



Board Binder Open Session

July 10, 2023

Agenda



**MIDLAND DEVELOPMENT CORPORATION AS AUTHORIZED BY CHAPTER 504 OF THE TEXAS
LOCAL GOVERNMENT CODE**

NOTICE OF PUBLIC MEETING

In accordance with Chapter 551, Texas Government Code, as amended, notice is hereby given to the public that the Board of Directors of the Midland Development Corporation will meet in regular session, open to the public, in the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on July 10, 2023. A quorum of the Board of Directors of the Midland Development Corporation intends to be physically present at the aforementioned location.

Videoconference Information

Join Zoom Webinar

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At such meeting, the Board of Directors may discuss, consider, and take action on any of the following items:

1. Call meeting to order.
2. Motion approving the minutes of the June 5, 2023, meeting of the Midland Development Corporation.
3. Resolution approving the budget for the Midland Development Corporation's 2023-2024 Fiscal Year.
4. Resolution authorizing payment in the amount of \$200,000.00 to the University of Texas of the Permian Basin pursuant to that certain Incubator and Makerspace Grant Agreement between the Midland Development Corporation and the University of Texas of the Permian Basin.
5. Receive and discuss proposals received by the Midland Development Corporation for services associated with the preparation of a master plan for downtown Midland, Texas.
6. Presentation on the June 2023 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director and staff.

7. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:
- a. Section 551.072 Deliberation Regarding Real Property
 - i. Discuss the sale, exchange, lease or value of real property described as Lots 5 and 6, Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
 - ii. Discuss the sale, exchange, lease or value of real property described as Lots 1A and 9-12, Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.

 - b. Section 551.087 Deliberation Regarding Economic Development Negotiations
 - i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Posted this 7th day of July 2023.

Marcia Bentley German
City Governance Officer/City Secretary

June 5th Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

June 05, 2023

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on June 05, 2023.

Board Members present: Chairman Chase Gardaphe, Director Berry Simpson, Director Lourcey Sams, Director Jill Pennington, Director Lucy Sisniega, Director Brad Bullock, and Director Zachary Deck

Board Members absent: None

Staff Members present: Interim City Manager Morris Williams Jr., Assistant City Manager Tina Jauz, City Attorney Nicholas Toulet-Crump, and Deputy City Secretary Vanessa White

Council Member(s) present: Mayor Lori Blong, Council Member Amy Stretcher Burkes, Council Member Dan Corrales, and Council Member John Norman

MDC Staff Members present: Executive Director Sara Harris, Business Retention & Expansion Coordinator Sammi Steele, and Marketing & Administrative Coordinator Gabrielle Franks

1. Call meeting to order.

Chairman Gardaphe called the meeting to order at 10:04 am

2. Motion approving the minutes of the May 01, 2023, meeting of the Midland Development Corporation.

Director Sams moved to approve minutes of the May 01, 2023, meeting of the Midland Development Corporation, seconded by Director Simpson. The motion carried by the following vote: AYE: Gardaphe, Sisniega, Bullock, Pennington, and Deck. NAY: None. ABSTAIN: None. ABSENT: None.

3. Motion appointing a subcommittee to review and advise the Midland Development Corporation Board of Directors regarding requests for promotional support.

Director Simpson moved to approve motion appointing a subcommittee to review and advise the Midland Development Corporation Board of Directors regarding requests for promotional support appointing Director Deck, Director Sisniega, and Director Bullock, seconded by Director Sams. The motion carried by the following vote: AYE: Gardaphe, Sisniega, Bullock, Pennington, and Deck. NAY: None. ABSTAIN: None. ABSENT: None.

4. Resolution appropriating funds from the Midland Development Corporation's 2021-2022 fiscal year budget to be used for promotional purposes, as authorized by Chapter 504 of the Texas Local Government Code.

Director Deck moved to approve Resolution ED-444 appropriating funds from the Midland Development Corporation's 2021-2022 fiscal year budget to be used for promotional purposes, as authorized by Chapter 504 of the Texas Local Government Code, seconded by Director Pennington. The motion carried by the following vote: AYE: Gardaphe, Sams, Sisniega, Bullock, and Simpson. NAY: None. ABSTAIN: None. ABSENT: None.

5. Resolution ratifying a Memorandum of Agreement between the Midland Development Corporation and the Permian Basin Workforce Development Board; said Memorandum of Agreement being a condition precedent to the Midland Development Corporation's receipt of a high-demand jobs training grant from the Texas Workforce Commission.

Director Sisniega moved to Resolution ED-445 ratifying a Memorandum of Agreement between the Midland Development Corporation and the Permian Basin Workforce Development Board; said Memorandum of Agreement being a condition precedent to the Midland Development Corporation's receipt of a high-demand jobs training grant from the Texas Workforce Commission, seconded by Director Bullock. The motion carried by the following vote: AYE: Gardaphe, Sams, Simpson, Pennington, and Deck. NAY: None. ABSTAIN: None. ABSENT: None.

6. Presentation on the May 2023 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director and staff.

Sara Harris gave an overview of the month's expenses, and economic development activity. Gabrielle Franks updated the board with the social media stats. Sammi Steele gave an overview of the business retention and expansion program in May.

Board recessed into executive session at 10:52 a.m.

7. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:

- a. Section 551.087 Deliberation Regarding Economic Development Negotiations

- i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Board reconvened into open session at 11:32 a.m.

All the business at hand having been completed, Chairman Gardaphe adjourned the meeting at 11:32 a.m.

Respectfully submitted,

Vanessa White, Deputy City Secretary

PASSED AND APPROVED the 10th Day of July 2023.

Jill Pennington, Secretary

MDC FY 2023-2024 Budget

RESOLUTION NO. _____

**RESOLUTION APPROVING THE BUDGET FOR THE
MIDLAND DEVELOPMENT CORPORATION'S 2023-
2024 FISCAL YEAR**

WHEREAS, the Midland Development Corporation has prepared a budget for the Fiscal Year 2023-2024; and

WHEREAS, the Board of Directors finds it to be in the public interest to approve said budget for the Fiscal Year 2023-2024;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE MIDLAND DEVELOPMENT CORPORATION:**

THAT the Fiscal Year 2023-2024 Budget, which is attached hereto as Exhibit A and incorporated herein for all purposes, is hereby approved.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2023, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

CHASE GARDAPHE,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

MIDLAND DEVELOPMENT CORPORATION
Proposed Budget for October 1, 2023 through September 30, 2024

	ACTUAL 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024
REVENUE AND RECEIPTS			
Sales Tax	\$ 15,263,204	\$ 11,000,000	\$ 12,000,000
Public Right-Of-Way Use Fees	4,823	0	0
Interest	95,172	0	0
Interest / Non-Pooled Investment	81,331	0	0
Investment Earnings (loss)	(295,065)		
Misc. Rentals	976,644	976,644	976,644
Reimbursement of Budget Expenses	50,281	0	0
Government Contributions	2,500	0	0
	<u>16,178,890</u>	<u>11,976,644</u>	<u>12,976,644</u>
TOTAL REVENUE AND RECEIPTS	\$ 16,178,890	\$ 11,976,644	\$ 12,976,644
SUMMARY OF EXPENSES BY ORGANIZATION			
50150. Nondepartmental	\$ 14,921,535	\$ 22,392,777	\$ 26,583,806
	<u>14,921,535</u>	<u>22,392,777</u>	<u>26,583,806</u>
TOTAL	\$ 14,921,535	\$ 22,392,777	\$ 26,583,806
SUMMARY OF EXPENSES BY CLASSIFICATION			
<u>OPERATING EXPENSES</u>			
51000. Personnel Services	\$ 309,139	\$ 430,916	\$ 442,729
52000. Commodities	58,634	43,800	57,000
53000. Contractual Services	7,216,690	16,221,088	23,721,757
54000. Building Maintenance	52,745	80,000	80,000
55000. Maintenance of Instruments & Apparatus	1,094	1,000	1,200
56000. Miscellaneous	1,218,811	2,115,973	2,281,120
57000 / 58000. Capital Purchases	6,064,422	3,500,000	0
	<u>14,921,535</u>	<u>22,392,777</u>	<u>26,583,806</u>
TOTAL OPERATING EXPENSES	\$ 14,921,535	\$ 22,392,777	\$ 26,583,806
GRAND TOTAL	\$ 14,921,535	\$ 22,392,777	\$ 26,583,806

Exhibit A

MIDLAND DEVELOPMENT CORPORATION
Proposed Budget for October 1, 2023 through September 30, 2024

