

February 22, 2007

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, February 22, 2007, 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
William F. Snyder, Vice Chairman
Tom W. Jones

David N. Johnson
Linda DiYorio

MEMBERS ABSENT

David Elmore
Danny Gordon

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

Mr. Freeman called the meeting to order and determined a quorum to be present. Dr. Johnson 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.

APPROVAL OF MINUTES - January 25,, 2007, board meeting

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

APPROVAL OF INVOICES

Dr. Hawthorne explained that Check #5195 for the amount \$54,970.10 is to the Wythe County Public Schools for the Career Coaches. He stated that \$50,000.00 of this is being reimbursed by the Virginia Employment Commission, and should be received within the next few days. Dr. Hawthorne commented that Check #5193 is for the CRIFA audit which is paid for by the Joint IDA as part of the management fees. Ms. Skeens commented that Check #5193 included the new telephone system. Mr. Jones made a motion, seconded by Dr. Snyder, to approve the invoices as presented. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County

Check Register

For the Period From January 26, 2007 to February 22, 2007

Check #	Date	Payee	Amount
5172	2/16/07	Sprint PCS	82.12
5173	2/22/07	Alan R. Hawthorne	4,050.76
5174	2/22/07	Danielle M. Skeens	1,746.22
5175	2/22/07	Michael B. Webb	2,084.44
5176	2/22/07	Appalachian Power	170.11
5177	2/22/07	Alan Hawthorne - Reimbursement	225.53
5178	2/22/07	Anthem Southeast Dental	94.89
5179	2/22/07	Chamber of Commerce	40.00
5180	2/22/07	Companion Life Insurance Co	131.71
5181	2/22/07	Duke's Printing	201.00
5182	2/22/07	Mike Webb	24.25
5183	2/22/07	Robert G. Moore	1,100.00
5184	2/22/07	Smokey's Bar-B-Que	166.69
5185	2/22/07	Sprint PCS	34.21
5186	2/22/07	Embarq	123.17
5187	2/22/07	Embarq	3.01
5188	2/22/07	VA Economic Dev Assoc.	160.00
5189	2/22/07	Bankcard Services	746.44
5190	2/22/07	Xerox	267.86
5191	2/22/07	First Bank of Virginia	2,864.62
5192	2/22/07	VA Dept Of Taxation	478.01
5193	2/22/07	Robinson, Farmer, Cox Assoc.	2,500.00
5194	2/22/07	The Mount Rogers Dev Partnersh	6,899.75
5195	2/22/07	Wythe County Public Schools	54,970.10

Check #	Date	Payee	Amount
5196	2/22/07	Danielle M. Skeens	16.01
5197	2/22/07	Anthem Blue Cross and Blue Shield	1,505.38
Total			80,686.28

OLD BUSINESS

JOB FAIR STATUS

Dr. Hawthorne explained that the job fair steering committee met earlier during the day. He stated that approximately fifty-five potential job fair employers had been identified. He also commented that the new meeting center would serve nicely as they will be able to provide, for an additional fee, table skirts and other necessities. He stated everything is on track at this time and the advertising for this event is being prepared by Stephanie Taylor with the Virginia Department of Business Assistance. Dr. Hawthorne stated advertising costs would be cut this year as the support from other agencies had been decreased.

2007 INDUSTRY APPRECIATION GOLF TOURNAMENT (MAY 15, 2007)

Mr. Webb reported that Mr. Elmore agreed to chair the committee. The committee met last week, and approved a proposed budget for the board to consider. Mr. Webb stated that the committee suggests charging \$40 per person to play and asking \$100 for reception sponsorships and \$40 for hole sponsorships. Dr. Snyder made a motion, seconded by Ms. DiYorio, to accept the budget. The motion passed unanimously.

JOINT IDA WEBSITE

Dr. Hawthorne stated that he has been able to make some of the necessary changes to the website, and continued to stress that this is an ongoing project that will take some time. He stated that he has been successful in uploading files and tools that help him make the modifications. He stated he is continuing to make progress and hopes to have everything up and running within the next week or two.

RADFORD UNIVERSITY INTERNATIONAL TRADE STUDY UPDATE

Dr. Hawthorne commented that the application had been submitted as approved by the board. He stated the Joint IDA should receive notice in late April as to whether or not it was selected as a prototype site.

NEW PHONE SYSTEM REPORT

Dr. Hawthorne stated the new phone system is in and operating as expected. He stated he and the staff are pleased with the performance so far and will continue to learn about all the capabilities it provides. Mr. Freeman commented on the versatility that the new system will provide to the office.

