

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
April 28, 2011

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, April 28, 2011, at 3:00 p.m. in the Council Room of the Rural Retreat Town Hall located at 307 South Main Street, Rural Retreat, Virginia.

MEMBERS PRESENT

William F. Snyder, Chairman
Foy Patton
Dana Pack
Linda DiYorio

Dave Elmore, Vice Chairman
Tom Jones
Jennifer Atwell

MEMBERS ABSENT

None

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 Snyder called the meeting to order and determined a quorum to be present. Ms. DiYorio offered the invocation and Chairman Snyder led the Pledge of Allegiance.

CITIZENS' TIME

Chairman Snyder welcomed Bucky Sharitz to the meeting and thanked Raymond Matney, Rural Retreat Town Manager, for hosting the meeting. Chairman Snyder asked if there were any persons present who would like to address the Board during citizens' time. Mr. Matney welcomed the Board to Rural Retreat and stated that Rural Retreat appreciated the opportunity to host April's Board meeting. With there being no further comments, Chairman Snyder proceeded with the meeting.

MARTY HOLIDAY—DEPUTY DIRECTOR, NEW RIVER/MOUNT ROGERS WORKFORCE INVESTMENT AREA

Marty Holiday, Deputy Director of the New River/Mount Rogers Workforce Investment Area gave a presentation to the Board regarding Labor Market Data. During her presentation Ms. Holiday emphasized key points such as: “What is a Labor Market?” and “What is Labor Market Information (LMI)?” Ms. Holiday also spoke briefly on how “skills” are the commodity sold in the Labor Market. The LMI programs facts were discussed, as well as what the LMI statistics produce. Ms. Holiday distributed to the Board copies of the annual wage or salary data for all industries in the New River/Mount Rogers area. The report showed each occupational title, the current employment for each title, and the entry level, average, median, and experienced salary estimates for each occupation. The report gave a projection of the number of employees that would be needed for each occupation from 2008 through 2018. Ms. Holiday supplied website information where occupational information could be found.

Chairman Snyder and the Board thanked Ms. Holiday for her informative presentation regarding Labor Market Data.

APPROVAL OF MINUTES—March 24, 2011

Chairman Snyder asked if there were any questions regarding the minutes of the March 24, 2011, meeting. Virginia Goodwin noted that she had inadvertently listed Ms. Atwell’s name as Ms. Jones in several areas of the minutes and that had been corrected. There being no other comments, Chairman Snyder asked for a motion to approve the March 2011 minutes as presented. Ms. Atwell made a motion, seconded by Mr. Pack, to approve the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Chairman Snyder asked if there were questions regarding the invoices for April 2011. Ms. Atwell asked if the checks written to Bluefield Daily Telegraph, Media General, and The Roanoke Times were for the classified advertisement for the Associate Director’s position. Dr. Hawthorne answered that they were. Dr. Hawthorne noted that the check written to the Virginia Economic Development Association is for the fees being shared with the aCorridor for the VEDA conference being held in Wytheville in June.

Chairman Snyder asked if there were any further questions and whether there was a motion to approve the invoices from April 2011. Mr. Pack made a motion, seconded by Mr. Elmore, 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 March 25, 2011 through April 28, 2011

| Check # | Date | Payee | Amount |
|----------------|-------------|-----------------------------------|--------------------|
| 6338 | 4/28/11 | Alan R. Hawthorne | \$4,568.59 |
| 6339 | 4/28/11 | Virginia M. Goodwin | 1,641.50 |
| 6340 | 4/28/11 | Appalachian Power | 103.84 |
| 6341 | 4/28/11 | Alan Hawthorne - Reimbursement | 578.70 |
| 6342 | 4/28/11 | Anthem Southeast Dental | 56.44 |
| 6343 | 4/28/11 | Anthem Blue Cross and Blue Shield | 940.12 |
| 6344 | 4/28/11 | Branch Highways, Inc. | 22,733.50 |
| 6345 | 4/28/11 | Blue Ridge Marketing | 465.37 |
| 6346 | 4/28/11 | Bluefield Daily Telegraph | 160.60 |
| 6347 | 4/28/11 | CenturyLink | 126.14 |
| 6348 | 4/28/11 | Crossroads Institute | 49.00 |
| 6349 | 4/28/11 | Media General - TC/SWVA | 434.50 |
| 6350 | 4/28/11 | Mellon Trust of New England, NA | 838.00 |
| 6351 | 4/28/11 | Principal Life Insurance Co. | 133.11 |
| 6352 | 4/28/11 | The Roanoke Times | 373.86 |
| 6353 | 4/28/11 | Robert G. Moore | 1,100.00 |
| 6354 | 4/28/11 | Sprint PCS | 72.85 |
| 6355 | 4/28/11 | VA Economic Dev. Assoc. | 500.00 |
| 6356 | 4/28/11 | Virginia Goodwin - Reimbursement | 12.52 |
| 6357 | 4/28/11 | Xerox | 27.79 |
| 6358 | 4/28/11 | Chamber of Commerce | 600.00 |
| Total | | | \$35,516.43 |

