

April 24, 2008

The March meeting was reconvened on April 17, 2008, at 2:10 p.m. for the New River Water Plant tour. Board members attending the tour were Joe Freeman, Dana Pack, Tom Jones, and William Snyder. Other attendees were Alan Hawthorne, Danielle Skeens, and Danny Gordon.

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, April 24, 2008, at 3:00 p.m. at the Council Room of the Rural Retreat Municipal Building located at Main Street, Rural Retreat, Virginia.

MEMBERS PRESENT

Joe Freeman, Chairman
Linda DiYorio
Dana R. Pack
Foy Patton

William F. Snyder, Vice Chairman
David Elmore
Tom W. Jones

MEMBERS ABSENT

None

EX-OFFICIO MEMBERS PRESENT

None

EX-OFFICIO MEMBERS ABSENT

R. Cellell Dalton, Wythe County Administrator
Raymond E. Matney, Rural Retreat Town Manager
C. Wayne Sutherland, Jr., Wytheville Town Manager

DETERMINATION OF QUORUM

Chairman Freeman called the meeting to order and determined a quorum to be present. Dr. Snyder offered the invocation, and Mr. Freeman led the Pledge of Allegiance.

CITIZENS' TIME

There were no citizens present, therefore Chairman Freeman proceeded with the meeting.

APPROVAL OF MINUTES-March 27, 2008 board meeting

Dr. Snyder made a motion, seconded by Mr. Jones, to adopt the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Dr. Hawthorne commented on Check # 5540 and 5541 which were expenses from the Entrepreneur Express Workshop. He stated that Check # 5523V had been voided due to changes in the workshop expenses, with a check being issued. Mr. Elmore stated that Check # 5547 was for the upcoming golf tournament. Mr. Elmore made a motion, seconded by Ms. DiYorio to pay the invoices. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County

Check Register

For the Period From March 28, 2008 through April 24, 2008

Check #	Date	Payee	Amount
5523V	3/31/08	Wytheville Meeting Center	-375.00
5534V	4/17/08	Va Municipal League Group	-15.00
5535	4/24/08	Alan R. Hawthorne	4,241.39
5536	4/24/08	Danielle M. Skeens	1,827.80
5537	4/24/08	Appalachian Power	95.80
5538	4/24/08	Chamber of Commerce	20.00
5539	4/24/08	Robert G. Moore	1,100.00
5540	4/24/08	Smokey's Bar-B-Que	366.30
5541	4/24/08	Wytheville Meeting Center	367.50
5542	4/24/08	Xerox	422.14
5543	4/24/08	Anthem Southeast Dental	74.23
5544	4/24/08	Anthem Blue Cross and Blue Shield	1,545.21
5545	4/24/08	Sprint PCS	82.00
5546	4/24/08	Embarq	130.35
5547	4/24/08	Chamber of Commerce	600.00
5548	4/24/08	First Bank of Virginia	2,095.28
5549	4/24/08	VA Dept Of Taxation	372.34
5550	4/24/08	Bankcard Services	275.95
5551	4/24/08	Alan Hawthorne - Reimbursement	314.92
5552	4/24/08	Danielle M. Skeens	62.62
5553	4/24/08	Principal Life Insurance Co.	91.68
Total			13,695.51

OLD BUSINESS

ENTREPRENEUR EXPRESS WORKSHOP—APRIL 10, 2008

Dr. Hawthorne explained that he would have a presentation on this event at next month's board meeting. He stated that due to the large registration for the workshop there was an extra cost of \$67.00 for a bigger room at the meeting center. He commented that there were about 60 total people at the event including the service providers. He stated he was very pleased with the turnout and indicated that the survey results supported this assessment. These survey results revealed that two-thirds of the attendees were at the workshop to learn more on marketing and financing, and about half were there to learn about expanding their business. Dr. Hawthorne remarked that Sandy Ratliff with the Department of Business Assistance was very pleased with the turnout. Her boss, Wayne Waltrip, came down for this event and was impressed with our community and the Wytheville Meeting Center facility.

