

Industrial Development Authority of the Clarke County Virginia
Board of Directors
July 23, 2020, Minutes

A meeting of the Industrial Development Authority of the Clarke County Virginia held in the Berryville/Clarke County Government Center, Berryville, Virginia, on Thursday, July 23, 2020, at 1:00 pm.

Directors Present: Brian Ferrell, Rodney Pierce, Isreal Preston, William Wolfe, William Waite

Directors Absent: Ben Cochran, English Koontz

Board of Supervisors Liason Present: David Weiss, Chair

County Staff Present: Chris Boies, County Administrator
Felicia Hart, Director Economic Development and Tourism
Cathy Kuehner, Public Information Officer
Tiffany Kemp, Clerk

Others Present: Mary Ivie

1. Call to Order

At 1:02 pm, Director Ferrell called the meeting to order.

2. Adoption of Agenda

By consensus, the agenda was adopted as presented.

3. Approval of Minutes

By consensus, the January 23, 2020, and June 17, 2020, minutes were approved as presented.

4. Secretary / Treasurer’s Report

Highlights by Director Waite:

a) FY2021 Budget Review and Adoption

- There are no changes to the core part of the budget. We’ve added a \$15,000 place holder for the unknown.
- This money will not be spent without board chair approval.

Industrial Development Authority of the Clarke County, Virginia
FY2021 Budget Proposed

FY2021 Proposed 04-23-2020				
Expenditures Category	FY2020 Budget	FY2021 Budget	Description	Change
Advertising	\$ 400	\$ 400	Public Hearings	\$ -
Audit	\$ 1,675	\$ 1,680	RFC	\$ 5
Civic Contributions	\$ 6,000	\$ 6,000	*SBDC LFCC	\$ -
Director Fees	\$ 1,400	\$ 1,400	Meeting Attendance	\$ -
Insurance	\$ 1,340	\$ 1,345	VACorp	\$ 5
Postage	\$ 25	\$ 25		\$ -
Professional Services	\$ 1,250	\$ 1,250	Legal	\$ -
Professional Services	\$ -	\$ 15,000	Engineering	\$ 15,000
Total Expenditures:	\$ 12,090	\$ 27,100		\$ 15,010

Actual Revenues	FY2020 Actual Bond	FY2021 Estimated	Actual Revenue
Bonds:			
Grafton School, Inc. Bond	\$ 563	\$ 382	\$ (182)
LFCC Bond	\$ 2,989	\$ 1,989	\$ (1,000)
Shenandoah University Bond	\$ 3,908	\$ 2,908	\$ (1,000)
	\$ 7,460	\$ 5,279	
Interest Income:	\$ 3,200	\$ 3,200	
Total Revenue:	\$ 10,660	\$ 8,479	
Difference:		\$ (18,622)	

Following review, Director Preston, seconded by Director Pierce, moved to accept the FY2021 as presented. The motion carried as follows:

- | | | |
|----------------|---|--------|
| Ben Cochran | - | Absent |
| Brian Ferrell | - | Aye |
| English Koontz | - | Absent |
| Rodney Pierce | - | Aye |
| Isreal Preston | - | Aye |

William Waite - Aye
 William Wolfe - Aye

b) FY2020 Year-to-Date Check Log

- The majority of the spending is for meeting dues to the directors, insurance dues, and the audit fees.