	ACTUAL 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024
<u>OPERATING EXPENSES</u>			
51000 Personnel Services			
51010. Base Salary	\$ 277,527	\$ 350,096	\$ 360,047
51090. FICA MDC Portion	19,804	19,534	28,678
51110. Hospital Insurance MDC Portion	10,044	28,080	28,440
51135. ACOC Profit Sharing	1,764	24,507	25,203
51140. Unemployment Insurance	0	8,700	360
	<u>309,139</u>	<u>430,916</u>	<u>442,729</u>
TOTAL 51000	<u>309,139</u>	<u>430,916</u>	<u>442,729</u>
52000. Commodities			
52010. Office Supplies	5,142	6,000	6,500
52110. Motor Vehicle Supplies	1,024	1,500	1,500
52115. Minor Furniture and Fixtures	0	1,000	1,000
52155. Minor Computer Hardware & Peripherals	50	5,000	12,000
52160. Computer Minor Software & Supplies	52,098	30,000	35,000
52620. Postage	320	300	1,000
	<u>58,634</u>	<u>43,800</u>	<u>57,000</u>
TOTAL 52000	<u>58,634</u>	<u>43,800</u>	<u>57,000</u>
53000. Contractual Services			
53010. Communications	24,865	17,000	17,000
53030. Light & Power	97	150	150
53110. Insurance - External	342,630	150,000	150,000
53212. Equipment Rental - External	3,482	5,000	5,000
53220. Marketing and Advertising	191,890	200,000	225,000
53370. Grounds Maintenance	15,804	22,000	25,000
53405. Software Maintenance	15,054	12,000	15,000
53440. External Audit Fees	31,000	35,000	40,000
53450. Consulting Fees	313,065	500,000	500,000
53510. Travel & Entertainment	8,362	8,000	10,000
53520. Dues and Subscriptions	21,909	15,000	17,000
53530. Training, Registration Fees	7,169	10,000	15,000
53905. Economic Development Incentives	6,177,811	5,129,123	9,098,141
53907. Business Recruitment & Retention	35,852	50,000	70,000
53909. Prior Year Committed Incentives	0	9,999,673	13,464,662
53920. Rent	27,700	68,142	69,804
	<u>7,216,690</u>	<u>16,221,088</u>	<u>23,721,757</u>
TOTAL 53000	<u>\$ 7,216,690</u>	<u>\$ 16,221,088</u>	<u>\$ 23,721,757</u>

MIDLAND DEVELOPMENT CORPORATION
Proposed Budget for October 1, 2023 through September 30, 2024

	ACTUAL 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024
<u>OPERATING EXPENSES</u>			
54000 Building Maintenance			
54010. Building Maintenance	\$ <u>52,745</u>	\$ <u>80,000</u>	\$ <u>80,000</u>
TOTAL 54000	<u>52,745</u>	<u>80,000</u>	<u>80,000</u>
55000 Maintenance of Equipment			
55120. Maintenance of Instruments & App	<u>1,094</u>	<u>1,000</u>	<u>1,200</u>
TOTAL 55000	<u>1,094</u>	<u>1,000</u>	<u>1,200</u>
56000. Miscellaneous			
56188. MOTRAN	142,500	142,500	142,500
56202. General Fund Services	390,685	379,813	444,960
56410. Payment of Principal	74,217	70,605	70,605
56420. Interest Expense	2,983	6,595	6,595
56910. Depreciation Expense	0	416,460	416,460
56995. Project Non Capital (Promotions)	<u>608,426</u>	<u>1,100,000</u>	<u>1,200,000</u>
TOTAL 56000	<u>1,218,811</u>	<u>2,115,973</u>	<u>2,281,120</u>
57000 / 58000. Capital Purchases			
57000. Capital Land Purchases	4,820,129	0	0
57001. Capital Buildings & Structures	246,415	3,500,000	0
57002. Capital Improvemnts Other Than Bldgs	0	0	0
57003. Capital Equipment	0	0	0
57004. Capital Vehicles	0	0	0
57070. Construction in Process	<u>997,878</u>	<u>0</u>	<u>0</u>
Total 7000 / 8000	<u>6,064,422</u>	<u>3,500,000</u>	<u>0</u>
GRAND TOTAL	\$ <u>14,921,535</u>	\$ <u>22,392,777</u>	\$ <u>26,583,806</u>

MIDLAND DEVELOPMENT CORPORATION
Summary of Revenues, Expenditures and Changes in Fund Balance

	ACTUAL 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024
Balance October 1, 2021	\$ <u>47,117,268</u>		
Estimated Balance October 1		\$ <u>48,374,623</u>	\$ <u>37,958,490</u>
Revenues:			
Sales Taxes	15,263,204	11,000,000	12,000,000
Public Right-Of-Way Use Fees	4,823	0	0
Interest / Non-Pooled Investment Income	(118,562)	0	0
Misc. Rentals	976,644	976,644	976,644
Reimbursement of Budget Expenses	50,281	0	0
Government Contributions	<u>2,500</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>16,178,890</u>	<u>11,976,644</u>	<u>12,976,644</u>
Expenditures:			
Personnel Services	309,139	430,916	442,729
Commodities	58,634	43,800	57,000
Contractual Services	7,216,690	16,221,088	23,721,757
Building Maintenance	52,745	80,000	80,000
Maintenance of Inst and App	1,094	1,000	1,200
Miscellaneous	1,218,811	2,115,973	2,281,120
Capital Purchases	<u>6,064,422</u>	<u>3,500,000</u>	<u>0</u>
Total Expenditures	<u>14,921,535</u>	<u>22,392,777</u>	<u>26,583,806</u>
Net Revenues (Expenditures)	<u>1,257,355</u>	<u>(10,416,133)</u>	<u>(13,607,162)</u>
Estimated Balance October 1:			
Restricted for ED Incentives	27,442,011	15,015,125	22,298,329
Restricted for Encumbrances	0	0	0
Restricted for Promotional Activities	1,238,518	2,438,078	2,438,078
Unappropriated Fund Balance	<u>8,183,825</u>	<u>4,111,430</u>	<u>4,111,430</u>
Total Estimated Balance October 1	\$ <u><u>48,374,623</u></u>	\$ <u><u>37,958,490</u></u>	\$ <u><u>24,351,328</u></u>

		FY 2023 Budget	FY 2024 Budget
Personnel Services	2% increase	\$430,916	\$442,728
<u>Why?</u>	Merit raises and bonus structures budgeted for based on MDC's personnel policies		
Commodities: Office supplies, minor furniture, computer hardware & software	30% increase	\$43,800	\$57,000
<u>Why?</u>	Need for new screen and equipment in conference room, plus inflationary cost increases		
Rent, Light & Power	2.4% increase	\$68,292	\$69,954
<u>Why?</u>	MDC office rent price per sf: \$21/sf/year		
Software Maintenance, Equipment Lease, Maintenance of Equipment	18% increase	\$18,000	\$21,200.00
<u>Why?</u>	Cost for MDC server backup		
Property & Liability Insurance	Unchanged	\$150,000	\$150,000.00
<u>Why?</u>	Initial estimate from insurer. This item covers professional liability, general liability, property insurance for MDC's buildings and land, vehicle insurance, directors and officers coverage for MDC's board members		
External Audit Fees	14% increase	\$35,000	\$40,000.00
<u>Why?</u>	Estimate based on FY 2023 costs		
Consulting Fees	Unchanged	\$500,000	\$500,000
<u>Why?</u>	Based on FY 2023 actuals		
Travel & Entertainment, Dues & Subscriptions, Training & Registration	27% increase	\$33,000	\$42,000
<u>Why?</u>	Increased cost of travel, accomodation, and registration; includes professional development and continuing education for staff		
Cash Generated for Economic Development Incentives & Prior Year Committed Incentives	49% increase	\$15,128,796	\$22,562,803
<u>Why?</u>	Cash generated for incentives in FY 2024 plus commitments made in previous years		

Cash Generated for Economic Development Promotion	9% increase	\$1,100,000	\$1,200,000
<u>Why?</u>	10% of budgeted revenue for FY 2024		
Marketing & Advertising, Communications, Business Recruitment & Retention	17% increase	\$267,000.00	\$312,000.00
<u>Why?</u>	Increase in marketing budget; additional familiarization trips and trade shows		
Building & Grounds Maintenance	3% increase	\$102,000	\$105,000
<u>Why?</u>	Costs associated with Spaceport Business Park landscaping, MDC's business parks, and MDC property downtown		
MOTRAN	4% increase	\$142,500	\$142,500
<u>Why?</u>	Increased to reflect MOTRAN's FY 2024 budget request; final approval of an agreement with MOTRAN requires action by MDC board and Council		
General Fund Services	17% increase	\$379,813.00	\$444,960.00
<u>Why?</u>	Pays for City of Midland staff services used by MDC (Legal, City Secretary, City Manager, Finance)		
Payment of Interest & Principal	Unchanged	\$77,200.00	\$77,200.00
<u>Why?</u>	MDC's hangar lease from the City; this hangar is subleased from the MDC by AST & Science		
Depreciation	Unchanged	\$416,460.00	\$416,460.00
<u>Why?</u>	Based on FY 2023 depreciation schedules		
Capital Buildings & Structures	100% decrease	\$3,500,000.00	\$0.00
<u>Why?</u>	Downtown demolition budgeted for in FY 2023		
Total Budgeted Expenses		\$22,392,777	\$26,583,805

UTPB Incubator
and Makerspace
Grant Agreement
Payment

RESOLUTION NO. _____

RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$200,000.00 TO THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN PURSUANT TO THAT CERTAIN INCUBATOR AND MAKERSPACE GRANT AGREEMENT BETWEEN THE MIDLAND DEVELOPMENT CORPORATION AND THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

WHEREAS, the Midland Development Corporation previously entered into that certain Incubator and Makerspace Grant Agreement with the University of Texas of the Permian Basin; and

WHEREAS, the Board of Directors finds it to be in the public interest to authorize a reimbursement payment to the University of Texas of the Permian Basin pursuant to the terms of said agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the payment of \$200,000.00 to the University of Texas of the Permian Basin is hereby approved.

