

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
April 22, 2010

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, April 22, 2010, 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
Linda DiYorio
Tom Jones

Dave Elmore, Vice Chairman
Dana Pack
Foy Patton

MEMBERS ABSENT

Jennifer Jones

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. Chairman Snyder offered the invocation and led the Pledge of Allegiance.

CITIZENS' TIME

Chairman Snyder asked if there were any persons present who would like to address the Board during citizens' time. There being none, Chairman Snyder proceeded with the meeting. Chairman Snyder welcomed Bucky Sharitz who arrived later in the meeting.

PRESENTATION OF 110 YEAR TENURE AWARD TO RURAL RETREAT MILLS

The award was not presented at this time as the Rural Retreat Mills representatives were unable to attend.

APPROVAL OF MINUTES—March 25, 2010, meeting

Chairman Snyder asked if there were any questions regarding the minutes of the March 25, 2010 meeting. There being none, Chairman Snyder asked for a motion to approve the minutes. Mr. Pack made a motion, seconded by Ms. DiYorio, to approve the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Chairman Snyder asked if there were any questions concerning the invoices. Dr. Hawthorne noted that the check written to the Branch Highways was the first invoice for the Lot 24 work. Dr. Snyder asked if there was a motion to approve the invoices. Mr. Pack made a motion, seconded by Mr. Elmore, to approve the invoices. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County
Check Register
For the Period From March 26, 2010 through April 22, 2010

Check #	Date	Payee	Amount
6075	4/22/10	Alan R. Hawthorne	\$4,263.10
6076	4/22/10	Patrick G. Burton	2,507.68
6077	4/22/10	Virginia M. Goodwin	1,527.28
6078	4/22/10	Appalachian Power Company	97.39
6079	4/22/10	Alan Hawthorne - Reimbursement	607.50
6080	4/22/10	Anthem Southeast Dental	81.78
6081	4/22/10	Anthem Blue Cross and Blue Shield	1,402.52
6082	4/22/10	Branch Highways, Inc.	23,750.00
6083	4/22/10	CenturyLink	171.81
6084	4/22/10	Mellon Trust of New England, NA	685.00
6085	4/22/10	Principal Life Insurance Co.	152.94
6086	4/22/10	Robert G. Moore	1,100.00
6087	4/22/10	Sprint PCS	72.48
6088	4/22/10	Virginia Goodwin - Reimbursements	100.03
6089	4/22/10	Wytheville Office Supply	31.99
6090	4/22/10	Xerox	41.19
Total			\$36,592.69

OLD BUSINESS

LOT 24 UPDATE

Dr. Hawthorne reported that design and permitting activities continue and that grading on Lot 24 should begin soon. He noted that there was a monthly progress meeting held at the beginning of April. He reported that Branch Highways' on-site supervisors are very experienced construction managers. The next scheduled meeting will be on May 6. Branch Highways will be leasing some new equipment to be used on the site. Dr. Hawthorne will schedule a tour of the property later in the year for the Board members. He noted that the Joint IDA will be applying for additional funding from the Tobacco Indemnification and Community Revitalization Commission (TICRC). The applications are due on June 2 and a workshop will be held in early May. Dr. Hawthorne asked the Board members if they had any questions or concerns. Chairman Snyder asked Bucky Sharitz if he had anything to add or if he wished to comment. Mr. Sharitz stated that he and the Wythe County Board of Supervisors appreciated all of the work that the Joint IDA Board and staff have put into the Lot 24 project.

INDUSTRY APPRECIATION GOLF TOURNAMENT—MAY 12, 2010

Mr. Elmore reminded the Board about the tournament committee meeting to be held on Monday, April 26 in Conference Room A at the Wytheville Town Office. The meeting will include choosing the menu for the tournament reception and other final details. Mr. Elmore asked if any of the Board members would be available or could volunteer to assist on the day of the tournament. Mr. Patton and Ms. DiYorio indicated they would be available to help prior to the tournament. Mr. Jones will be available in the afternoon to assist with the reception. Mr. Elmore asked if there were any concerns or questions regarding the tournament. There being no questions, Chairman Snyder moved to the next item on the agenda.

