

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
GREATER TEXOMA UTILITY AUTHORITY**

MONDAY SEPTEMBER 16, 2019

**AT THE ADMINISTRATIVE OFFICES
5100 AIRPORT DRIVE
DENISON TX 75020**

Members Present: Brad Morgan, Ken Brawley, Scott Blackerby, Donald Johnston, Stanley Thomas, and Anthony Richardson

Members Absent: Matt Brown and Mark Kuneman

Staff: Drew Satterwhite, Debi Atkins, Tasha Hamilton, Carolyn Bennett, and Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

Visitors: Richard Todd, Herald Democrat

I. Call to Order

Board President Morgan called the meeting to order at 12:30 p.m.

II. Pledge of Allegiance

Board President Brad Morgan led the group in the Pledge of Allegiance.

III. Consent Agenda

Items marked with an asterisk () are considered routine by the Board of Directors and are enacted in one motion without discussion unless a Board Member or a Citizen request a specific item to be discussed and voted on separately.

IV. * Consider and act upon approval of Minutes of August 19, 2019 Meeting.

V. * Consider and act upon approval of accrued liabilities for August 2019.

Board Member Donald Johnston made a motion to approve the consent agenda items. Board Member Anthony Richardson seconded the motion. Motion passed unanimously.

VI. Citizens to be Heard.

There were no citizens requesting to address the Board.

VII. Consider and act upon Budget Amendment for FY 2018-2019.

General Manager Drew Satterwhite provided background information for the Board. In previous years, the Board of Directors has been willing to consider amendments to the Authority's annual budget during the course of the fiscal year to adjust for circumstances that impact revenue and expenses. In many cases, projects that were planned on a specific schedule may be delayed and therefore the funds may not be able to be expended as originally planned. Also, there are typically several adjustments to account for actual bond issuance amounts and interest rates that staff attempted to predict well in advance of a defined project scope. The Authority Staff is proposing to only make changes to the Construction Budget and the Combined Bond Budget. The budget amendment would more accurately reflect expenditures and revenues as they occurred during the course of the year, which results in a more favorable reflection on expenses and revenues during the fiscal year. The Budget Committee (Matt Brown, Stanley Thomas and Brad Morgan) reviewed the budget amendment on September 9, 2019. A request was made that the financial documents have page numbers in the future for easier reference when discussed. Board Member Stanley Thomas made the motion to authorize a budget amendment for the 2018-2019 budget. Board Member Anthony Richardson seconded the motion. Motion passed unanimously.

VIII. Consider and act upon Budget for Fiscal Year October 1, 2019 – September 30, 2020.

General Manager Drew Satterwhite provided the Board with a brief explanation of the five major budgeted expense categories (Construction Budget, General Fund Budget, Collin Grayson Municipal Alliance Budget, Solid Waste and Combined Bond Budget). Mr. Satterwhite explained that no salary adjustments are included in the budget. One adjustment that will be addressed is replacement of one employee who will be retiring December 31, 2020. It was suggested that making a motion be delayed until after the Executive Session.

IX. Consider all matters incident and related to declaring expectation to reimburse expenditures with proceeds of future debt, including the adoption of a resolution pertaining thereto.

General Manager Drew Satterwhite provided background information for the Board. TXDOT informed the City of Sherman that utility lines in the TXDOT right of way along SH 1417 needed to be relocated for the widening of SH 1417. The City of Sherman requested financial assistance from the Authority resulting in issuance of additional bonds in the amount of \$2,895,000. The relocation project will be constructed through TxDOT's contractor, but the City is required to provide the funding prior to the project beginning. TxDOT requested funding as soon as possible. At the August 19, 2019 Board Meeting the Board adopted a parameters resolution delegating authority to the General Manager to execute bond documents after the bond series has been priced. The City of Sherman Council will consider this issue at their October 7, 2019 council meeting.

Due to TxDOT needing the funds prior to bond closing, a re-imbusement resolution is required to be adopted by the Board of Directors. A reimbursement resolution is required if funds are expended on hard costs prior to the closing on the loan, and there is a need reimburse another account with bond funds. Reimbursement resolutions are required for hard costs (land, construction, etc.), which are expended more than 60 days prior to bond closing. Board

