

BLUERIDGECROSSROADS

economic development authority

Carroll – Galax – Grayson VIRGINIA

Carroll-Grayson-Galax Regional Industrial Facilities Authority
Regular Meeting Agenda
Monday, June 18, 2018
Time: 3:30 PM
Location: Crossroads Institute

* StS Agreements
to Ben
* Revised documents
to Ben
copies in file?

1. Call to Order
2. Consent Agenda:
 - a. Minutes from the April 23rd, May 31st & June 8th Called Meetings
 - b. Treasurer's Report
3. Wildwood Commerce Park
 - a. Wastewater/Water Project Update – Carolyn Howard, PE
 - * Change Order 05 and pending
 - * Project Completion / Closeout
 - * AEP Easement for Line Under I-77
 - * Other
 - b. Issuance of RFP for Term Engineering Contract
 - c. Power Line Easement (discussion with AEP and written offer)
 - d. Natural Gas Interconnect
 - e. Secretary of Commerce and Trade / VEDP and FAM Visit Recap
4. SBDC Report
5. Virginia Enterprise Zone Reports
6. Director's Report
 - a. Appointment letter from Crossroads Institute
 - b. 2019 Operating Budget / Marketing Budget
 - c. TIC Grant #3320 Budget and Agreement (gas line connection)
 - d. RFI Submission
 - e. Wildwood Flyer and Website Update (based on sale of section of Site 4)
 - f. Other
7. Announcements
8. Closed Session - Pursuant to Virginia Code Section 2.2-3711- (if necessary)
9. Adjourn

3yr Term renewal up to 5 yrs
T+M

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BLUERIDGECROSSROADS

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Carroll – Galax – Grayson VIRGINIA

Carroll-Grayson-Galax Regional Industrial Facilities Authority

April 23, 2018 Minutes

Roll Call

- | | | |
|-------------------|--------------------------|---------|
| • Steve Truitt- | Carroll County | present |
| • Rex Hill- | Carroll County | present |
| • Keith Barker- | City of Galax | present |
| • C.M. Mitchell- | City of Galax | present |
| • Bill Shepley - | Grayson County | present |
| • Kenneth Belton- | Grayson County | present |
| • Robbie McCraw- | Carroll alternate | absent |
| • Bill Davis- | Galax alternate | absent |
| • Mike Hash- | Grayson alternate | present |
| • Others present- | | |
| ○ Dan Campbell- | BRCEDA Interim Director | |
| ○ Carolyn Howard- | Draper Aden Associates | |
| ○ Mandy Archer- | SBDC Director | |
| ○ Ginny Plant- | Administrative Assistant | |

Call to Order

Mr. Mitchell called the meeting to order at 3:35 PM.

Consent Agenda

Mr. Truitt made the motion to approve the consent agenda and treasurer's report as presented. Mr. Hash seconded the motion, which carried unanimously.

Wildwood Commerce Park

Mr. Campbell informed the board that there is one remaining easement across the Beasley farm. The other four have been obtained. There does not look to be much hope of obtaining this easement. The other entities involved are asking what our other options are for proceeding.

Closed Session

Mr. Barker made the motion to enter closed session, pursuant to Virginia Code Section 2.2-3711 A (5) discussion concerning a prospective business or industry where no previous announcement has been made; and A (7) discussion pertaining to actual or probable litigation. Mr. Hill seconded the motion which carried unanimously.

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Mr. Truitt made the motion to return to open session. Mr. Hill seconded the motion, which carried unanimously.

Upon returning to open session, the board members were then polled to certify the closed session:

Whereas, §2.2-3711 A (5), A (3), and A (1) of the Code of Virginia requires a certification by the BRCEDA members that such closed meeting was conducted in conformity with Virginia law; the BRCEDA members hereby certify 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 certification 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 BRCEDA members.

- | | | |
|------------------|-------------------|------------|
| • Steve Truitt- | Carroll County | so certify |
| • Rex Hill- | Carroll County | so certify |
| • C.M. Mitchell- | City of Galax | so certify |
| • Keith Barker- | City of Galax | so certify |
| • Bill Shepley- | Grayson County | so certify |
| • Mike Hash- | Grayson Alternate | so certify |

No action was taken following the closed session.

Ms. Howard shared that the wastewater project is approximately a month or two behind due to the weather. There is a project meeting tomorrow.

Mr. Campbell told the board that a Task Order Amendment has been shared with them. We are looking at a max of \$19K which will go mainly to the Lane Group for resident inspection services.

Mr. Barker made the motion to approve the Task Order Amendment as presented. Mr. Truitt seconded the motion, which carried unanimously.

Mr. Campbell informed the board to mark their calendar for Wednesday, June 13 from 10:00 am -10:45 am. A FAM tour will be taking place in which the state will be bringing 4-5 site consultants from Philadelphia to our area. Once we get more details we will let you know.

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Tobacco Region Revitalization Commission Signature Authorization Letter

Mr. Belton made the motion to remove Ms. Asbury from the Tobacco Region Revitalization Commission Signature Authorization Form and add Mr. Campbell. Mr. Shepley seconded the motion, which carried unanimously.

SBDC Report

Ms. Archer shared that currently we've completed 13 business plans with 3 being funded. Ms. Archer will be attending the Economic Forum in May. The Business of Food Conference has been moved to May 30th. This will be a gateway event for a regional food conference that the state is helping the region put on.

Keep in mind that the Enterprise Zone Reports are due in July, so we will be contacting you for that information. My SWVA Opportunity has decided to start a KIVA account which is a crowd sourcing fund. So, if you know of a business that could benefit from this please let us know.

Ms. Archer informed that board that extra funding was received this calendar year. The SBDC received \$70K in SBA funding and some additional incentive pay was given which amounted to almost \$4k. The incentive pay is in response to center performance from 2014-2017. The CY 2018 funding will be \$73,928. This money must be matched. Keeping that in mind, this match can include in-kind. Crossroads Institute does not charge us for the space we use for client meetings or training events we put on. Crossroads Institute agreed to provide this space in-kind and we will use this as part of our match funds. There are two points Ms. Archer is asking for approval on regarding the budget. She is asking for approval of the amended budget itself. She is also asking for a 6% raise for herself and Ms. Plant. Ms. Archer and Ms. Plant have not had a raise since 2013. Approximately three percent will go to the rising insurance premiums and the other three percent will go to salary. She also asks that this change be retroactive going back to January 2018. As far as other changes go, she is looking to get more mobile by getting some of our office equipment more portable. There is some software that we could benefit greatly from. Also, we have prepaid some of 2017's invoice's in 2018 and plan to do the same in 2019.

Mr. Barker made the motion to approve the amended budget as presented. Mr. Hill seconded the motion, which carried unanimously. (Salary adjustments to be discussed later in meeting.)

Directors Report

Mr. Campbell asks the board if they have any edits to the covenants to please let him know.

Mr. Campbell has been looking at the budget. It is possible to slim down the budget. After discussion, the board decided to discuss further at a later date.

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Announcements

Closed Session

Mr. Hill made the motion to enter closed session, pursuant to Virginia Code Section 2.2-3711 A A (1) discussion of salaries of specific employments (SBDC office). Mr. Belton seconded the motion which carried unanimously.

Mr. Truitt made the motion to return to open session. Mr. Hill seconded the motion, which carried unanimously.

Upon returning to open session, the board members were then polled to certify the closed session:

Whereas, §2.2-3711 A (5), A (3), and A (1) of the Code of Virginia requires a certification by the BRCEA members that such closed meeting was conducted in conformity with Virginia law; the BRCEA members hereby certify 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 certification 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 BRCEA members.

- | | | |
|------------------|-------------------|------------|
| • Steve Truitt- | Carroll County | so certify |
| • Rex Hill- | Carroll County | so certify |
| • C.M. Mitchell- | City of Galax | so certify |
| • Keith Barker- | City of Galax | so certify |
| • Bill Shepley- | Grayson County | so certify |
| • Mike Hash- | Grayson Alternate | so certify |

Mr. Truitt made a motion to accept and implement the salary adjustments as requested for SBDC staff as presented. Mr. Belton seconded the motion, which carried unanimously. Mr. Barker abstained due to conflict of interest.

With no further business, the meeting adjourned.

Respectfully Submitted- Keith E. Barker, Secretary

C. M. Mitchell - Chairman

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BLUERIDGECROSSROADS

economic development authority

Carroll – Galax – Grayson VIRGINIA

Carroll-Grayson-Galax Regional Industrial Facilities Authority May 31, 2018 Called Meeting Minutes

Roll Call

| | | |
|-------------------|----------------------------------|---------|
| • Steve Truitt- | Carroll County | present |
| • Rex Hill- | Carroll County | present |
| • Keith Barker- | City of Galax | present |
| • C.M. Mitchell- | City of Galax | present |
| • Bill Shepley - | Grayson County | present |
| • Kenneth Belton- | Grayson County | absent |
| • Robbie McCraw- | Carroll alternate | absent |
| • Bill Davis- | Galax alternate | present |
| • Mike Hash- | Grayson alternate | absent |
| • Others present- | | |
| o Dan Campbell- | BRCEDA Interim Regional Director | |

Call to Order

Mr. Mitchell called the meeting to order at 2:00 PM.

Wildwood Commerce Park

Discussion ensued regarding the Wildwood Commerce Park, Declaration of Protective Covenants. Mr. Truitt noted modified language in Section 7.3.2 providing that general operations parking used by the occupant may be parked on a surface with gravel and does not have to be paved. Mr. Campbell discussed sections in the Covenants dealing with the Site Plan being submitted within sixty (60) days of Deed conveyance. He also touched on language in the Covenants dealing with the materials used for the front portion of any building, landscaping, lighting, signage, and prohibited uses. Mr. Barker noted the language is Section 13 dealing with "Amendments" to the Covenants requiring consent of the Owners of at least 50% of the Park acreage.

Following discussion pertaining to the Protective Covenants, Rex Hill made a motion to approve the "Deed of Dedication and Restrictions – Wildwood Commerce Park" as presented and to authorize Chairman Mitchell to execute on behalf of the Board and have the Covenants duly recorded in the Carroll County Circuit Court Clerk's Office as required. Mr. Barker seconded the motion, which carried unanimously.

Closed Session

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Mr. Barker made the motion to enter into closed session, pursuant to Virginia Code Section 2.2-3711 A (5) discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business's interest in locating or expanding in the community. Mr. Hill seconded the motion, which carried unanimously.

Mr. Barker made the motion to return to open session. Mr. Hill seconded the motion, which carried unanimously.

Upon returning to open session, the board members were then polled to certify the closed session:

Whereas, §2.2-3711 A (5) of the Code of Virginia requires a certification by the BRCEDA members that such closed meeting was conducted in conformity with Virginia law; the BRCEDA members hereby certify 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 certification 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 BRCEDA members.

