



Board Binder Open Session

November 1, 2021

Agenda



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

NOTICE OF SPECIAL 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 special 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 November 1, 2021. 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

<https://us02web.zoom.us/j/84103519194?pwd=V2xOVGJSdkV5TDdYOCsrT21vQzZlZz09>

Passcode: 506680

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 346 248 7799 or +1 253 215 8782 or +1 669 900 9128 or +1 301 715 8592 or +1 312 626 6799
or +1 646 558 8656

Webinar ID: 841 0351 9194

Passcode: 506680

International numbers available: <https://us02web.zoom.us/j/84103519194?pwd=V2xOVGJSdkV5TDdYOCsrT21vQzZlZz09>

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 October 13, 2021, meeting of the Midland Development Corporation.
3. Presentation from Midland College on the College's Dual Credit and Career and Technical Education programs.
4. Presentation from InterFlight Global on procuring new tenants for the Spaceport Business Park, and the 2021 High Speed Aerospace Transportation Workshop.
5. Presentation on the October 2021 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director.



Posted this 27th day of October 2021.

Amy M. Turner
City Secretary

October 13th Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

October 13, 2021

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland Chamber of Commerce conference room, 303 W. Wall Street, Suite 200, Midland, Texas, at 9:00 a.m. on October 13, 2021.

Board Members present: Chairman Wesley Bownds, Director Brad Bullock, Director Stephen Lowery, Director Berry Simpson, Director Lourcey Sams, and Director Chase Gardaphe

Board Members absent: Director Jill Pennington

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

Council Member(s) present: Mayor Patrick Payton and Council member Lori Blong

MDC Staff Members present: Executive Director Sara Harris, Marketing and Administrative Coordinator Kendall Gray

1. Call meeting to order.

Chairman Bownds called the meeting to order at 9:03 am

2. Motion approving the minutes of the September 13, 2021, meeting of the Midland Development Corporation.

Director Lowery moved to approve the minutes of the September 13, 2021 meeting of the Midland Development Corporation; seconded by Director Sams. The motion carried by the following vote: AYE: Bownds, Simpson, Bullock and Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

3. Resolution authorizing the execution of a purchase and sale agreement between the Midland Development Corporation and 42, LLC for the sale of an approximate 58.207-acre tract of land out of Section 11, Block 40, Township 2 South, T&P RR Co. Survey, Midland County, Texas; and authorizing the Chairman to execute any and all legal documents and instruments necessary and appropriate for the closing of the sale of said real property.

Director Lowery moved to approve Resolution ED-393 authorizing the execution of a purchase and sale agreement between the Midland Development Corporation and 42, LLC; seconded by Director Bullock. The motion carried by the following vote: AYE: Bownds, Simpson, Sams and Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

4. Presentation on the September 2021 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director.

Ms. Harris reported that there were no notable disbursements in September. With sales tax receipts, there was a notable downturn of nearly 20% decrease year over year.

All the business at hand having been completed, Chairman Bownds adjourned the meeting at 9:16 a.m.

Respectfully submitted,

Vanessa White, Deputy City Secretary

PASSED AND APPROVED the 1st of November 2021.

Berry Simpson, Secretary

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 1 MONTHS ENDED
October 31, 2021

	Oct-21	YTD	Budgeted Amount
Revenue	\$1,052,730.63	\$1,052,730.63	\$10,976,644.00
40100 - State Sales Tax	\$971,343.63	\$971,343.63	\$10,000,000.00
40600 - Public ROW Use Fees	\$0.00	\$0.00	\$0.00
43000 - Interest	\$0.00	\$0.00	\$0.00
43010 - Interest - Nonpooled Invest	\$0.00	\$0.00	\$0.00
46190 - Miscellaneous Rentals	\$81,387.00	\$81,387.00	\$976,644.00
4235150 - Midland Dvlpmnt Corp Revenue	\$1,052,730.63	\$1,052,730.63	\$10,976,644.00

