (5) individuals are authorized to sign checks written on the Bank account: President/CEO, Executive Vice President/Chief Operating Officer (“**EVP/COO**”), Chairman, Vice Chairman, or Treasurer, and such other persons as the Board shall designate by written resolution.

- All proceeds from the issuance of bonds, notes, or other debt instruments (“**Obligations**”) issued by the DCOA shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their issuance.
 - All monies of the DCOA shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds in the Texas Government Code.
 - The DCOA will ensure that the deposit of its funds shall be performed and secured in accordance with the Public Funds Collateral Act, as amended, and as further described in Texas Government Code § 2257.001 et. seq.
 - The DCOA will ensure that the investment of its funds and accounts shall be performed in accordance with the Public Funds Investment Act, as amended, and as further described in Texas Government Code § 2256.001 et. seq.
 - A separate Investment Policy will govern the DCOA’s investments.
 - The DCOA will consider outside assistance from a professional financial investment advisor.
- **Expenditures of Corporate Money:**
 - The monies of the DCOA, including sales and use taxes collected (pursuant to the Development Corporation Act); monies derived from the repayment of loans; rents received from the lease or use of property; the proceeds from the investment of funds of the DCOA; the proceeds from the sale of property; and the proceeds derived from the sale of Obligations, may be expended by the DCOA for any of the purposes authorized by the Development Corporation Act, subject to the following limitations:
 - Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures, or other agreements submitted prior to the sale and delivery of the Obligations to the purchasers thereof;
 - Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations, may be used for the purposes of financing or otherwise providing one or more “**Projects**,” as defined in the Development Corporation Act, provided that said expenditures are either detailed in the DCOA’s annual budget or otherwise approved by resolution of the Board and City Council, if necessary;
 - No bonds may be issued by the DCOA, and no Projects may be financed with bond proceeds or other revenues of the DCOA, unless such bonds or Projects are first approved by the City Council; and
 - All other proposed expenditures shall be made in accordance with, and shall be set forth in, the annual budget.
- **Issuance of Obligations:**
 - No Obligations, including refunding Obligations, shall be sold and delivered by the DCOA unless the Board approves such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Obligations.

PROCEDURES

1. OVERVIEW

The purpose for the Financial Procedures for the DCOA is to establish internal controls to safeguard the DCOA's funds, the Board of Directors, and the staff members of the DCOA.

2. MANAGEMENT OPERATIONS PERFORMED BY: DCOA President/CEO, DCOA EVP/COO, DCOA Board and/or Board Treasurer:

- The Bank shall structure the accounts as directed by the DCOA's Treasurer and/or President/CEO.
- The President/CEO and the Board shall review the cash position at the DCOA's regularly scheduled Board meetings and any maturing investments quarterly.
- A separate document titled Accounting and Finance Guidelines will guide internal standard accounting administrative operating procedures.
- Maintenance of bookkeeping and accounting entries with reconciliation of accounting records shall be managed by the DCOA staff and/or a third-party accounting firm (the "**Accounting Firm**") selected by the President/CEO and EVP/COO.
- Should more than one financial institution or authorized brokers/dealers be engaged for the DCOA services, an electronic list of authorized brokers/dealers and financial institutions shall be maintained by the DCOA.
- DCOA Controller and/or Accounting Firm shall, as directed by the President/CEO and EVP/COO, keep documents related to each investment transaction with the monthly bank statements that correspond with the transaction date.
- The President/CEO and EVP/COO, and Controller shall have access to the Bank(s) online banking and reporting system. Any Board member can, at any time, request access to information from this service.
- The Authorized Signers of the checking account will be the following persons: (1) the President/CEO; (2) the EVP/COO; (3) the Chairman of the DCOA's Board; (4) the Vice Chairman of the DCOA's Board; and (5) the Treasurer of the DCOA's Board (collectively, the "**Authorized Signers**").
- All checks issued by DCOA over \$5,000 require two signatures of the Authorized Signers.
- Employees of the DCOA (as directed by the President/CEO or EVP/COO), as well as members of the Board, are permitted to make deposits to the Bank, including electronic deposits.
- Any member of the DCOA's Board shall have the power to also sign any resolutions required by the Bank to establish the DCOA's accounts.
- Write-Offs
 - An allowance is not the same as a write-off, rather it is a prudent measure and calculation taken based on the due diligence of DCOA staff.
 - If DCOA staff have exhausted all means of collection from a customer, a write-off will occur. If the write-off is over \$50,000, the DCOA Board will approve the transaction.

