

January 24, 2008

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, January 24, 2008, at 3:00 p.m. at the Council Room of the Wytheville Municipal Building located at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

Joe Freeman, Chairman
Linda DiYorio
Dana R. Pack

William F. Snyder, Vice Chairman
Tom W. Jones

MEMBERS ABSENT

David Elmore
Foy Patton

EX-OFFICIO MEMBERS PRESENT

None

EX-OFFICIO MEMBERS ABSENT

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

DETERMINATION OF QUORUM

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

CITIZENS' TIME

Mr. Freeman asked if there were any persons present who wished to address the board during citizens' time. There being none, he proceeded with the meeting.

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BOARD MEMBER UPDATE

Dr. Hawthorne welcomed Mr. Dana “Dickie” Pack to the board. He stated that he and Mr. Pack recently met and discussed the Joint IDA in depth. Dr. Hawthorne stated that due to the ordinances establishing the Joint IDA, which prohibit elected officials from serving on the Joint IDA board, Mr. Yontz would no longer be serving in this capacity. He stated this was an oversight on his part and he apologized. The Town of Rural Retreat appointed Mr. Foy W. Patton to fill the term.

APPROVAL OF MINUTES -December 20, 2007, board meeting

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

APPROVAL OF INVOICES

Ms. Skeens asked the board to add check #5484 for \$597.00 to the check registry. She noted the check is to The Master’s Table for the catering expense incurred at the Industry Tenure Awards luncheon, which was held earlier in the day. Mr Freeman asked about check #5483, and Dr. Hawthorne commented it was for the monthly payroll taxes. Mr. Jones made a motion, seconded by Dr. Snyder, to pay the invoices with the addition of check #5484. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County

Check Register

For the Period From December 21, 2007 through January 24, 2008

Check #	Date	Payee	Amount
5464	1/24/08	Appalachian Power	119.92
5465	1/24/08	Postmaster	68.00
5466	1/24/08	Principal Life Insurance Co.	105.86
5467	1/24/08	Robert G. Moore	1,100.00
5468	1/24/08	Sprint PCS	81.50
5469	1/24/08	Embarq	130.92
5470	1/24/08	Town of Wytheville	28.00
5471	1/24/08	VA Economic Dev Assoc.	300.00
5472	1/24/08	Bankcard Services	68.64
5473	1/24/08	Wytheville Meeting Center	75.00
5474	1/24/08	Xerox	331.71
5475	1/24/08	Anthem Southeast Dental	99.22
5476	1/24/08	Anthem Blue Cross and Blue Shield	1,807.14
5477	1/24/08	Alan R. Hawthorne	4,241.39

5478	1/24/08	Danielle M. Skeens	1,827.80
5479	1/24/08	Michael B. Webb	2,399.17
5480	1/24/08	United States Treasury	168.00
5481	1/24/08	Alan Hawthorne - Reimbursement	600.80
5482	1/24/08	VA Dept Of Taxation	526.06
5483	1/24/08	First Bank of Virginia	3,106.37
5484	1/24/08	The Master's Table	597.00
Total			17,782.50

OLD BUSINESS

INDUSTRY TENURE AWARDS LUNCHEON REPORT

Dr. Hawthorne commented that he was very pleased with the turnout at the luncheon as forty-five attendees were present. He stated Musser Lumber, Fuel Systems, Ryder, and P&T Products did not attend. Dr. Hawthorne remarked Coalfield Services had planned on attending but had to cancel at the last minute due to unforeseen circumstances. Dr. Hawthorne informed the board that a press release went out to the media and that the local newspaper attended for coverage. However, the local radio could not be present as they had a conflict in their schedule, but they would be glad to publicize the press release. Dr. Hawthorne stated the guest speaker, Mr. Brett Vassey, did a wonderful job. Mr. Freeman reiterated this was a great event and the standards for the future were set very high. He stated the food was delicious and everything was well organized. Mr. Freeman asked if the matter of holding all awards at this event had ever been considered. Dr. Hawthorne commented that he felt it was good to participate in the Chamber of Commerce Annual Dinner by presenting two awards: Special Recognition and New Industry. Ms. DiYorio stated she felt that this was a great way to handle the awards as the luncheon was a special way to recognize these industries and their years of service in Wythe County. A copy of the press release follows:

Joint IDA of Wythe County Presents Industry Tenure Awards

WYTHEVILLE—The Joint Industrial Development Authority presented 2007-2008 tenure awards (in five year intervals) to Wythe County industries. These awards were presented at a special luncheon at the Wytheville Meeting Center on January 24, 2008. Brett Vassey, President and CEO of the Virginia Manufacturers Association, was the keynote speaker. Wytheville Office Supply sponsored the luncheon.