SECTION TWO. That the City Comptroller of the City of Midland, Texas, is hereby authorized and directed to pay the University of Texas of the Permian Basin the sum of \$200,000.00 from funds available in the Midland Development Corporation Fund (235) operating budget (Economic Development Incentives) (53905).

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2023, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

CHASE GARDAPHE,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 9 MONTHS ENDED
June 30, 2023

	Jun-23	YTD	Budgeted Amount
Revenue	\$1,372,160.59	\$11,463,426.10	\$11,976,644.00
40100 - State Sales Tax	\$1,325,843.43	\$9,924,410.49	\$11,000,000.00
40600 - Public ROW Use Fees	\$0.00	\$4,823.00	\$0.00
43000 - Interest	\$0.00	\$169,401.76	\$0.00
43010 - Interest - Nonpooled Invest	\$46,317.16	\$303,224.85	\$0.00
46190 - Miscellaneous Rentals	\$0.00	\$651,196.00	\$976,644.00
49020 - Sale of Buildings	\$0.00	\$410,370.00	\$0.00
4235150 - Midland Dvlpmt Corp Revenue	\$1,372,160.59	\$11,463,426.10	\$11,976,644.00

Expense	\$1,199,631.70	\$7,810,471.56	\$22,392,778.00
51010 - Base Salary	\$24,573.84	\$223,476.67	\$350,096.00
51090 - Fica MDC Portion	\$1,879.91	\$14,899.65	\$28,234.00
51110 - Health Insurance	\$3,857.88	\$17,994.04	\$28,080.00
51135 - ACCE Profit Sharing	\$1,633.49	\$15,678.95	\$24,507.00
52010 - Office Supplies	\$352.29	\$4,827.71	\$6,000.00
52110 - Motor Vehicle Supplies	\$55.12	\$474.92	\$1,500.00
52115 - Minor Furniture & Fixtures	\$0.00	\$344.71	\$1,000.00
52155 - Minor Computer Hrdwre & Periph	\$0.00	\$3,492.53	\$5,000.00
52160 - Computer Software & Supplies	\$582.77	\$31,704.17	\$30,000.00
52620 - Postage	\$0.00	\$968.80	\$300.00
53010 - Communication	\$1,034.39	\$13,879.19	\$17,000.00
53030 - Light & Power	\$23.91	\$87.17	\$150.00
53110 - Insurance-External	\$9,271.00	\$12,683.00	\$150,000.00
53212 - Equipment Rental-External	\$0.00	\$2,445.44	\$5,000.00
53220 - Advertising	\$10,758.59	\$192,011.36	\$200,000.00
53370 - Grounds Maintenance	\$1,004.70	\$19,329.24	\$22,000.00
53405 - Software Maintenance	\$1,525.54	\$15,439.97	\$12,000.00
53440 - External Audit Fees	\$0.00	\$33,971.70	\$35,000.00
53450 - Consulting Fees	\$0.00	\$204,906.14	\$500,000.00
53510 - Travel & Entertainment	\$63.47	\$9,096.28	\$8,000.00
53520 - Dues & Subscriptions	\$1,308.76	\$9,243.31	\$15,000.00
53530 - Training,Registration Fees,Etc	\$0.00	\$7,103.34	\$10,000.00
53905 - Economic Development Incentive	\$0.00	\$0.00	\$5,129,123.00
53907 - Business Recruitment & Retentn	\$19,885.42	\$57,475.54	\$50,000.00
53909 - Prior Year Committed Incentives	\$315,361.14	\$2,319,199.78	\$9,999,673.00
53920 - Rent	\$5,678.50	\$51,106.50	\$68,142.00
54010 - Building Maintenance	\$2,743.18	\$77,274.75	\$80,000.00
55120 - Maint. - Instruments & Appara.	\$269.20	\$1,083.46	\$1,000.00
56188 - MOTRAN	\$0.00	\$142,500.00	\$142,500.00
56202 - General Fund Services	\$31,651.08	\$284,859.72	\$379,813.00
56410 - Payment of Principal	\$0.00	\$0.00	\$70,605.00
56420 - Interest Expense	\$0.00	\$0.00	\$6,595.00
56910 - Depreciation Expense	\$0.00	\$212,495.04	\$416,460.00
56995 - Project Non Capital - Promotions	\$766,117.52	\$986,780.46	\$1,100,000.00
57001 - Capital Buildings & Structures	\$0.00	\$2,743,638.02	\$3,500,000.00
57002 - Capital Improv Other Than Bldg	\$0.00	\$100,000.00	\$0.00
57070 - Construction in Process	\$0.00	\$0.00	\$0.00
235235 - Midland Development Corp	\$1,199,631.70	\$7,810,471.56	\$22,392,778.00

June 2023 Net Income: \$172,528.89

Year-to-Date Net Income: \$3,652,954.54

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
June 30, 2023
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	18,782,218	
Investments	7,704,935	
Sales tax receivable	-	
Prepaid expenses	-	
Accounts receivable	-	
	26,487,154	

Non-Current Assets

Capital Assets, net	30,249,283	
Forgivable Loans		
Made to Primary Government	3,070,110	
Made to Other	6,579	
Total Forgivable Loans	3,076,689	
		33,325,972

Total Assets	\$ 59,813,125
--------------	---------------

LIABILITIES AND NET POSITION

Liabilities

Accounts payable	85,335	
Retainage Payable	111,510	
Capital Leases payable	565,054	
Commitments payable		
Due within one year	7,982,127	
Due in more than one year	12,085,488	
Total Commitments Payable	20,067,614	
		20,829,513

Net Position

Net investment in capital assets	30,249,283	
Restricted for Forgivable Loans	3,076,689	
Restricted for Capital Leases	565,054	
Promotions	145,641	
Unrestricted	4,946,946	
	38,983,612	

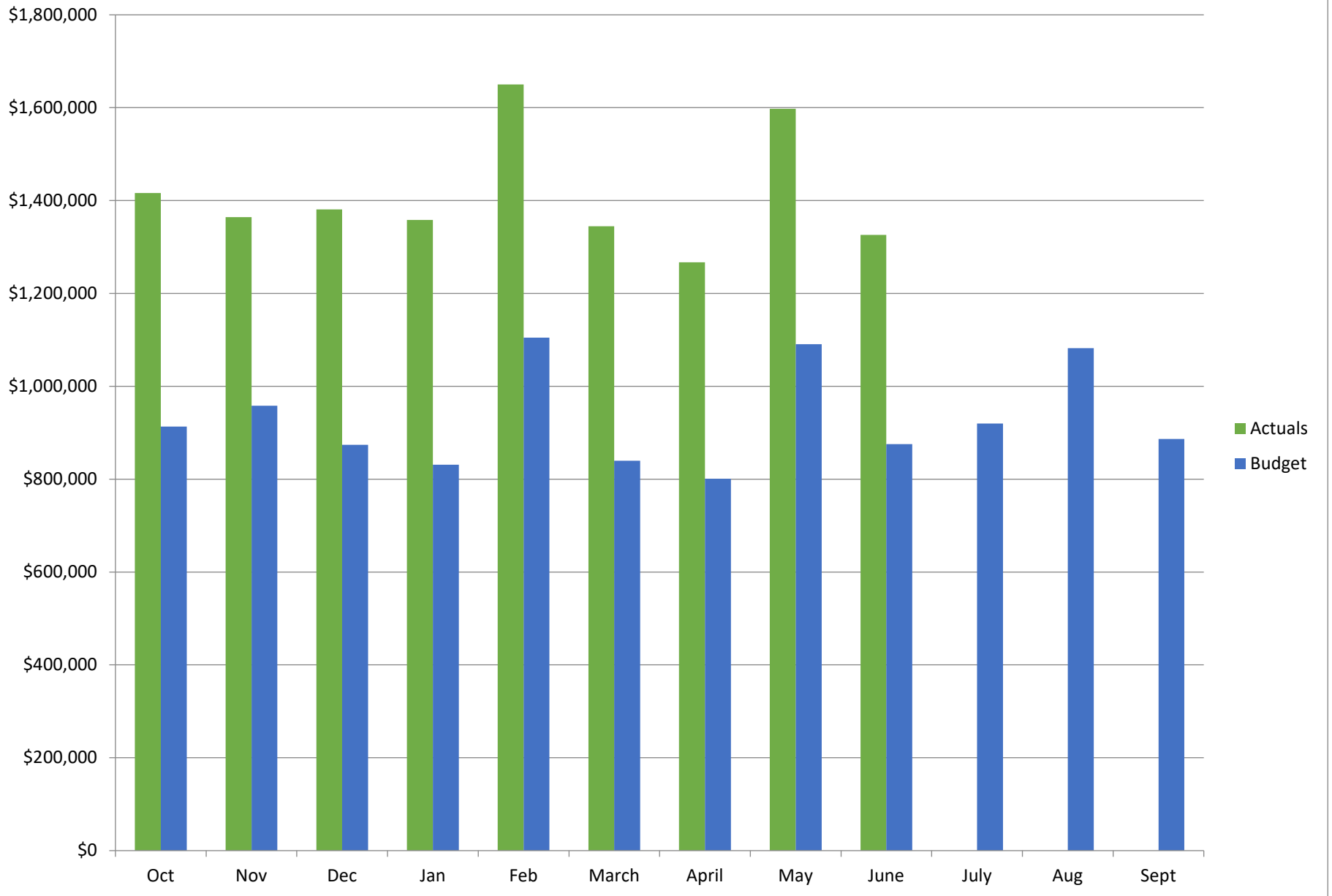
Total Liabilities and Net Position	\$ 59,813,125
------------------------------------	---------------