3. REQUIRED BANKING SERVICES

- General operating account(s) shall be established by the DCOA with a Bank.
- A flat fee price will be paid to the Bank, as described in the DCOA's budget or outlined in a separate Board Resolution.
- The general operating account(s) serve as the master account providing funds to pay for the expenses listed in the DCOA's budget.
- An “**Investment Security**”, as defined in the Texas Local Government Code § 2257.002(5), shall be eligible to secure deposits of DCOA funds.

4. EXECUTION OF FINANCIAL TRANSACTIONS

- The Board shall select the Bank engaged for the DCOA's services.
- The President/CEO, EVP/COO, or Controller (with approval from the President/CEO or EVP/COO) is authorized *to initiate and approve* wire transfer(s) of funds. All wires initiated by the DCOA over \$5,000 require two signatures of the Authorized Signers.
- While rare, cash withdrawals, of up to \$500, can only be made with the written approval of the President/CEO or EVP/COO. Any withdraws over \$500 require the written approval of the President/CEO and EVP/COO.
- As provided in the DCOA's Bylaws, the President/CEO is authorized to make expenditures of the funds as set forth in the DCOA's annual budget, as such annual budget is approved by the Board and the City Council.
- The EVP/COO is authorized to make expenditures of up to \$25,000 so long as said expenditures are set forth in the DCOA's annual budget, as such annual budget is approved by the Board and the City Council.

5. INVESTMENT REPORTING

- At least quarterly, the Board Treasurer, President/CEO, and/or EVP/COO will prepare an investment report that will be provided to the Board. It may be distributed at a regularly scheduled Board meeting. Any applicable investment reports may be prepared and given on a more frequent basis.
- The Board may, at any time, request a current investment report from the Board Treasurer, President/CEO and/or Bank.

These Financial Policies and Procedures, as amended and restated, were adopted the 8th day of November, 2023 by DCOA Resolution 2024.01.

Misty Mayo, President/CEO

Exhibit C



AMENDED AND RESTATED EXPENSE POLICY

INTRODUCTION

The following procedures and protocols provided in this Amended and Restated Expense Policy (this “**Policy**”) apply to the Development Corporation of Abilene, Inc.’s (the “**DCOA**”) Board of Directors (individually a “**Director**” and collectively the “**Board**”) and staff team members (“**Team Members**”), as well as individuals representing the DCOA (referred to as “**Travelers**” when Directors, Team Members, and/or individuals are traveling).

Expenditures related to official DCOA business are eligible transactions which support the DCOA’s mission and are contemplated and reflected in an annual budget approved by the Board and ratified by Abilene City Council. When expenses are incurred, Team Members should remember that our funding comes from ½ cent of the sales tax from the City of Abilene and that we are representing the community.

Economic development is a highly competitive enterprise, and we must be actively and appropriately engaged to be successful. Expenditures are a vital part of operating an economic development corporation, especially when working to attract, retain, and expand current and new businesses for the community.

It is the policy of the DCOA to reimburse Team Members and Directors for reasonable and necessary expenses incurred during approved work-related meetings, duties to carry out job responsibilities, and travel.

This Policy supports the CORE Objectives of the DCOA: Business Attraction; Business Retention and Expansion; Marketing and Brand Management; Real Estate; Workforce Development; and Effective Operations.

THIS POLICY EXISTS TO

- Encourage the core values of trust, accountability and being good stewards of the monies we are entrusted to work to multiply.
- Expenditures related to entertainment and other support services, whether accrued while on official business travel or locally, must be client-based and/or in connection with the performance of services as a Team Member.
- As allowable by the State of Texas, the DCOA will work diligently to protect the privacy, confidentiality and proprietary information of the company prospects we work to serve on behalf of Abilene.
- Provide privacy and maintain commitments to prospects, as applicable.
- Align Abilene to remain relevant and positioned to succeed in the highly competitive stake of economic development.
- Encourage Team Members to conduct one-on-one strategic constituent meetings with Abilene leadership to continue to educate them on the DCOA’s mission and goals.