The following companies received acknowledgment for their contributions to the community over extended periods of time for 2007: 5-year award—*Atsumi Car Equipment, Brewer Automotive Components, and Ryder Systems*; 10-year award—*Cochran Industries, Commonwealth Manufacturing and Development, and Musser*

Lumber; 20-year award—WordSprint and Wythe Stone; 30-year award—Coalfield Services and Mount Rogers Industrial and Developmental Center, 45-year award—Acument Global Technologies and Williams Manufacturing.

The following companies received acknowledgment for their contributions to the community over extended periods of time for 2008: 5-year award—*Pepsi Bottling Group*; 10-year award—*Fuel Systems*; 15-year award—*Horizon Healthcare, Klöckner Pentaplast of America, and A&I Mechanical*; 25-year award—*P&T Products*; 35-year award—*Longwood Elastomers*; 45-year award—*Crisp Manufacturing*.

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STATEMENT OF ECONOMIC INTEREST FORM

Dr. Hawthorne reminded the board members that the Statement of Economic Interest forms were due on January 15, 2008, and all board members should have completed and turned them in to their localities.

OTHER

There was no other old business.

NEW BUSINESS

CONGRATULATIONS TO LINDA DIYORIO ON APPOINTMENT TO VA TOBACCO COMMISSION

Mr. Freeman extended congratulations to Ms. DiYorio on her appointment to the Virginia Tobacco Commission. Dr. Hawthorne remarked it was a great honor to have her representing Wythe County. Ms. DiYorio stated she is serving on the education and the technology boards. Dr. Hawthorne remarked that it was a great appointment and that Ms. DiYorio had a wonderful concept of this region.

DRAFT RESOLUTION HONORING MR. DANNY GORDON

Mr. Freeman read the draft resolution for Mr. Danny Gordon. Mr. Jones made a motion, seconded by Ms. DiYorio, to accept as presented. With no further discussion, the motion passed unanimously. Dr. Hawthorne stated that Mr. Gordon would be invited to the February meeting at which time the resolution would be presented to him. A copy of the resolution follows:

RESOLUTION

WHEREAS, the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat wishes to express its appreciation to Danny B. Gordon for service to the Authority and citizens of Wythe County; and,

WHEREAS, Mr. Gordon had the longest tenure of any board member of the Authority having served from November 26, 1995, to December 31, 2007; and,

WHEREAS, his faithful attendance of meetings and participation on Joint IDA committees facilitated Joint IDA communications with community leaders and the public; and

WHEREAS, Mr. Gordon worked enthusiastically to advance the economic development of Wythe County, especially through his work in broadcast journalism; and,

WHEREAS, Mr. Gordon sought to increase job opportunities in Wythe County while maintaining the quality of life so important to its citizens; and,

WHEREAS, Mr. Gordon also served the citizens of Wythe County by promoting economic development through his participation in other organizations:

NOW, THEREFORE, BE IT RESOLVED that the Joint Industrial Development Authority directors, through this resolution, express their esteem, respect, and gratitude to Mr. Danny Gordon for his outstanding contributions to the Board and extend to him best wishes for success, health, and happiness.

Adopted this 24th day of January 2008.

ENTREPRENEUR EXPRESS WORKSHOP - APRIL 10, 2008

Dr. Hawthorne presented the board with a copy of the flier that would promote the event. He stated that this event would be held on April 10, 2008, at the Wytheville Meeting Center and would last one-half day. He stated there were many partners in this event and promotional activities would begin in February. Mr. Freeman asked what was the target area for this event. Dr. Hawthorne remarked that Wythe and Bland Counties were key targets; however, some participants might come from surrounding counties. Dr. Hawthorne stated the focus is on small businesses, and if any board members knew someone who wanted to start or to expand their

existing business, please let them know of this event. Dr. Hawthorne stated he felt this was a good time for the Joint IDA to promote its Revolving Loan Fund. Dr. Hawthorne informed the board that Ms. Sandy Ratliff from the Virginia Department of Business Assistance is charge of these workshops and they have been very successful statewide.