INDUSTRY APPRECIATION GOLF TOURNAMENT—MAY 15, 2008

Mr. Elmore commented that everything was in order for the upcoming event. Mr. Elmore asked Mr. Freeman if he would be give the opening welcome at the start of the tournament and Dr. Hawthorne to give the welcome at the reception with both agreeing to do so. Mr. Freeman expressed the board's appreciation for the committee's efforts for the golf tournament and reception.

NEW RIVER WATER PLANT TOUR UPDATE

Dr. Hawthorne commented that Mr. Elvan Peed gave an excellent tour of the facility. He stated that this water plant was an significant recruitment tool for the Joint IDA. Dr. Hawthorne remarked that he has a presentation of the tour/facility, but would like to defer it to the next meeting. Mr. Freeman asked if the Joint IDA would send Mr. Peed a thank you on behalf of the entire board.

JOB OPENING STATUS

Dr. Hawthorne stated that the hiring committee was scheduled to meet immediately following the board meeting. He commented that there had been a good flow of applicants at the beginning of the position posting, however that had slowed as the deadline approaches. He remarked that some applicants had not sent in complete application packages.

NEW BUSINESS

QUARTERLY FINANCIAL STATEMENTS

Dr. Hawthorne reviewed the quarterly financial statements. Dr. Snyder commented that the Joint IDA was one of the most efficient organizations with which he had ever been involved. Dr. Snyder asked if there was a policy and/or procedure in place for travel and entertaining. Dr. Hawthorne replied that there was not a specific written policy for those line items, but it was used when needed, but not excessively as reflected in the audit materials. Dr. Hawthorne stated that he had been thinking about ways to get some of the industries' leaders to meet with him to help develop better relationships, thus making it easier to work together. He suggested taking them to lunch as this often seems to be the only time they have to meet. If this occurs, expenditures in these line items will increase. Dr. Hawthorne stated that the Joint IDA is constantly reviewing and monitoring expenditures. Mr. Freeman stated that the line items on the budget are reviewed individually and controlled with yearly increases and that the board approves every invoice monthly as an extra monitoring factor. Ms. DiYorio stated that the personnel policy guidelines she and Mr. Elmore are working on could possibly be ready to present to the board next month.

ANNIVERSARY CELEBRATION EVENT

Dr. Hawthorne stated that next year will be the 10th anniversary for Progress Park and the Crossroads Regional Industrial Facility Authority, and the 20th year anniversary for the Joint IDA. He further stated it will be Mr. Cellell Dalton's 15th year anniversary and his 10th year anniversary. Dr. Hawthorne suggested having a celebration event next year, possibly in the inland port area of Progress Park, where companies, families, and the community can gather to celebrate. Dr. Hawthorne stated that Gatorade was interested in supporting such an event. He recommended that the Joint IDA board begin thinking about this possible event, giving at least a year's lead time to think about and prepare for it. Dr. Snyder asked if the event could be held during Industry Appreciation Week in May. Dr. Hawthorne remarked that Industry Appreciation Week is very busy, and he really would like to hold something when school is out, possibly near the beginning of summer. Dr. Elmore stated that he thought this would be a great event for recognition. Dr. Hawthorne suggested the board think about this possibility. Mr. Freeman stated that a steering committee for this event will be selected at the May board meeting.

EXISTING INDUSTRY FORUM—Department of Business Assistance

Dr. Hawthorne stated that he had recently attended a meeting of the DBA existing industry forum to discuss what is going with industries across the state. He indicated that this is a valuable group that meets twice a year to focus on existing business in our communities. It is an excellent opportunity to share best practices and to network with others across the state.

INITIATIVES UPDATE

Dr. Hawthorne stated that he and Mr. Dalton had recently met with representatives from VDOT and the Federal Highway Administration concerning Exit 77 and a potential access road to Progress Park. He commented that the meeting went well and that it is a slow process, but progress is being made a little at a time.

Dr. Hawthorne commented that he also had met with AEP representatives in reference to strengthening Progress Park's attractiveness for a data center and infrastructure to serve the eastern portion of the county. The electrical grid in the Fort Chiswell area has circuits that are fully loaded, and the solution is a new substation. Dr. Hawthorne stated that he is currently putting letters together based on need and growth estimates to present to AEP.

Dr. Hawthorne stated that the SREC is moving forward on an incubator site selection and development of a preliminary engineering report to generate costs estimates for use in obtaining construction grant funding.