ENTREPRENEUR EXPRESS WORKSHOP—APRIL 29, 2010

Patrick Burton reported on preparations for the Entrepreneur Express Workshop. Patrick reminded the Board that the event will be held at the Wytheville Meeting Center on the April 29. The workshop will begin at 9:00 a.m. and run through 12:00 noon. Morning snacks and refreshments will be provided for the participants. Sandy Ratliff, of the Virginia Department of Business Assistance, and her team of presenters/speakers have an interesting program put together for current small business owners, as well as for those who are interested in starting a business. Patrick mentioned that Danny Gordon and the Three Rivers Media radio stations have helped get out word of the event via their Community Calendar and that Sandy Ratliff was a guest on their *Talk of the Town* radio program. He added that Wytheville Community College has distributed information regarding the workshop to its workforce development/continuing education e-mail contact list and fliers have been placed at several businesses around Wythe County. Dr. Hawthorne asked the Board members to ask and encourage anyone they know, who may be interested in the workshop, to participate in the event.

IVANHOE PROPERTY TREES FOLLOW-UP

Patrick Burton reported on the discussions regarding the Ivanhoe property trees. Mr. King, the adjoining property owner, had expressed concern about the trees falling onto his property. Patrick

spoke with Lou Brossy regarding selling the timber. Since the property is small, Mr. Brossy suggested combining the timber from this property with that of another property owner. The owner of the other property, however, decided to take his timber off the market. Patrick spoke with Mr. King to let him know that the Joint IDA was still working with Mr. Brossy to find a buyer for the timber. Mr. King expressed an interest in purchasing the property in question. Patrick asked for the Board's opinion regarding the possibility of selling the property to Mr. King. Patrick added that he would have to gather information on how much the property is worth and asked if the Board thought it would be worthwhile to have further discussions in regards to selling the property.

Chairman Snyder asked how much land would be sold. Patrick stated that it was approximately 0.8 of an acre and stated that the land had a considerable amount of rock underneath it. Other items to explore and discuss related to selling the property to Mr. King would be survey and closing costs, etc. Mr. Elmore asked if the selling of the land would need to be advertised. Dr. Hawthorne noted that he would check to see if it had to be advertised. Mr. Elmore also asked whether the Joint IDA paid taxes on the property. Dr. Hawthorne responded that the Joint IDA does not pay taxes on the property and stated that there is no advantage to owning the property, but the disadvantage of owning it was having to remove the trees.

Mr. Jones suggested that the Joint IDA ask Mr. King to cover the cost of the survey on the property and noted that the trees could be a liability if they were to come down in the roadway or were to fall on Mr. King's home. Ms. DiYorio agreed with Mr. Jones and said that the Joint IDA should pursue selling the 0.8 of an acre. Chairman Snyder noted that the consensus he seemed to be hearing from the Board is that they would agree to sell the property as long as there were not any significant expenses incurred that would need to be paid by the Joint IDA. Chairman Snyder asked if there were any concerns or objections regarding his statement.

Dr. Hawthorne commented that it made sense to base the sale price on the tax assessment of the property. He added that he will speak with Cellell Dalton, County Administrator, regarding the general per acre assessment and what he estimates the property to be worth. Dr. Hawthorne suggested that the Joint IDA make an offer to Mr. King and have expenses such as surveying of the land, title, and other fees be paid by the buyer. Chairman Snyder asked that the Joint IDA staff pursue the sale of the property.

TICRC R&D APPLICATION FOR EVATRAN

Dr. Hawthorne and representatives from Evatran attended the meeting of the Tobacco Indemnification and Community Revitalization Commission's (TICRC) Technical Review Committee in Richmond on April 8. Evatran was the only applicant representing Southwest Virginia. The next phase of the application process will be held on Wednesday, April 28, at which time discussions will continue. He expects the grant to move forward in the next couple of months. Dr. Hawthorne noted that Evatran has had requests to set-up demonstration charging stations at Google headquarters in California and has also had calls from General Motors.

OTHER

None

NEW BUSINESS

COMMUTING DEMOGRAPHIC DATA

Dr. Hawthorne continued with his presentation on commuting demographic data. He highlighted statistics from the 2007 County Business Patterns on private sector jobs, payroll, and establishments. He also discussed payroll distribution by sector, establishment distribution by sector, and sector characteristics. Dr. Hawthorne noted that private sector employment in Wythe County grew by 25% between 2002 and 2008. Over 50% of these jobs were in goods-producing sectors. Approximately two-thirds of the new goods-producing jobs were filled by Wythe County residents. Dr. Hawthorne stated that he had been approached by local officials asking if he could research and analyze why Wytheville and Wythe County were losing so many retail and trade establishments. His research included area retail characteristics which showed the types of jobs, such as the vehicle, furniture, electronics, building material, food/beverage, health, gasoline, clothing, general merchandise, and other non-classified establishments. The information showed the number of employees in each retail sector business, payroll dollars spent, and the number of each establishment type that was located in Wytheville and Wythe County.

