

WHARTON ECONOMIC DEVELOPMENT CORPORATION
Minutes - Regular Meeting
March 20, 2023

President Freddie Pekar called the Meeting to order at 12:01 P.M.

Board Members Participating: Freddie Pekar, Michael Wootton, Michael Roberson, Clifford Jackson
Russell Machann

Board Members Not Participating: Andrew Armour and Alice Heard-Roberts

Advisory Members Participating: County Judge Phillip Spenrath, City Manager Joseph Pace
Mayor Tim Barker, Ronald Sanders, Joe Freudenberger, Marilyn Sebesta

Advisory Members Not Participating: County Tax Assessor-Collector Cindy Hernandez, Dr. Michael O'Guin
Betty McCrohan, Donald Smith, Abby King, Kent Hill

WEDC Attorney Not Participating: Ashley Tegeler-Kleiman

Visitors Participating: Gwyn Teves, Chris Young, Joan Andel, Jason Mills, Joe Southern
David Schroeder

Staff Member Present: Joshua Owens and Louisa Jimenez

Public Comments: President Freddie Pekar asked if there were any public comments There were no public comments.

Minutes of the Regular Meeting held 20, 2023. Director Russell Machann made the motion to approve all minutes as presented. Director Michael Wootton seconded the motion. All voted in favor.

Presentation of FY 2022 Annual Audit by Harrison, Waldrop and Uherek. Mrs. Melissa Terry and Mrs. Elizabeth Bonorden of Harrison, Waldrop and Uherek, provided copies of the audit and presented the 2022 fiscal year audit. Mrs. Terry reported that there were no findings of instances of non-compliance, and there were no negative variances for fiscal year 22-23 budget. Mrs. Terry reviewed and discussed Wharton EDC's financial performance and gave an explanation to the notes at the back end of the report. Executive Director Josh Owens provided a moment of questions for the Board of Directors and other attendees. There were no questions. Executive Director Josh Owens thanked Mrs. Terry for the presentation. No action taken.

OakBend Medical Center. Mr. Joe Freudenberger, CEO of OakBend Medical Center, provided the Board with an update on the construction progress at OakBend Wharton. Mr. Freudenberger reported that the project has been rescoped to two thirds of the original size. Mr. Freudenberger stated they are in the final stages of getting the project lined out with a new contractor at the new scope. Mr. Freudenberger is hoping to have the project completed by the end of 2023. Executive Director Josh Owens thanked Mr. Freudenberger for the presentation. No action taken.

Strategic Planning. Executive Director Josh Owens reviewed and discussed the five goals and accompanying strategies. Mr. Owens opened the floor to the Board of Directors for input and offered an opportunity for questions to the public. Mr. Owens thanked Gwyn Teves and City Manager Joseph Pace for reviewing the plan. No action taken.

Report from Executive Director and discussion of:

A. Monthly Sales Tax Report. Mr. Owens provided the Board with copies of the Monthly Sales Tax Report and provided a presentation. Mr. Owens stated the overall trend of Sales Tax year-to-date puts Wharton EDC below the mark but is still above the budgeted amount. Mr. Owens stated that the vast majority of Sales Tax comes from retail, hotel and food establishments. So far for 2023, sales tax has been up and would like the trend to continue.

B. Required PFIA 2256.023 Report. Mr. Owens provided the Board with copies of the required PFIA 2256.023 as attached. Mr. Owens reported a TexPool Prime account has been created and will give slightly larger percentage of interest rates.

C. Balance and Commitments Sheet. Mr. Owens provided the Board with copies of the current Balance and Commitments Sheet stating WEDC's total assets were \$2,592,552 and the total liabilities were \$458,383, net equity being \$3,050,935 WEDC's 2023-2023 commitments were \$458,383. A letter will be sent to Ali Quattom informing him that Wharton EDC will be removing his request from the commitment sheet as Ali is moving forward with a different project and will no longer demolish the building at 1302 N. Richmond. A \$20,000 grant amount was awarded to Ali Quattom. Outlar Fencing was added to the Balance and Commitment sheet and was a previous commitment made for the FM 1301 agreement. As FM 1301 passes through the Outlar lands, fencing will be needed to keep the agriculture exemption and keep cattle within the property.

D. Statement of Revenues and Expenditures. Mr. Owens provided the Board with copies of the Statement of Revenues and Expenses as of February 28, 2023. Mr. Owens stated Wharton EDC is halfway through the economic year and that Wharton EDC is where it should be.

Wharton EDC website views are still low. Mr. Owens met with Kapeesh Marketing Director Amy Morales. Amy has developed a Search Engine Optimization (SEO) and a Direct Targeting Marketing plan.

Director Russell Machann made the motion to approve the Executive Director's report as presented. Director Michael Roberson seconded the motion. All voted in favor.

Executive Session: According to Texas Government Code (Chapter 551, Open Meetings), the Board may conduct a closed executive session for the following reasons: Consultation with attorney §551.071, deliberation regarding real property §551.072, deliberation regarding prospective gift §551.073, personnel matters §551.074, deliberation regarding security devices §551.076, deliberation regarding economic development negotiations §551.087. Final action, decision, or vote, if any with regard to any matter considered in Executive Session shall be made in Open Meeting.

The Board went into Executive Session at 12:51 P.M.

- A. §551.087 - Deliberation regarding Economic Development negotiations.**
1. Business Negotiations. No action taken.

The Board returned to Open Session at 1:36 P.M.

A. §551.087 - Deliberation regarding Economic Development negotiations.

- 1. Business Negotiations.** On a motion made by Director Michael Wootton and Seconded by Director Russell Machann the following was unanimously adopted: Resolved that Wharton Economic Development Corporation create a new performance agreement for OakBend Medical Center to December 31, 2023, extending the deadline for a certificate of occupancy. All voted in favor.

On a motion made by Director Michael Roberson and Seconded by Clifford Jackson the following was unanimously adopted: Resolved that Wharton Economic Development adopt the Strategic Plan for 2023-2026. All voted in favor.

With no further business to discuss, President Freddie Pekar thanked everyone for coming and adjourned the meeting at 1:59 P.M.

WHARTON ECONOMIC DEVELOPMENT BOARD

By: _____
Freddie Pekar, President
03.20.2023

Attest: _____
Andrew Armour, Secretary