- Set the expectation for Team Members to conduct one-on-one strategic constituent meetings with local companies to gain knowledge on future growth of their organizations.
- Acknowledge the importance of the need to be out in the community gathering business intelligence and insight; often lunches and dinners are the most productive way to accomplish this.
- Set a policy that outlines expectations and eliminates grey areas for Team Members.
- Support Team Members who must spend time away from their homes and families to promote Abilene as the community of choice.

THIS POLICY HAS BEEN PREPARED TO

- Inform Team Members and Directors of the expense policies of the DCOA.
- Offer an overview of the work environment, and culture. This Policy is not all-inclusive, nor is it intended to provide strict interpretations of the DCOA policies.
- Provide a framework that covers how a Team Member can claim and be reimbursed for reasonable and authorized expenses incurred while doing business for the DCOA.
- Ensure that business travel policies are aligned with the DCOA's reimbursement rules. All business-related travel paid with the DCOA's funds must comply with this Policy.
- This is not a contract, expressed or implied, guarantying employment for any length of time and is not intended to induce a Team Member to accept employment with the DCOA.
- The DCOA reserves the right to unilaterally revise, suspend, revoke, terminate or change any of its policies, in whole or in part, whether described within this Policy or elsewhere, in its sole discretion. These can be reviewed and updated often to ensure they align with current needs and practices.
- This Policy supersedes and replaces any and all expense and travel policies previously distributed, made available or applicable to Team Members. This Policy applies solely to the DCOA and activities of the organization.

COMPANY EXPECTATIONS AND POLICY COMPLIANCE

EXPECTATIONS OF TEAM MEMBERS

- Do the Right Thing
- Behave honestly, responsibly, and within the guidelines of this Policy
- Seek to keep costs to a minimum where possible, in line with the best interests of Abilene
- Submit expenses as soon as possible after they have been incurred, but in any event, expenses shall be submitted no later than 30 days after they are incurred
- Provide sufficient details, such as attendee(s) and purpose of the purchase
- Keep all receipts to submit

EXPECTATIONS OF MANAGERS

- Ensure expenses are claimed promptly
- Check that purchases comply with this Policy
- Approve expenses promptly
- If Team Members do not comply with this Policy, claims should be questioned and can be rejected

- Persistent or deliberate non-compliance may result in disciplinary action

FRAUD, BRIBERY & CORRUPTION

The DCOA has a zero-tolerance approach to bribery in compliance with relevant anti-bribery laws. Offering or accepting a bribe or behaving corruptly in anticipation of a bribe or advantage is illegal and a dismissible offence.

Claiming any expenses not incurred, incurred but not for business purposes or exaggerating expense claims is a dismissible offence and shall result in disciplinary action.

FORMS

The DCOA has created forms for a Misplaced Receipt/Documentation Affidavit, Expense Report, Travel Request Form, and Travel Expenditure Report which can be filled out electronically through the DCOA's expense management software. The DCOA's President (the **"President"**) shall have the authority to determine what information should be collected in the forms described above and amend said forms as the President deems necessary.

GENERAL EXPENSE POLICY

PERSONAL EXPENDITURES ELIGIBLE FOR REIMBURSEMENT

In order for any personal expenditure to be considered reimbursable, the expenditure must be in connection with the performance of services as a Team Member. All personal expenditures incurred during the normal course of business which reflect the mission of the organization are eligible for reimbursement upon review and approval by the President or the President's designee. Certain Team Members may also be given Purchase Cards (defined hereinafter) and this Section shall be said Team Members authority to make expenditures provided that they follow the procedures and obtain the necessary approvals in accordance with this Policy.

An Expense Report must be submitted to the President or the President's designee prior to the end of each month. Personal expenditures not incurred on a Purchase Card are reimbursed separately and delivered through an electronic funds transfer or provided at the DCOA's office.

OTHER EXPENSE TYPES

- Trainings and professional memberships must be pre-approved by the President or the DCOA's Executive Vice President/Chief Operating Officer ("**EVP/COO**") to be reimbursed.
- Team Members' training, onboarding, team building, and education sessions are planned by the DCOA, as budgeted.