- | | | |
|------------------|-----------------|------------|
| • Steve Truitt- | Carroll County | so certify |
| • Rex Hill- | Carroll County | so certify |
| • C.M. Mitchell- | City of Galax | so certify |
| • Keith Barker- | City of Galax | so certify |
| • Bill Shepley- | Grayson County | so certify |
| • Bill David- | Galax Alternate | so certify |

With no further business, the meeting adjourned.

Respectfully Submitted- Keith E. Barker, Secretary

C. M. Mitchell - Chairman

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BLUERIDGECROSSROADS

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Carroll – Galax – Grayson VIRGINIA

Carroll-Grayson-Galax Regional Industrial Facilities Authority June 8, 2018 Called Meeting Minutes

Roll Call

- | | | |
|-------------------|----------------------------------|---------|
| • Steve Truitt- | Carroll County | present |
| • Rex Hill- | Carroll County | absent |
| • Keith Barker- | City of Galax | present |
| • C.M. Mitchell- | City of Galax | present |
| • Bill Shepley - | Grayson County | present |
| • Kenneth Belton- | Grayson County | absent |
| • Robbie McCraw- | Carroll alternate | absent |
| • Bill Davis- | Galax alternate | absent |
| • Mike Hash- | Grayson alternate | absent |
| • Others present- | | |
| ○ Dan Campbell- | BRCEDA Interim Regional Director | |
| ○ Scott Frye- | S & S Transporters | |
| ○ Alex Frye- | S & S Transporters | |
| ○ Jim Ward- | Attorney | |

Call to Order

Mr. Mitchell called the meeting to order at 9:00 AM.

It was noted that in accordance with the BRCEDA By-Laws a quorum does exist with those in attendance since a majority of the member localities is represented by at least one member of the Board. All three participants are represented.

Wildwood Commerce Park

Following a welcome of the guests in attendance and a brief discussion pertaining to the proposed project by S & S Transporters the following action was taken:

Mr. Truitt made the motion to approve the contract documents for Project Keep on Trucking, namely the Real Estate Purchase and Performance Agreement, the Special Warranty Deed, and the Option Agreement; noting that the language related to the cost of the survey would be changed to show that BRCEDA had paid for the property survey. Mr. Barker seconded the motion, which carried unanimously.

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With no further business, the meeting adjourned.

Respectfully Submitted- Keith E. Barker, Secretary

C. M. Mitchell - Chairman

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BLUE RIDGE CROSSROADS EDA
BALANCE SHEET
APRIL 30, 2018

ASSETS

| | | |
|------------------------------|----|-----------------------------|
| CURRENT ASSETS | | |
| REGULAR CHECKING ACCOUNT | \$ | 424,617.26 |
| MONEY MARKET - GNB | | 326,837.52 |
| DESIGNATED FUNDS-MARKETING | | 43,913.78 |
| ACCOUNTS RECEIVABLE | | 28,936.00 |
| GRANTS RECEIVABLE | | 748,633.04 |
| LAND INVENTORY | | <u>13,290,000.04</u> |
| TOTAL CURRENT ASSETS | | 14,862,937.64 |
| PROPERTY AND EQUIPMENT | | |
| EQUIPMENT | | 33,178.75 |
| OFFICE EQUIPMENT | | 1,553.15 |
| ACCUMULATED DEPRECIATION | | <u>(11,263.88)</u> |
| TOTAL PROPERTY AND EQUIPMENT | | 23,468.02 |
| OTHER ASSETS | | |
| ACCUMULATED AMORTIZATION | | (566.20) |
| DEFERRED OUTFLOWS PENSION | | <u>9,256.00</u> |
| TOTAL OTHER ASSETS | | 8,689.80 |
| TOTAL ASSETS | \$ | <u><u>14,895,095.46</u></u> |

LIABILITIES AND CAPITAL

| | | |
|-----------------------------|----|-----------------------------|
| CURRENT LIABILITIES | | |
| ACCOUNTS PAYABLE | \$ | 374,711.65 |
| ST PORTION OF LT DEBT | | 97,982.19 |
| GRANT FUNDS ADVANCED | | 921,735.50 |
| ACCRUED LEAVE | | <u>2,470.00</u> |
| TOTAL CURRENT LIABILITIES | | 1,396,899.34 |
| LONG-TERM LIABILITIES | | |
| NOTES PAYABLE - MRPDC | | 164,793.18 |
| NOTES PAYABLE - GNB | | 4,757,254.93 |
| DEFERRED INFLOWS PENSION | | 6,740.00 |
| NET PENSION LIABILITY | | <u>39,716.00</u> |
| TOTAL LONG-TERM LIABILITIES | | 4,968,504.11 |
| TOTAL LIABILITIES | | 6,365,403.45 |
| CAPITAL | | |
| FUND BALANCE | | 8,630,296.18 |
| NET INCOME | | <u>(100,604.17)</u> |
| TOTAL CAPITAL | | 8,529,692.01 |
| TOTAL LIABILITIES & CAPITAL | \$ | <u><u>14,895,095.46</u></u> |

BLUE RIDGE CROSSROADS EDA
INCOME STATEMENT
FOR THE TEN MONTHS ENDING APRIL 30, 2018

| | Current Month | | Year to Date | |
|-----------------------------|---------------|--------|-----------------|--------|
| REVENUES | | | | |
| OTHER GRANTS | \$ 0.00 | 0.00 | \$ 7,000.00 | 0.23 |
| GRANT REVENUE VA TOB #3009 | 529,822.36 | 63.89 | 529,822.36 | 17.74 |
| GRANT REVENUE- VA TOB #2266 | 0.00 | 0.00 | 970,830.13 | 32.50 |
| GRANT REVENUE VA TOB #2818 | 218,810.68 | 26.39 | 867,054.72 | 29.02 |
| GRANT REVENUE VA TOB #2487 | 0.00 | 0.00 | 125,000.00 | 4.18 |
| CITY OF GALAX | 0.00 | 0.00 | 161,147.00 | 5.39 |
| COUNTY OF GRAYSON | 40,286.75 | 4.86 | 161,147.00 | 5.39 |
| COUNTY OF CARROLL | 40,286.75 | 4.86 | 161,147.00 | 5.39 |
| OTHER INCOME | 0.00 | 0.00 | 3,875.00 | 0.13 |
| INTEREST INCOME | 42.98 | 0.01 | 409.39 | 0.01 |
| TOTAL REVENUES | 829,249.52 | 100.00 | 2,987,432.60 | 100.00 |
| COST OF SALES | | | | |
| TOTAL COST OF SALES | 0.00 | 0.00 | 0.00 | 0.00 |
| GROSS PROFIT | 829,249.52 | 100.00 | 2,987,432.60 | 100.00 |
| EXPENSES | | | | |
| SALARIES & WAGES | 0.00 | 0.00 | 44,925.82 | 1.50 |
| PAYROLL TAXES | 0.00 | 0.00 | 3,012.46 | 0.10 |
| EMPLOYEE RETIREMENT | 0.00 | 0.00 | 2,704.60 | 0.09 |
| HEALTH INSURANCE | 0.00 | 0.00 | 3,452.08 | 0.12 |
| VRS INSURANCE | 0.00 | 0.00 | 903.52 | 0.03 |
| GROUP LIFE INSURANCE | 0.00 | 0.00 | 56.32 | 0.00 |
| CONSULTING & CONTRACT SERVI | 450.00 | 0.05 | 4,075.00 | 0.14 |
| PROFESSIONAL FEES | 571.25 | 0.07 | 7,062.25 | 0.24 |
| ADVERTISING | 0.00 | 0.00 | 1,546.50 | 0.05 |
| DUES AND PROFESSIONAL MEMBE | 0.00 | 0.00 | 250.00 | 0.01 |
| GENERAL LIABILITY INSURANCE | 0.00 | 0.00 | (400.00) | (0.01) |
| POSTAGE & FREIGHT EXPENSE | 0.00 | 0.00 | 105.25 | 0.00 |
| TELECOMMUNICATIONS | 115.87 | 0.01 | 885.92 | 0.03 |
| OFFICE SUPPLIES | 893.03 | 0.11 | 1,584.70 | 0.05 |
| OFFICE RENTAL | 750.00 | 0.09 | 3,000.00 | 0.10 |
| TRAVEL EXPENSES | 0.00 | 0.00 | 2,663.53 | 0.09 |
| MILEAGE & FUEL EXPENSE | 0.00 | 0.00 | 4,307.31 | 0.14 |
| TRAINING/DEVELOPMENT TRAINI | 0.00 | 0.00 | 3,904.00 | 0.13 |
| REPAIRS & MAINT | 0.00 | 0.00 | 3,900.00 | 0.13 |
| SPECIAL EVENTS | 0.00 | 0.00 | 366.83 | 0.01 |
| MISC | 0.00 | 0.00 | 8.00 | 0.00 |
| BANK CHARGES | 0.00 | 0.00 | 4,877.50 | 0.16 |
| INTEREST EXPENSE | 12,477.40 | 1.50 | 142,364.68 | 4.77 |
| ADDITIONAL WILDWOOD COSTS | 15,000.00 | 1.81 | 160,886.00 | 5.39 |
| MARKETING - WILDWOOD | 600.00 | 0.07 | 1,234.73 | 0.04 |
| DEPRECIATION EXPENSE | 104.05 | 0.01 | 1,040.50 | 0.03 |
| AMORTIZATION EXPENSE | 56.62 | 0.01 | 566.20 | 0.02 |
| CARROLL COUNTY WATER PROJE | 707,683.87 | 85.34 | 2,688,753.07 | 90.00 |
| TOTAL EXPENSES | 738,702.09 | 89.08 | 3,088,036.77 | 103.37 |
| NET INCOME | \$ 90,547.43 | 10.92 | \$ (100,604.17) | (3.37) |