OLD BUSINESS

LOT 24 UPDATE

Dr. Hawthorne reported that the current focus for Lot 24 is getting construction started for the new season. There have been several challenges and delays in getting the proper documentation and information for the Army Corp. of Engineers permits. Dr. Hawthorne will be pursuing the proper commitment letters from Wythe County and will be collecting all pertinent information needed to complete the process. Mr. Pack asked if the process would cause delays in grading on the Lot 24 site. Dr. Hawthorne responded that there could be a delay of up to one month and that grading might not start until July. He stated that the good news is that once the permits are in place the remainder of Progress Park would be included in these permits. The only negative impact is that the slow process will cause Branch Highways, Inc. (BHI) to possibly lose one month of grading. Mr. Patton asked how this would affect the payments to BHI. Dr. Hawthorne stated that BHI was paid according to the work they complete. Chairman Snyder added that this event was very disappointing and that the Joint IDA should take every possible step needed to move it along.

There will be a Virginia Economic Development Partnership (VEDP) consultant visiting during the week of May 2 to assist with the marketing process. Dr. Hawthorne stated that he was appreciated of the strong support from the VEDP.

2011 INDUSTRY APPRECIATION GOLF TOURNAMENT—MAY 19, 2011

Mr. Elmore gave a report on the status of the golf tournament. Virginia Goodwin stated that there are presently 22 teams, 12 reception sponsors, 17 hole sponsors, and that several door prizes have been donated. Mr. Elmore added that the next meeting of the Golf Tournament Committee will be held on Friday, April 29, at 10:00 a.m. in the Joint IDA conference room.

OTHER

None

NEW BUSINESS

QUARTERLY FINANCIAL STATEMENTS

The Board members received copies of the first quarter financial statements prior to the meeting. Dr. Hawthorne reported that the expenditures and the budget are on target for the quarter. Chairman Snyder asked the Board if they had any questions or concerns regarding the quarterly financial statements. There being none, Chairman Snyder asked if there was a motion to accept the quarterly financial statements as presented. Mr. Pack made a motion, seconded by Mr. Jones, to accept the quarterly financial statements. The motion passed unanimously.

ASSOCIATE DIRECTOR RECRUITMENT

Dr. Hawthorne updated the Board on the associate director recruitment. He stated that the Joint IDA had taken applications until April 1. There were approximately 30 applications received. He added that Chairman Snyder appointed a committee to review the top applications and interview the potential candidates chosen. Dr. Hawthorne stated that a recommendation for the position will be made in a closed session later in the meeting. Chairman Snyder asked Dr. Hawthorne to give a brief description of the hiring process for the benefit of the other Board members. Dr. Hawthorne explained that the Joint IDA marketed the associate director's position through area newspapers, the Virginia Employment Commission website, and through internet websites such as Monster.com. He added that there were three items required from the applicant: a signed application form, a resume, and a cover letter. Dr. Hawthorne noted that the Joint IDA application was patterned after the Commonwealth of Virginia application and was one of the requirements of all applicants. The cover letter provided a sample of the candidate's writing skills and other interests and the resume gave other pertinent information. Dr. Hawthorne and Dr. Snyder reviewed the applications, rating each candidate on a list of specific criteria. During the process six top candidates were chosen to interview based on the criteria. When calling the candidates for interview one applicant chosen had found another opportunity and two others had found employment. With only three of the original six candidates left to interview, the next two ranked candidates were chosen for interview thus providing a total of five applicants interviewed.