Expense	\$163,321.77	\$163,321.77	\$21,110,973.00
51010 - Base Salary	\$19,140.85	\$19,140.85	\$350,493.00
51090 - Fica MDC Portion	\$1,464.27	\$1,464.27	\$28,442.00
51110 - Health Insurance	\$152.08	\$152.08	\$30,180.00
51135 - ACCE Profit Sharing	\$0.00	\$0.00	\$24,535.00
52010 - Office Supplies	\$345.93	\$345.93	\$6,000.00
52110 - Motor Vehicle Supplies	\$45.65	\$45.65	\$1,000.00
52115 - Minor Furniture & Fixtures	\$0.00	\$0.00	\$500.00
52155 - Minor Computer Hrdwre & Periph	\$0.00	\$0.00	\$5,000.00
52160 - Computer Software & Supplies	\$8,694.55	\$8,694.55	\$25,000.00
52620 - Postage	\$0.00	\$0.00	\$300.00
53010 - Communication	\$1,311.41	\$1,311.41	\$17,000.00
53030 - Light & Power	\$8.98	\$8.98	\$150.00
53110 - Insurance-External	\$0.00	\$0.00	\$110,000.00
53212 - Equipment Rental-External	\$345.34	\$345.34	\$5,000.00
53220 - Advertising	\$48,550.56	\$48,550.56	\$200,000.00
53370 - Grounds Maintenance	\$2,764.36	\$2,764.36	\$12,000.00
53405 - Software Maintenance	\$98.50	\$98.50	\$12,000.00
53440 - External Audit Fees	\$0.00	\$0.00	\$24,000.00
53450 - Consulting Fees	\$2,170.04	\$2,170.04	\$250,000.00
53510 - Travel & Entertainment	\$112.77	\$112.77	\$8,000.00
53520 - Dues & Subscriptions	\$553.72	\$553.72	\$20,000.00
53530 - Training,Registration Fees,Etc	\$360.00	\$360.00	\$8,000.00
53905 - Economic Development Incentive	\$2,112.00	\$2,112.00	\$4,527,925.00
53907 - Business Recruitment & Retentn	\$2,919.18	\$2,919.18	\$50,000.00
53909 - Prior Year Committed Incentives	\$0.00	\$0.00	\$9,798,329.00
53920 - Rent	\$5,540.00	\$5,540.00	\$75,000.00
54010 - Building Maintenance	\$3,770.44	\$3,770.44	\$80,000.00
55120 - Maint. - Instruments & Appara.	\$55.66	\$55.66	\$1,000.00
56188 - MOTRAN	\$0.00	\$0.00	\$142,500.00
56202 - General Fund Services	\$32,557.08	\$32,557.08	\$390,619.00
56410 - Payment of Principal	\$0.00	\$0.00	\$60,000.00
56420 - Interest Expense	\$0.00	\$0.00	\$12,000.00
56910 - Depreciation Expense	\$0.00	\$0.00	\$336,000.00
56995 - Project Non Capital - Promotions	\$30,248.40	\$30,248.40	\$1,000,000.00
57001 - Capital Buildings & Structures	\$0.00	\$0.00	\$0.00
57002 - Capital Improve Other Than Bldg	\$0.00	\$0.00	\$3,500,000.00
235235 - Midland Development Corp	\$163,321.77	\$163,321.77	\$21,110,973.00

October 2021 Net Income: \$889,408.86

Year-to-Date Net Income: \$889,408.86

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
October 31, 2021
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	23,324,734	
Sales tax receivable	2,186,318	
Prepaid expenses	107,133	
Accounts receivable	-	
	-	25,618,184

Non-Current Assets

Capital Assets, net	21,951,664	
Forgivable Loans		
Made to Primary Government	-	
Made to Other	506,579	
Total Forgivable Loans	506,579	
		22,458,243

Total Assets		\$ 48,076,427
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LIABILITIES AND NET POSITION

Liabilities

Accounts payable	124,996	
Retainage Payable	36,612	
Capital Leases payable	173,698	
Commitments payable		
Due within one year	7,165,768	
Due in more than one year	9,918,962	
Total Commitments Payable	17,084,730	
		17,420,037

Net Position

Net investment in capital assets	21,951,664	
Restricted for Forgivable Loans	506,579	
Restricted for Capital Leases	173,698	
Promotions	1,665,527	
Unrestricted	6,358,922	
	6,358,922	30,656,390

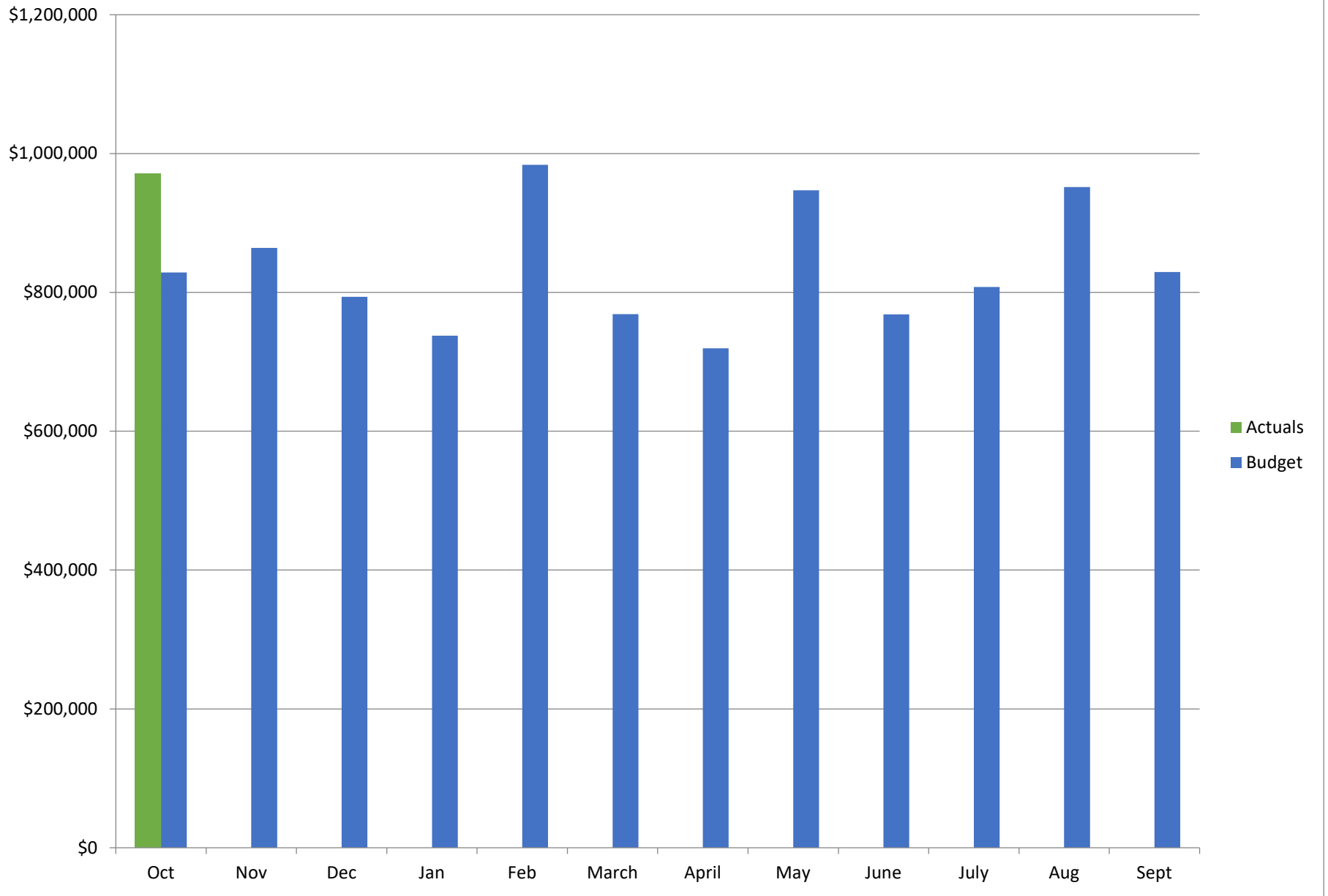
Total Liabilities and Net Position		\$ 48,076,427
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Sales Tax