Sales Tax

Sales Tax Variance

	2020-2021	2021-2022	% Change	2021-2022	2022-2023	% Change	YTD Change
October	\$1,203,058.10	\$971,343.63	-19.26%	\$971,343.63	\$1,416,510.48	45.83%	45.83%
November	\$983,259.60	\$1,156,353.89	17.60%	\$1,156,353.89	\$1,364,595.51	18.01%	30.71%
December	\$843,087.27	\$1,013,549.80	20.22%	\$1,013,549.80	\$1,380,834.52	36.24%	32.49%
January	\$752,584.05	\$1,117,874.02	48.54%	\$1,117,874.02	\$1,358,336.22	21.51%	29.61%
February	\$1,224,314.99	\$1,434,528.04	17.17%	\$1,434,528.04	\$1,649,985.00	15.02%	25.93%
March	\$783,914.25	\$983,421.74	25.45%	\$983,421.74	\$1,344,612.50	36.73%	27.52%
April	\$687,198.37	\$1,015,116.31	47.72%	\$1,015,116.31	\$1,266,881.01	24.80%	27.16%
May	\$1,198,336.79	\$1,487,467.44	24.13%	\$1,487,467.44	\$1,597,917.80	7.43%	23.97%
June	\$927,060.71	\$1,218,236.38	31.41%	\$1,218,236.38	\$1,325,843.43	8.83%	22.19%
July	\$909,387.44	\$1,326,275.50	45.84%	\$1,326,275.50			
August	\$1,176,070.55	\$1,582,536.23	34.56%	\$1,582,536.23			
September	\$978,956.15	\$1,303,011.95	33.10%	\$1,303,011.95			
Annual Total	\$11,667,228.27	\$14,609,714.93	25.22%	\$14,609,714.93	\$12,705,516.47		