UPDATE ON VEDA SPRING CONFERENCE/VEDP VISITS

Dr. Hawthorne reported on the Virginia Economic Developers Association's (VEDA) spring conference held in Charlottesville. The focus of the meeting was on economic development opportunities related to the healthcare industry. He added that Sally Morgan is coordinating and organizing the program and events for the June VEDA meeting being held at the Wytheville Meeting Center in June.

ASSOCIATE DIRECTOR CANDIDATE

Closed Session - Ms. DiYorio made a motion to enter into a closed session as permitted by Section 2.2-3711(a)(1) of the Virginia Freedom of Information Act, Code of Virginia to discuss personnel matters related to the associate director candidate. The motion was seconded by Mr. Patton, and passed unanimously. Ms. DiYorio 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 Mr. Pack, and passed.

The following roll call vote was recorded after the motion for certification:

| | | |
|-------|----------------|----------------|
| AYES: | William Snyder | Tom Jones |
| | Dana Pack | Dave Elmore |
| | Linda DiYorio | Jennifer Jones |
| | Foy Patton | |

NAYS: None

ABSENT DURING MEETING: None

ABSENT DURING VOTE: None

Chairman Snyder asked that action be taken with regards to the associate director's position. Mr. Pack made a motion, seconded by Mr. Elmore, that the associate director's position remain unfilled for the immediate future. Also, the Executive Director is authorized to procure part-time assistance during this time. Chairman Snyder asked if there were any questions or further discussions regarding the motion. There being none, the motion passed unanimously.

PROJECT UPDATES

Ms. DiYorio made a motion to enter into a 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 Ms. Atwell, and passed unanimously. Ms. DiYorio made a motion, which Ms. Atwell seconded, to reconvene in an open session. The motion passed unanimously. Ms. DiYorio 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 below certification motion was seconded by Ms. Atwell.

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: | William Snyder | Tom Jones |
| | Dana Pack | Jennifer Atwell |
| | Foy Patton | Dave Elmore |
| | Linda DiYorio | |

NAYS: None

ABSENT DURING MEETING: None

ABSENT DURING VOTE: None

OTHER

VEDP Consultant - Dr. Hawthorne reported that the Virginia Economic Development Partnership's (VEDP) consultant visit will be funded entirely by VEDP. The group will be visiting unique properties in the aCorridor region. They will be in Wytheville on May 5 and will be touring the Lot 24 site, as well as sites in Carroll County, Washington County, and Bristol.

Financial assistance - Dr. Hawthorne reported that for some of the recent trips and meetings he has made to Richmond he will receive reimbursements for his travels from the Wythe Bland Foundation and Wytheville Community College in addition to the state Board of Education.

ADJOURN

There being no other business, Chairman Snyder adjourned the meeting at 4:55 p. m.

William F. Snyder, Chairman

Attest:

Virginia M. Goodwin, Secretary

Joint IDA of Wythe County
Revenue and Expenses
For nine-month period ending March 31, 2011