VEDA LEGISLATION DAY

Dr. Hawthorne stated that he recently attended the VEDA Legislation Day in Richmond, where he touched base with legislatures, reminding them of the importance of economic development and the return on investment they receive. He presented the board with a copy of the VEDA public policy to review.

INDUSTRY APPRECIATION GOLF TOURNAMENT - MAY 15, 2008

Mr. Webb explained that statewide Business Appreciation Week is in May and the Wytheville Golf Club is reserved for May 15 for the annual Joint IDA Industry Appreciation Golf Tournament. Mr. Webb asked for a committee to assist with the tournament, and Mr. Freeman appointed Ms. DiYorio, Mr. Jones, and Dr. Snyder. He also appointed Mr. Elmore to chair provided that Mr. Elmore, who was not present, would so agree to do it. Ms. DiYorio inquired about doing the golf tournament with the Chamber of Commerce. Dr. Hawthorne explained the issue was that Chamber's tournament is a fund raiser and the Joint IDA's is an appreciation. Mr. Freeman added that the Joint IDA's tournament fills up without a co-host.

REPORT OF VEDP ALLIES MEETING

Dr. Hawthorne commented that he and Mr. Webb attended the VEDP Allies meeting. He stated Secretary of Commerce and Trade Patrick Gottschalk was the keynote speaker. Attendees were updated on activities in the General Assembly. A topic of concern was the projected economic hard times ahead.

2007 ACTIVITIES REPORT

Mr. Webb shared a slide show summarizing the Joint IDA's 2007 activities. He commented that total announced job creation was one hundred and nineteen with about thirty-four million dollars of investment. He noted existing industry services included assisting with the Appalachian Power reliability meetings. He also commented on workforce development and the strategic planning initiatives. Ms. Skeens passed out a written summary of Mr. Webb's report.

JOB FAIR INTEREST SURVEY

Dr. Hawthorne stated that in the past, the job fair had been very successful because of attractive new industries and the job opportunities in Wythe County. He remarked the demand for such an event at this time was low as there are no major attractions nor sufficient jobs. He stated key

players in contributing to this event were not able to offer as much monetary assistance as in the past due to budget restraints. He stated there could be a possibility of holding the job fair later in the fall. Dr. Hawthorne recommended deferring the job fair at this time and re-evaluating the possibility in mid-summer. Mr. Freeman agreed with this recommendation as he stated there was nothing worse than attending a job fair when there were no jobs available.

DRAFT LETTER TO SCHOOL BOARD

Dr. Hawthorne presented the board with draft letters to the Wythe County School Board supporting math and science programs. He stated these are key academic areas that are very important in today's society. He stated this is part of the Joint IDA's continuous improvement and wanted to show support. Ms. DiYorio made a motion, seconded by Mr. Jones, to approve the letters. There was no discussion, and the motion passed unanimously.

FY 2008- 2009 BUDGET PROCESS

Dr. Hawthorne stated that it was his recommendation to have the executive committee meet and go over the 2008-2009 fiscal year budget. Ms. Skeens will be getting in touch with the committee members to find a time that coincides with everyone's schedule.

QUARTERLY FINANCIAL REPORT

The quarterly financial report was distributed to each member, and a copy follows the minutes.

Ms. DiYorio stated that the Junior Achievement program was a great success and that the Wytheville-Wythe-Bland Chamber of Commerce has been asked to extend the program into Bland. Mr. Freeman asked if this will be done in Wythe county again, and Dr. Hawthorne, along with Ms. DiYorio, stated yes.

PROJECTS UPDATE

Dr. Hawthorne updated the board members concerning ongoing projects

OTHER

Ms. Skeens asked each board member to complete a 2008 W-4 form for her records.

ADJOURN

There being no other business, Mr. Freeman adjourned the meeting at 4:30 p.m.