FOR MANAGEMENT PURPOSES ONLY

BLUE RIDGE CROSSROADS EDA
General Ledger Trial Balance
As of Apr 30, 2018

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

| Account ID | Account Description | Debit Amt | Credit Amt |
|------------|----------------------------|--------------|--------------|
| 1010 | REGULAR CHECKING ACCOUNT | 424,617.26 | |
| 1020 | MONEY MARKET - GNB | 326,837.52 | |
| 1025 | DESIGNATED FUNDS-MARKET | 43,913.78 | |
| 1100 | ACCOUNTS RECEIVABLE | 28,936.00 | |
| 1105 | GRANTS RECEIVABLE | 748,633.04 | |
| 1200 | LAND INVENTORY | 13,290,000.0 | |
| 1500 | EQUIPMENT | 33,178.75 | |
| 1530 | OFFICE EQUIPMENT | 1,553.15 | |
| 1700 | ACCUMULATED DEPRECIATIO | | 11,263.88 |
| 1750 | ACCUMULATED AMORTIZATIO | | 566.20 |
| 1801 | DEFERRED OUTFLOWS PENS | 9,256.00 | |
| 2000 | ACCOUNTS PAYABLE | | 374,711.65 |
| 2110 | NOTES PAYABLE - MRPDC | | 164,793.18 |
| 2650 | NOTES PAYABLE - GNB | | 4,757,254.93 |
| 2655 | ST PORTION OF LT DEBT | | 97,982.19 |
| 2750 | GRANT FUNDS ADVANCED | | 921,735.50 |
| 2801 | DEFERRED INFLOWS PENSION | | 6,740.00 |
| 2802 | ACCRUED LEAVE | | 2,470.00 |
| 2810 | NET PENSION LIABILITY | | 39,716.00 |
| 3900 | FUND BALANCE | | 8,630,296.18 |
| 4000 | OTHER GRANTS | | 7,000.00 |
| 4011 | Grant Revenue VA Tob #3009 | | 529,822.36 |
| 4015 | GRANT REVENUE- VA TOB #22 | | 970,830.13 |
| 4018 | GRANT REVENUE VA TOB #281 | | 867,054.72 |
| 4019 | GRANT REVENUE VA TOB #248 | | 125,000.00 |
| 4050 | CITY OF GALAX | | 161,147.00 |
| 4055 | COUNTY OF GRAYSON | | 161,147.00 |
| 4060 | COUNTY OF CARROLL | | 161,147.00 |
| 4500 | OTHER INCOME | | 3,875.00 |
| 4800 | INTEREST INCOME | | 409.39 |
| 6000 | SALARIES & WAGES | 44,925.82 | |
| 6001 | PAYROLL TAXES | 3,012.46 | |
| 6002 | EMPLOYEE RETIREMENT | 2,704.60 | |
| 6003 | HEALTH INSURANCE | 3,452.08 | |
| 6005 | VRS INSURANCE | 903.52 | |
| 6007 | GROUP LIFE INSURANCE | 56.32 | |
| 6030 | CONSULTING & CONTRACT SE | 4,075.00 | |
| 6031 | PROFESSIONAL FEES | 7,062.25 | |
| 6040 | ADVERTISING | 1,546.50 | |
| 6041 | DUES AND PROFESSIONAL ME | 250.00 | |
| 6060 | GENERAL LIABILITY INSURAN | | 400.00 |
| 6070 | POSTAGE & FREIGHT EXPENS | 105.25 | |
| 6071 | TELECOMMUNICATIONS | 885.92 | |
| 6072 | OFFICE SUPPLIES | 1,584.70 | |
| 6073 | OFFICE RENTAL | 3,000.00 | |
| 6100 | TRAVEL EXPENSES | 2,663.53 | |
| 6101 | MILEAGE & FUEL EXPENSE | 4,307.31 | |
| 6102 | TRAINING/DEVELOPMENT TRAI | 3,904.00 | |
| 6120 | REPAIRS & MAINT | 3,900.00 | |
| 6160 | SPECIAL EVENTS | 366.83 | |
| 6250 | MISC | 8.00 | |
| 6400 | BANK CHARGES | 4,877.50 | |
| 6600 | INTEREST EXPENSE | 142,364.68 | |
| 6700 | ADDITIONAL WILDWOOD COST | 160,886.00 | |
| 6750 | MARKETING - WILDWOOD | 1,234.73 | |
| 6800 | DEPRECIATION EXPENSE | 1,040.50 | |
| 6850 | AMORTIZATION EXPENSE | 566.20 | |
| 7200 | CARROLL COUNTY WATER PR | 2,688,753.07 | |
| Total: | | 17,995,362.3 | 17,995,362.3 |

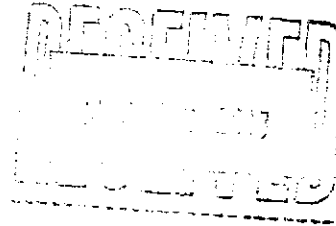
BLUE RIDGE CROSSROADS EDA
Account Reconciliation
As of Apr 30, 2018
1010 - REGULAR CHECKING ACCOUNT
Bank Statement Date: April 30, 2018

Filter Criteria includes: Report is printed in Detail Format.

| | | | |
|------------------------------|--------------|------|--------------------------|
| Beginning GL Balance | | | 327,592.27 |
| Add: Cash Receipts | | | 487,410.02 |
| Less: Cash Disbursements | | | (390,385.03) |
| Add (Less) Other | | | |
| Ending GL Balance | | | <u>424,617.26</u> |
| Ending Bank Balance | | | 491,128.74 |
| Add back deposits in transit | | | |
| Total deposits in transit | | | |
| (Less) outstanding checks | | | |
| | Apr 12, 2018 | 2068 | <u>(22,597.70)</u> |
| Total outstanding checks | | | (22,597.70) |
| Add (Less) Other | | | |
| | Apr 30, 2018 | | <u>(43,913.78)</u> |
| Total other | | | (43,913.78) |
| Unreconciled difference | | | <u>0.00</u> |
| Ending GL Balance | | | <u><u>424,617.26</u></u> |



399-03-01-00 90801 3 C 001 30 50 004
BLUE RIDGE CROSSROADS ECONOMIC DEV AGCY
1117 E STUART DR STE 178
GALAX VA 24333-2656



Your consolidated statement

For 04/30/2018

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*Services fee apply. See the Business Services Pricing Guide for details.

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Summary of your accounts

| ACCOUNT NAME | ACCOUNT NUMBER | BALANCE(S) | DETAILS ON |
|--|----------------|--------------|------------|
| BASIC PUBLIC FUND CHECKING | 0000153659575 | 491,128.74 | page 1 |
| BASIC PUBLIC FUND CHECKING | 0000253649259 | 302.37 | page 2 |
| BASIC PUBLIC FUND CHECKING | 0000253649257 | 10,505.09 | page 2 |
| Total checking and money market savings accounts | | \$501,936.20 | |



Checking and money market savings accounts

■ BASIC PUBLIC FUND CHECKING 0000153659575

Account summary

| | |
|---|----------------|
| Your previous balance as of 03/30/2018 | \$397,177.00 |
| Checks | - 393,458.28 |
| Other withdrawals, debits and service charges | - 0.00 |
| Deposits, credits and interest | + 487,410.02 |
| Your new balance as of 04/30/2018 | = \$491,128.74 |

Checks

| DATE | CHECK # | AMOUNT(S) | DATE | CHECK # | AMOUNT(S) | DATE | CHECK # | AMOUNT(S) |
|-------|---------|-----------|-------|---------|-----------|-------|---------|------------|
| 04/02 | 2047 | 22,597.70 | 04/17 | 2062 | 42.67 | 04/17 | 2065 | 600.00 |
| 04/02 | *2054 | 3,000.00 | 04/17 | 2063 | 450.00 | 04/17 | 2066 | 7,965.25 |
| 04/02 | *2059 | 73.25 | 04/19 | 2064 | 1,270.50 | 04/18 | 2067 | 356,887.56 |
| 04/19 | *2061 | 571.25 | | | | | | |

* Indicates a skip in sequential check numbers above this item

Total checks = 393,458.28

■ BASIC PUBLIC FUND CHECKING 0000153659575 (continued)

Deposits, credits and interest

| DATE | DESCRIPTION | AMOUNT(\$) |
|--------------------------------------|---------------------------------------|----------------|
| 04/03 | VENDORPAYM COVA Carroll-Grayson-Galax | 427,302.81 |
| 04/17 | DEPOSIT | 11.3 |
| 04/24 | DEPOSIT | 40,286.75 |
| 04/27 | VENDORPAYM COVA Blue Ridge Crossroads | 8,469.71 |
| Total deposits, credits and interest | | = \$487,410.02 |

■ BASIC PUBLIC FUND CHECKING 0000253649259

Account summary

| | |
|---|-------------|
| Your previous balance as of 03/30/2018 | \$12,623.28 |
| Checks | - 12,320.91 |
| Other withdrawals, debits and service charges | - 0.00 |
| Deposits, credits and interest | + 0.00 |
| Your new balance as of 04/30/2018 | = \$302.37 |

Checks

| DATE | CHECK # | AMOUNT(\$) | DATE | CHECK # | AMOUNT(\$) | DATE | CHECK # | AMOUNT(\$) |
|-------|---------|------------|-------|---------|------------|-------|---------|------------|
| 04/02 | 1308 | 73.25 | 04/17 | 1319 | 42.67 | 04/19 | 1321 | 194.45 |
| 04/17 | *1318 | 11,560.54 | 04/16 | 1320 | 450.00 | | | |

* indicates a skip in sequential check numbers above this item

Total checks = \$12,320.91

■ BASIC PUBLIC FUND CHECKING 0000253649267

Account summary

| | |
|---|---------------|
| Your previous balance as of 03/30/2018 | \$10,505.09 |
| Checks | - 0.00 |
| Other withdrawals, debits and service charges | - 0.00 |
| Deposits, credits and interest | + 0.00 |
| Your new balance as of 04/30/2018 | = \$10,505.09 |

BLUE RIDGE CROSSROADS EDA
Account Reconciliation
As of Apr 30, 2018
1020 - MONEY MARKET - GNB
Bank Statement Date: April 30, 2018

Filter Criteria includes: Report is printed in Detail Format.

| | |
|------------------------------|------------|
| Beginning GL Balance | 326,794.54 |
| Add: Cash Receipts | |
| Less: Cash Disbursements | |
| Add (Less) Other | 42.98 |
| Ending GL Balance | 326,837.52 |
| Ending Bank Balance | 326,837.52 |
| Add back deposits in transit | |
| Total deposits in transit | |
| (Less) outstanding checks | |
| Total outstanding checks | |
| Add (Less) Other | |
| Total other | |
| Unreconciled difference | 0.00 |
| Ending GL Balance | 326,837.52 |

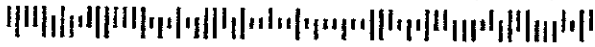
Skyline

PO Box 186
Independence, Virginia 24348

Account Number XXXXXXXXXXXX1161
Statement Date 04/10/2018
Enclosures 0
Page 1


1916 1 AV 0.375

P:1916 / T:7 / S:



CARROLL GRAYSON GALAX REGIONAL
DBA BLUE RIDGE CROSSROADS EDA
124 HIGHLAND AVE
GALAX VA 24333-2602



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traditional wallet, that securely stores
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10
0
0

MMDA BUSINESS ACCOUNT XXXXXXXXXXXX1161

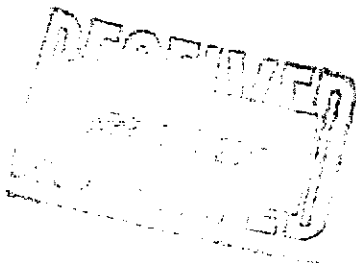
| DESCRIPTION | DEBITS | CREDITS | DATE | BALANCE |
|------------------------------|--------|---------|----------|------------|
| BALANCE LAST STATEMENT | | | 03/09/18 | 326,794.54 |
| INTEREST | | 42.98 | 04/10/18 | 326,837.52 |
| BALANCE THIS STATEMENT | | | 04/10/18 | 326,837.52 |
| TOTAL CREDITS (1) | 42.98 | | | |
| TOTAL DEBITS (0) | .00 | | | |

INTEREST

| | | | |
|----------------------------|------------|---------------------------------|-------|
| AVERAGE LEDGER BALANCE: | 326,794.54 | INTEREST EARNED: | 42.98 |
| INTEREST PAID THIS PERIOD: | 42.98 | DAYS IN PERIOD: | 32 |
| INTEREST PAID 2018: | 165.16 | ANNUAL PERCENTAGE YIELD EARNED: | .15% |

ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES

| | TOTAL FOR THIS PERIOD | TOTAL YEAR TO DATE |
|---------------------------|--------------------------|-----------------------|
| TOTAL OVERDRAFT FEES: | \$.00 | \$.00 |
| TOTAL RETURNED ITEM FEES: | \$.00 | \$.00 |



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of everything you'd expect from a bank.