Sales Tax Actuals vs Budget Estimates



Activity Report

BUSINESS RETENTION & EXPANSION

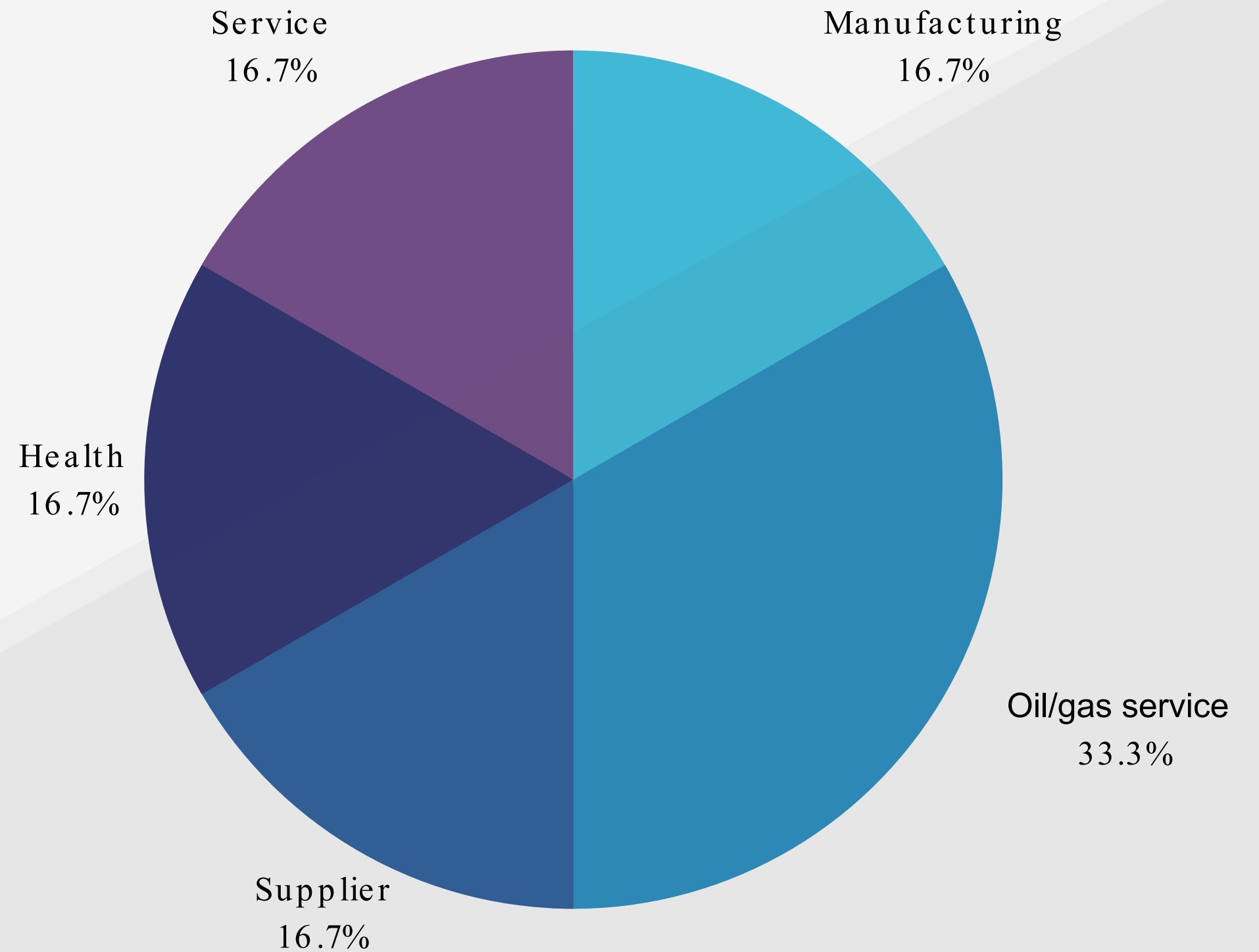
JUNE 2023



BRE COORDINATOR:
SAMMI STEELE THOMAS



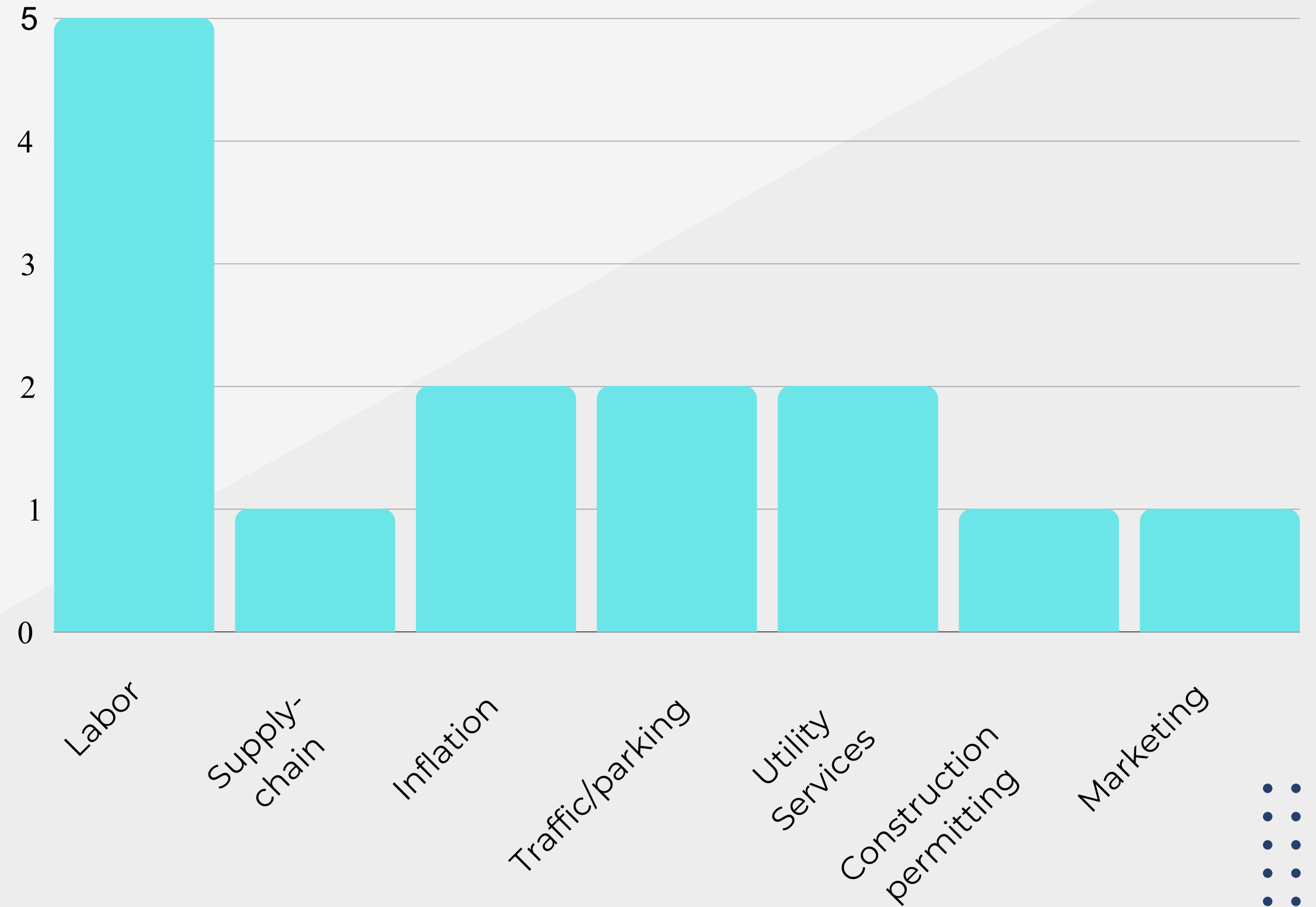
WHAT KIND OF BUSINESSES DID WE VISIT?



6 BUSINESS VISITS



WHAT FACTORS ARE IMPACTING BUSINESSES?





BIG TAKEAWAYS IN JUNE?



HANDS ON LABOR

Labor continues to be a pain for small business owners in Midland, in particular, finding workers who can do hands on work. There's demand for physical jobs like warehouse workers, welders, roofers, blenders and loaders. Business owners continue to need more CDL drivers as well. Competing with the oil field wage rates continues to be a challenge, what's tricky is raising your wage rates to incentivize new employees to join your team while also ensuring your current employees are not disgruntled with their current salary.

COST OF LIVING PERCEPTION

Something I heard more this month than ever before was Midland's high cost of living perception. Business owners told me some of prevalent complaints they hear from employees frequently centers around how much housing, groceries and utilities cost here in contrast to other areas with a similar population size. Midland's cost of living is still significantly lower than DFW, Houston, Austin and San Antonio. Even so, Midland is perceived to be an expensive place to live.

IT'S 5 O'CLOCK SOMEWHERE...EVERYWHERE IN MIDLAND

Multiple business owners pointed out the desire for having more family-friendly places open in Midland that do not revolve around drinking. These entrepreneurs/parents want more places to take their kids that are free or low-cost. In the heat of June, the idea of having more places like Dennis the Menace Park and Centennial Park (parks with splash pads) was brought up a few times. Parents seem to love these parks and desire more like it. Speaking of kids, education was brought up as a hurdle for recruiting employees to the area.

THE HEALTH OF THE OIL & GAS INDUSTRY

When I asked businesses about concerns for the future, nearly every single business owner or leader said something involving the health of the oil and gas industry. Things seem to be "booming" now but businesses worry about what will happen if there's a "bust."





QUESTIONS





marketing
REPORT

Bush Convention

MDC BOARD MEETING- 7/8





MADE IN MIDLAND SERIES

FOUNDERS BLEND

WEBSITE CONTENT

HSAT WORKSHOP

DRONE COURSE: AIRPORT SIGNAGE

NEWSLETTER

Facebook

2,421

FOLLOWERS

58.81K

IMPRESSIONS

TOP POSTS:

- EDGE INDUSTRIES MADE IN MIDLAND/BRE VISIT POST
- THINGS TO DO ON 4TH OF JULY IN MIDLAND
- THE SUDS MADE IN MIDLAND
- MISS CAYCE'S MADE IN MIDLAND POST



Instagram

2,352

FOLLOWERS

45.55K

IMPRESSIONS

2 REELS

POSTED

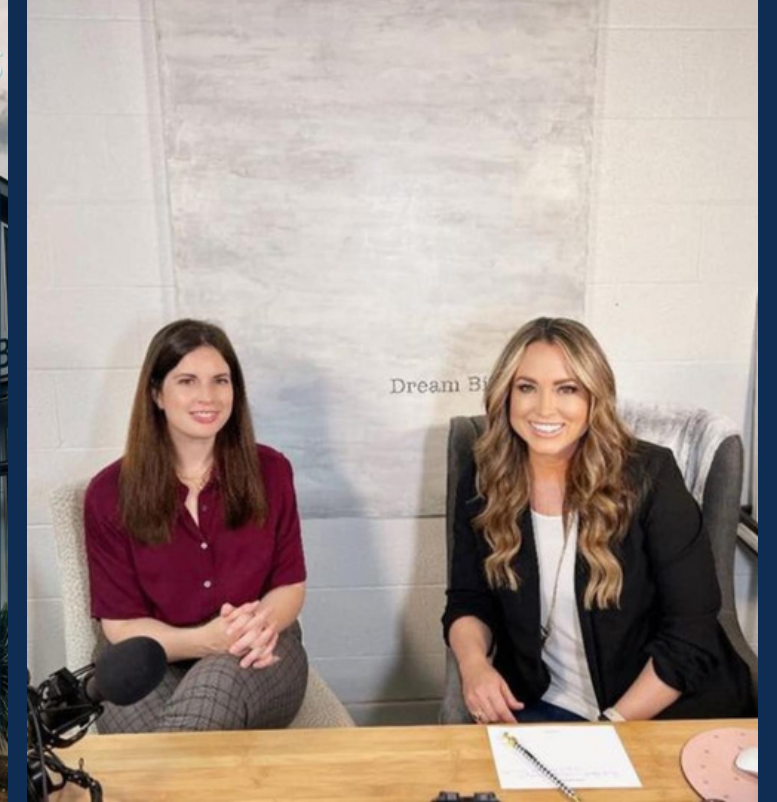


TOP POSTS:

- BUSINESS RESOURCES IN MIDLAND
- SARA ON THE KRISTA ESCAMILLA SHOW
- THINGS TO DO ON JUNETEENTH IN MIDLAND
- MISS CAYCE'S MADE IN MIDLAND POST

SMALL BUSINESS RESOURCES in Midland

- Founders Blend Midland
 - An community group for entrepreneurs and business owners.
- Small Business Development Center
 - Provides professional and confidential business advising, program, and resources.
- UTPB's Office of Innovation & Commercialization
 - Access UTPB's business incubator, maker space, wet lab space, coworking space, and advanced manufacturing center on the Midland campus.
- Midland Entrepreneurial Challenge
 - Enter the challenge for business coaching and compete to win capital for your business.
- Midland College BEDC
 - Offers free business counseling for preparing your business plan, starting a new business, and much more.
- Midland Chamber of Commerce
 - Strengthen & grow your business through networking, marketing, training, and other opportunities through the Chamber's programs and initiatives.