Sales Tax Variance

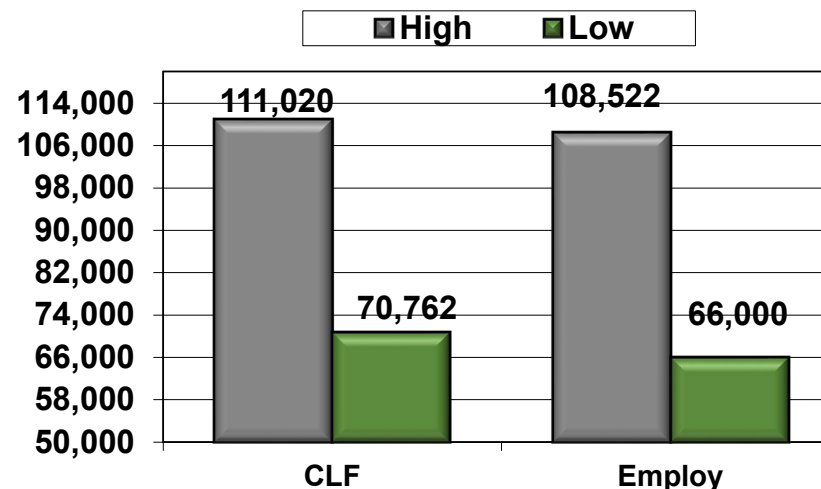
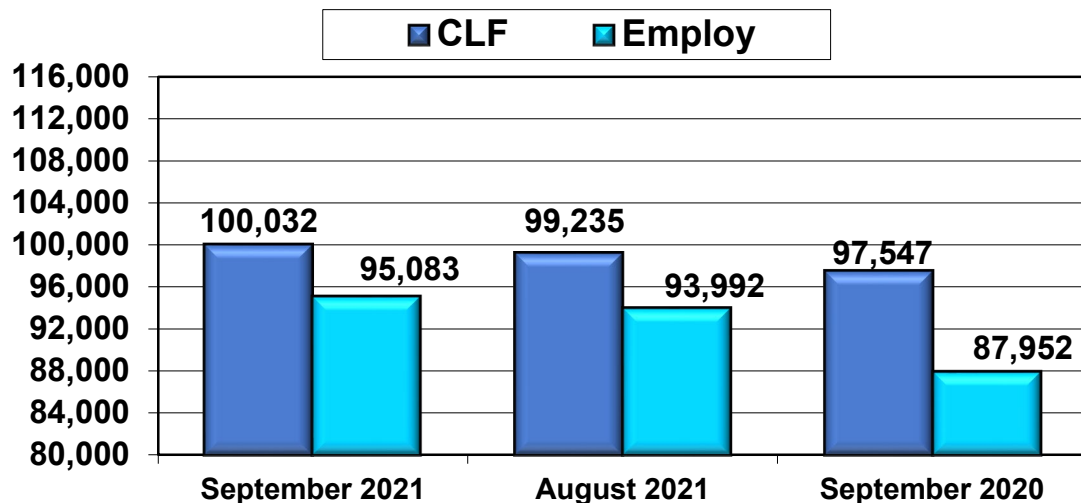
	2019-2020	2020-2021	% Change	2020-2021	2021-2022	% Change	YTD Change
October	\$1,219,993.44	\$1,203,058.10	-1.39%	\$1,203,058.10	\$971,343.63	-19.26%	-19.26%
November	\$1,266,357.10	\$983,259.60	-22.36%	\$983,259.60			
December	\$1,263,226.93	\$843,087.27	-33.26%	\$843,087.27			
January	\$1,036,178.70	\$752,584.05	-27.37%	\$752,584.05			
February	\$1,279,615.49	\$1,224,314.99	-4.32%	\$1,224,314.99			
March	\$966,824.94	\$783,914.25	-18.92%	\$783,914.25			
April	\$1,006,559.17	\$687,198.37	-31.73%	\$687,198.37			
May	\$1,251,139.57	\$1,198,336.79	-4.22%	\$1,198,336.79			
June	\$897,050.21	\$927,060.71	3.35%	\$927,060.71			
July	\$876,285.08	\$909,387.44	3.78%	\$909,387.44			
August	\$1,074,175.26	\$1,176,070.55	9.49%	\$1,176,070.55			
September	\$834,182.16	\$978,956.15	17.36%	\$978,956.15			
Annual Total	\$12,971,588.05	\$11,667,228.27	-10.06%	\$11,667,228.27	\$971,343.63		