TRAVEL EXPENSES

It is the policy of the DCOA to pay reasonable and necessary expenditures related to official business travel. Examples of official business travel expenditures include: transportation, accommodations, conference/industry event registrations, meals/entertainment, and any other relevant costs incurred during such travel (collectively, “**Travel Expenditures**”) for the DCOA. Travel Expenditures are eligible for reimbursement subject to the presentation of appropriate receipts and/or documentation.

Any exceptions, or potential exceptions, to this Policy must be submitted to the President, the Chairman of the Board (the “**Chair**”), or EVP/COO for approval. If the Chair, or any other Director, benefitted from the Travel Expenditure, then the DCOA’s Secretary shall approve the exception.

AUTHORIZATION AND RESPONSIBILITY

BEFORE TRAVEL

- Official business travel involving overnight accommodations requires authorization from the President or EVP/COO. The Travel Request Form should be submitted for their authorization (signature).
- No such pre-approval shall be required for the President.
- Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements.
- Within 14 days of completion of a trip, the Traveler must submit a Travel Expenditure Report electronically through the DCOA’s expense management software along with supporting documentation to obtain reimbursement of expenses.
- A request will be made of the DCOA’s auditor to make a special review of adherence to this Policy.

PERMISSIBLE PREPAID TRAVEL EXPENSES

Once travel is authorized, and before the travel, the DCOA may issue prepayments for transportation, conference registration fees, and cash advances. Applicable policies and methods of payments for these prepayments are as follows:

ACCOMMODATIONS: DUE DILIGENCE AND PROCUREMENT

- Where practical, the DCOA should perform due diligence to obtain the most reasonable cost for transportation and lodging accommodations given the relative proximity to the conference/industry event.
- When available, Team Members should stay at the designated hotel for the conference/industry event.
- Transportation accommodations shall be approved based on safety and economy, and a commonly traveled route consistent with the authorized purpose of official business travel.
- Transportation and lodging accommodations shall be procured in advance of official business travel to obtain the most reasonable price offered.
- Safety is the priority and should be considered the priority by Travelers.

TRAVEL BY AUTOMOBILE (PERSONAL VEHICLE)

- Mileage shall be reimbursed at the prevailing Internal Revenue Service mileage rate.
- Expenditures related to the mechanical failure or accidents to personal vehicles shall not be eligible for reimbursement.
- The DCOA takes no responsibility for use of personal vehicle. Travelers must ensure that their personal vehicle is insured for business purposes.

TRAVEL BY RENTAL CAR

- The DCOA will pay for approved use of a rental vehicle; approval by the President or the President's designee.
- Travelers must decline all insurance and supplemental fees offered by any rental company as the DCOA carries an independent rental car insurance policy for individuals traveling on behalf of the organization.
- Vehicle rental at a destination city is reimbursable, as required.

TRAVEL BY AIR

- Travel by coach is expected unless less expensive travel is available (Travelers may be asked to document this prior to purchase).
- Travelers may personally retain frequent flyer mileage credits accrued from official business travel.

TRAVEL BY ALTERNATIVE MODES OF TRANSPORTATION

- The DCOA may utilize alternative modes of transportation should the situation require such. Examples include, but are not limited to: trains, cars, buses, trollies, taxi (i.e., Uber), and ferries. Each Traveler's eligible Travel Expenditure(s) is/are eligible for reimbursement.

ELIGIBLE MISCELLANEOUS TRAVEL EXPENDITURES

Examples of eligible miscellaneous Travel Expenditures incurred for/on official duty include, but are not limited to the following:

- Team Members' meals without guests should be limited to the U.S. General Services Administration's per diem rates (<https://www.gsa.gov/travel/plan-book/per-diem-rates>) for the destination city (exceptions are meals in airports).
- Conference registration fees.
- Reasonable gratuities for baggage handling, taxi (i.e., Uber) or other alternative modes of transportation.
 - Travelers are expected to tip accordingly as a representative of Abilene.
- Reasonable gratuities for meals and entertainment, where applicable, etc. (not to exceed 20% of total bill)
- Baggage check-in fees related to discount airline flights.
- Supplies and/or sundries on an emergency basis.
- Fees for passports, visas, inoculations, etc.
- Dry cleaning, when applicable.
- Travel insurance premiums for international travel.
- Eligible expenditures include, but are not limited to: tolls/fees for parking/ferries/bridges/tunnels/roads, internet, WiFi, etc.

