

**Minutes
of the
Planning Meeting of Board of Directors of
The Industrial Development Authority of the County of Gila
(the “IDA”)**

Date: January 23, 2014, 9:00 a.m.

Place: Gila County Courthouse
Supervisors’ Conference Room
1400 E. Ash Street
Globe, AZ

Presiding: Cliff Potts, Bob Pastor

Present: Cliff Potts, Bob Pastor, Gerry Kohlbeck,
Bill Byrne, Mac Feezor, Tim Humphrey,
Fred Barcon

Absent: Stan Gibson, Tim Grier

Administrative Manager: Sandy Palmer

Guest Present: Dr. Steve Cullen and Pat Burke, Gila
Community College

Cliff Potts called the Planning Meeting of the Board of Directors of the Authority to order at 9:10 a.m., noting the presence of a quorum.

1. Approval of Minutes of the Regular Meeting of the Board held on December 9, 2013.

On motion made by Bob Pastor and seconded by Bill Byrne, the minutes of the Regular Meeting held on December 9, 2013 were approved as submitted.

Cliff Potts turned the meeting over to facilitator, Bob Pastor.

2. Mission Statement and Policies and Procedures

The Board reviewed Phoenix IDA's Policy and Procedures, Governance Policy, Accounting and Financial Reporting as previously distributed.

After further discussion a motion was made by Gerry Kohlbeck and seconded by Bill Byrne as follows:

Adopt sections 100, 101, 201 and 300 of Phoenix IDA's Policy and Procedures into Gila IDA's Policy and Procedures.

The motion passed unanimously by a vote of (7-0).

3. Revisit Gila IDA's Mission Statement

The Board reviewed the Mission Statement and concurred it conveys the goals and vision of Gila IDA.

4. IDA Bond Brochure and Marketing Strategy

The Board discussed the need for marketing material and web presence.

Mac Feezor shared the various options for developing a website.

After further discussion a motion was made by Bob Pastor and seconded by Bill Byrne as follows:

The IDA Board authorizes Mac Feezor to utilize templates, develop a website and hire a web designer to create a website for Gila IDA with an initial budget of \$1,200. The IDA will cover annual upkeep and maintenance fees.

The motion passed unanimously by a vote of (7-0).

Action: Board Members to select templates from allwebco.com and circulate for approval.

5. USDA RBEG Revolving Loan Program and USDA Technical Assistance Grant.

The Board discussed the feasibility and viability of the USDA Revolving Loan Program and USDA Technical Assistance Grants.

Action:

- A. Find an experienced underwriter
- B. Establish a Financial Team
- C. Borrow a template of a business plan from CAG and/or USDA
- D. Letter of interest from the business owners.

Fred Barcon arrived at 11:15 a.m.

The Board discussed the need to approach the Board of Supervisors for funding- before the 2015 budget is adopted.

Action:

- A. Develop a business plan before approaching the BOS
- B. Marketing has direct economic benefit
- C. Present the problems the IDA is solving for the County
- D. Highlight what the IDA is planning as a whole—not just media

Break for lunch, 11:52 a.m.

Afternoon session, 1:03 p.m.

6. Feasibility of Extending Business Loans with IDA Funds

The Board discussed the feasibility of extending business loans with IDA funds.

Dr. Steve Cullen and Pat Burke of Gila Community College arrived at 1:17 p.m.

Presentation for a Payson Cosmetology Program presented by Dr. Steve Cullen and Pat Burke of Gila Community College.

The Board asked Dr. Cullen about the loan terms, the capacity of the college to sign notes and take on debt, and the ability to pledge land as security.

Discussion ensued.

Dr. Cullen said he would assemble a loan plan (terms, timeline) which would need to be passed by the College Board of Directors, before being presented to the IDA Board for consideration.

Dr. Cullen and Pat Burke left the meeting at 1:54 p.m.

The Board discussed extending a loan of \$125,000 at 5% interest for 10 years; or \$71,500 at 5% for 5 years.

Cliff Potts to contact Dr. Cullen extending the offer to lend \$71,500 at 5% for 5 years, or \$125,000 at 5% for 10 years.

7. Marketing Project

Media presentation by Ted Quinn at 2: 24 p.m.

The Board discussed the need to recognize the smaller and middle areas of Gila County; ways to establish cooperation and unity in Gila County; Availability of grants: Arizona Commerce Authority, FMI, Heritage Fund; strengths: the IDA is a progressive Board with the counties interests at heart; opportunity: to recognize resources, and economic development organizations for Gila County.

8. Freeport Community Investment Funds Grant

A. Eligibility, becoming a 501 (c) 3.

(Information on establishing a 501 c3 from Mac Feezor)

- i. Develop a 501c3—check name with corporation commission.
- ii. Tax ID number, apply with IRS.
- iii. Follow up with Bylaws (use template).
- iv. Must run 3 ads in paper.
- v. Must renew and refile each year with Corp. Commission.
- vi. Corp ID to set up a bank account.
- vii. Establish a Board of Directors for the 501c3--separate entity.

9. Financial Forecast

The Board discussed the need to generate a revenue stream: revolving loan program, possible USDA Revolving Loan Fund, Technical Assistance grant, and developing a web presence for bond projects.

10. Future Agenda Items

Discuss tuition reimbursement for Board Members attending meetings or functions on behalf of the IDA. Economic Development will be the focus of the Arizona Town Hall meeting on November 2014. The tuition is \$1,200.

11. Adjournment

With no further business to come before the Board, upon motion made and duly seconded, the Planning Meeting was adjourned at 4:15 p.m., without objection.