MANUFACTURING TECHNOLOGY GRANT STATUS

Dr. Hawthorne stated he was still trying to get the package into the PepsiCo Foundation online; however, he was incurring obstacles. He stated he may have to partner with the Wythe County Education Foundation to get the application submitted. He stated he remains optimistic that the application will be in by the deadline and that he hopes to capture all the funds at one time instead of spreading it out over several years.

OTHER

Dr. Hawthorne stated that a final copy of the whitepaper was given to each board member to review. He commented that some changes had been made, especially in the wage area. Dr. Hawthorne informed the board this report was available online. Dr. Snyder asked if the internet was sufficient distribution of this material. Dr. Hawthorne stated he believed so and that he had also made several presentations to Rotary clubs and the Wythe County School Board staff. He informed the board that he would be giving the presentation next month to VEDP and had been asked by Dr. White at Wytheville Community College and by Wythe County Community Hospital to give the presentation in the near future.

Dr. Hawthorne commented on Mr. Elmore's recent visit with Roy Daulquist of VEDP in Shanghai. Mr. Elmore stated in an email that he was even more impressed with VEDP after their meeting.

Mr. Webb shared the latest copy of *Commerce Quarterly*, VEDP's newsletter, which contained a photograph of the Gatorade dedication ceremony.

NEW BUSINESS

APPROVE FY 2007-2008 BUDGET REQUEST

Dr. Hawthorne stated that the committee met after the last board meeting and discussed the budget for FY 2007-2008. Ms. DiYorio commented that the budget is self explanatory with increases in salaries for the staff. Dr. Snyder stated that every item was reasonable. Dr. Hawthorne commented on the decrease in advertising as last year, the Joint IDA received a grant

for the website that was included in this line item. He stated this is the normal amount budgeted for advertising minus the grant from last year. Mr. Jones asked why the workers compensation total was very inexpensive. Dr. Hawthorne explained that the Joint IDA is classified as clerical. Dr. Hawthorne also explained that keeping the number of reportable accidents low helps keep that figure low. Mr. Jones asked how large industries are able to afford this insurance coverage. Dr. Hawthorne stated that they have safety programs in place to help reduce this fee. Mr. Freeman stated that was a good observation on Mr. Jones' part. Ms. DiYorio made the motion, seconded by Mr. Jones, to approve the budget request as presented. With no further discussion, the motion passed unanimously. A copy of the budget follows at the end of the minutes.

SOUTHWESTERN VIRGINIA TECHNOLOGY COUNCIL MEMBERSHIP

Dr. Hawthorne commented that it is time to renew the membership with the Southwestern Virginia Technology council for \$100.00. Dr. Snyder made a motion to renew the membership, Ms. DiYorio seconded the motion. With no further discussion, the motion passed unanimously.

IVANHOE PROPERTY

Dr. Hawthorne stated that Mountain Shelter is exploring the possibility of housing development in Ivanhoe. For the benefit of the board members who were not on the board when the Joint IDA tried to sell the Ivanhoe Industrial Park, Mr. Webb shared a slide show detailing the park history. Dr. Hawthorne recommended that the board consider some type of deferred payment financing for Mountain Shelter if it wants to enter into negotiations with them. Mr. Freeman inquired if selling the land to Mountain Shelter eliminates the \$15,000 liability to repay the USDA Rural Development and Appalachian Regional Commission grants. Dr. Hawthorne stated he did not know. Dr. Snyder asked if the supervisors for that area were supportive, and Supervisor Sharitz, who was present, stated that he recalled that they had no objections when Mr. Andy Kegley of Mountain Shelter presented this idea to the Board of Supervisors. Dr. Hawthorne stated that nothing is definite and he would continue discussions and exploration of the idea. The consensus of the board was for Dr. Hawthorne to continue researching the matter.

TOBACCO COMMISSION GRANT IN PROGRESS PARK

Dr. Hawthorne commented that he is still working on this grant application and hopes to have it finalized next week. He stated that he is scheduled to meet with Mr. Dalton to discuss this matter. Ms. DiYorio asked who would be overseeing this grant, and Dr. Hawthorne informed her that CRIFA will be overseeing this particular grant.

JOINT IDA QUARTERLY NEWSLETTER

Dr. Hawthorne presented the board members with the winter 2007 newsletter.