- Any other expenditure deemed necessary for/during official business travel.

INELIGIBLE MISCELLANEOUS TRAVEL EXPENDITURES

Examples of ineligible miscellaneous Travel Expenditures include, but are not limited to the following:

- Cash or other personal property.
- Any other expenditure not related to official business travel.

INTERNATIONAL TRAVEL

- Addressed on a case-by-case basis.
- For any contiguous flight over eight hours, Travelers should discuss travel plans with the President or EVP/COO.

TRAVEL CREDITS

- Credits for unused travel due to unforeseen circumstances must be submitted to the President or the President's designee for future use by the Traveler.

TRAVEL CASH ADVANCES

- Cash advances are unusual but authorized for specific situations that might cause undue financial hardship for Travelers. These situations are limited to Team Members traveling on behalf of the DCOA to cover incidentals up to \$250.

VACATION IN CONJUNCTION WITH BUSINESS TRAVEL

In cases in which vacation time is added to a business trip, any cost variance in airfare, car rental or lodging must be clearly identified on the Travel Request Form.

The DCOA will not prepay any personal expenses with the intention of being "repaid" at a later time, nor will any personal expenses be reimbursed.

REIMBURSEMENT

PROCEDURE FOR TRAVEL EXPENDITURE REPORTS AND REIMBURSEMENT APPROVAL

- Upon completion of official business travel, the Traveler shall submit all supporting receipts and create a report for each travel or trip expenditure, electronically through the DCOA's expense management software, that will then be sent to the President or the President's designee for approval.
- The DCOA's expense management software report shall denote those Travel Expenditures eligible for reimbursement, if any.
- For the President, approval of the Travel Expenditure Report shall be required from the Chair, the Vice Chairman of the Board (the "Vice Chair"), or EVP/COO.

PERSONAL FUNDS

- Travelers should review reimbursement guidelines before spending personal funds for business travel to determine if such expenses are reimbursable.
- The DCOA reserves the right to deny reimbursement of travel-related expenses for

failure to comply with this Policy or the DCOA's other policies and procedures.

- Travelers who use personal funds to facilitate travel arrangements will not be reimbursed until after the trip occurs and proper documentation is submitted and approved.

MISPLACED RECEIPTS

Misplaced receipts and/or documentation require completion and submission of a Misplaced Receipt/Documentation Affidavit to the President, EVP/COO, or their designee for approval. In the case of the President, approval of the Misplaced Receipt/Documentation Affidavit shall be required from the Chair, the DCOA's Treasurer, or EVP/COO.

COMPANY VEHICLE: FUEL AND MAINTENANCE EXPENSE PROTOCOLS

Please refer to the separate Company Vehicle Policy.

REIMBURSEMENT TIMELINE

Travelers must submit expense forms/reports to the DCOA within 30 days of incurring the expense.

EXCEPTIONS

Occasionally, it may be necessary for Travelers to request exceptions to this Policy. Requests for exceptions to this Policy must be made in writing and approved by the President or the President's designee. Exceptions related to the President's expenses must be submitted to the Chair, the DCOA's Treasurer, or EVP/COO for approval.

PURCHASE CARDS

The DCOA may use commercial credit cards (“**Purchase Cards**”) to simplify the way in which some goods and services are purchased. The use of a Purchase Card is not intended to avoid or bypass appropriate purchasing or payment procedures and approval processes. All purchases made using a Purchase Card must be for official use only.

The DCOA may, in its sole discretion, issue Purchase Cards to certain employees for business-related purposes. Employees may only use their Purchase Card to incur expenses that are reimbursable under this Policy.