| | General | Special | RLF | Total |
|------------------------------|---------------------|-----------------------|-------------------|-----------------------|
| Revenues | | | | |
| Appropriations | | | | |
| Wythe County | \$106,056.00 | | | \$106,056.00 |
| Wytheville | \$53,901.00 | | | \$53,901.00 |
| Rural Retreat | \$8,406.00 | | | \$8,406.00 |
| | | | | \$168,363.00 |
| Service Fees | | | | |
| IDB administrative fees | \$0.00 | | | \$0.00 |
| RLF management fees | \$0.00 | | | \$0.00 |
| CRIFA services | \$37,500.00 | | | \$37,500.00 |
| SBDC office services | \$300.00 | | | \$300.00 |
| | | | | \$37,800.00 |
| Sales/Leases | | | | |
| Lease income on bldg | \$450.00 | | | \$450.00 |
| Sale of land | \$1,500.00 | \$0.00 | | \$1,500.00 |
| less cost of sales | | <u>\$0.00</u> | | \$0.00 |
| | | \$1,950.00 | \$0.00 | |
| Grants/Reimbursements | | | | |
| VEDA grant | | \$0.00 | | \$0.00 |
| WOF grants - Evatran | | \$435,000.00 | | \$435,000.00 |
| WC - Lot 24 | | \$3,158,059.16 | | \$3,158,059.16 |
| TICRC - Evatran R&D | | \$791,429.56 | | \$791,429.56 |
| TICRC - Lot 24 | | <u>\$190,143.66</u> | | \$190,143.66 |
| | | \$4,574,632.38 | | |
| Reimbursements | \$1,466.75 | | | \$1,466.75 |
| | | | | \$1,466.75 |
| Contributions/Events | | | | |
| Contributions-WMC | \$0.00 | | | \$0.00 |
| Contributions-Fairview sign | \$700.00 | | | \$700.00 |
| Golf tournament-sponsorships | \$825.00 | | | \$825.00 |
| Golf tournament-participants | \$160.00 | | | \$160.00 |
| Awards luncheon sponsor | \$600.00 | | | \$600.00 |
| | | | | \$2,285.00 |
| Interest Income | | | | |
| LGIP interest | \$182.83 | | | \$182.83 |
| MM interest | \$4,881.88 | | | \$4,881.88 |
| Other interest | \$6,902.74 | | | \$6,902.74 |
| | | | | \$11,967.45 |
| Revolving Loan Fund | | | | |
| RLF loan interest | | | \$0.00 | \$0.00 |
| RLF LGIP interest | | | \$1,234.99 | \$1,234.99 |
| RLF other interest | | | \$284.98 | \$284.98 |
| | | | | |
| Total Net Revenue | \$223,832.20 | \$4,574,632.38 | \$1,519.97 | \$4,799,984.55 |

| | General | Special | RLF | Total |
|-------------------------------------|---------------------|-----------------------|-------------------|-----------------------|
| Expenses Summary | | | | |
| Salaries | \$121,183.50 | | | \$121,183.50 |
| Directors salaries | \$4,725.00 | | | \$4,725.00 |
| Salary Related | \$33,576.69 | | | \$33,576.69 |
| Annual leave accrual | \$0.00 | | | \$0.00 |
| Contract Services | \$7,117.00 | \$3,349,210.82 | | \$3,356,327.82 |
| Copier | \$212.89 | | | \$212.89 |
| Advertising | \$968.96 | | | \$968.96 |
| Advertising – sponsorship | \$0.00 | | | \$0.00 |
| Postage | \$154.74 | | | \$154.74 |
| Telecommunications | \$1,959.94 | | | \$1,959.94 |
| Office supplies | \$287.95 | | | \$287.95 |
| Office rent | \$9,900.00 | | | \$9,900.00 |
| Meeting expenses | \$43.04 | | | \$43.04 |
| Subscriptions/books | \$114.59 | | | \$114.59 |
| Dues/membership | \$21,389.28 | | | \$21,389.28 |
| Depreciation expense | \$789.00 | | | \$789.00 |
| Hosting | \$0.00 | | | \$0.00 |
| Mileage | \$3,623.41 | | | \$3,623.41 |
| Lodging/perdiem | \$1,004.34 | | | \$1,004.34 |
| Conventions/education | \$1,507.50 | | | \$1,507.50 |
| Repairs & Maintenance | \$6.87 | | | \$6.87 |
| Park expenses | \$6,943.73 | | | \$6,943.73 |
| Surety Bond | \$225.00 | | | \$225.00 |
| Property Insurance | \$88.50 | | | \$88.50 |
| Public Officials/General Liab. Ins. | \$1,476.75 | | | \$1,476.75 |
| Office equipment | \$0.00 | | | \$0.00 |
| Utilities | \$1,147.38 | | | \$1,147.38 |
| Job Fair expense | \$0.00 | | | \$0.00 |
| Industry Appreciation Act. | \$996.64 | | | \$996.64 |
| Industry Appreciation-golf | \$35.00 | | | \$35.00 |
| Other Expense–Jr. Achiev. grant | \$0.00 | | | \$0.00 |
| Other Expenses | \$0.00 | | | \$0.00 |
| Purchase discounts | \$0.00 | | | \$0.00 |
| WOF grants | | \$435,000.00 | | \$435,000.00 |
| Other grant expenses - R&D grant | | \$791,429.56 | | \$791,429.56 |
| RLF Closing & Other Expenses | | | \$0.00 | \$0.00 |
| RLF Bad Debt Expense | | | | \$0.00 |
| Total Expenses | \$219,477.70 | \$4,575,640.38 | \$0.00 | \$4,795,118.08 |
| Net Income | \$4,354.50 | (\$1,008.00) | \$1,519.97 | \$4,866.47 |