QUARTERLY FINANCIAL STATEMENTS

Dr. Hawthorne discussed the quarterly financial statements that were distributed to the Board members prior to the meeting. He highlighted the entries for the Lot 24 project, the grant advance received from the Tobacco Indemnification and Community Revitalization Commission (TICRC) for the Lot 24 project, and the low return on the interest-bearing accounts. Dr. Hawthorne noted that programmed activities are running within budget. Chairman Snyder asked if there were any questions or concerns. There being none, Dr. Snyder continued with the meeting.

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 Mr. Jones, and passed unanimously. Ms. DiYorio made a motion, and Mr. Jones, 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 motion was seconded by Mr. Pack, 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: William Snyder	Tom Jones
Dana Pack	David Elmore
Linda DiYorio	Foy Patton

NAYS: None

ABSENT DURING MEETING: Jennifer Jones

ABSENT DURING VOTE: Jennifer Jones

OTHER

VML Insurance Consolidation - Dr. Hawthorne noted that the Virginia Municipal League Liability Pool (VML), which carries the Joint IDA liability insurance, and the Virginia Municipal Group Self Insurance Association (VMGSIA), which carries the Joint IDA worker's compensation insurance, will be combining their operations. The union will strengthen both groups and lower administration costs, which will enable them to provide lower insurance premiums to the Joint IDA.

Contribution to New River Valley Airport Runway Rehabilitation Project - Dr. Hawthorne received a request from Cellell Dalton, Wythe County Administrator, asking if the Joint IDA could contribute funds to assist with the upgrading of the runway at Mountain Empire Airport. Dr. Hawthorne contacted Carolyn Dankowski at Gatorade asking for their assistance. Ms. Dankowski responded and stated that Gatorade would contribute to the airport upgrades because the company uses the facilities for company travel.

Fairview Industrial Park sign - Dr. Hawthorne reported that he had received a quote from Stan Scott of Southwest Signs for repairs to the Fairview Industrial Park sign. He and Patrick Burton looked at the sign. Dr. Hawthorne noted that it needs significant upgrades which would include removing the siding, painting the metal framing, installing new siding, and then paint the siding. Dr. Hawthorne noted that Mr. Scott's estimate was around \$2,200.00. If the repairs are done by the Joint IDA staff, assistance of a bucket truck would be required from the Town of Wytheville. There is the potential need to spend a large amount of funds to repair the sign. This project is ongoing so the Board members will be kept updated on its progress. Chairman Snyder stated that the sign should be kept in good repair and if it needs to be replaced he feels it should be done. Dr. Hawthorne will continue to work on the project and will obtain quotes from other companies/individuals.

ADJOURN

There being no other business, Chairman Snyder adjourned the meeting at 4:40 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, 2010

	<u>General</u>	<u>Special</u>	<u>RLF</u>	<u>Total</u>
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	\$287.34			\$287.34
CRIFA services	\$37,500.00			\$37,500.00
		\$37,787.34		
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				
TICRC grant		\$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	\$990.68			\$990.68
		\$990.68		
Contributions/Events				
Contributions-WMC	\$490.85			\$490.85
Contributions-EE workshop	\$800.00			\$800.00
Golf tournament-sponsorships	\$1,400.00			\$1,400.00
Golf tournament-participants	\$640.00			\$640.00
Awards luncheon sponsor	\$600.00			\$600.00
		\$3,930.85		
Interest Income				
LGIP interest	\$1,415.92			\$1,415.92
Other interest	\$2,065.99			\$2,065.99
		\$3,481.91		
Revolving Loan Fund				
RLF loan interest			\$377.72	\$377.72
RLF LGIP interest			\$1,729.39	\$1,729.39
RLF other interest			\$292.25	\$292.25
Total Net Revenue	\$215,003.78	\$0.00	\$2,399.36	\$217,403.14

-For Management Purposes Only-

Joint IDA of Wythe County
Revenue and Expenses
For nine-month period ending March 31, 2010
(continued)