Use of a Purchase Card is a privilege and may be withdrawn by the DCOA at any time in its sole discretion. The following terms and conditions shall apply to all Purchase Cards and cardholders:

1. **Application and Eligibility**: Regular, full-time employees may apply for a Purchase Card but must obtain prior, written approval from the DCOA’s President or the DCOA’s EVP/COO. Approval from the President or EVP/COO shall be said employee’s authority to make expenditures up to the card limits established by the President or EVP/COO when the card is issued, provided that said expenses must still be authorized as set forth in this Policy. To be eligible for a Purchase Card, an employee must hold a position that requires frequent travel, purchase significant volumes of goods and services for use by the DCOA, or incur other regular frequent business expenses of a kind appropriately paid by credit card.
2. **Cardholder Agreement**: All employees wishing to use a Purchase Card will be required to sign the Cardholder Agreement attached to this Policy as **Appendix A**.
3. **Cardholder Responsibilities**: Each individual cardholder is responsible for the Purchase Card issued in their name and must take all necessary actions to ensure the card is maintained in a safe manner. DCOA Employees who are cardholders should:
 - (i) Confirm that the particular expense is allowed under this Policy.
 - (ii) Be aware of the credit card limit and the transaction limit in order to plan business expenses properly.
 - (iii) Keep receipts.
 - (iv) Keep the credit card number and physical card secure.
4. **Supporting Documentation for Purchases**: All Purchase Card transactions should be supported by a copy of the charge slip, sales receipt, or any other information related to the purchase. Employees must submit reimbursement requests for expenses incurred on their Purchase Card in the same manner as expense reimbursement requests for other expenses as set out in this Policy, including by submitting all necessary receipts, substantiating documentation and approvals, and complying with applicable deadlines.
5. **Prohibited use of a Purchase Card**: Non-adherence to this Policy may result in the temporary or permanent revocation of privileges to use a Purchase Card. Employees may not incur personal expenses on their Purchase Card. The DCOA will not reimburse employees for expenses that are not reimbursable under this Policy. **PERSONAL USE OF A PURCHASE CARD IS ALWAYS CONSIDERED A MAJOR WORK-RULE VIOLATION AND THE EMPLOYEE WILL BE SUBJECT TO DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION AND POSSIBLE CRIMINAL PROSECUTION. FULL RESTITUTION TO THE DCOA WILL BE REQUIRED IMMEDIATELY FOR ANY PERSONAL PURCHASE.**

6. Lost or Stolen Cards: Once a Purchase Card is discovered lost or stolen, it is imperative to cancel the card immediately. If a Purchase Card is lost/stolen, the cardholder must immediately contact the card issuer and the DCOA's EVP/COO or Controller to suspend and/or terminate the Purchase Card.
7. Card Termination: Purchase Cards shall be cancelled upon the employee's termination of employment or upon the loss or theft of such card.
8. Card Limits: The following Purchase Card control limits represent the maximum limits that each cardholder can have and will be customized per individual cardholder.
 - (i) Transaction or "single purchase" limit—\$5,000
 - (ii) Spending limit per card per billing cycle—\$20,000

Increases to the established maximum may be made on a case-by-case basis with the written authorization of the DCOA's President and the written authorization of the Chairman of the Board if the request is being made by the President.

9. Purchase Card Monitoring: The DCOA's Controller shall review or perform necessary accounting procedures to process all DCOA Purchase Card charges and ensure the charges are reconciled. The EVP/COO is responsible for approving purchasing card receipts of cardholders to ensure they meet the requirements of this Policy and have proper supporting documentation (e.g. receipt, invoice, packing slip, etc.).

This Expense Policy (formerly the Travel and Expense Policy), as amended and restated, was adopted on the 8th day of November 2023 by DCOA Resolution 2024.01.

Misty Mayo, President & CEO

APPENDIX A

CARDHOLDER AGREEMENT

I [_____] hereby agree to comply with the Development Corporation of Abilene, Inc.'s ("DCOA") Expense Policy and the following terms and conditions regarding my use of the card. As a cardholder, I have read and understand the Expense Policy including the section on Purchasing Cards contained therein.