PROJECT UPDATES

Dr. Johnson made a motion to enter into closed session as permitted by Section 2.2-3711(a)(5) of the Virginia Freedom of Information Act, Code of Virginia to discuss unannounced projects. The motion was seconded by Dr. Snyder, and passed unanimously. Mr. Johnson made motion, and Mr. Jones seconded, to reconvene in open session. The motion passed unanimously. Dr. Johnson moved that the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat certify that, in the closed meeting just concluded, nothing was discussed except the matter (1) specifically identified in the motion to convene in a closed meeting and (2) lawfully permitted to be so discussed under the provisions of the Virginia Freedom of Information Act cited in that motion. The motion was seconded by Ms. DiYorio, and passed.

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certificate by the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat, hereby certifies that, to the best of each member's knowledge, (I) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certificate resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat.

Motion was passed with the following roll call vote:

AYES:	Linda DiYorio	David Johnson
	Joe Freeman	Tom Jones
	William Snyder	

NAYS: None

ABSENT DURING MEETING: David Elmore and Danny Gordon

ABSENT DURING VOTE: David Elmore and Danny Gordon

OTHER

Dr. Hawthorne stated he attended a Virginia aCorridor meeting early today along with Mr. Tom Elliot and VEDP's Jeff Anderson. Dr. Hawthorne reported that Mr. Anderson was very complimentary to the Joint IDA for its hard work and was impressed with the focus and dedication of the office. Dr. Snyder stated it was good to have this group as guests in Wytheville. Mr. Elliot gave a brief overview of the research and development in VEDP's advanced manufacturing initiatives that is ongoing. He stated that we will benefit from this greatly. Mr. Elliot said the area has tremendous support from VEDP and that he continues to work on strategic planning for aCorridor as there is no one plan to market the region. He stated that readiness and focus are two key elements in the model, and the Joint IDA has both. He stated it was great public relations to have Mr. Anderson in our region to see the progress first hand.

Dr. Johnson asked if Gatorade and Amcor made the Top 15 projects list of *Trade and Industry Magazine*. Dr. Hawthorne replied that it did not, so the Joint IDA and aCorridor did not run an ad. Mr. Elliott agreed with the decision not to advertise, and commented that he did not like to do advertising without accompanying editorial coverage. He noted that studies show it editorial coverage that consultants look at more than ads.

Mr. Webb informed the board that he and Mr. Elliott will make a presentation to a consultant next week about Progress Park as part of a VEDP mock-visit initiative. Mr. Elliott added that this is part of VEDP's wood products initiative.

Dr. Hawthorne informed the board that there would be coverage in the *Roanoke Times New River Current* section soon. He stated the article is a very positive story on Progress Park.

Dr. Hawthorne stated that Amcor PET Packaging would be holding a Grand Opening on May 22, 2007. He commented more details would be forthcoming.

Mr. Tom Elliot stated that Gatorade was featured on the aCorridor homepage. Mr. Elliot commented this was a great success story, and suggested everyone take a look at it.

ADJOURN

There being no other business, Mr. Freeman adjourned the meeting at 5:05 p.m.

Joseph Freeman, Chairman

Attest:

Danielle M. Skeens, Secretary

PROPOSED FY 2007-2008
 JIDA Budget Summary

	2006 Budget	Proposed 2007 Budget	Percent Change	Change (\$)
Appropriation - Wythe County	\$135,000.00	\$140,004.00	3.71%	\$5,004.00
Appropriation - Wytheville	\$68,604.00	\$71,148.00	3.71%	\$2,544.00
Appropriation - Rural Retreat	\$10,692.00	\$11,088.00	3.70%	\$396.00
Total Appropriations	\$214,296.00	\$222,240.00	3.71%	\$7,944.00
Other fees grants, and reserves	\$66,950.00	\$64,400.00	-3.81%	(\$2,550.00)
Total Revenue	\$281,246.00	\$286,640.00	1.92%	\$5,394.00
Salaries	\$146,040.00	\$153,342.00	5.00%	\$7,302.00
Director compensation	\$6,300.00	\$6,300.00	0.00%	\$0.00
Salary related (FICA/ins/SIMPLE)	\$31,326.00	\$33,098.00	5.66%	\$1,772.00
Services (Act/legal/engin/other)	\$7,800.00	\$7,800.00	0.00%	\$0.00
Office (sup/post/phone/equip/subs)	\$27,080.00	\$27,200.00	0.44%	\$120.00
Advertising/printing	\$9,000.00	\$5,000.00	-44.44%	(\$4,000.00)
Dues/membership	\$29,000.00	\$29,000.00	0.00%	\$0.00
Insurance	\$3,200.00	\$3,400.00	6.25%	\$200.00
Travel (mileage/hotel/conventions)	\$12,000.00	\$12,000.00	0.00%	\$0.00
Other (hosting/park/indus apprec/other)	\$6,500.00	\$6,500.00	0.00%	\$0.00
Capital equipment	\$3,000.00	\$3,000.00	0.00%	\$0.00
Total Expenses	\$281,246.00	\$286,640.00	1.92%	\$5,394.00