Member FDIC

 Skyline



NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

BLUE RIDGE CROSSROADS EDA
BALANCE SHEET
MAY 31, 2018

ASSETS

| | | |
|------------------------------|----|------------------|
| CURRENT ASSETS | | |
| REGULAR CHECKING ACCOUNT | \$ | 798,612.16 |
| MONEY MARKET - GNB | | 326,877.82 |
| DESIGNATED FUNDS-MARKETING | | 43,041.30 |
| LAND INVENTORY | | 13,290,000.04 |
| TOTAL CURRENT ASSETS | | 14,458,531.32 |
| PROPERTY AND EQUIPMENT | | |
| EQUIPMENT | | 33,178.75 |
| OFFICE EQUIPMENT | | 1,553.15 |
| ACCUMULATED DEPRECIATION | | (13,687.06) |
| TOTAL PROPERTY AND EQUIPMENT | | 21,044.84 |
| OTHER ASSETS | | |
| DEFERRED OUTFLOWS PENSION | | 9,256.00 |
| TOTAL OTHER ASSETS | | 9,256.00 |
| TOTAL ASSETS | | \$ 14,488,832.16 |

LIABILITIES AND CAPITAL

| | | |
|-----------------------------|----|------------------|
| CURRENT LIABILITIES | | |
| ACCOUNTS PAYABLE | \$ | 25,633.12 |
| ST PORTION OF LT DEBT | | 98,722.02 |
| GRANT FUNDS ADVANCED | | 921,735.50 |
| ACCRUED LEAVE | | 2,470.00 |
| TOTAL CURRENT LIABILITIES | | 1,048,560.64 |
| LONG-TERM LIABILITIES | | |
| NOTES PAYABLE - MRPDC | | 164,793.18 |
| NOTES PAYABLE - GNB | | 4,748,581.46 |
| DEFERRED INFLOWS PENSION | | 6,740.00 |
| NET PENSION LIABILITY | | 39,716.00 |
| TOTAL LONG-TERM LIABILITIES | | 4,959,830.64 |
| TOTAL LIABILITIES | | 6,008,391.28 |
| CAPITAL | | |
| FUND BALANCE | | 8,630,296.18 |
| NET INCOME | | (149,855.30) |
| TOTAL CAPITAL | | 8,480,440.88 |
| TOTAL LIABILITIES & CAPITAL | | \$ 14,488,832.16 |

UNAUDITED - FOR MANAGEMENT PURPOSES ONLY

BLUE RIDGE CROSSROADS EDA
INCOME STATEMENT
FOR THE ELEVEN MONTHS ENDING MAY 31, 2018

| | Current Month | | Year to Date | |
|-----------------------------|---------------|-------------|--------------|--------------|
| REVENUES | | | | |
| OTHER GRANTS | \$ | 0.00 | \$ | 7,000.00 |
| GRANT REVENUE VA TOB #3009 | | 0.00 | | 529,822.36 |
| GRANT REVENUE- VA TOB #2266 | | 0.00 | | 970,830.13 |
| GRANT REVENUE VA TOB #2818 | | 0.00 | | 867,054.72 |
| GRANT REVENUE VA TOB #2487 | | 0.00 | | 125,000.00 |
| CITY OF GALAX | | 0.00 | | 161,147.00 |
| COUNTY OF GRAYSON | | 0.00 | | 161,147.00 |
| COUNTY OF CARROLL | | 0.00 | | 161,147.00 |
| OTHER INCOME | | 0.00 | | 3,875.00 |
| INTEREST INCOME | | 40.30 | | 449.69 |
| TOTAL REVENUES | | 40.30 | | 2,987,472.90 |
| COST OF SALES | | | | |
| TOTAL COST OF SALES | | 0.00 | | 0.00 |
| GROSS PROFIT | | 40.30 | | 2,987,472.90 |
| EXPENSES | | | | |
| SALARIES & WAGES | | 7,200.00 | | 52,125.82 |
| PAYROLL TAXES | | 511.12 | | 3,523.58 |
| EMPLOYEE RETIREMENT | | 0.00 | | 2,704.60 |
| HEALTH INSURANCE | | 963.30 | | 4,415.38 |
| VRS INSURANCE | | 0.00 | | 903.52 |
| GROUP LIFE INSURANCE | | 0.00 | | 56.32 |
| CONSULTING & CONTRACT SERVI | | 1,800.00 | | 5,875.00 |
| PROFESSIONAL FEES | | 844.00 | | 7,906.25 |
| ADVERTISING | | 0.00 | | 1,546.50 |
| DUES AND PROFESSIONAL MEMBE | | 0.00 | | 250.00 |
| GENERAL LIABILITY INSURANCE | | 2,654.00 | | 2,254.00 |
| POSTAGE & FREIGHT EXPENSE | | 0.00 | | 105.25 |
| TELECOMMUNICATIONS | | 117.87 | | 1,003.79 |
| OFFICE SUPPLIES | | 0.00 | | 1,584.70 |
| OFFICE RENTAL | | 0.00 | | 3,000.00 |
| TRAVEL EXPENSES | | 0.00 | | 2,663.53 |
| MILEAGE & FUEL EXPENSE | | 0.00 | | 4,307.31 |
| TRAINING/DEVELOPMENT TRAINI | | 0.00 | | 3,904.00 |
| REPAIRS & MAINT | | 500.00 | | 4,400.00 |
| SPECIAL EVENTS | | 0.00 | | 366.83 |
| MISC | | 0.00 | | 8.00 |
| BANK CHARGES | | 0.00 | | 4,877.50 |
| INTEREST EXPENSE | | 14,664.06 | | 157,028.74 |
| ADDITIONAL WILDWOOD COSTS | | 0.00 | | 160,886.00 |
| MARKETING - WILDWOOD | | 0.00 | | 1,234.73 |
| DEPRECIATION EXPENSE | | 2,423.18 | | 3,463.68 |
| AMORTIZATION EXPENSE | | (566.20) | | 0.00 |
| CARROLL COUNTY WATER PROJE | | 18,180.10 | | 2,706,933.17 |
| TOTAL EXPENSES | | 49,291.43 | | 3,137,328.20 |
| NET INCOME | \$ | (49,251.13) | \$ | (149,855.30) |

FOR MANAGEMENT PURPOSES ONLY

BLUE RIDGE CROSSROADS EDA
General Ledger Trial Balance
As of May 31, 2018

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

| Account ID | Account Description | Debit Amt | Credit Amt |
|---------------|------------------------------|----------------------|----------------------|
| 1010 | REGULAR CHECKING ACCOUNT | 798,612.16 | |
| 1020 | MONEY MARKET - GNB | 326,877.82 | |
| 1025 | DESIGNATED FUNDS-MARKETING | 43,041.30 | |
| 1200 | LAND INVENTORY | 13,290,000.04 | |
| 1500 | EQUIPMENT | 33,178.75 | |
| 1530 | OFFICE EQUIPMENT | 1,553.15 | |
| 1700 | ACCUMULATED DEPRECIATION | | 13,687.06 |
| 1801 | DEFERRED OUTFLOWS PENSION | 9,256.00 | |
| 2000 | ACCOUNTS PAYABLE | | 25,633.12 |
| 2110 | NOTES PAYABLE - MRPDG | | 164,793.18 |
| 2650 | NOTES PAYABLE - GNB | | 4,748,581.46 |
| 2655 | ST PORTION OF LT DEBT | | 98,722.02 |
| 2750 | GRANT FUNDS ADVANCED | | 921,735.50 |
| 2801 | DEFERRED INFLOWS PENSION | | 6,740.00 |
| 2802 | ACCRUED LEAVE | | 2,470.00 |
| 2810 | NET PENSION LIABILITY | | 39,716.00 |
| 3900 | FUND BALANCE | | 8,630,296.18 |
| 4000 | OTHER GRANTS | | 7,000.00 |
| 4011 | Grant Revenue VA Tob #3009 | | 529,822.36 |
| 4015 | GRANT REVENUE - VA TOB #2266 | | 970,830.13 |
| 4018 | GRANT REVENUE VA TOB #2818 | | 867,054.72 |
| 4019 | GRANT REVENUE VA TOB #2487 | | 125,000.00 |
| 4050 | CITY OF GALAX | | 161,147.00 |
| 4055 | COUNTY OF GRAYSON | | 161,147.00 |
| 4060 | COUNTY OF CARROLL | | 161,147.00 |
| 4500 | OTHER INCOME | | 3,875.00 |
| 4800 | INTEREST INCOME | | 449.69 |
| 6000 | SALARIES & WAGES | 52,125.82 | |
| 6001 | PAYROLL TAXES | 3,523.58 | |
| 6002 | EMPLOYEE RETIREMENT | 2,704.60 | |
| 6003 | HEALTH INSURANCE | 4,415.38 | |
| 6005 | VRS INSURANCE | 903.52 | |
| 6007 | GROUP LIFE INSURANCE | 56.32 | |
| 6030 | CONSULTING & CONTRACT SERV | 5,875.00 | |
| 6031 | PROFESSIONAL FEES | 7,906.25 | |
| 6040 | ADVERTISING | 1,546.50 | |
| 6041 | DUES AND PROFESSIONAL MEMB | 250.00 | |
| 6060 | GENERAL LIABILITY INSURANCE | 2,254.00 | |
| 6070 | POSTAGE & FREIGHT EXPENSE | 105.25 | |
| 6071 | TELECOMMUNICATIONS | 1,003.79 | |
| 6072 | OFFICE SUPPLIES | 1,584.70 | |
| 6073 | OFFICE RENTAL | 3,000.00 | |
| 6100 | TRAVEL EXPENSES | 2,663.53 | |
| 6101 | MILEAGE & FUEL EXPENSE | 4,307.31 | |
| 6102 | TRAINING/DEVELOPMENT TRAINI | 3,904.00 | |
| 6120 | REPAIRS & MAINT | 4,400.00 | |
| 6160 | SPECIAL EVENTS | 366.83 | |
| 6250 | MISC | 8.00 | |
| 6400 | BANK CHARGES | 4,877.50 | |
| 6600 | INTEREST EXPENSE | 157,028.74 | |
| 6700 | ADDITIONAL WILDWOOD COSTS | 160,886.00 | |
| 6750 | MARKETING - WILDWOOD | 1,234.73 | |
| 6800 | DEPRECIATION EXPENSE | 3,463.68 | |
| 7200 | CARROLL COUNTY WATER PROJ | 2,706,933.17 | |
| Total: | | 17,639,847.42 | 17,639,847.42 |