1. I understand that I am being entrusted with a valuable tool, the purchase card. I will be making financial commitments on behalf of the DCOA.
2. I agree to use my purchase card for official approved purchases only. I fully understand that misuse or abuse of the card will (i) result in revocation of the card and appropriate disciplinary action, which may include termination of my employment; and (ii) require me to immediately pay back the DCOA for any unauthorized purchases.
3. I acknowledge that violations include, but are not limited to:
 - (a) Expenditures for personal purposes;
 - (b) Cash advances or refunds;
 - (c) Transaction amounts greater than the purchase card's limits;
 - (d) Failure to submit proper documentation with each monthly statement; and/or
 - (e) Allowing the card to be used by someone else.
4. I agree to return the card immediately upon request or upon termination of employment (including retirement and resignation).
5. If the card is lost or stolen, I agree to immediately notify the DCOA's President and Controller both verbally and in writing.
6. I understand and acknowledge that my purchase card has a single purchase limit of [\$_____] and a limit of [\$_____] per billing cycle.

THE DCOA MAY, IN ITS SOLE DISCRETION, REVOKE THE USE OF THE PURCHASE CARD AT ANY TIME. REASONS FOR REVOKING A PURCHASE CARD INCLUDE, BUT ARE NOT LIMITED TO, A VIOLATION OF THIS CARDHOLDER AGREEMENT, A DETERMINATION THAT THE NATURE OF THE EMPLOYEE'S POSITION NO LONGER REQUIRES A PURCHASE CARD, OR ANY OTHER REASON DETERMINED BY THE DCOA IN ITS SOLE DISCRETION.

Employee Signature

Date

**Discussion and
possible approval of
an easement on Lot 7
at Five Points
Business Park
for AEP**

**Discussion and
possible approval of a
Resolution
authorizing an
agreement with
Project Balance**

RESOLUTION NO. DCOA-2024.03

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING AN INCENTIVE FOR PROJECT BALANCE (“COMPANY”).

WHEREAS, Company projects a capital investment of approximately \$170,000 to redevelop a 12,000 square foot facility (the “**Facility**”); and,

WHEREAS, Company projects to create, by the end of a 1-year period, 7 full-time employees (“**FTEs**”); and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors approve an incentive for Project Balance in an amount up to \$17,000; and,

WHEREAS, the DCOA's Board of Directors finds that Project Balance (a) creates and/or retains primary jobs, and (b) is suitable for the development, retention or expansion of a warehouse 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. THAT:

PART 1. DCOA hereby authorizes an incentive for Project Balance in an amount not to exceed \$17,000 in exchange for the Company’s creation of 7 FTEs at the end of a 1-year period.

The incentive will be up to \$17,000 funded at 10.0% of the Company’s actual capital investment in the Facility, earned over 1 year.

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 8th day of November, 2023.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law

**Discussion and
possible approval of a
Resolution
authorizing the
President to enter
into a contract to
acquire property in
North Central Abilene**

RESOLUTION NO. DCOA-2024.04

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING THE DCOA’S PRESIDENT (“PRESIDENT”) TO ENTER INTO A PURCHASE CONTRACT FOR CERTAIN PROPERTY IN NORTH CENTRAL ABILENE AND EXPEND FUNDS ON DUE DILIGENCE FOR SAID PROPERTY.

WHEREAS, certain property in North Central Abilene (the “**Property**”), as identified during the Board’s discussion in executive session, is for sale and its acquisition would be beneficial to the DCOA; and,

WHEREAS, the DCOA’s President needs the authority to enter into a purchase contract for the Property and to expend the funds necessary to conduct due diligence activities on the Property; and,

WHEREAS, the purchase contract will allow for a termination option if the DCOA pays a termination fee (the “**Termination Fee**”); and,

WHEREAS, closing on the purchase of the Property will occur only after the staff’s receipt and review of any studies conducted and approval by the DCOA Board of Directors (the “**Board**”), through additional Board action, to complete the purchase of the Property.

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

- PART 1.** DCOA hereby authorizes the President to enter into a purchase contract for the Property with a Termination Fee and to expend the funds necessary in order to conduct due diligence activities on the Property. The President will return to the Board for authorization to complete the purchase of the Property upon completion of the due diligence activities on the Property.
- PART 2.** 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.** The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements, make any 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 8th day of November, 2023.

ATTEST:

Shea Hall
Secretary/Treasurer

Sam Vinson
Chairman of the Board

APPROVED AS TO FORM:

Chris Shelton, Attorney at Law