Sales Tax Actuals vs Budget Estimates



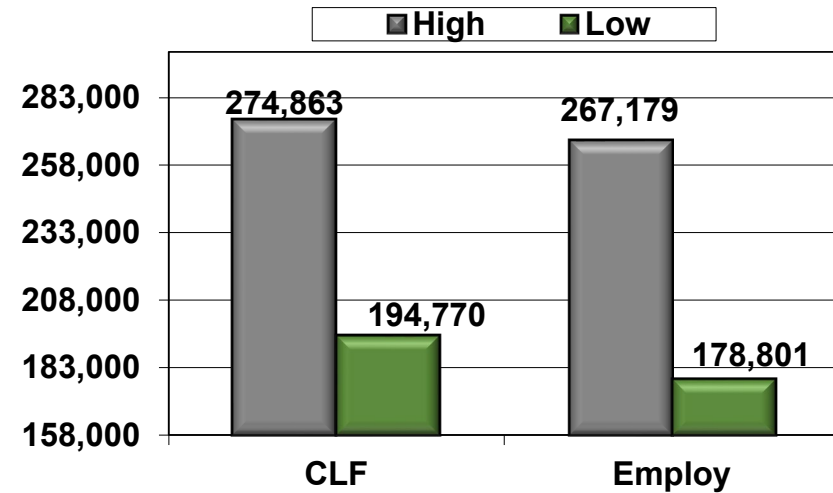
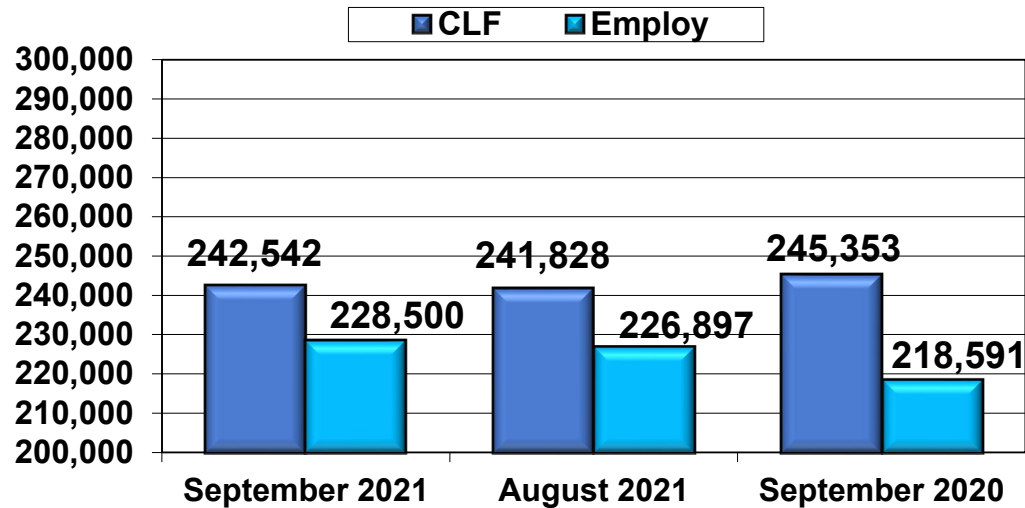
Activity Report

September 2021 Midland MSA Employment Information



	September 2021	August 2021	September 2020	High	Low
Civilian Labor Force	100,032	99,235	97,547	111,020 (Feb 2020)	70,762 (Jan 2010)
Employment	95,083	93,992	87,952	108,522 (Dec 2019)	66,000 (Jan 2010)
Unemployment	4,949	5,243	9,595	11,912 (May 2020)	1,788 (May 2019)
Unemployment Rate	4.9%	5.3%	9.8%	12.3% (May 2020)	1.7% (Apr 2019)

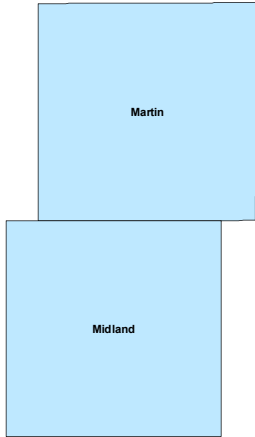
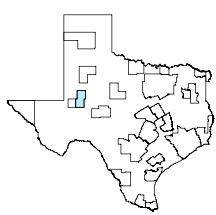
September 2021 Permian Basin Workforce Development Area Employment Information



	September 2021	August 2021	September 2020	High	Low
Civilian Labor Force	242,542	241,828	245,353	274,863 (Feb 2020)	194,770 (Jan 2010)
Employment	228,500	226,897	218,591	267,179 (Feb 2020)	178,801 (Jan 2010)
Unemployment	14,042	14,931	26,762	32,215 (May 2020)	5,115 (Apr 2019)
Unemployment Rate	5.8%	6.2%	10.9%	13.2% (May 2020)	1.9% (Apr 2019)