Dr. Hawthorne stated he would be meeting with Tim Pfohl on April 30, 2008, to discuss the possibility of extending recycled water to progress park. He stated he would give an update on this meeting at the next board meeting.

TRAINING FACILITY NEED ASSESSMENT—CHMURA ECONOMICS & ANALYTICS

Dr. Hawthorne informed the board that he recently attended a meeting joined by Mr. Freeman and Mr. Elmore in reference to the need for an advanced manufacturing training facility in Southwest Virginia. They were pleased with the insights shared at the meeting. The proximity of a training facility has a direct impact on facility use. Mr. Freeman stated that no one wants to drive an hour or send employees away to train. The study is to determine if there would be sufficient demand for such a facility.

SB&D TOP 250 BEST PLACES TO LOCATE

Dr. Hawthorne commented that *Southern Business & Development* had listed Wythe County midway on the list of 100 top small communities (based on number of major projects located during the past 15 years). He stated this was nice publicity for our area. Dr. Hawthorne remarked that SB&D was soliciting a limited number of full page advertisements, which were very expensive. He recommended not to place an ad in the issue at this level. The board agreed.

PROJECTS UPDATE

Dr. Hawthorne commented on existing projects.

OTHER

Dr. Hawthorne shared a press release concerning Camrett Logistics. He stated that the Camrett accomplishments was a great success story for our community.

Dr. Hawthorne commented that he had recently met with members of VEDP for a wood products media tour, where they ate lunch at the Log House in Wytheville. He stated this was a good opportunity to network and that the tour members were impressed with our community.

Dr. Hawthorne read excerpts from an article in the Commerce Quarterly that highlighted Wythe County's development of Progress Park as an example of being ready.

ADJOURN

There being no other business, Mr. Freeman adjourned the meeting at 4:17 p.m.

Joseph W. Freeman, Chairman

Attest:

Danielle M. Skeens, Secretary

Joint IDA of Wythe County
Revenue and Expenses
For nine-month period ending March 31, 2008

	General	Special	RLF	Total
Revenues				
Appropriations				
Wythe County	\$105,003.00			\$105,003.00
Wytheville	\$53,361.00			\$53,361.00
Rural Retreat	\$8,316.00			\$8,316.00
		\$166,680.00		
Service Fees				
IDB administrative fees	\$0.00			\$0.00
RLF management fees	\$539.65			\$539.65
CRIFA services	\$37,500.00			\$37,500.00
		\$38,039.65		
Sales/Leases				
Lease income on bldg	\$450.00			\$450.00
Sale of land		\$0.00		\$0.00
less cost of sales		<u>\$0.00</u>		<u>\$0.00</u>
	\$450.00	\$0.00		
Grants/Reimbursements				
VEDP & VEC grants		\$0.00		\$0.00
WOF grants - xxx		\$0.00		\$0.00
- xxxx		\$0.00		\$0.00
-xx refund		<u>\$0.00</u>		<u>\$0.00</u>
		\$0.00		
Reimbursements	\$228.34			\$228.34
		\$228.34		
Contributions/Events				
Contributions-WMC	\$0.00			\$0.00
Contributions-EE workshop	\$466.90			\$466.90
Golf tournament-sponsorships	\$1,880.00			\$1,880.00
Golf tournament-participants	\$640.00			\$640.00
Awards luncheon sponsor	\$600.00			\$600.00
		\$3,586.90		
Interest Income				
LGIP interest	\$16,198.72			\$16,198.72
Other interest	\$167.41			\$167.41
		\$16,366.13		
Revolving Loan Fund				
RLF loan interest			\$3,043.89	\$3,043.89
RLF LGIP interest			\$23,450.45	\$23,450.45
RLF other interest			\$107.28	\$107.28
Total Net Revenue	\$225,351.02	\$0.00	\$26,601.62	\$251,952.64