Expenses Summary	General	Special	RLF	Total
Salaries	\$118,467.00			\$118,467.00
Directors salaries	\$4,725.00			\$4,725.00
Salary Related	\$31,255.65			\$31,255.65
Annual leave accrual	\$0.00			\$0.00
Contract Services	\$6,910.00	\$3,542.29		\$10,452.29
Copier	\$2,032.43			\$2,032.43
Advertising	\$38.60			\$38.60
Postage	\$107.11			\$107.11
Telecommunications	\$2,276.91			\$2,276.91
Office supplies	\$226.26			\$226.26
Office rent	\$9,900.00			\$9,900.00
Meeting expenses	\$328.88			\$328.88
Subscriptions/books	\$14.99			\$14.99
Dues/membership	\$21,224.28			\$21,224.28
Depreciation expense	\$1,196.00			\$1,196.00
Hosting	\$0.00			\$0.00
Mileage	\$3,517.13			\$3,517.13
Lodging/perdiem	\$1,520.24			\$1,520.24
Conventions/education	\$535.00			\$535.00
Repairs & Maintenance	\$0.00			\$0.00
Surety Bond	\$246.00			\$246.00
Property Insurance	\$99.00			\$99.00
Public Officials/General Liab. Ins.	\$1,594.50			\$1,594.50
Office equipment	\$520.19			\$520.19
Utilities	\$1,160.95			\$1,160.95
Job Fair expense	\$0.00			\$0.00
Industry Appreciation Act.	\$1,577.06			\$1,577.06
Industry Appreciation-golf	\$0.00			\$0.00
Other Expense–Jr. Achiev. grant	\$0.00			\$0.00
Other Expenses	\$10.00			\$10.00
Purchase discounts	(\$0.01)			(\$0.01)
WOF grants		\$0.00		\$0.00
WIP expense to inventory		(\$3,542.29)		(\$3,542.29)
RLF Closing & Other Expenses			\$287.34	\$287.34
RLF Bad Debt Expense				\$0.00
Total Expenses	\$209,483.17	\$0.00	\$287.34	\$209,770.51
Net Income	\$5,520.61	\$0.00	\$2,112.02	\$7,632.63

-For Management Purposes Only-

Joint IDA of Wythe County

Balance Sheet

March 31, 2010

	General	Special	RLF	Total
ASSETS				
Current Assets				
Cash-petty cash	\$50.00		\$0.00	\$50.00
Cash-checking account	\$14,223.28	\$800,000.00	\$39,562.81	\$853,786.09
Cash-LGIP/MM	\$606,105.65		\$716,791.08	\$1,322,896.73
A/R-other	\$1,290.85		\$0.00	\$1,290.85
Prepaid insurance	\$2,344.09		\$0.00	\$2,344.09
Total Current Assets	\$624,013.87	\$800,000.00	\$756,353.89	\$2,180,367.76
Inventory				
Inventory-land for sale	\$148,347.54	\$3,542.29	\$0.00	\$151,889.83
Inventory-buildings	\$0.00		\$0.00	\$0.00
Total Inventory	\$148,347.54	\$3,542.29	\$0.00	\$151,889.83
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	\$0.00
Other Assets				
Deferred payment on land sale	\$0.00			\$0.00
RLF Outstanding Loan Balance	\$0.00		\$0.00	\$0.00
Total Other Assets	\$0.00	\$0.00	\$0.00	\$0.00
Total Assets	\$772,361.41	\$803,542.29	\$756,353.89	\$2,332,257.59
LIABILITIES AND CAPITAL				
Current Liabilities				
Accounts payable	(\$15.00)	\$0.00	\$0.00	(\$15.00)
Accrued annual leave	\$12,011.75	\$0.00	\$0.00	\$12,011.75
Payroll taxes payable	\$5,147.59	\$0.00	\$0.00	\$5,147.59
Deferred income	\$0.00	\$800,000.00	\$0.00	\$800,000.00
Total Current Liabilities	\$17,144.34	\$800,000.00	\$0.00	\$817,144.34
Long-Term Liabilities				
RD RLF Grant	\$0.00	\$0.00	\$500,000.00	\$500,000.00
Total Long-Term Liabilities	\$0.00	\$0.00	\$500,000.00	\$500,000.00
Total Liabilities	\$17,144.34	\$800,000.00	\$500,000.00	\$1,317,144.34
Capital				
Fund balance - BOY	\$753,238.75	\$0.00	\$254,241.87	\$1,007,480.62
Fund transfers	(\$3,542.29)	\$3,542.29	\$0.00	\$0.00
Net Fund Change	\$5,520.61	\$0.00	\$2,112.02	\$7,632.63
Total Capital	\$755,217.07	\$3,542.29	\$256,353.89	\$1,015,113.25
Total Liabilities & Capital	\$772,361.41	\$803,542.29	\$756,353.89	\$2,332,257.59