Midland MSA

September 2021

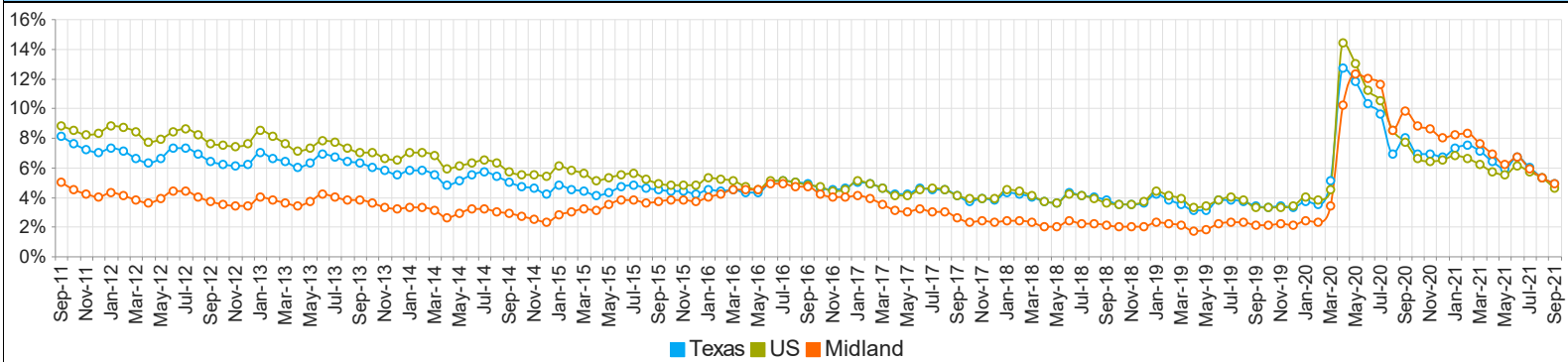


MSA Labor Force Statistics				
	Sep-21	Aug-21	Sep-20	Yearly Change
Civilian Labor Force	100,032	99,235	97,547	2,485
Employed	95,083	93,992	87,952	7,131
Unemployed	4,949	5,243	9,595	-4,646
Unemployment Rate	4.9%	5.3%	9.8%	-4.9%

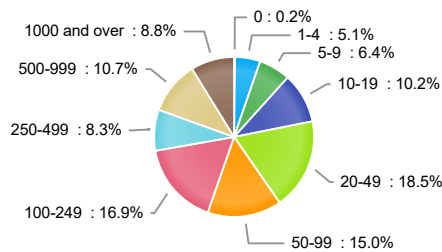
Texas Labor Force Statistics				
	Sep-21	Aug-21	Sep-20	Yearly Change
Civilian Labor Force	14,254,432	14,191,262	13,993,842	260,590
Employed	13,549,183	13,432,920	12,877,405	671,778
Unemployed	705,249	758,342	1,116,437	-411,188
Unemployment Rate	4.9%	5.3%	8.0%	-3.1%

US Labor Force Statistics				
	Sep-21	Aug-21	Sep-20	Yearly Change
Civilian Labor Force	161,392,000	161,788,000	160,073,000	1,319,000
Employed	154,026,000	153,232,000	147,796,000	6,230,000
Unemployed	7,366,000	8,556,000	12,277,000	-4,911,000
Unemployment Rate	4.6%	5.3%	7.7%	-3.1%

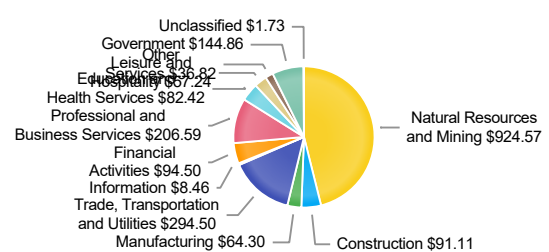
Historical Unemployment Rates



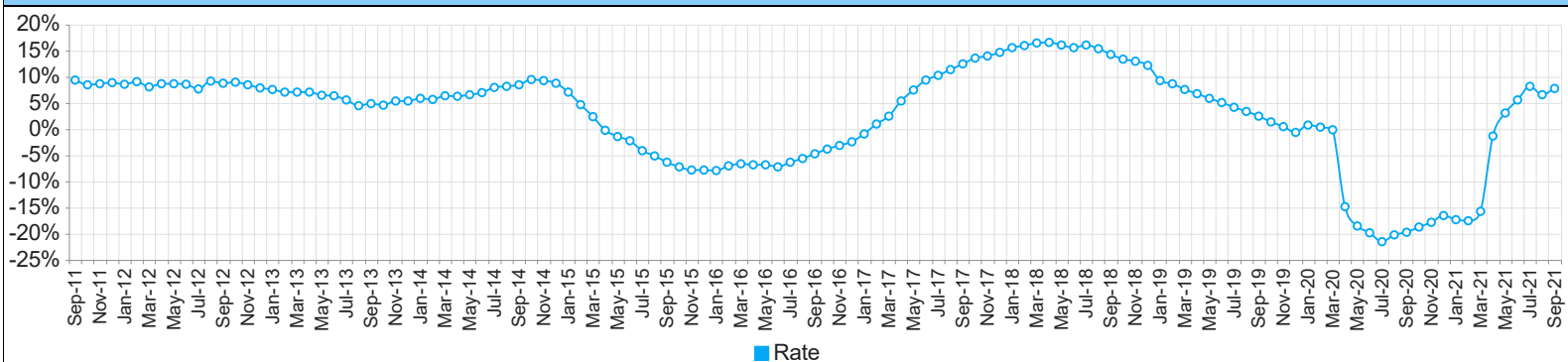
Employment by Size Class (1st Quarter 2021)