BLUE RIDGE CROSSROADS EDA
Account Reconciliation
As of May 31, 2018
1010 - REGULAR CHECKING ACCOUNT
Bank Statement Date: May 31, 2018

Filter Criteria includes: Report is printed in Detail Format.

| | | | |
|------------------------------|--------------|------|--------------|
| Beginning GL Balance | | | 424,617.26 |
| Add: Cash Receipts | | | 777,569.04 |
| Less: Cash Disbursements | | | (404,446.62) |
| Add (Less) Other | | | 872.48 |
| Ending GL Balance | | | 798,612.16 |
| Ending Bank Balance | | | 864,251.16 |
| Add back deposits in transit | | | |
| Total deposits in transit | | | |
| (Less) outstanding checks | May 2, 2018 | 2073 | (22,597.70) |
| Total outstanding checks | | | (22,597.70) |
| Add (Less) Other | May 31, 2018 | 5-5 | (43,041.30) |
| Total other | | | (43,041.30) |
| Unreconciled difference | | | 0.00 |
| Ending GL Balance | | | 798,612.16 |



399-03-01-00 90801 0 0 001 30 50 004
BLUE RIDGE CROSSROADS ECONOMIC DEV AGCY
1117 E STUART DR STE 178
GALAX VA 24333-2656

Your consolidated statement

For 05/31/2018

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Subject to business type and credit approval.

*Services fee apply. See the Business Services Product and Pricing Guide for details.

BB&T Merchant Services are offered by Branch Banking and Trust Company. Member FDIC.

Summary of your accounts

| ACCOUNT NAME | ACCOUNT NUMBER | BALANCE(\$) | DETAILS ON |
|--|----------------|--------------|------------|
| BASIC PUBLIC FUND CHECKING | 0000153659575 | \$864,251.16 | page 1 |
| BASIC PUBLIC FUND CHECKING | 0000253649259 | 8,141.12 | page 2 |
| BASIC PUBLIC FUND CHECKING | 0000253649267 | 1,926.09 | page 2 |
| Total checking and money market savings accounts | | \$874,318.37 | |



Checking and money market savings accounts

■ BASIC PUBLIC FUND CHECKING 0000153659575

Account summary

| | |
|---|----------------|
| Your previous balance as of 04/30/2018 | \$491,128.74 |
| Checks | - 404,446.62 |
| Other withdrawals, debits and service charges | - 0.00 |
| Deposits, credits and interest | + 777,569.04 |
| Your new balance as of 05/31/2018 | = \$864,251.16 |

Checks

| DATE | CHECK # | AMOUNT(\$) |
|-------|---------|------------|
| 05/03 | 2068 | 22,597.70 |
| 05/03 | 2069 | 8,469.71 |
| 05/04 | 2070 | 372.43 |
| 5/08 | 2071 | 73.20 |
| 05/07 | 2072 | 11,844.50 |

| DATE | CHECK # | AMOUNT(\$) |
|-------|---------|------------|
| 05/24 | *2074 | 1,800.00 |
| 05/25 | 2075 | 250.00 |
| 05/25 | 2076 | 338,951.81 |
| 05/24 | 2077 | 500.00 |
| 05/24 | 2078 | 15,000.00 |

| DATE | CHECK # | AMOUNT(\$) |
|-------|---------|------------|
| 05/25 | 2079 | 73.20 |
| 05/24 | 2080 | 594.00 |
| 05/29 | 2081 | 44.67 |
| 05/25 | 2082 | 3,875.40 |

Total checks = \$404,446.62

* indicates a skip in sequential check numbers above this item

■ BASIC PUBLIC FUND CHECKING 0000153659575 (continued)

Deposits, credits and interest

| DATE | DESCRIPTION | AMOUNT(\$) |
|--------------------------------------|--|----------------|
| 05/22 | VENDORPAYM COVA Carroll-Grayson-Galax CUSTOMER ID 80792945 | 748,633.04 |
| 5/30 | DEPOSIT | 28,936.00 |
| Total deposits, credits and interest | | = \$777,569.04 |

■ BASIC PUBLIC FUND CHECKING 0000253649259

Account summary

| | |
|---|--------------|
| Your previous balance as of 04/30/2018 | \$302.37 |
| Checks | - 630.96 |
| Other withdrawals, debits and service charges | - 0.00 |
| Deposits, credits and interest | + 8,469.71 |
| Your new balance as of 05/31/2018 | = \$8,141.12 |

Checks

| DATE | CHECK # | AMOUNT(\$) | DATE | CHECK # | AMOUNT(\$) | DATE | CHECK # | AMOUNT(\$) |
|--------------|---------|------------|-------|---------|------------|-------|---------|------------|
| 05/08 | 1322 | 73.20 | 05/04 | 1324 | 171.20 | 05/25 | 1326 | 73.20 |
| 05/04 | 1323 | 245.03 | 05/23 | 1325 | 23.66 | 05/29 | 1327 | 44.67 |
| Total checks | | | | | | | | = \$630.96 |

Deposits, credits and interest

| DATE | DESCRIPTION | AMOUNT(\$) |
|--------------------------------------|-------------|--------------|
| 05/03 | DEPOSIT | 8,469.71 |
| Total deposits, credits and interest | | = \$8,469.71 |

■ BASIC PUBLIC FUND CHECKING 0000253649267

Account summary

| | |
|---|--------------|
| Your previous balance as of 04/30/2018 | \$10,505.09 |
| Checks | - 8,579.00 |
| Other withdrawals, debits and service charges | - 0.00 |
| Deposits, credits and interest | + 0.00 |
| Your new balance as of 05/31/2018 | = \$1,926.09 |

Checks

| DATE | CHECK # | AMOUNT(\$) |
|--------------|---------|---------------|
| 05/30 | 1049 | 8,579.00 |
| Total checks | | = \$ 8,579.00 |

BLUE RIDGE CROSSROADS EDA
Account Reconciliation
As of May 31, 2018
1020 - MONEY MARKET - GNB
Bank Statement Date: May 31, 2018

Filter Criteria includes: Report is printed in Detail Format.

| | |
|------------------------------|-------------------|
| Beginning GL Balance | 326,837.52 |
| Add: Cash Receipts | |
| Less: Cash Disbursements | |
| Add (Less) Other | 40.30 |
| Ending GL Balance | <u>326,877.82</u> |
| Ending Bank Balance | 326,877.82 |
| Add back deposits in transit | |
| Total deposits in transit | |
| (Less) outstanding checks | |
| Total outstanding checks | |
| Add (Less) Other | |
| Total other | |
| Unreconciled difference | <u>0.00</u> |
| Ending GL Balance | <u>326,877.82</u> |



Skyline

PO Box 136
Independence, Virginia 24348

Account Number XXXXXXXXXXXX1161
Statement Date 05/10/2018
Enclosures 0
Page 1


1901 1 AV 0.375

P:1901 / T:7 / S:



CARROLL GRAYSON GALAX REGIONAL
DBA BLUE RIDGE CROSSROADS EDA
1117 E STUART DR
GALAX VA 24333-2656



We now offer Mobile Wallet services!
Mobile Wallet (such as Apple Pay or
Android Pay) is a digital version of your
traditional wallet, that securely stores
your Skyline National Bank debit card
information, right on your phone. Once
you are set up, just look for this icon 
at the register to pay with your phone!

Member FDIC

10
0
0

MMDA BUSINESS ACCOUNT XXXXXXXXXXXX1161

| DESCRIPTION | DEBITS | CREDITS | DATE | BALANCE |
|------------------------------|--------|---------|----------|------------|
| BALANCE LAST STATEMENT | | | 04/10/18 | 326,837.52 |
| INTEREST | | 40.30 | 05/10/18 | 326,877.82 |
| BALANCE THIS STATEMENT | | | 05/10/18 | 326,877.82 |

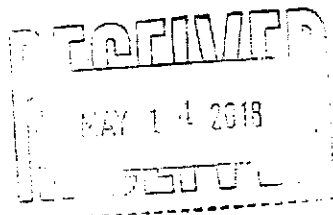
TOTAL CREDITS (1) 40.30
TOTAL DEBITS (0) .00

INTEREST

| | | | |
|----------------------------|------------|---------------------------------|-------|
| AVERAGE LEDGER BALANCE: | 326,837.52 | INTEREST EARNED: | 40.30 |
| INTEREST PAID THIS PERIOD: | 40.30 | DAYS IN PERIOD: | 30 |
| INTEREST PAID 2018: | 205.46 | ANNUAL PERCENTAGE YIELD EARNED: | .15% |

ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES

| | TOTAL FOR THIS PERIOD | TOTAL YEAR TO DATE |
|---------------------------|--------------------------|-----------------------|
| TOTAL OVERDRAFT FEES: | \$.00 | \$.00 |
| TOTAL RETURNED ITEM FEES: | \$.00 | \$.00 |



Our Story

There's a united strength to this bank. Just like this region. We banking is a passion, not just a job. It's the spirit, the work and passion that we all put behind it that makes a difference. That caring connectedness and history we share. Our bank is able to flex, willing to assist, eager to help, able to customize and committed to partnership. We stand behind you, deliver our best service, provide solutions, stay close for the outcomes, and make those highly personal investments that are really inside of everything you'd expect from a bank.

Member FDIC



Skyline



NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION.

**SBDC Director Report
6/18/18**

VA State Office SBDC Updates

- a) The CY 2018 contract was fully executed on 5/31/18.

SBDC Financials & Budget

- a) Current Year Expenditure: Based on \$73,928 SBA funds, \$70,875 local cash match and \$2,385 in-kind match.

| Expenditures thru 5/30/18 | | | |
|----------------------------------|-----------------------|------------------------------|-------------------------------|
| Line Item | Budget CY 2018 | Spent to Date CY 2018 | Percentage CY 2018 |
| Salaries* | \$78,157.00 | \$25,594.11 | 33% |
| Fringe* | \$37,602.00 | \$11,543.83 | 31% |
| Travel | \$8,202.00 | \$401.12 | 5% |
| Equipment | \$- | | |
| Supplies | \$3,885.00 | \$444.71 | 11% |
| Contractual | \$12,960.00 | \$1,040.00 | 8% |
| Consultants | \$- | | |
| Other | \$7,050.00 | \$1,481.52 | 21% |
| Miscellaneous | \$- | | |
| TOTAL | \$147,856.00 | \$40,505.29 | 27% |

* Salaries & Fringe: Payroll thru April

Blue Ridge Crossroads SBDC Updates

SBDC Projects

Website: Website design needs outline in progress. Carroll County procurement guidelines will be followed. The project has been delayed due to lack of time for the redesign.