Juneteenth in Midland

Thursday

- 6 PM: Vendor Shopping @ Washington Park
- 7 PM: Sponsor Night Mixer @ Bush Convention Center
- 7 PM: Sister to Sister Rooftop Party @ DoubleTree Rooftop
- 10 PM: Kick-off Party @ The Reserve at the DoubleTree

Friday

- '23 Tall City Classic Basketball Tournament @ Legacy High School
- 7 PM: Live Music @ Washington Park
- 7 PM: Bessie M Boutique Fashion Show @ Washington Park
- 8 PM: Sneaker Ball @ Bush Convention Center



Linked In

1,687

FOLLOWERS

8,637

IMPRESSIONS

TOP POSTS:

- MISS CAYCE'S MADE IN MIDLAND POST
- H&H DESIGNS MADE IN MIDLAND POST
- EDGE INDUSTRIES MADE IN MIDLAND/BRE VISIT POST
- THE SUDS MADE IN MIDLAND POST



TikTok



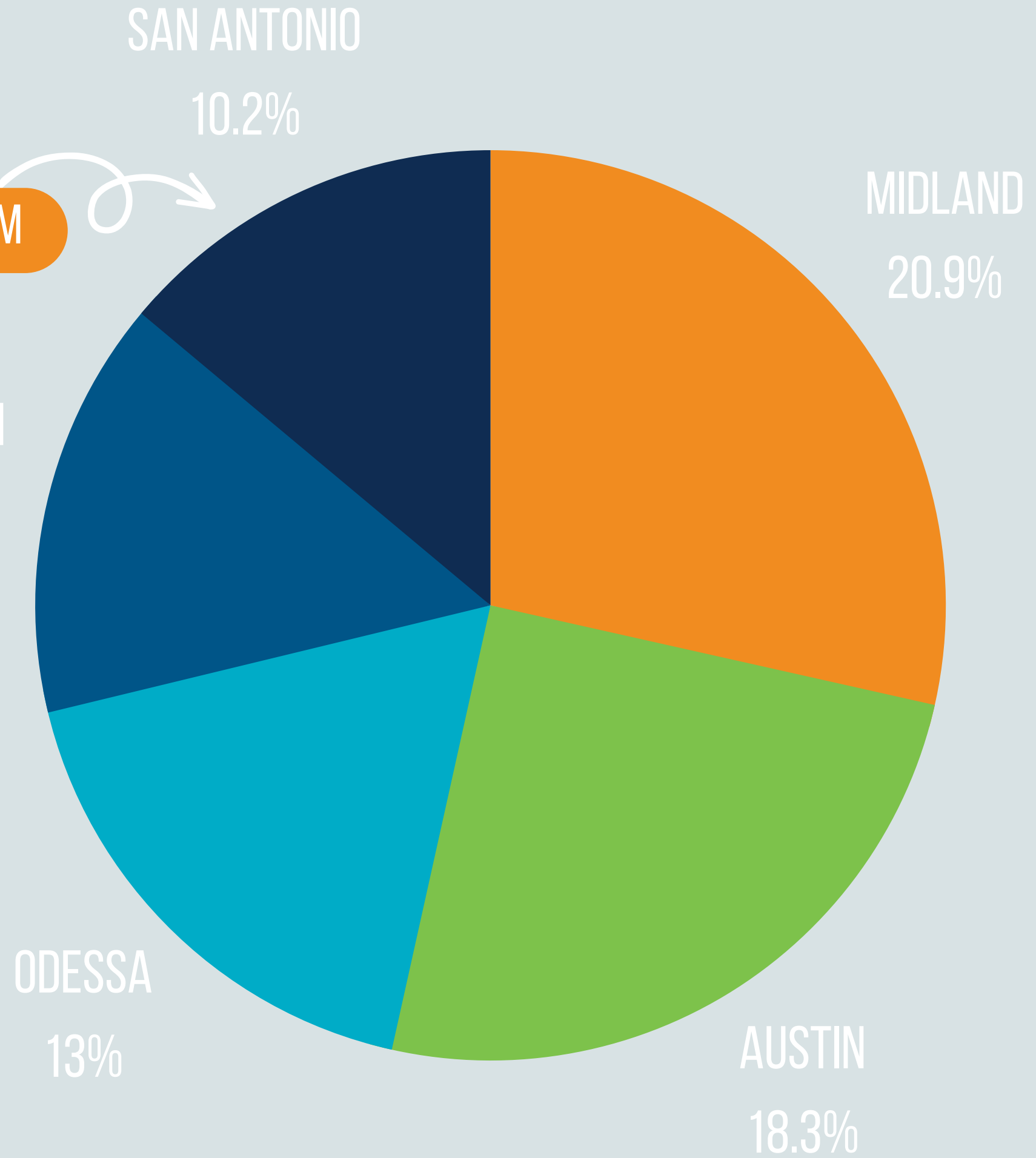
WHERE OUR VIEWS ARE COMING FROM

361

FOLLOWERS

13.48K

VIEWS

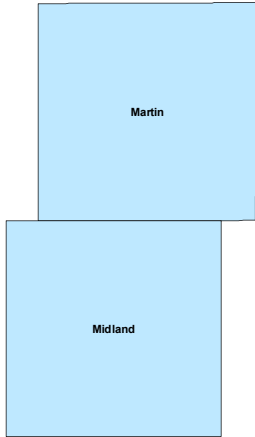
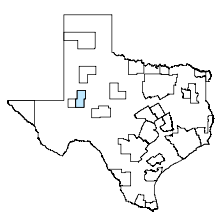


Questions?



Midland MSA

May 2023

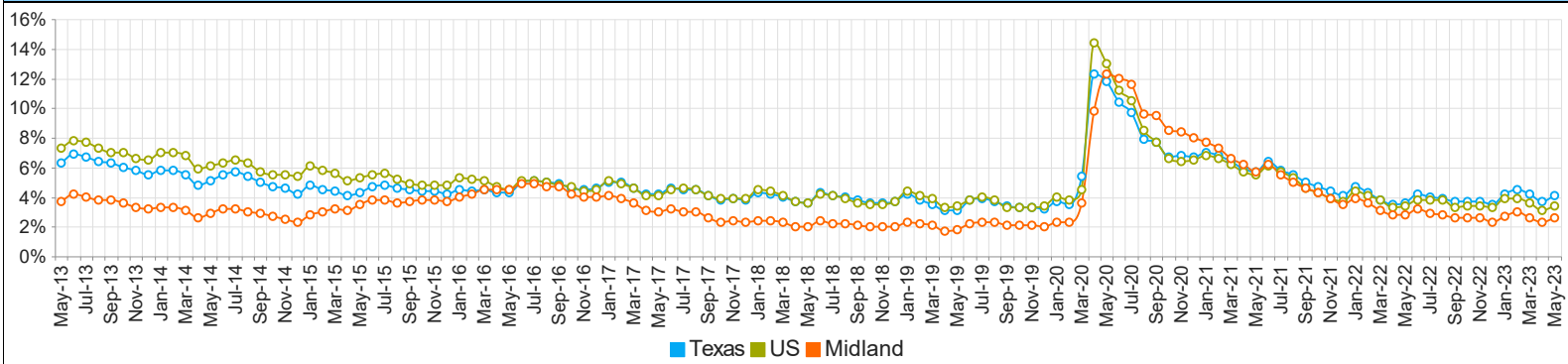


MSA Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	113,648	114,071	107,854	5,794
Employed	110,652	111,434	104,804	5,848
Unemployed	2,996	2,637	3,050	-54
Unemployment Rate	2.6%	2.3%	2.8%	-0.2%

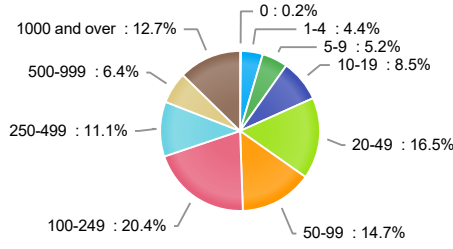
Texas Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	14,968,635	15,019,920	14,616,414	352,221
Employed	14,354,834	14,468,609	14,085,102	269,732
Unemployed	613,801	551,311	531,312	82,489
Unemployment Rate	4.1%	3.7%	3.6%	0.5%

US Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	166,702,000	166,221,000	164,157,000	2,545,000
Employed	161,002,000	161,075,000	158,609,000	2,393,000
Unemployed	5,700,000	5,146,000	5,548,000	152,000
Unemployment Rate	3.4%	3.1%	3.4%	0.0%