Wages by Industry (in millions) (1st Quarter 2021)



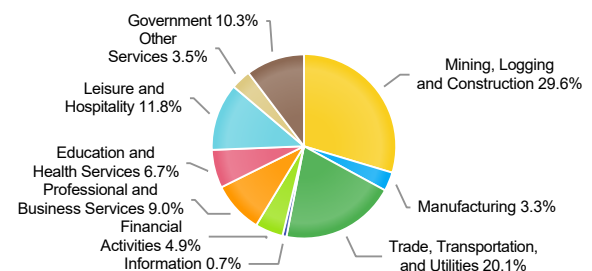
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (September 2021)

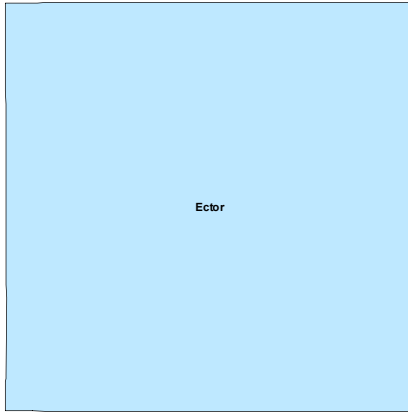
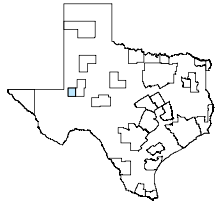
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	98,600	1.2%	7.8%
Mining, Logging and Construction	29,200	2.1%	11.9%
Manufacturing	3,300	0.0%	6.5%
Trade, Transportation, and Utilities	19,800	0.5%	5.9%
Information	700	0.0%	0.0%
Financial Activities	4,800	0.0%	9.1%
Professional and Business Services	8,900	0.0%	0.0%
Education and Health Services	6,600	0.0%	-2.9%
Leisure and Hospitality	11,600	2.7%	22.1%
Other Services	3,500	-2.8%	2.9%
Government	10,200	3.0%	3.0%

Employment by Industry (September 2021)



Odessa MSA

September 2021

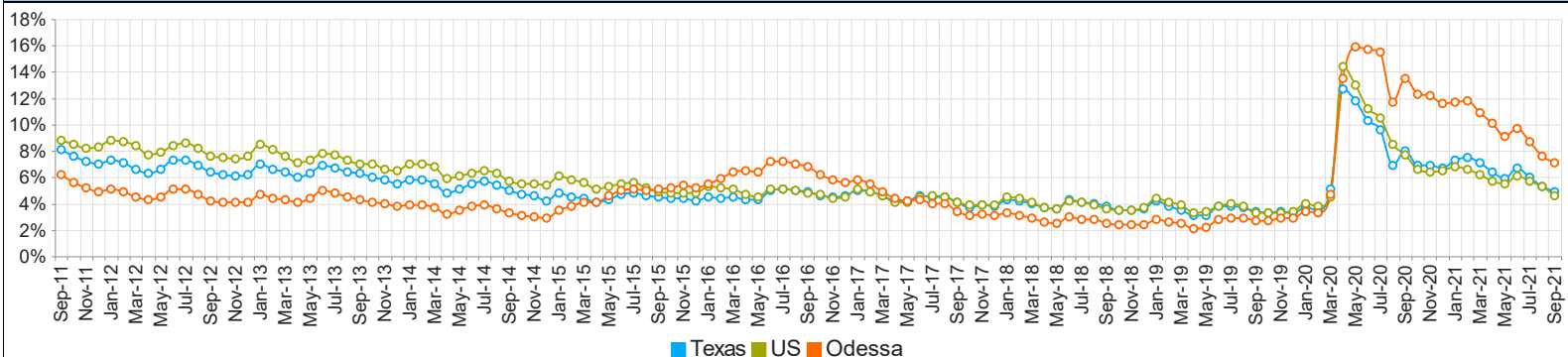


MSA Labor Force Statistics				
	Sep-21	Aug-21	Sep-20	Yearly Change
Civilian Labor Force	78,753	78,585	81,172	-2,419
Employed	73,195	72,606	70,176	3,019
Unemployed	5,558	5,979	10,996	-5,438
Unemployment Rate	7.1%	7.6%	13.5%	-6.4%

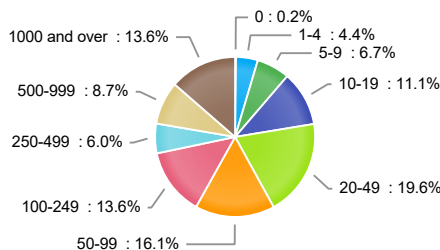
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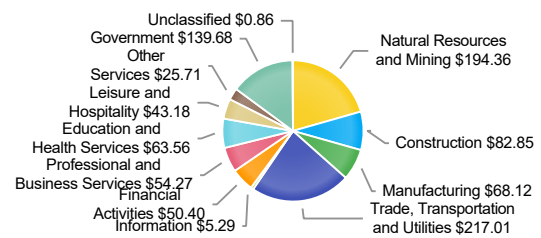
Historical Unemployment Rates