The Blue Ridge Crossroads Region is Virginia's "Entrepreneurial Region."

Client Update & Economic Impact:

Economic Impact: Estimates for January 1, 2018 – May 31, 2018

Business Plans Completed: 16
Businesses Funded: 5
Business Starts: 5
Capital Formation: \$183,500
Jobs Created: 10
Jobs Retained: 2
Ribbon Cutting Events: 2

Client Interaction: January 1, 2018 – June 13, 2018

Total Clients: 72
Long Term Clients: 14
Total Counseling Hours: 222.08
Average Hours per Client: 3.08

Professional Development, Trainings, and Meetings

- Attended SWVA Economic Forum, UVA-Wise: May 17
- Attended the Virginia SBDC Director's Meeting, Staunton, VA: June 7-8

Training / Events / Seminars

- Small Business & Supplier Diversity Meetings: May 24th, 2018 – 3 clients, 4 hours counseling in EVa, SWaM, and DBE.
- Starting a Food Business: May 30, 2018 – 14 attendees, 9 guests/presenters
- Business of Food Regional Conference in Abingdon: August 27, 2018

Partner Updates

- Attended a meeting with GDA, tourism, downtown businesses, and other stakeholders on May 9th at the City offices.
- Ginny attended the resource fair at Bland Correctional Facility on May 24th to offer guidance to inmate that will be released within the next 6 months.
- Presented to Galax Middle School 7th grade students on May 29th about resources available at Crossroads Institute.

BRCEDA

- VEZ reports will be due in July.
- Pushed the S&S Transport announcement out via social media & BRCEA website on 6/8 & 6/11.

BLUE RIDGE CROSSROADS

economic development authority

Carroll – Galax – Grayson VIRGINIA



Boards & Committees

Galax City Career and Technical Education Advisory Board – No update

New River/Mount Rogers Workforce Investment Board / Business Solutions Unit – A business breakfast was held May 23rd.

Financial Stability Coalition – No update

MySWVA Opportunity – No update

Community Involvement

Galax City IDA – The IDA met on 4/17/18 and approved two client loans through their JUMP! Galax microloan program. The total amount approved is approximately \$13,500.

Presentations given since January 1, 2018 to 68 people

- Twin County Chamber of Commerce
- River North/Bland Correctional Continuing Education Teachers
- Carroll County High School Students (two days)

The Blue Ridge Crossroads Region is Virginia's "Entrepreneurial Region."

1117 East Stuart Drive Galax, Virginia 24333
Tel: 276.236.0391 www.brcrossroads.com



June 12, 2018

Mr. C. M. Mitchell, Chairman
BRCEDA Board of Directors
1117 E. Stuart Drive
Galax, Virginia 24333

Dear Mr. Mitchell:

As you know, the Blue Ridge Crossroads Economic Development Authority Board has designated three representatives (with staggered terms) to the Crossroads Rural Entrepreneurial Institute Board of Directors. This is notification that your term on the CREI Board is set to expire on June 30, 2018. In accordance with the Crossroads By-Laws, a Director may serve two full terms consecutively; and a Director shall hold office until his or her successor is duly appointed. A new appointment (or reappointment) would serve for the specified four-year term beginning July 2018. Enclosed for your reference is a Board Member Term listing.

This is to request that a representative be named by the BRCEDA Board of Directors at its earliest convenience to serve a four-year term on the CREI Board of Directors (2018-2022) and that we be provided his or her name and contact information.

We appreciate your consideration and assistance in this matter. If there are any questions, please contact me or Executive Director Brenda Sutherland.

Sincerely,

A handwritten signature in cursive script that reads "Linda S. Richardson".

Linda S. Richardson
Secretary – CREI Board of Directors

Enclosure

CROSSROADS INSTITUTE

Establishment of Terms

By-Laws Article II Section 1
(amended 8/19/15)

Updated May 2018

| | <u>Organization</u> | <u>Establishment Representation</u> | <u>Full Term</u> | <u>Representative</u> | | |
|--------------------|---------------------|-------------------------------------|------------------|---|--|--|
| Category A: | BRCEDA | BRCEDA Carroll County Rep. | 4 yrs. | Gary Larrowe 2015-2016 (serving out an SREC appointment) | Nikki Cannon 2015-2016 (began Sept. 2015 - 9 mos.) | Nikki Cannon 2016-2020 (replaced Oct. 2016) |
| | BRCEDA | BRCEDA Grayson County Rep. | 4 yrs. | Jonathan Sweet 2015-2019 (began Sept. 2015 - 14 mos.) | Mitch Smith 2016-2019 (replaced Sept. 2017) | Bill Shepley 2017-2019 (began Sept. 2017) |
| | BRCEDA | BRCEDA Galax City Rep. | 4 yrs. | C. M. Mitchell 2015-2019 (1st Full Term) | Mitch Smith, Alternate | |
| Category B: | Gov. Body | Grayson County | 4 yrs. | Kenneth Belton 2015-2016 (began July 2015 - 12 mos.) | Kenneth Belton 2016-2020 (1st Full Term) | |
| | Gov. Body | Smyth County | 4 yrs. | Dr. Mike Robinson 2015-2018 | VACANCY | |
| | Gov. Body | Carroll County | 4 yrs. | Phil McCraw 2014-2018 (1st Full Term) | Rex Hill 2017-2020 (began March 2017) | |
| | Gov. Body | Galax City | 4 yrs. | Willie Greene 2014-2018 (1st Full Term) | | |
| Category C: | Pres. / Supts. | Grayson County | 4 yrs. | Dr. Larry Massie interim (July - Nov. 2015) | Kelly Wilmore 2015-2019 (1st Full Term) (began Dec. 2015) | |
| | Pres. / Supts. | Galax City | 4 yrs. | Bill Sturgill 2016-2019 (2nd Full Term) | | |
| | Pres. / Supts. | Carroll County | 4 yrs. | Dr. Strader Blankenship 2012-2016 (1st Full Term) | Dr. Strader Blankenship 2016-2020 (2nd Full Term) (12 mos.) | Dr. Shirley Perry 2017-2020 (1st Full Term) (began July 2017) |
| | Pres. / Supts. | WCC | 4 yrs. | Dr. Dean Sprinkle 2016-2019 (1st Full Term) | | |
| Category D: | Background | | 4 yrs. | Carl Richardson 2014-2018 (1st Full Term) | | |
| | Background | | 4 yrs. | Allan Funk 2012-2016 (1st Full Term) | Allan Funk 2016-2020 (2nd Full Term) | Kelly Poe, Alternate |
| | Background | | 4 yrs. | Dr. Mark Burnette 2016-2019 (2nd Full Term) | | |
| | Background | | 4 yrs. | Dick Dalton 2014-2018 (1st Full Term) | John Lael 2017-2020 (1st Full Term) | |

BRCEDA Year End Operating Expenses Versus Budget

FY-19 Budget

| | FY 2018 | FY 2018 | FY 2018 | | FY-19 | |
|--|------------|--------------------------|-------------|-------------------|---------------|----------------|
| | APPROVED | Expenses thru 6/15/18 | as % BUDGET | NOTES | Proposed | INC/DEC |
| Personnel | \$ 83,990 | \$ 70,049 | 83% | | 63,102 | -20,888 |
| SALARY | \$ 67,100 | \$ 57,126 | 85% | | 46,800 | -20,300 |
| FICA | \$ 5,140 | \$ 3,899 | 76% | | 3,580 | -1,560 |
| GROUP | \$ 350 | \$ 56 | 16% | | 0 \$ | (350) |
| VRS | \$ 5,800 | \$ 3,170 | 55% | | 0 \$ | (5,800.00) |
| HEALTH INSURANCE | \$ 5,600 | \$ 5,797 | 104% | | 12,722 | 7,122 |
| Contracted Services | \$ 41,140 | \$ 30,800 | 75% | | 34,640 \$ | (6,500) |
| CONTRACTED SERVICES- LEGAL | \$ 1,500 | \$ 8,709 | 581% | | 15,000 \$ | 13,500 |
| CONTRACTED SERVICES- CONSULTING | \$ 25,000 | \$ 5,875 | 24% | 1800 Armentrout | 5,000 \$ | (20,000) |
| CONTRACTED SVC- ACCOUNTING | \$ 6,000 | \$ 7,501 | 125% | | 6,000 \$ | - |
| CONTRACTED SVC- AUDIT | \$ 8,640 | \$ 8,715 | 101% | | 8,640 \$ | - |
| Office | \$ 8,990 | \$ 8,462 | 94% | | 8,290 \$ | (700) |
| INSURANCE COVERAGE | \$ 2,400 | \$ 2,654 | 111% | | 2,700 \$ | 300 |
| POSTAGE | \$ 270 | \$ 105 | 39% | | 270 \$ | - |
| TELECOMMUNICATIONS | \$ 1,320 | \$ 1,118 | 85% | | 1,320 \$ | (700) |
| OFFICE SUPPLIES | \$ 2,000 | \$ 1,585 | 79% | | 1,000 \$ | (1,000) |
| OFFICE RENTAL | \$ 3,000 | \$ 3,000 | 100% | | 3,000 \$ | - |
| Outreach/Marketing | \$ 3,500 | \$ 1,828 | 52% | | 3,500 \$ | - |
| ADVERTISING AND OTHER MARKETING | \$ 3,000 | \$ 1,578 | 53% | | 3,000 \$ | - |
| DUES/PROFESSIONAL MEMBERSHIPS | \$ 500 | \$ 250 | 50% | | 500 \$ | - |
| Travel/Training | \$ 13,000 | \$ 10,875 | 84% | | 7,000 \$ | (6,000) |
| TRAVEL | \$ 5,000 | \$ 2,664 | 53% | | 2,500 \$ | (2,500) |
| MILEAGE | \$ 4,000 | \$ 4,307 | 108% | | 2,500 \$ | (1,500) |
| TRAINING/DEVELOPMENT TRAINING | \$ 4,000 | \$ 3,904 | 98% | | 2,000 \$ | (2,000) |
| Capitol Outlay (Non-construction) | | | | | | |
| EQUIPMENT | | | | | 0 | |
| EQUIPMENT- COMPUTERS | | | | | 0 | |
| Wildwood Expenses | \$ 50,700 | \$ 45,550 | 90% | | 7500 \$ | (43,200) |
| Maynard Drive marker (one-time expense) | \$ 2,500 | | 0% | | 0 \$ | (2,500) |
| Wildwood monthly mowing | \$ 4,000 | \$ 5,550 | 139% | | 6,000 \$ | 2,000 |
| Wildwood street lights (electric) | \$ 4,200 | | 0% | | 1,500 \$ | (2,700) |
| Accrual for natural gas connection fee | \$ 40,000 | \$ 40,000 | 100% | | 0 \$ | (40,000) |
| Other items | \$ 12,500 | \$ 5,245 | 42% | | 10,000 \$ | (2,500) |
| OTHER OPERATING EXPENSE | \$ 1,000 | \$ 4,878 | 488% | Annual fee on LOC | 5,000 \$ | 4,000 |
| SPECIAL EVENTS | \$ 1,500 | \$ 367 | 24% | | 1,000 \$ | (500) |
| New initiatives | \$ 10,000 | | 0% | | 4,000 \$ | (6,000) |
| Total Operational Expenses | \$ 213,820 | \$ 172,809 | 81% | | 134,032 \$ | (79,788) |
| Wildwood Debt Service | \$ 271,105 | \$ 281,825 | 104% | | 271,173 \$ | 68 |
| TOTAL EXPENDITURES | \$ 484,925 | \$ 454,634 | 94% | | 405,205 \$ | (79,720) |
| Wildwood Debt Service Support | \$ 271,105 | | | | \$ 271,173 | \$ 68 |
| Localities' Operational Support | \$ 213,820 | | | | \$ 134,032 | \$ (79,788.00) |
| Other Revenues | | | | | | |
| TOTAL REVENUES | \$ 484,925 | | | | \$ 405,205 | \$ (79,720) |
| Total Revenues per Locality | \$ 161,642 | | | | \$ 135,068.33 | \$ (26,573.33) |

