

CAMERON ECONOMIC DEVELOPMENT CORPORATION

Meeting Minutes February 21, 2024

Board members attending were Mike Zajicek, Secretary/Treasurer, James Camp, President, Nilesch Bhakta, Bill Harris, Mayor, Sara Kostroun, and Carl Bradley, Vice President. Also attending Ricky Tow, City Manager and Ginger Watkins.

1. Call to order.

President James Camp called the meeting to order at 3:30pm noting that a quorum was present.

2. Public Comments.

There were no public comments.

3. Discuss and take action on current financials.

Secretary / Treasurer Mike Zajicek reviewed the financials with board members, noting corrections to the bond reserve account and \$454,507 cash in the bank. We currently only have one account at the bank. All designated funds are tracked through subaccounts under the main checking account in QuickBooks. Mr. Zajicek suggested that the \$15 in petty cash be charged off as it was petty cash from the Farmers Market program which was turned over to the Chamber of Commerce when the Chamber took over management of the Farmers Market. Mr. Zajicek also noted that board members should expect changes to the Land value after the transaction with the cell tower lot is complete. On the Profit and Loss Budget vs Actual note that the ½ cent sales tax is still going up. As a side note the year of year inflation adjusted increase is 7.5%. Operations items are running close to budget. We paid for all the Christmas decorations, and we were not over budget. The next report is the deposits and checks. December payment from sale tax was \$36,400.29; note the cell tower ground lease payment of \$1,000; the \$30,000 grant to the Lions Club for the improvements at the park was issued on 2/12/24; and, January sales tax deposit was received on 2/20/24 in the amount of \$42,975. Subaccounts under the main checking account include the Yards Reserve of \$75,372.60. These funds had been in a CD; the Business Park Sign Reserve account of \$20,000 needs to have \$10,000 added per the budget for a total of \$30,000; there is a new Downtown Cameron Christmas subaccount with \$5,000 representing a gift received to purchase new Christmas decorations. This \$5,000 will be matched with \$2500. The bond reserve has \$86,974.86 remaining after making the February interest only payment. The bond reserve balance is the principal and interest payment due in August. The remaining operating account has \$252,176.84 available (after the Business Park Sign allocation). Mr. Zajicek suggested moving the Multiplex grant of \$4983.43 to The Yards of Cameron reserve. Mayor Bill Harris moved to approve the financials as presented. Carl Bradley seconded the motion. The motion carried 6 - 0.

4. Discuss and possibly take action on short-term investments.

The purpose of this agenda item is to discuss allocating certain funds to a short-term CD investment. Considering the funds that were invested in a CD for The Yards of Cameron Maintenance Reserve, the bond reserve and anticipated revenue from the sale of the cell tower lot. The following rates are as of 2/20/2024.

3 month \$2500 4.94%

3 month \$100,000 5.14%

6 month \$2,500 4.76%

6 month \$100,000 4.96%

Board members heard that Ricky Tow and Sara Kostroun determined that because the CEDC received funds from sources other than the ½ cent sales tax, that this means that the EDC is treated as a separate corporation and thus cannot fit under the city’s insured funds agreement with the bank. Mr. Zajicek and Ginger Watkins will be attending the Public Funds Investment Act training in mid-March. After they attend training, the board can then work on preparing an Investment Policy | Cash Management policy and then work with the bank to determine the best way to insure the EDC’s funds. The bank has a couple of avenues to insure funds. One way is through a company, IntraFI Network. We can ask a representative of IntraFI Network to come to do a presentation later in March. Right now, we are insured by FDCI for \$250,000. Board members discussed investing \$400,000 in a 3-month CD. And then also investing the proceeds from the cell tower into a 3-month cd. Nilesa Bhakta moved to invest \$400,000 in a 3-month CD now and then to invest the proceeds from the Cell tower lot into a 3-month CD. Carl Bradley seconded the motion. The motion carried 6 – 0.

5. Review and approve minutes from the meeting held on February 9, 2024.

Sara Kostroun moved to approve the minutes as presented. Mayor Bill Harris seconded the motion. The motion carried.

6. Discuss and possibly take action on the Cell Tower lease purchase agreement.

The attorneys for the buyer anticipate this to close on February 27th. Mr. Camp noted that the February lease payment will likely be prorated for the last two days of the month. No action taken.

7. Discuss and possibly take action on recommended updated to the ad valorem tax abatement schedule.

Board members discussed an update to the tax abatement agreement including a new schedule for capital investment and jobs creation. Jobs should be in Full-time or full-time equivalent terms. Board members favored defining a full-time position as 2080 hours per year. Board members should like to see more parameters around the subjective criteria such as: Providing a living wage as defined by MIT’s report; Medical, retirement and vacation benefits, the project filling a defined target business or industry, unique projects that do not materially compete with existing businesses. Businesses that fill needs in the most recent retail gap analysis. Ginger Watkins will update the schedule for further consideration and a future board meeting.

8. Convene into executive session.

President James Camp convened the board into executive session pursuant to Chapter 551.087 to discuss economic development negotiations regarding Project 2023-05-26 Brian, Project 2022-09-15 Kyle, project 2023-08-03 Cesar; and Project 2024-01-30 Colton and pursuant to Chapter 551.072 to discuss real property negotiations at 4:24pm.

9. Reconvene into public session.

President James Camp reconvened the board into public session at 5:06pm with no action taken.

10. Board member comments.

Nilesh Bhakta asked, “Where does the project stand on the soccer field?” Ginger Watkins said that we need to take a step back and relook at the project to perhaps simplify the build. As it was defined it is beyond our capacity to pursue it. Sara Kostroun asked, If it is built, who keeps up the schedule and who maintains the fields? It would fall to the EDC to maintain the fields. Mowing and water are part of the current fiscal year’s budget.

James Camp advised the board that the Tourism and Chamber Director, Melanie Reed is retiring effective at the end of March. The Chamber President wants to meet with representatives from each of the funding partners (the EDC, Tourism Board, and City) to discuss the salary. Board members asked what can the chamber do as far as compensation? Is the tourism director’s role something we want to support. Sara Kostroun said, Yes, we need to

support this role. It is essential to where we are as a city and furthermore, we should be prepared to do more if necessary. Board members stated that accountability is essential.

11. Adjourn.

Nilesh Bhakta moved to adjourn. Carl Bradley seconded the motion. The motion carried 6 -0. Meeting adjourned at 5:26pm.

ATTESTED TO BY:

Mike Zajicek, Secretary | Treasurer