FY	Status	Check No	Date	Description	Category	Credit	Debit	Balance	Additional Information
2020	C	588	8/28/2019	VACorp	Insurance	\$ -	\$ 1,340.00	\$ 45,805.55	FY 2020 07/01/2019 thru 06/30/2020
2020	C	Dep	7/1/2019	Shenandoah University	Bond Fees	\$ 1,000.00	\$ -	\$ 46,555.55	Bond Modification 08/13/2019, 0175551 Balance 07/1/2019: 47145.55+1000-1690 = \$46,455.55
2020	C	594	7/25/2019	Mark Cochran	Director Fees	\$ -	\$ 50.00	\$ 46,505.55	Meeting 7/25/2019
2020	C	595	7/25/2019	Ethan Ferrell	Director Fees	\$ -	\$ 50.00	\$ 46,455.55	Meeting 7/25/2019
2020	C	598	7/25/2019	Bill Waite	Director Fees	\$ -	\$ 50.00	\$ 46,405.55	Meeting 7/25/2019
2020	C	587	7/25/2019	Bill Waite	Director Fees	\$ -	\$ 50.00	\$ 46,355.55	Meeting 7/25/2019 Not yet cleared 07-06-2020
2020	C	588	10/24/2019	William Waite Richmond Meeting	Director Fees	\$ -	\$ 425.00	\$ 45,930.55	Conference, Richmond, VA
2020	C	599	7/25/2019	Berryville Main Street	Civic Contributions	\$ -	\$ 4,750.00	\$ 41,180.55	Hotel Feasibility Study
2020	C	600	7/25/2019	English Koontz	Director Fees	\$ -	\$ 50.00	\$ 41,130.55	Meeting 7/25/2019
2020	C	601	8/6/2019	Lord Fairfax Community College	Civic Contributions	\$ -	\$ 6,000.00	\$ 35,130.55	SBDC FY2020
2020	C	602	10/24/2019	William Waite	Director Fees	\$ -	\$ 50.00	\$ 35,080.55	Meeting 10/24/2019
2020	C	603	10/24/2019	Ethan Ferrell	Director Fees	\$ -	\$ 50.00	\$ 35,030.55	Meeting 10/24/2019
2020	C	604	10/24/2019	English Koontz	Director Fees	\$ -	\$ 50.00	\$ 34,980.55	Meeting 10/24/2019
2020	C	605	10/24/2019	Israel Preston	Director Fees	\$ -	\$ 50.00	\$ 34,930.55	Meeting 10/24/2019
2020	C	Dap	1/8/2020	Grafton School	Bond Fees	\$ 562.50	\$ -	\$ 35,493.05	2019 Bond Fee
2020	C	Dep	10/30/2020	Lord Fairfax Community College	Bond Fees	\$ 2,988.80	\$ -	\$ 38,481.85	2019 Bond Fee
2020	C	606	1/29/2020	Ethan Ferrell	Director Fees	\$ -	\$ 50.00	\$ 38,431.85	Meeting 01/23/2020
2020	C	607	1/29/2020	English Koontz	Director Fees	\$ -	\$ 50.00	\$ 38,381.85	Meeting 01/23/2020
2020	C	608	1/29/2020	Rodney Pierce	Director Fees	\$ -	\$ 50.00	\$ 38,331.85	Meeting 01/23/2020
2020	C	609	1/29/2020	Israel Preston	Director Fees	\$ -	\$ 50.00	\$ 38,281.85	Meeting 01/23/2020 Check record 01/30, mailed 01/30, not yet posted 07-05-2020
2020	C	610	1/28/2020	Bill Waite	Director Fees	\$ -	\$ 50.00	\$ 38,231.85	Meeting 01/23/2020 Check record 01/30
2020	C	611	1/28/2020	William Waite	Director Fees	\$ -	\$ 50.00	\$ 38,181.85	Meeting 01/23/2020 Check record 01/30, mailed 01/30, not yet posted 07-05-2020
2020	C	612	1/30/2020	Ben Cochran	Director Fees	\$ -	\$ 50.00	\$ 38,131.85	Meeting 01/23/2020
2020	C	Dep	3/9/2020	Shenandoah University	Bond Fees	\$ 3,907.50	\$ -	\$ 42,039.45	2019 Bond Fee
2020	C	613	3/4/2020	Robinson Farmer Cox	Audit	\$ -	\$ 1,675.00	\$ 40,364.45	FY 2019 Audit
2020	C	614	3/8/2020	VACorp	Insurance	\$ -	\$ 1,340.00	\$ 39,024.45	FY 2021 Insurance 07/01/2020 thru 06/30/2021 Balance 06/30/2020 \$36,174.45-\$150.00 = \$36,024.45

c) Investments Year-to-Date Summary, Year-to-Date Budget, Bond Log

- As of June 2020, there is right around \$102,000. A year ago, the balance was around \$108,000; despite the market decline, we're only down five percent (5%). It's not being cashed out, as the market returns, so should this. These are monies that have been in place for a year or so.

FY2020 Financial Reports for the Industrial Development Authority of the Clarke County, Virginia

Expenditures Category	Amount	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Expended YTD	Remaining Balance
Advertising	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400
Audit	\$ 1,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,675
Civic Contributions	\$ 6,000	\$ 4,750.00	\$ 6,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,750.00	\$ (4,750)
Director Fees	\$ 1,430	\$ 250.00	\$ -	\$ -	\$ 625.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 875.00	\$ 555
Insurance	\$ 1,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,340.00
Postage	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25
Professional Services	\$ 1,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250
Total Expenditures:	\$ 12,090	\$ 6,000.00	\$ 6,000.00	\$ -	\$ 625.00	\$ -	\$ -	\$ -	\$ -	\$ 1,675.00	\$ 1,340.00	\$ -	\$ -	\$ 14,640.00	\$ (2,550)

Estimated Revenues	Estimated Amount	Actual Revenue	+/- Estimate
Bonds:			
Grafton School, Inc. Bond	\$ 655	\$ 563	\$ (92)
LFCC Bond	\$ 2,750	\$ 2,869	\$ 219
Shenandoah University Bond	\$ 3,800	\$ 3,808	\$ 8
	\$ 7,205	\$ 7,425	\$ 224
Interest Income:	\$ 3,200	\$ 4,152	\$ 952
Total Revenue:	\$ 10,405	\$ 11,610	\$ 1,205