| | | | | | | | | | |
|--------------------------------|----------------|-------------|------------|-------------|----|------------|-------------|------------|-------------|
| Timber Proceeds | \$ (76,786.56) | \$ | (5,850.00) | \$ | - | \$ | (25,000.00) | \$ | (30,428.50) |
| Timber Brokerage | \$ | 6,910.79 | | | | | | | |
| Logging Road exp. (chk # 1523) | \$ | 8,597.27 | | | | | | | |
| AEP EDGE Grant | \$ | (20,000.00) | \$ | (10,000.00) | \$ | (2,500.00) | \$ | (7,500.00) | \$ |
| AEP EDGE Grant 2016 | \$ | (5,000.00) | | | | | \$ | (5,000.00) | |

| CHECK DATE | CHECK # | COMPANY | DESC | Total Rev./Exp. | Website/ Marketing Consulting | Print Materials | Events/Travel | Contingency / Prospect Activity |
|------------|------------|-----------------------------------|---------------------------------------|--|-------------------------------|----------------------|-----------------------|---------------------------------|
| | | | | | | | | |
| | | | Budget | \$ (86,278.50) | \$ (15,850.00) | \$ (2,500.00) | \$ (37,500.00) | \$ (30,428.50) |
| 08/13/14 | 1461 | Ken McFadyen | Memphis conference- lodging | \$ 687.81 | | | \$ 687.81 | |
| | 1461 | Ken McFadyen | Mileage to Memphis | \$ 769.44 | | | \$ 769.44 | |
| | 1465 | Southern Economic Development Cou | Memphis conference registration | \$ 425.00 | | | \$ 425.00 | |
| | 1495 | Ken McFadyen | Catering for VEDP briefing | \$ 147.94 | | | \$ 147.94 | |
| | 1496 | Site Selectors Guild | 2015 Guild conf. registration | \$ 1,700.00 | | | \$ 1,700.00 | |
| | 01/21/15 | 1526 | Whittington Consulting | Website- first installment | \$ 7,425.00 | \$ 7,425.00 | | |
| | 02/06/15 | 1533 | Ginny Plant | Gifts for consultants- Greenville | \$ 442.69 | | \$ 442.69 | |
| | 02/16/15 | 1538 | Bill's Helicopter Service | Aerial photography | \$ 200.00 | | | \$ 200.00 |
| | 03/02/15 | 1546 | Ken McFadyen | High Cotton- Greenville luncheon | \$ 640.97 | | \$ 640.97 | |
| | | 1546 | Ken McFadyen | Greenville trip- lodging | \$ 129.12 | | \$ 129.12 | |
| | | 1546 | Ken McFadyen | Mileage to Greenville | \$ 246.10 | | \$ 246.10 | |
| | 03/02/15 | 1547 | Ginny Plant | Greenville table decorations | \$ 50.54 | | \$ 50.54 | |
| | 03/02/15 | 1549 | Virginia Produce | Prepare baskets for Greenville trip | \$ 144.00 | | \$ 144.00 | |
| | 03/04/15 | 1555 | Ken McFadyen | 2015 Guild conf.- airfare | \$ 423.59 | | \$ 423.59 | |
| | | 1555 | Ken McFadyen | 2015 Guild conf.- lodging | \$ 715.14 | | \$ 715.14 | |
| 03/05/15 | 1555 | Ken McFadyen | 2015 Guild conf.- taxi | \$ 9.00 | | \$ 9.00 | | |
| | 1555 | Ken McFadyen | 2015 Guild conf.- mileage to airport | \$ 140.30 | | \$ 140.30 | | |
| | 1555 | Ken McFadyen | 2015 Guild conf.- meal | \$ 9.63 | | \$ 9.63 | | |
| | 1555 | Ken McFadyen | 2015 Guild conf.- meal | \$ 26.54 | | \$ 26.54 | | |
| | 1555 | Ken McFadyen | 2015 Guild conf.- airport parking | \$ 40.00 | | \$ 40.00 | | |
| | | 1561 | Wordsprint | Folders/ Stationary | \$ 435.94 | \$ 435.94 | | |
| | 03/23/15 | 1566 | Continuous Dialogue - Carol Johnson | Presentation assistance | \$ 1,000.00 | \$ 1,000.00 | | \$ 270.00 |
| | 03/26/15 | 1569 | Omega Office Supply | On-site sign | \$ 270.00 | | \$ 100.00 | |
| | 04/16/15 | 1583 | SREC | Copier | \$ 100.00 | | | |
| | 04/29/15 | 1594 | VEDP | Nashville marketing event | \$ 2,500.00 | | \$ 2,500.00 | |
| | 04/29/15 | 1592 | Wordsprint | Stationary | \$ 184.28 | \$ 184.28 | | |
| | 05/21/15 | 1604 | Chestnut Creek School of the Arts | Gifts for consultants - Nashville | \$ 240.00 | | \$ 240.00 | |
| | 05/21/15 | 1605 | Webster Global | Ohio marketing event | \$ 2,500.00 | | \$ 2,500.00 | |
| | 6/10-12/15 | 1615 | Ken McFadyen | Travel to/from Nashville (air \$580) | \$ 448.50 | | \$ 448.50 | |
| | 06/10/15 | 1615 | Ken McFadyen | Lodging in Nashville (2 nites/\$200 per) | \$ 734.20 | | \$ 734.20 | |
| 06/11/15 | 1615 | Ken McFadyen | SEDC - Communications Award entry for | \$ 50.00 | | | | |
| 06/30/15 | 1616 | Whittington Consulting | Website- final installment | \$ 7,425.00 | \$ 7,425.00 | | \$ 1,500.00 | |
| 06/30/15 | 1624 | Site Selectors Guild | 2015 Fall Forum- Philadelphia | \$ 1,500.00 | | \$ 1,500.00 | | |
| 08/05/15 | 1639 | The Bike Station | Didi Caldwell Visit | \$ 54.76 | | \$ 54.76 | | |
| 08/28/15 | 1643 | The Vass House | Didi Caldwell Visit | \$ 250.00 | | \$ 250.00 | | |
| 08/28/15 | 1648 | Galax Visitors Center | Didi Caldwell Visit | \$ 24.00 | | \$ 24.00 | | |
| 09/16/15 | 1656 | Ken McFadyen | Wildwood Marketing trip to Ohio | \$ 1,069.97 | | \$ 1,069.97 | | |

| | | | | | | |
|-----------|---|--|----|--------------------|----|--------------------|
| 11/16/15 | 1692 Ken McFadyen | Wildwood Marketing trip to Philadelphia | \$ | 2,107.84 | \$ | 2,107.84 |
| 12/23/15 | 1703 VEDP | Logistics Conference- Dallas Feb 2016 | \$ | 800.00 | \$ | 800.00 |
| 03/25/16 | 1740 Nat'l Bank of Blacksburg (credit card) | Travel Expenses - Columbia/Ian Dallas trip | \$ | 1,975.66 | \$ | 1,975.66 |
| 04/04/16 | 1746 Ken McFadyen | Mileage - Dallas/Nashville/Columbia trip | \$ | 781.92 | \$ | 781.92 |
| 05/03/16 | 1762 Whittington Consulting | Advertising - website | \$ | 600.00 | \$ | 600.00 |
| 05/16/16 | 1772 Nat'l Bank of Blacksburg (credit card) | Travel Expenses - March Dallas trip | \$ | 2,928.14 | \$ | 2,928.14 |
| 06/28/16 | 1789 Chmura Economics & Analytics | Professional Services - workforce data | \$ | 500.00 | | |
| 12/09/16 | 1855 Whittington Consulting | Wildwood Website Domain Renewal | \$ | 25.00 | \$ | 25.00 |
| 03/24/17 | 1901 Nat'l Bank of Blacksburg (credit card) | Southern Economic Development Council | \$ | 360.00 | | |
| 03/24/17 | 1901 Nat'l Bank of Blacksburg (credit card) | Southern Economic Development Council | \$ | 300.00 | | |
| 04/28/17 | 1907 Katherine Asbury | Mileage | \$ | 690.15 | | |
| 04/28/17 | 1907 Katherine Asbury | Georgia Tech Hotel & Conf Center | \$ | 900.76 | | |
| 04/28/17 | 1907 Katherine Asbury | Publix | \$ | 6.88 | | |
| 04/28/17 | 1907 Katherine Asbury | Café GAO01 | \$ | 8.41 | | |
| 04/28/17 | 1907 Katherine Asbury | Kuroshio | \$ | 19.53 | | |
| 04/28/17 | 1907 Katherine Asbury | Farm to Ladle | \$ | 13.62 | | |
| 04/28/17 | 1907 Katherine Asbury | Barrelhouse | \$ | 8.64 | | |
| 04/28/17 | 1907 Katherine Asbury | Georgia Tech Parking | \$ | 60.00 | | |
| 04/28/17 | 1907 Katherine Asbury | Kilwins | \$ | 4.69 | | |
| 04/28/17 | 1907 Katherine Asbury | SO St. | \$ | 15.44 | | |
| 05/15/17 | 1921 Whittington Consulting | Wildwood Website Hosting | \$ | 600.00 | \$ | 600.00 |
| 6/5/2017 | 1924 Whittington Consulting | Website maintenance | \$ | 62.50 | \$ | 62.50 |
| 8/17/2017 | 1963 Nat'l Bank of Blacksburg (credit card) | Site Selectors Guild - registration and flight | \$ | 2,261.60 | \$ | 2,261.60 |
| 09/11/17 | 1990 Squealers Catering | Site visit catering | \$ | 280.00 | | |
| 10/11/17 | 1986 Katherine Asbury | SSG - Mileage | \$ | 130.54 | \$ | 130.54 |
| 10/11/17 | 1986 Katherine Asbury | SSG - Meal | \$ | 8.21 | \$ | 8.21 |
| 10/11/17 | 1986 Katherine Asbury | SSG - Taxi | \$ | 50.00 | \$ | 50.00 |
| 10/11/17 | 1986 Katherine Asbury | SSG - Airport Parking | \$ | 21.00 | \$ | 21.00 |
| 11/01/17 | 1995 Nat'l Bank of Blacksburg (credit card) | SSG - Delta Air baggage fee | \$ | 25.00 | \$ | 25.00 |
| 11/01/17 | 1995 Nat'l Bank of Blacksburg (credit card) | SSG - Fairmont Olympic Hotel - beverage | \$ | 8.81 | \$ | 8.81 |
| 11/01/17 | 1995 Nat'l Bank of Blacksburg (credit card) | SSG - Fairmont Olympic Hotel - Hotel | \$ | 625.92 | \$ | 625.92 |
| 12/18/17 | 2017 Whittington Consulting | Wildwood Website Domain Renewal | \$ | 25.00 | \$ | 25.00 |
| 05/23/18 | 2056 Vista Print | Folders | \$ | 272.48 | \$ | 272.48 |
| 04/12/18 | 2065 Whittington Consulting | Wildwood Website Hosting | \$ | 600.00 | | |
| 06/04/18 | 2088 Whittington Consulting | PDF Update | \$ | 31.25 | | |
| | | Remaining Balances = | \$ | (36,010.05) | \$ | (36,010.05) |
| | | | | 1,943.75 | \$ | (1,507.30) |
| | | | | | \$ | (7,318.00) |
| | | | | | \$ | (29,178.50) |