Revenues	FY 2006		FY 2007	
	Jurisdictions	Grants/Fees	Proposed Jurisdictions	Grants/Fees
Appropriation - Wythe County	\$135,000.00		\$140,004.00	
Appropriation - Wytheville	\$68,604.00		\$71,148.00	
Appropriation - Rural Retreat	\$10,692.00		\$11,088.00	
Administrative fees		\$3,000		\$2,000
Contributions		\$3,500		\$3,500
RLF Interest Income				
Interest Income		\$5,000		\$8,500
Misc. income (CRIFA fees)		\$50,450		\$50,400
Grants		\$5,000		\$0
Subtotal Revenues	\$214,296.00	\$66,950.00	\$222,240.00	\$64,400.00
	Total Revenue	\$281,246.00		\$286,640.00

Expenses	FY 2007-2008		
	FY2006	Proposed	Change
Salaries	\$146,040.00	\$153,342.00	\$7,302.00
Director compensation	\$6,300.00	\$6,300.00	\$0.00
Social security - employer	\$9,445.08	\$9,897.80	\$452.72
Medicare - employer	\$2,208.93	\$2,314.81	\$105.88
SIMPLE-IRA - employer	\$4,381.20	\$4,600.26	\$219.06
Health insurance - employer	\$12,467.00	\$13,569.57	\$1,102.57
Dental insurance - employer	\$950.84	\$920.21	(\$30.63)
Life insurance	\$402.57	\$340.00	(\$62.57)
Disability insurance	\$969.32	\$1,000.00	\$30.68
Unemployment insurance	\$282.00	\$210.00	(\$72.00)
Workers comp. insurance	\$219.06	\$245.35	\$26.29
Professional services	\$6,000.00	\$6,000.00	\$0.00
Contracted services - engineer	\$1,300.00	\$1,300.00	\$0.00
Contracted services - other	\$500.00	\$500.00	\$0.00
Copier	\$3,800.00	\$3,800.00	\$0.00
Advertising/printing	\$9,000.00	\$5,000.00	(\$4,000.00)
Postage	\$1,500.00	\$1,500.00	\$0.00
Telecommunications	\$3,000.00	\$3,000.00	\$0.00
Office supplies	\$1,000.00	\$1,000.00	\$0.00
Rent	\$13,200.00	\$13,200.00	\$0.00
Meeting expenses	\$500.00	\$500.00	\$0.00
Subscriptions/books	\$300.00	\$300.00	\$0.00
Dues/membership	\$29,000.00	\$29,000.00	\$0.00
Capital equipment	\$3,000.00	\$3,000.00	\$0.00
Hosting	\$1,000.00	\$1,000.00	\$0.00
Mileage	\$6,500.00	\$6,500.00	\$0.00
Lodging/per diem	\$3,000.00	\$3,000.00	\$0.00
Conventions/education	\$2,500.00	\$2,500.00	\$0.00
Repairs & Maintenance	\$500.00	\$500.00	\$0.00
Park expenses	\$1,000.00	\$1,000.00	\$0.00
Surety Bond	\$400.00	\$400.00	\$0.00
Public Officials Insurance	\$1,200.00	\$1,400.00	\$200.00
General Liab./Prop. Insurance	\$1,600.00	\$1,600.00	\$0.00
Office equipment	\$1,000.00	\$1,000.00	\$0.00
Furniture & Fixtures	\$1,000.00	\$1,000.00	\$0.00
Utilities	\$1,280.00	\$1,400.00	\$120.00
Other expense	\$1,000.00	\$1,000.00	\$0.00
Industry Appreciation Act.	\$3,500.00	\$3,500.00	\$0.00

Transfer int. to RLF			
Total Expenses	\$281,246.00	\$286,640.00	\$5,394.01
Net Income	\$0.00	\$0.00	1.92%
For Management Purposes Only			