FY2020 Investment Summary

Asset Statement	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	June-20	FY2020 YTD
Beginning Balance	\$ 107,888.82	\$ 108,179.85	\$ 107,623.55	\$ 108,495.19	\$ 107,981.51	\$ 102,056.35	\$ 111,100.60	\$ 111,163.94	\$ 106,959.30	\$ 94,569.55	\$ 88,999.82	\$ 102,234.19	\$ 102,234.19
Dividends, Interest, & Other Income	\$ 311.74	\$ 303.24	\$ 292.67	\$ 312.68	\$ 292.59	\$ 1,048.65	\$ 221.85	\$ 291.52	\$ 279.85	\$ 290.07	\$ 279.47	\$ 243.69	\$ 4,151.56
Net Change in Portfolio	\$ -92.29	\$ (892.61)	\$ (729.57)	\$ (632.55)	\$ (222.26)	\$ (292.65)	\$ (159.51)	\$ (4,402.99)	\$ (12,637.60)	\$ (4,150.20)	\$ (2,854.90)	\$ (1,177.26)	\$ (9,985.30)
Ending Balance	\$ 108,179.85	\$ 107,623.55	\$ 108,495.19	\$ 107,981.51	\$ 108,696.35	\$ 111,100.60	\$ 111,163.94	\$ 106,959.30	\$ 94,569.55	\$ 88,999.82	\$ 102,234.19	\$ 102,234.19	\$ 102,234.19

Following review, Director Preston, seconded by Director Pierce, moved to accept the Treasurer's Report as presented. The motion carried as follows:

Ben Cochran	-	Absent
Brian Ferrell	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
Isreal Preston	-	Aye
William Waite	-	Aye
William Wolfe	-	Aye

5. Old Business

A. Local EDA/IDA Bond Term Review

- After review, Director Waite suggested leaving the bond terms as is right now. The fees currently set seem to be in line with our surrounding jurisdictions.

B. Review and Adoption of Bylaws, Rules, and Procedures

- Staff suggested edits include removing the bond fees from the Bylaws, so if changes want to be made, the Bylaws don't have to be changed.
- Staff proposed a closer review and will recommend any edits at the next meeting in October 2020.

6. New Business

A. Discussion on CARES Funding for Small Business Assistance

Highlights Include:

- Director Hart provided a handout; see Attachment 1. The Board of Supervisors is looking at using some of the funds from the CARES Act to help small businesses. The document provided is a comparison sheet to help understand what others are doing, the requirements they are putting into their applications. The amount of funds in each locality is different; Clarke has set aside, to start, \$100,000 to give away. If the need is more significant than that, that number could change.
- Mr. Boies stated the idea is the Industrial Development Authority would be the body that issues the checks to the small businesses that receive the funds. The criteria are essential; what are the objectives and what is trying to be accomplished. Will the company receiving funds still be in business a few months

for now, or will these funds be a “Band-Aid” of sorts. A review committee needs to be established to review applications and decide who receives funds.

- Mr. Boies indicated; ideally, this should be ready for the August 2020 Board of Supervisor meeting.
- Mr. Boies made clear that the money can only be spent on expenses related to Covid-19. If years down the road, it is found that funds are spent on items it shouldn't have; the money will have to be returned.

B. Southeaster Collector Study

Highlights by Chris Boies

- The long-term plan has been to expand the business park across the railroad tracks to Route 340.
- The purpose of the study was to understand the challenges, what could be overcome, and how it would all work.
- The initially proposed railroad crossing will no longer work due to sight distance and the curvature of the railroad.
- The consultants came back with variations:
 - Two options create cul-de-sacs at the end of Jack Enders to extend it to the Smallwood property and then cul-de-sac it.
 - Two options to take it across the railroad tracks at the existing Smallwood Lane crossing and then take it to Rt. 340 from there. This option would require an upgrade.
- The approximate cost of the crossing, in addition to improvements to Jack Enders on this side, was about \$10 Million.
- Director Hart felt it was important to note that the county does not currently own any of the properties where the road would need to be built.

C. Conflict of Interest Filing Requirement Change

Highlights by Tiffany Kemp

- New filing requirements effective July 1, 2020, stating all directors of the Industrial Development Authority are required to turn in a Statement of Economic Interest to County Administration no later than August 3, 2020.
- Online training must be complete by December 30, 2020. Please let Tiffany Kemp or Brianna Taylor in County Administration know the date of completion, so they can keep track and remind in two years when directors will need to do their training again.

Branding Meetings

- Director Hart stated there is useful information coming out of the branding meetings. There is another scheduled for today, July 23, 2020, at 3:30 pm, which can be seen live on YouTube.
- Cathy Kuehner stated it's been fantastic. The branding group has heard from focus groups, including teens, business owners, merchants, and residents, regarding a range of topics that include but are not limited to tourism, history, arts, and culture. It has been an excellent discussion so far.

Next Meeting

The next meeting is scheduled for Thursday, October 22, 2020, at 1:00 pm.

7. Adjournment

At 1:52 pm, Director Ferrell adjourned the meeting.

Minutes recorded and transcribed by Tiffany R. Kemp, IDA Clerk