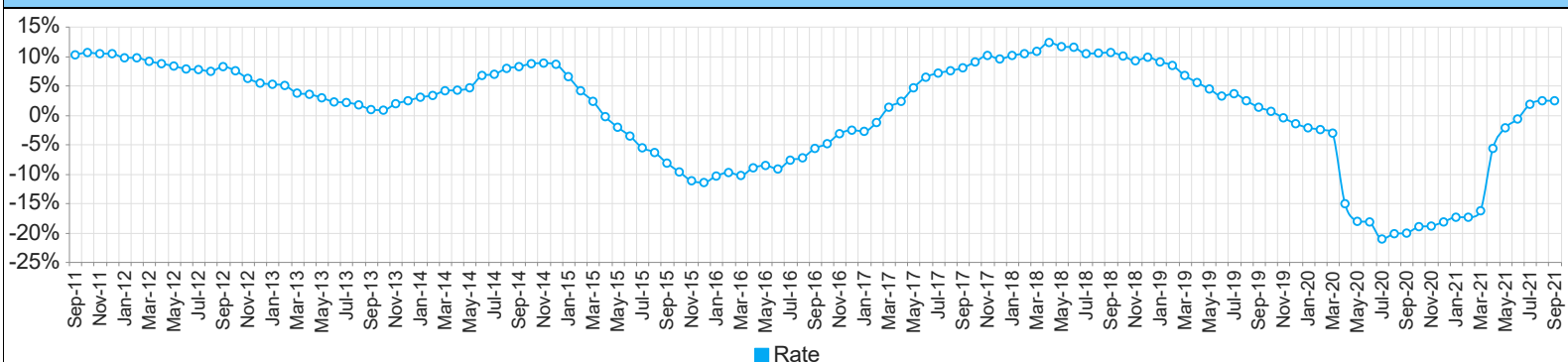
Employment by Size Class (1st Quarter 2021)



Wages by Industry (in millions) (1st Quarter 2021)



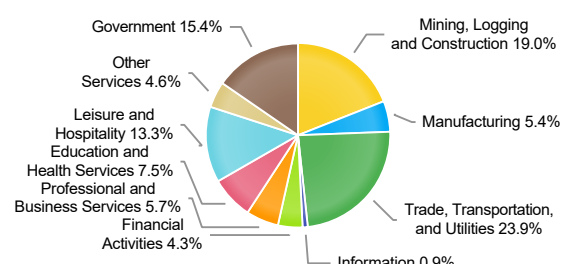
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (September 2021)

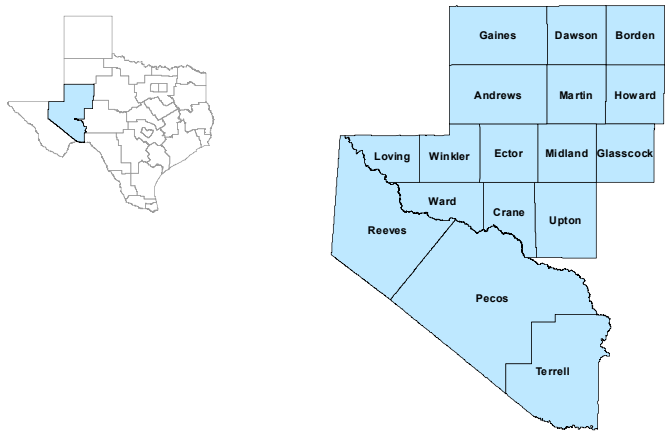
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	69,000	0.6%	2.4%
Mining, Logging and Construction	13,100	0.8%	0.8%
Manufacturing	3,700	0.0%	0.0%
Trade, Transportation, and Utilities	16,500	1.2%	2.5%
Information	600	0.0%	0.0%
Financial Activities	3,000	-3.2%	0.0%
Professional and Business Services	3,900	0.0%	2.6%
Education and Health Services	5,200	2.0%	4.0%
Leisure and Hospitality	9,200	0.0%	15.0%
Other Services	3,200	-3.0%	3.2%
Government	10,600	1.9%	-4.5%

Employment by Industry (September 2021)



Permian Basin Workforce Development Area

September 2021



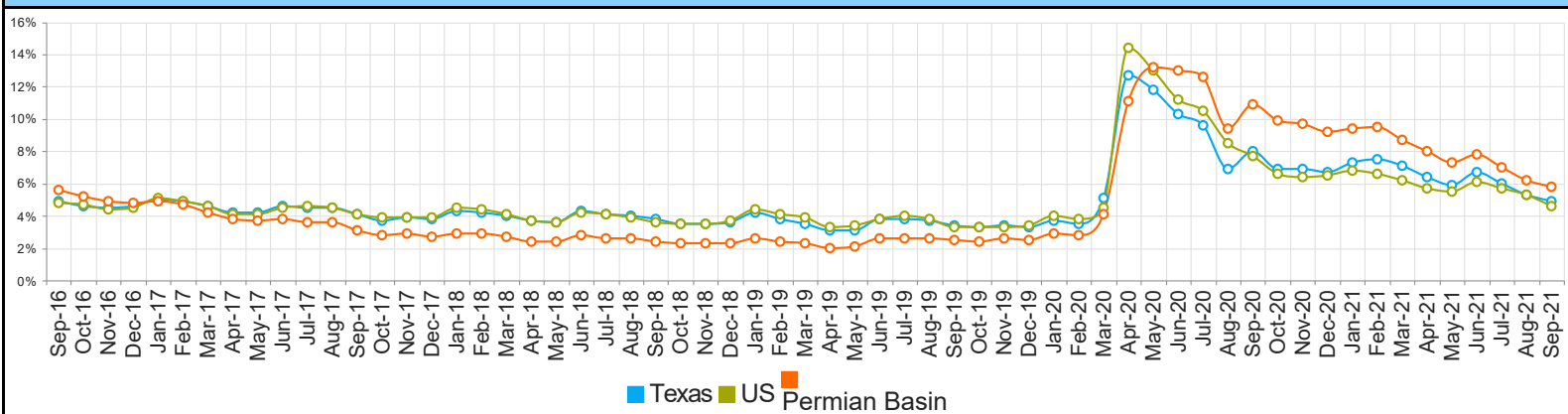
WDA Labor Force Statistics				
	Sep-21	Aug-21	Sep-20	Yearly Change
Civilian Labor Force	242,542	241,828	245,353	-2,811
Employed	228,500	226,897	218,591	9,909
Unemployed	14,042	14,931	26,762	-12,720
Unemployment Rate	5.8%	6.2%	10.9%	-5.1%