Joint IDA of Wythe County

Balance Sheet

March 31, 2011

| | General | RLF | Total |
|-------------------------------------|-----------------------|---------------------|-----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash-petty cash | \$50.00 | \$0.00 | \$50.00 |
| Cash-checking account | \$943,466.66 | \$39,952.85 | \$983,419.51 |
| Cash-LGIP | \$106,350.84 | \$718,447.29 | \$824,798.13 |
| Cash-MM | \$506,680.34 | \$0.00 | \$506,680.34 |
| A/R-other | \$264,797.51 | \$0.00 | \$264,797.51 |
| Prepaid insurance | \$2,104.46 | \$0.00 | \$2,104.46 |
| Total Current Assets | \$1,823,449.81 | \$758,400.14 | \$2,581,849.95 |
| Inventory | | | |
| Inventory-land for sale | \$4,540,900.85 | \$0.00 | \$4,540,900.85 |
| Inventory-buildings | \$0.00 | \$0.00 | \$0.00 |
| Total Inventory | \$4,540,900.85 | \$0.00 | \$4,540,900.85 |
| Property and Equipment | | | |
| Fixed assets-furniture/equip. | \$34,285.63 | \$0.00 | \$34,285.63 |
| Accum. deprec.-equipment | (\$34,285.63) | \$0.00 | (\$34,285.63) |
| Total Property and Equipment | \$0.00 | \$0.00 | \$0.00 |
| Other Assets | | | |
| Deferred payment on land sale | \$0.00 | | \$0.00 |
| SWAC Loan Balance | \$248,000.00 | | \$248,000.00 |
| RLF Outstanding Loan Balance | \$0.00 | \$0.00 | \$0.00 |
| Total Other Assets | \$248,000.00 | \$0.00 | \$248,000.00 |
| Total Assets | \$6,612,350.66 | \$758,400.14 | \$7,370,750.80 |

Joint IDA of Wythe County
Balance Sheet (con't.)
 March 31, 2011

| | General | RLF | Total |
|--|-----------------------|---------------------|-----------------------|
| LIABILITIES AND CAPITAL | | | |
| Current Liabilities | | | |
| Accounts payable | \$100,474.32 | \$0.00 | \$100,474.32 |
| Accrued annual leave | \$12,273.55 | \$0.00 | \$12,273.55 |
| Payroll taxes payable | \$5,811.81 | \$0.00 | \$5,811.81 |
| Other liabilities-Lot 24 retainage | \$219,400.17 | \$0.00 | \$219,400.17 |
| Deferred income - TICRC R&D | \$312,500.00 | \$0.00 | \$312,500.00 |
| Deferred income - TICRC Lot 24 | \$557,866.33 | \$0.00 | \$557,866.33 |
| Deferred income - other | \$425.00 | \$0.00 | \$425.00 |
| Total Current Liabilities | \$1,208,751.18 | \$0.00 | \$1,208,751.18 |
| Long-Term Liabilities | | | |
| WC Lot 24 | \$4,392,553.31 | | \$4,392,553.31 |
| VSBF loan/RD RLF Grant | \$248,000.00 | \$500,000.00 | \$748,000.00 |
| Total Long-Term Liabilities | \$4,640,553.31 | \$500,000.00 | \$5,140,553.31 |
| Total Liabilities | \$5,849,304.49 | \$500,000.00 | \$6,349,304.49 |
| Capital | | | |
| Fund balance - BOY | \$759,699.67 | \$256,880.17 | \$1,016,579.84 |
| Net Fund Change | \$3,346.50 | \$1,519.97 | \$4,866.47 |
| Total Capital | \$763,046.17 | \$258,400.14 | \$1,021,446.31 |
| Total Liabilities & Capital | \$6,612,350.66 | \$758,400.14 | \$7,370,750.80 |