



City of Broken Arrow
Minutes
Broken Arrow Economic Development Authority

City Hall
220 S 1st Street
Broken Arrow OK
74012

Chairperson Craig Thurmond
Vice Chair Scott Eudey
Trustee Johnnie Parks
Trustee Debra Wimpee
Trustee Christi Gillespie

Tuesday, November 18, 2019

Council Chambers

1. Call to Order

Chairperson Craig Thurmond called the meeting to order at approximately 7:48 p.m.

2. Roll Call

Present: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

3. Consideration of Consent Agenda

- A. 19-70 Approval of the Broken Arrow Economic Development Authority Meeting Minutes of November 5, 2019**
- B. 19-1417 Approval of and authorization to execute a Professional Services Agreement between the Public Finance Law Group, PLLC ("PFLG"), the City of Broken Arrow, Oklahoma, an Oklahoma Municipal Corporation (the "City"), the Broken Arrow Municipal Authority, an Oklahoma Public Trust ("BAMA") and the Broken Arrow Economic Development Authority, an Oklahoma Public Trust ("BAEDA") for providing counsel and legal advice regarding economic development law**
- C. 18-1473 Ratification of the Claims List Check Register dated November 14, 2019**

Chairperson Thurmond asked if there were any items to be removed from the Consent Agenda. There were none.

MOTION: A motion was made by Scott Eudey, seconded by Christi Gillespie.

Move to approve the Consent Agenda

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

4. Consideration of Items Removed from Consent Agenda

There were no items removed from the Consent Agenda. No action was required or taken.

5. General Authority Business

- A. 19-1391 Presentation of the 2018 Broken Arrow Economic Development Corporation Annual Audit by the Broken Arrow Chamber of Commerce President**
Economic Development Coordinator Norm Stephens reported at the December 18, 2018 Broken Arrow Economic Development Authority meeting, Board Members approved a contract for Economic Development Services with the Broken Arrow Economic Development Corporation for the period January 1, 2019 to June 30, 2021. He stated on May 29, 2019 the Chamber of Commerce announced Jennifer Conway would be the next Chamber of Commerce President and would join the Chamber in that capacity on July 1, 2019. He stated on October 30, 2019 during the Broken Arrow Economic Development Corporation Board Meeting, Ms. Conway presented the Financial Statement with Independent Auditor's Report for the year ending December 31, 2018 performed by Hinkle & Company. He stated

as the BAEDC moved forward in fiscal responsibility, accountability and transparency, Jennifer Conway would present the results of the annual audit to BAEDA.

Chamber of Commerce President Jennifer Conway reported both the 2017 and 2018 audited financials had been completed. She stated as part of the effort to have financial transparency and accountability she wished to present to BAEDA the audited financials for review and questions. She indicated last week the new auditors, Hinkle and Company, completed the audits. She reported the audited financials reflected the controls in place as of December 2018; the Chamber of Commerce had instituted new controls effective August 31, 2019 which were addressing some of the deficiencies found in the previous audit of 2017. She noted these controls had not yet been tested, but would be tested in the 2019 audit, which she hoped to have prepared by April of 2020 for presentation. She noted the audits had been provided in the Agenda Packets for review and she was available for questions. She indicated the Agenda Packets included the independent auditor financials and reports. She noted the Auditor Opinion reflected the financial statements presented fairly in all material respects the financial position of the Broken Arrow Economic Development Corporation as of December 31, 2018 and the changes in its net assets and cash flows were reflected fairly.

Ms. Conway reported she provided all auditor documents to the Authority for review including the Independent Letter which stated there were no material deficiencies found in the testing of controls and any deficiencies found were corrected quickly by management. She stated the financial statement was simple: Broken Arrow Economic Development Corporation in-flowed money and paid out payroll. She reported on page 4 in the Statement of Activities the change in net assets showed a positive balance of \$32,501 dollars; she explained this was not the Broken Arrow Economic Development Corporation making profit as \$30,000 dollars of this was due to a timing difference in payroll. She indicated the Broken Arrow Economic Development Corporation spent all monies on allocated expenses in FY2018 as designated by the contract. She noted there was a new contract in place for 2019 and she would work towards continued complete transparency.

Chairperson Thurmond thanked Ms. Jennifer Conway for the new financial controls and transparency.

Vice Chair Eudey stated Broken Arrow had an excellent relationship between the City, the schools and the EDC and he was proud of this. He stated it was comforting and encouraging to see the work of the EDC continued and to see there were controls in place to allow progress to continue.

Ms. Conway stated an EDC and Chamber of Commerce Strategic Plan was being developed and she hoped to return to present the EDC goals for 2020 to the Authority. She stated she appreciated the relationship between the City and the EDC and the trust the City continued to put into the Broken Arrow Economic Development Corporation and Chamber of Commerce.

B. 19-1427 Consideration, discussion, and possible approval of and authorization to execute an Economic Development Agreement between the Broken arrow Economic Development Authority, an Oklahoma Public Trust (together with its successors and assigns, “BAEDA”) and the Broken Arrow Municipal Authority (together with its successors and assigns, “BAMA”), Collectively the “City” and DHTC Development, LLC (“DHTC”), for an affordable senior housing project to be located near 37th and Kenosha Street in Broken Arrow

Mr. Norm Stephens reported this was the same item which was presented during the BAMA Meeting. He asked if there were any questions; there were none.

**MOTION: A motion was made by Christi Gillespie, seconded by Debra Wimpee.
Move to approve and authorize execution of an Economic Development Agreement**

between the Broken arrow Economic Development Authority, an Oklahoma Public Trust (together with its successors and assigns, “BAEDA”) and the Broken Arrow Municipal Authority (together with its successors and assigns. “BAMA”), Collectively the “City” and DHTC Development, LLC (“DHTC”), for an affordable senior housing project to be located near 37th and Kenosha Street in Broken Arrow

The motion carried by the following vote:

Aye: 4 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Craig Thurmond

Abstain: 1 - Scott Eudey

6. Remarks and Updates by City Manager and Staff

City Manager Michael Spurgeon stated it was a pleasure to work with Jennifer Conway and Darla Heller. He commended Ms. Conway for her excellent efforts.

7. Executive Session

There was no Executive Session.

8. Adjournment

The meeting adjourned at approximately 7:59 p.m.

MOTION: A motion was made by Johnnie Parks, seconded by Debra Wimpee.

Move to adjourn

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

Chairperson

Secretary