Joseph W. Freeman, Chairman

Attest:

Danielle M. Skeens, Secretary

Joint IDA of Wythe County
Revenue and Expenses
For six-month period ending December 31, 2007

	<u>General</u>	<u>Special</u>	<u>RLF</u>	<u>Total</u>
Revenues				
Appropriations				
Wythe County	\$70,002.00			\$70,002.00
Wytheville	\$35,574.00			\$35,574.00
Rural Retreat	\$5,544.00			\$5,544.00
		\$111,120.00		
Service Fees				
IDB administrative fees	\$0.00			\$0.00
RLF management fees	\$539.65			\$539.65
CRIFA services	\$25,000.00			\$25,000.00
		\$25,539.65		
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>		\$0.00
		\$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>		\$0.00
		\$0.00		
Reimbursements	\$88.39			\$88.39
		\$88.39		
Contributions/Events				
Contributions-WMC	\$0.00			\$0.00
Contributions-private	\$0.00			\$0.00
Golf tournament-sponsorships	\$0.00			\$0.00
Golf tournament-participants	\$0.00			\$0.00
Awards luncheon sponsor	\$600.00			\$600.00
		\$600.00		
Interest Income				
LGIP interest	\$11,750.75			\$11,750.75
Other interest	\$83.85			\$83.85
		\$11,834.60		
Revolving Loan Fund				
RLF loan interest			\$2,087.88	\$2,087.88
RLF LGIP interest			\$16,904.67	\$16,904.67
RLF other interest			\$88.89	\$88.89
Total Net Revenue	\$149,632.64	\$0.00	\$19,081.44	\$168,714.08

—For Management Purpose Only

	General	Special	RLF	Total
Expenses Summary				
Salaries	\$75,976.00			\$75,976.00
Directors salaries	\$2,925.00			\$2,925.00
Salary Related	\$16,651.06			\$16,651.06
Annual leave accrual	\$0.00			\$0.00
Contract Services	\$5,665.00			\$5,665.00
Copier	\$1,695.62			\$1,695.62
Advertising	\$0.00			\$0.00
Postage	\$139.49			\$139.49
Telecommunications	\$1,298.21			\$1,298.21
Office supplies	\$159.75			\$159.75
Office rent	\$6,600.00			\$6,600.00
Meeting expenses	\$157.09			\$157.09
Subscriptions/books	\$43.05			\$43.05
Dues/membership	\$13,924.50			\$13,924.50
Depreciation expense	\$3,258.00			\$3,258.00
Hosting	\$100.00			\$100.00
Mileage	\$2,043.66			\$2,043.66
Lodging/perdiem	\$497.24			\$497.24
Conventions/education	\$377.00			\$377.00
Repairs & Maintenance	\$0.00			\$0.00
Surety Bond	\$178.50			\$178.50
Property Insurance	\$94.00			\$94.00
Public Officials/General Liab. Ins.	\$1,210.50			\$1,210.50
Office equipment	\$0.00			\$0.00
Utilities	\$360.29			\$360.29
Job Fair expense	\$0.00			\$0.00
Industry Appreciation Act.	\$560.00			\$560.00
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	\$134,458.96	\$0.00	\$539.65	\$134,998.61
Net Income	\$15,173.68	\$0.00	\$18,541.79	\$33,715.47

—For Management Purpose Only

Joint IDA of Wythe County

Balance Sheet

December 31, 2007

	General	RLF	Total
ASSETS			
Current Assets			
Cash-petty cash	\$50.00	\$0.00	\$50.00
Cash-checking account	\$2,719.48	\$18,179.87	\$20,899.35
Cash-LGIP	\$462,291.05	\$666,758.39	\$1,129,049.44
A/R-other	\$600.00	\$0.00	\$600.00
Prepaid insurance	\$2,743.54	\$0.00	\$2,743.54
Total Current Assets	\$468,404.07	\$684,938.26	\$1,153,342.33
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	\$42,336.45	\$42,336.45
Total Other Assets	\$100,000.00	\$42,336.45	\$142,336.45
Total Assets	\$716,751.61	\$727,274.71	\$1,444,026.32
LIABILITIES AND CAPITAL			
Current Liabilities			
Accounts payable	\$0.00	\$0.00	\$0.00
Accrued annual leave	\$12,824.27	\$0.00	\$12,824.27
Unemployment taxes payable	\$168.00	\$0.00	\$168.00
Deferred income	\$0.00	\$0.00	\$0.00
Total Current Liabilities	\$12,992.27	\$0.00	\$12,992.27
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	\$12,992.27	\$500,000.00	\$512,992.27
Capital			
Fund balance - BOY	\$688,585.66	\$208,732.92	\$897,318.58
Net Fund Change	\$15,173.68	\$18,541.79	\$33,715.47
Total Capital	\$703,759.34	\$227,274.71	\$931,034.05
Total Liabilities & Capital	\$716,751.61	\$727,274.71	\$1,444,026.32