—For Management Purpose Only—

	General	Special	RLF	Total
Expenses Summary				
Salaries	\$111,265.00			\$111,265.00
Directors salaries	\$4,050.00			\$4,050.00
Salary Related	\$24,838.84			\$24,838.84
Annual leave accrual	\$0.00			\$0.00
Contract Services	\$5,665.00			\$5,665.00
Copier	\$2,563.05			\$2,563.05
Advertising	\$0.00			\$0.00
Postage	\$339.51			\$339.51
Telecommunications	\$1,939.36			\$1,939.36
Office supplies	\$397.81			\$397.81
Office rent	\$9,900.00			\$9,900.00
Meeting expenses	\$157.09			\$157.09
Subscriptions/books	\$152.28			\$152.28
Dues/membership	\$21,469.25			\$21,469.25
Depreciation expense	\$3,258.00			\$3,258.00
Hosting	\$294.79			\$294.79
Mileage	\$3,297.56			\$3,297.56
Lodging/perdiem	\$689.24			\$689.24
Conventions/education	\$472.00			\$472.00
Repairs & Maintenance	\$0.00			\$0.00
Surety Bond	\$267.75			\$267.75
Property Insurance	\$141.00			\$141.00
Public Officials/General Liab. Ins.	\$1,815.75			\$1,815.75
Office equipment	\$0.00			\$0.00
Utilities	\$718.76			\$718.76
Job Fair expense	\$0.00			\$0.00
Industry Appreciation Act.	\$1,932.00			\$1,932.00
Industry Appreciation-golf	\$0.00			\$0.00
Other Expense—Jr. Achiev. grant	\$500.00			\$500.00
Other Expenses	\$45.00			\$45.00
Purchase discounts	\$0.00			\$0.00
WOF grants		\$0.00		\$0.00
RLF Closing & Other Expenses			\$539.65	\$539.65
RLF Bad Debt Expense				\$0.00
Total Expenses	\$196,169.04	\$0.00	\$539.65	\$196,708.69
Net Income	\$29,181.98	\$0.00	\$26,061.97	\$55,243.95

—For Management Purpose Only—

Joint IDA of Wythe County

Balance Sheet

March 31, 2008

	General	RLF	Total
ASSETS			
Current Assets			
Cash-petty cash	\$50.00	\$0.00	\$50.00
Cash-checking account	\$8,856.23	\$7,806.30	\$16,662.53
Cash-LGIP	\$466,739.02	\$688,304.17	\$1,155,043.19
A/R-other	\$896.90	\$0.00	\$896.90
Prepaid insurance	\$2,372.53	\$0.00	\$2,372.53
Total Current Assets	\$478,914.68	\$696,110.47	\$1,175,025.15
Inventory			
Inventory-land for sale	\$148,347.54	\$0.00	\$148,347.54
Inventory-buildings	\$0.00	\$0.00	\$0.00
Total Inventory	\$148,347.54	\$0.00	\$148,347.54
Property and Equipment			
Fixed assets-furniture/equip.	\$37,469.86	\$0.00	\$37,469.86
Accum. deprec.-equipment	(\$37,469.86)	\$0.00	(\$37,469.86)
Total Property and Equipment	\$0.00	\$0.00	\$0.00
Other Assets			
Deferred payment on land sale	\$100,000.00		\$100,000.00
RLF Outstanding Loan Balance	\$0.00	\$38,684.42	\$38,684.42
Total Other Assets	\$100,000.00	\$38,684.42	\$138,684.42
Total Assets	\$727,262.22	\$734,794.89	\$1,462,057.11
LIABILITIES AND CAPITAL			
Current Liabilities			
Accounts payable	\$0.00	\$0.00	\$0.00
Accrued annual leave	\$9,327.77	\$0.00	\$9,327.77
Unemployment taxes payable	\$166.81	\$0.00	\$166.81
Deferred income	\$0.00	\$0.00	\$0.00
Total Current Liabilities	\$9,494.58	\$0.00	\$9,494.58
Long-Term Liabilities			
RD RLF Grant	\$0.00	\$500,000.00	\$500,000.00
Total Long-Term Liabilities	\$0.00	\$500,000.00	\$500,000.00
Total Liabilities	\$9,494.58	\$500,000.00	\$509,494.58
Capital			
Fund balance - BOY	\$688,585.66	\$208,732.92	\$897,318.58
Net Fund Change	\$29,181.98	\$26,061.97	\$55,243.95
Total Capital	\$717,767.64	\$234,794.89	\$952,562.53
Total Liabilities & Capital	\$727,262.22	\$734,794.89	\$1,462,057.11