Texas Labor Force Statistics				
	Sep-21	Aug-21	Sep-20	Yearly Change
Civilian Labor Force	14,254,432	14,191,262	13,993,842	260,590
Employed	13,549,183	13,432,920	12,877,405	671,778
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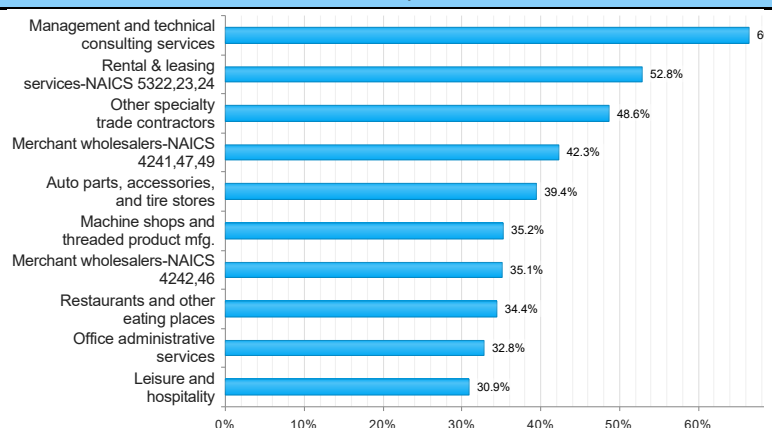
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Unemployed	7,366,000	8,556,000	12,277,000	-4,911,000
Unemployment Rate	4.6%	5.3%	7.7%	-3.1%

Continued Claims for the Week of the 12th				
	Sep-21	Aug-21	Sep-20	Yearly Change
WDA	1,387	1,695	19,302	-17,915
Texas	92,894	123,285	634,196	-541,302

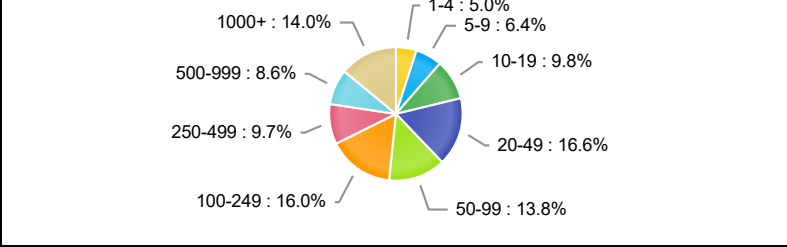
Historical Unemployment Rates



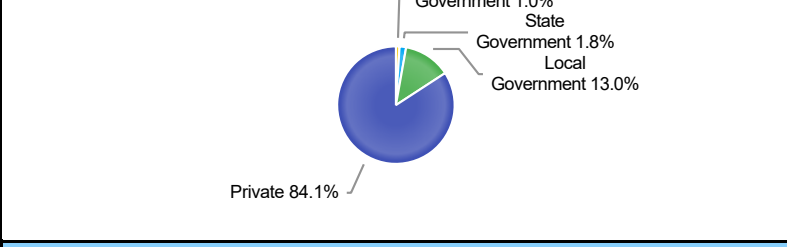
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2018-2028)



Employment by Size Class (1st Quarter 2021)



Employment by Ownership (1st Quarter 2021)



Average Weekly Wage (1st Quarter 2021)					
	Q1 2021	Q4 2020	Q1 2020	Quarterly Change	Yearly Change
WDA	\$1,335	\$1,354	\$1,387	-\$19	-\$52
Texas	\$1,261	\$1,294	\$1,231	-\$33	\$30
US	\$1,289	\$1,339	\$1,221	-\$50	\$68

Employment by Industry (1st Quarter 2021, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	40,366	18.9%	3.4%	-27.2%
Construction	15,680	7.3%	0.2%	-25.1%
Manufacturing	8,684	4.1%	4.9%	-19.0%
Trade, Transportation and Utilities	47,029	22.0%	-0.9%	-11.4%
Information	1,481	0.7%	-7.1%	-33.0%
Financial Activities	9,468	4.4%	3.5%	-11.0%
Professional and Business Services	15,836	7.4%	5.5%	-10.5%
Education and Health Services	38,660	18.1%	1.3%	-1.0%
Leisure and Hospitality	22,566	10.6%	-1.3%	-9.0%
Other Services	6,238	2.9%	0.2%	-12.2%
Public Administration	7,407	3.5%	-0.8%	-0.8%

Employment by Industry (1st Quarter 2021)