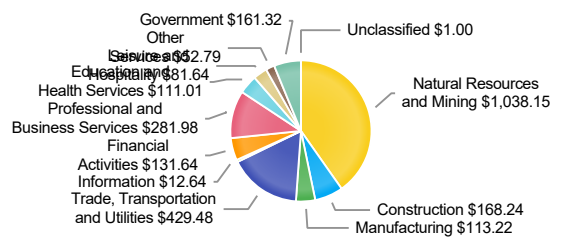
Historical Unemployment Rates



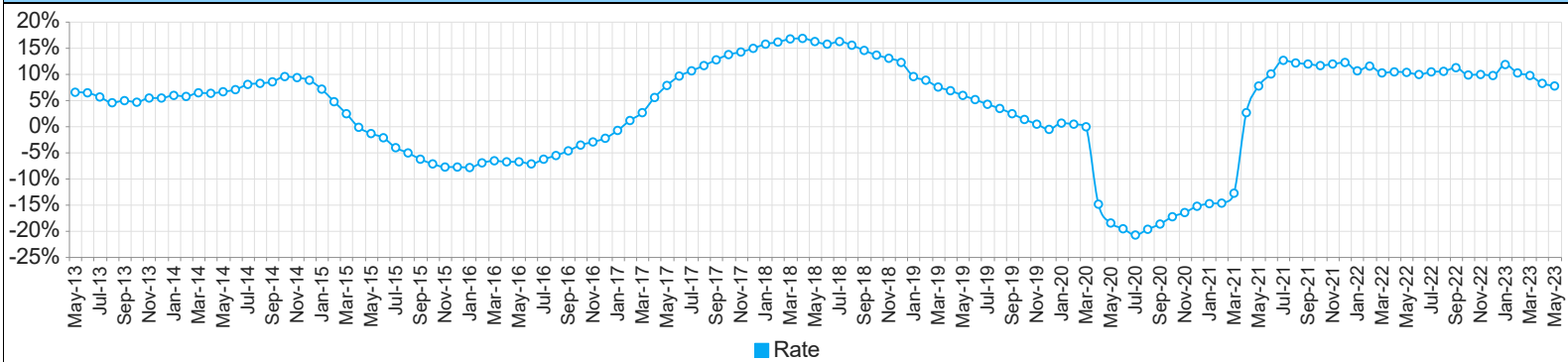
Employment by Size Class (4th Quarter 2022)



Wages by Industry (in millions) (4th Quarter 2022)



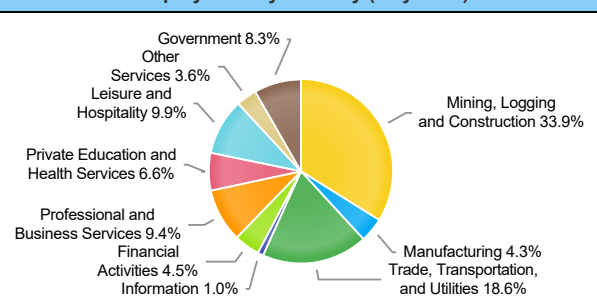
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (May 2023)

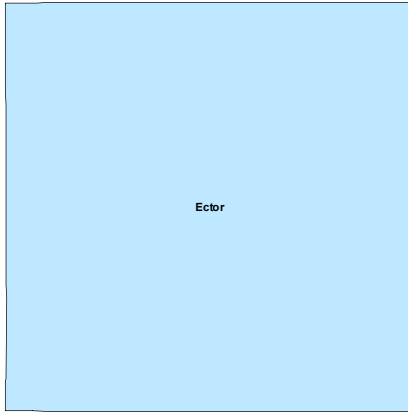
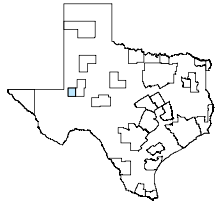
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	119,600	0.3%	7.7%
Mining, Logging and Construction	40,500	1.0%	13.8%
Manufacturing	5,100	0.0%	10.9%
Trade, Transportation, and Utilities	22,200	0.0%	4.2%
Information	1,200	0.0%	20.0%
Financial Activities	5,400	0.0%	5.9%
Professional and Business Services	11,300	0.0%	5.6%
Private Education and Health Services	7,900	0.0%	3.9%
Leisure and Hospitality	11,800	0.9%	4.4%
Other Services	4,300	0.0%	10.3%
Government	9,900	-1.0%	0.0%

Employment by Industry (May 2023)



Odessa MSA

May 2023

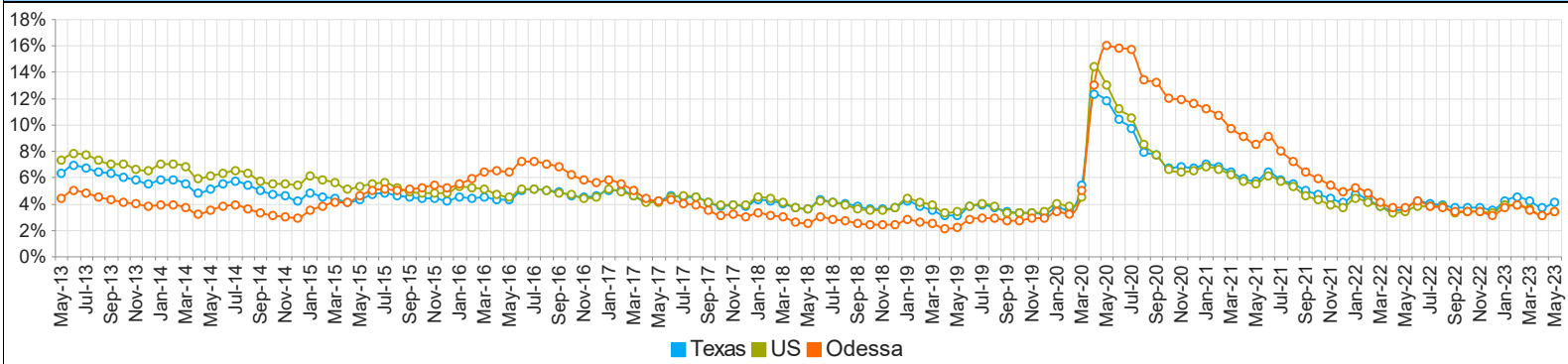


MSA Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	85,847	86,306	82,676	3,171
Employed	82,906	83,640	79,584	3,322
Unemployed	2,941	2,666	3,092	-151
Unemployment Rate	3.4%	3.1%	3.7%	-0.3%

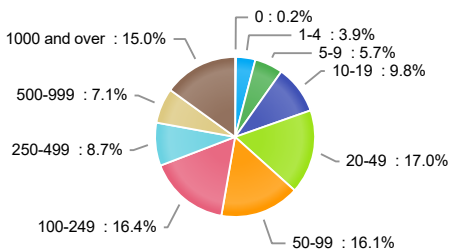
Texas Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	14,968,635	15,019,920	14,616,414	352,221
Employed	14,354,834	14,468,609	14,085,102	269,732
Unemployed	613,801	551,311	531,312	82,489
Unemployment Rate	4.1%	3.7%	3.6%	0.5%

US Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	166,702,000	166,221,000	164,157,000	2,545,000
Employed	161,002,000	161,075,000	158,609,000	2,393,000
Unemployed	5,700,000	5,146,000	5,548,000	152,000
Unemployment Rate	3.4%	3.1%	3.4%	0.0%

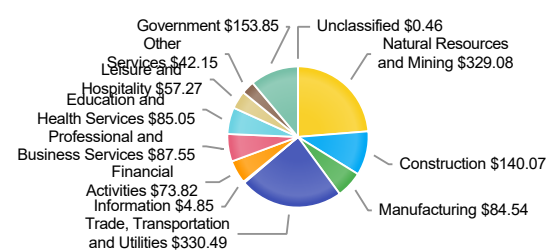
Historical Unemployment Rates



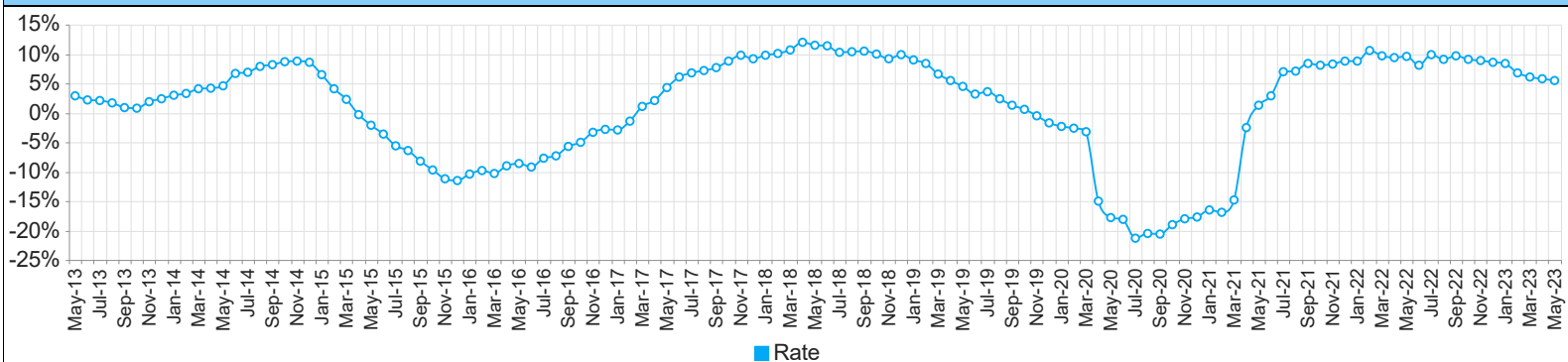
Employment by Size Class (4th Quarter 2022)



Wages by Industry (in millions) (4th Quarter 2022)



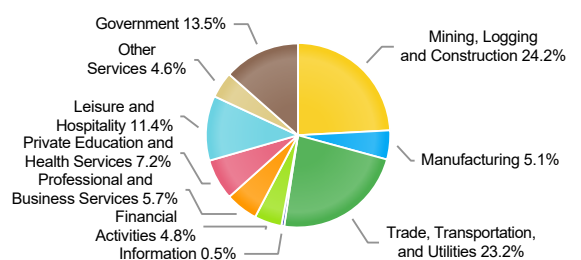
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (May 2023)

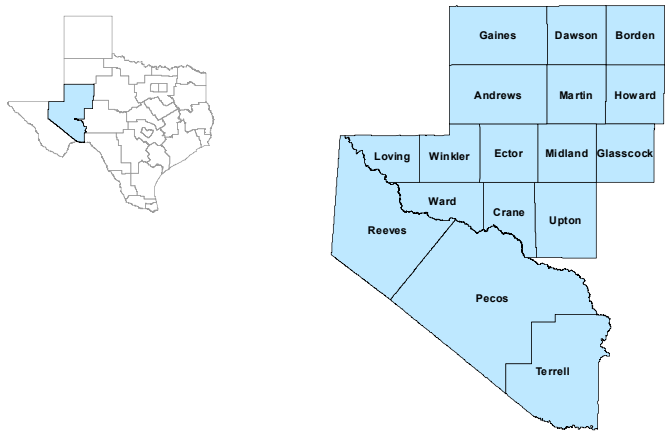
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	81,000	0.1%	5.5%
Mining, Logging and Construction	19,600	0.0%	13.3%
Manufacturing	4,100	0.0%	2.5%
Trade, Transportation, and Utilities	18,800	-0.5%	3.9%
Information	400	0.0%	0.0%
Financial Activities	3,900	0.0%	8.3%
Professional and Business Services	4,600	0.0%	-2.1%
Private Education and Health Services	5,800	0.0%	5.5%
Leisure and Hospitality	9,200	0.0%	2.2%
Other Services	3,700	0.0%	5.7%
Government	10,900	1.9%	1.9%

Employment by Industry (May 2023)



Permian Basin Workforce Development Area

May 2023



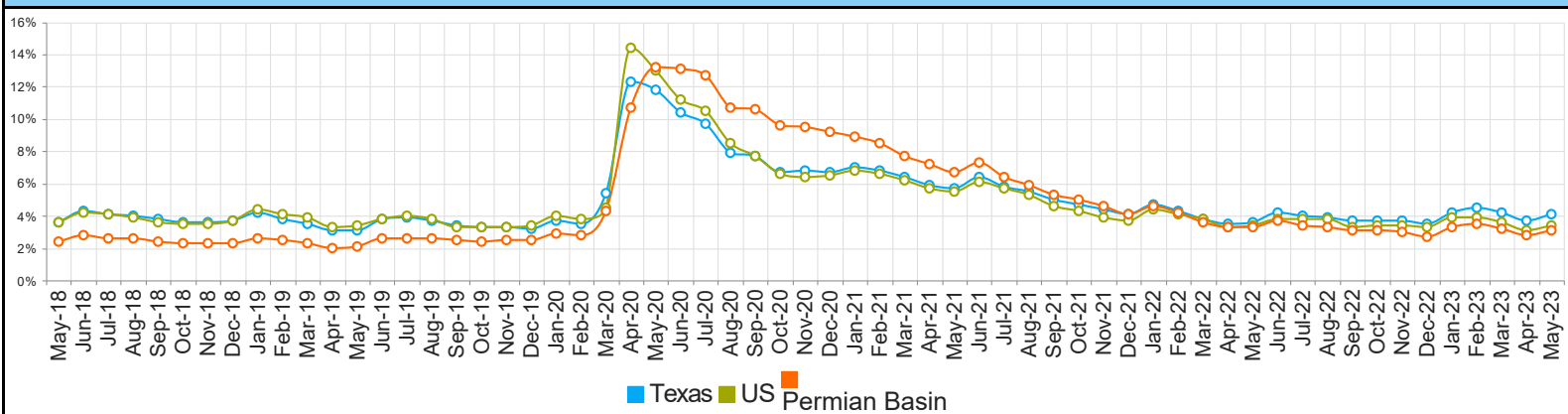
WDA Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	269,539	271,336	259,466	10,073
Employed	261,122	263,796	250,910	10,212
Unemployed	8,417	7,540	8,556	-139
Unemployment Rate	3.1%	2.8%	3.3%	-0.2%

Texas Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	14,968,635	15,019,920	14,616,414	352,221
Employed	14,354,834	14,468,609	14,085,102	269,732
Unemployed	613,801	551,311	531,312	82,489
Unemployment Rate	4.1%	3.7%	3.6%	0.5%

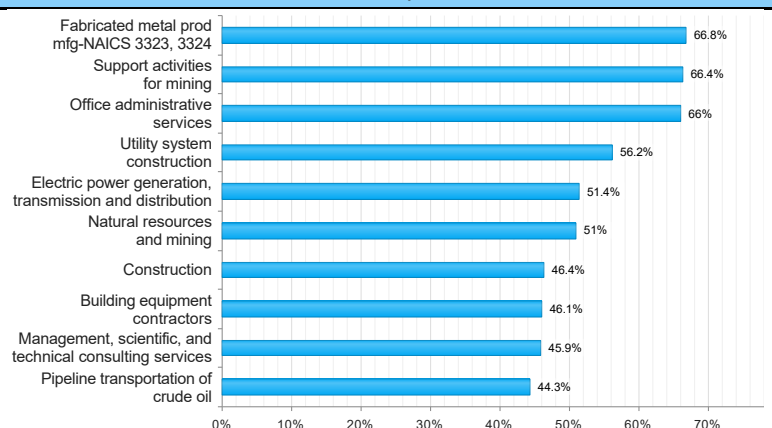
US Labor Force Statistics				
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Civilian Labor Force	166,702,000	166,221,000	164,157,000	2,545,000
Employed	161,002,000	161,075,000	158,609,000	2,393,000
Unemployed	5,700,000	5,146,000	5,548,000	152,000
Unemployment Rate	3.4%	3.1%	3.4%	0.0%

Continued Claims for the Week of the 12th				
	May-23	Apr-23	May-22	Yearly Change
WDA	957	950	906	51
Texas	102,403	102,208	72,838	29,565

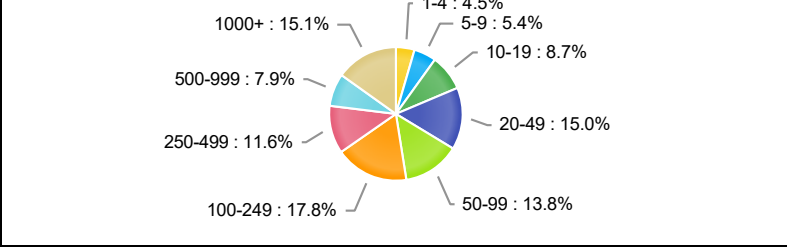
Historical Unemployment Rates



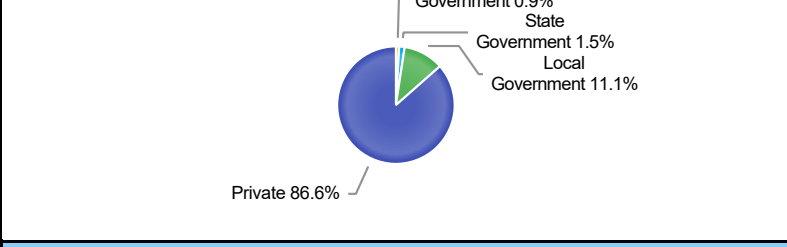
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2020-2030)



Employment by Size Class (4th Quarter 2022)



Employment by Ownership (4th Quarter 2022)



Average Weekly Wage (4th Quarter 2022)					
	Q4 2022	Q3 2022	Q4 2021	Quarterly Change	Yearly Change
WDA	\$1,536	\$1,488	\$1,452	\$48	\$84
Texas	\$1,372	\$1,332	\$1,375	\$40	-\$3
US	\$1,385	\$1,334	\$1,418	\$51	-\$33

Employment by Industry (4th Quarter 2022, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	53,889	21.6%	3.0%	18.6%
Construction	21,239	8.5%	3.3%	24.2%
Manufacturing	10,299	4.1%	-0.8%	6.4%
Trade, Transportation and Utilities	53,150	21.3%	2.4%	3.2%
Information	1,900	0.8%	-10.8%	7.2%
Financial Activities	10,918	4.4%	0.4%	7.3%
Professional and Business Services	18,583	7.4%	2.7%	7.7%
Education and Health Services	40,110	16.0%	5.4%	1.4%
Leisure and Hospitality	25,579	10.2%	-1.6%	3.5%
Other Services	7,442	3.0%	1.7%	9.8%
Public Administration	6,953	2.8%	-0.8%	-4.0%

Employment by Industry (4th Quarter 2022)