Dan Campbell

From: info@revitalizeva.org
Sent: Friday, June 1, 2018 1:35 PM
To: director@brceda.org
Subject: Grant #3320 - Wildwood Commerce Park - Phase III

On behalf of the Commission, I hereby confirm that your request for a grant to fund the subject project was approved on 09/20/2017, in the amount of \$514,659.00, subject to the terms described in the Agreement. That Agreement has been uploaded to your portal for your review. Due to the fact that the original request amount was not awarded in full; a revised budget worksheet is required and should be returned with the signed grant agreement.

Click [here](#) to review the Commission's "Funding Policies for Grant Awards: Information for Applicants and Grantees", which will guide you through the process of using the grant funds.

Please download the agreement, print it, sign it, then scan and upload the agreement as a .PDF file. Please note it is no longer necessary for the original signatures to be mailed to the Commission.

Click [here](#) to log in to your portal and complete the required letter of agreement and revised project budget.

You will receive two additional e-mail notifications prompting you to log in to your portal and upload a current W-9 Form and upload a completed Signature Authorization Form.

This grant is also conditioned upon Commission participation in all related press conferences or announcements. Please contact our office to coordinate any press announcement that you may wish to make.

I look forward to working with you to ensure that the funds awarded by the Commission will bring new jobs and new opportunities to the citizens in your region.

Sincerely,
Evan Feinman
Executive Director

TICRC Grant Application Budget Worksheet

1. Financial Information: Sources of Funds

a. Requested TICRC Funds: Enter a Description and Budget Line Item Amounts in the blue highlighted boxes below. *Please include specific, detailed budget narrative as an additional attachment in your application.*

| Requested TICRC Fund Details | | | | | | | | |
|--|---|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Description (Enter a brief description of how the TICRC funds will be used) | Tobacco Commission funds will be used to construct a natural gas interconnect station and the BC Vaughan wastewater pump station to serve the Megasite. | | | | | | | |
| 2. Budget Line Item | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 3. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | \$514,659.00 | |
| 4. Total Amount (Self Totalling) | | | | | | | | |
| | | | | | | | | \$514,659.00 |

b. Other Funding: Enter Source Information, Status, Description and Budget Line Item Amounts in the blue highlighted boxes below. Select funding type and status from the dropdown menus in the blue highlighted boxes where indicated. *Please include specific, detailed budget narrative as an additional attachment in your application.*

| Matching Funds Detail | | | | | | | | |
|--|--|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | Local | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | Carroll County Industrial Development Authority | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | Money in Hand | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | BRCEDA will use \$300,000 in Incentive Credits from the purchase agreement between Carroll County IDA and Appalachian Natural Gas. | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | \$300,000.00 | |
| 7. Total Amount (Self Totalling) | | | | | | | | |
| | | | | | | | | \$300,000.00 |

| Matching Funds Detail | | | | | | | | |
|--|---|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | Local | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | BRCEDA and localities of Carroll County, Grayson County, and Galax | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | Money in Hand | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | BRCEDA will utilize the debt service payments made on the Wildwood property as the match for this funding request, which equals 20 months of debt service payments, for a total of \$451,957. | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | \$451,957.00 | |
| 7. Total Amount (Self Totalling) | | | | | | | | |
| | | | | | | | | \$451,957.00 |

| Matching Funds Detail | | | | | | | | |
|--|---|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | Local | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | City of Galax | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | Money in Hand | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | Matching funds for the design of major wastewater and pump station renovations. | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | \$585,900.00 | |
| 7. Total Amount (Self Totalling) | | | | | | | | |
| | | | | | | | | \$585,900.00 |

| Matching Funds Detail | | | | | | | | |
|--|---|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | Local | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | City of Galax (through a VRA loan) | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | Application Approved | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | Matching funds finance major wastewater and pump station renovations to offer a reduced rate for business development incentives at the Megasite. | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | \$8,000,000.00 | |
| 7. Total Amount (Self Totalling) | | | | | | | | \$8,000,000.00 |

| Matching Funds Detail | | | | | | | | |
|--|-------------------|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | | |
| 7. Total Amount (Self Totalling) | | | | | | | | \$0.00 |

| Matching Funds Detail | | | | | | | | |
|--|-------------------|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | | |
| 7. Total Amount (Self Totalling) | | | | | | | | \$0.00 |

| Matching Funds Detail | | | | | | | | |
|--|-------------------|----------------------|----------------------|--------------------|-------------------------|-----------|----------------------|-------------------|
| 1. Funding Type (Select the type of matching funds from the dropdown list) | | | | | | | | |
| 2. Agency/Locality Name (Enter the name the source of the matching funds) | | | | | | | | |
| 3. Status (Select the status of the matching funds from the dropdown list) | | | | | | | | |
| 4. Description (Enter a brief description of how the matching funds will be used) | | | | | | | | |
| 5. Budget Line Item Description | Personal Services | Contractual Services | Supplies & Materials | Continuous Charges | Property & Improvements | Equipment | Plant & Improvements | Transfer Payments |
| 6. Budget Line Item Amount (Enter the amount of funds allocated to each budget line) | | | | | | | | |
| 7. Total Amount (Self Totalling) | | | | | | | | \$0.00 |

2. Financial Information: Budgeted Expenditures

You do not need to enter any information in this section. The table below is self calculating based on the information entered in section 1 (Financial Information: Sources of Funds). Please fill in the blue highlighted fields in section 1 to populate the table below. The amounts from the "TICRC Funds" column and the "Total Matching Funds Column" should correspond to the amounts entered in the grant application.

| Proposed Project Budget | | | | | | | | |
|---|--------------|-------|----------------|---------|---------|---------|----------------------|----------------|
| | TICRC Funds | State | Local | Federal | Private | In-Kind | Total Matching Funds | Grand Total |
| Personal Services (Salaries, Wages, Benefits, etc.) | | | | | | | | |
| Contractual Services (A&E, Legal, Printing, Media, Travel, Training, etc.) | | | | | | | | |
| Supplies & Materials (Engineering Supplies, Building & Mechanical Repair, Supplies, Educational Supplies, etc.) | | | | | | | | |
| Continuous Charges (Insurance, Lease Payments, Utilities, etc.) | | | | | | | | |
| Property & Improvements (Land Acquisition, Site Development, etc.) | | | | | | | | |
| Equipment (Computers, Phones, Furniture, Fixtures, Manufacturing Equipment, etc.) | | | | | | | | |
| Plant & Improvements (Building Acquisition, Construction/Renovation, etc.) | \$514,659.00 | | \$9,337,857.00 | | | | \$9,337,857.00 | \$9,852,516.00 |
| Transfer Payments (Scholarships, Incentives, etc.) | | | | | | | | |
| Total Costs: | \$514,659.00 | | \$9,337,857.00 | | | | \$9,337,857.00 | \$9,852,516.00 |

LETTER OF AGREEMENT - GRANT FUNDS – RESTRICTED FUNDS - UNRELATED

This Grant Agreement (this “Agreement”) made and entered the **20th day of September, 2017** (the “Award Date”), by and between the **Tobacco Region Revitalization Commission**, a body corporate and political subdivision of the Commonwealth of Virginia (the “Commission”), and **Blue Ridge Crossroads Economic Development Authority**. (the “Grantee”).

WITNESSETH:

WHEREAS, the Virginia General Assembly created the Commission to, among other things, stimulate the economic growth and development of tobacco-dependent communities in the Southside and Southwest regions (the “Region”) of the Commonwealth of Virginia (the “Commonwealth”), and

WHEREAS, the Grantee has submitted an application, which by this reference is incorporated herein and made a part of this Agreement (the “Application”), to the Commission for funding to acquire, construct, improve, equip, furnish and/or otherwise undertake the project entitled **Wildwood Commerce Park - Phase III** described on **Exhibit A** attached hereto (the “Project”), and

WHEREAS, the Commission, in reliance upon the information set forth in the Application, has determined that the Project benefits the Region and is consistent with and in furtherance of the Commission’s public purposes and approved a grant to the Grantee in the amount of **\$514,659.00** (the “Grant”) to fund the Project, the approval and funding of such Grant the Commission has determined constitutes a valid public purpose for the expenditure of public funds and is the animating purpose for the Grant, and

WHEREAS, the Commission and the Grantee desire to set forth their understanding and agreement as to the use of the Grant and the obligations of the Grantee regarding the use of the Grant,

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby represent, warrant, covenant and agree as follows:

1. Definitions. The following capitalized terms used in this Agreement have the meanings set forth below:

“**Authorized Expenditures**” means the expenditures to be paid by or on behalf of, or reimbursed to, the Grantee in connection with the Grant as set forth in the Project Budget.

“Capital Expenditure” means any cost of a type that is properly chargeable to capital account (or would be so chargeable with (or but for) a proper election or the application of the definition of “placed in service” under Treas. Regs. §1.150-2(c)) under general federal income tax principles, determined at the time the expenditure is paid.

“Commission-Related Party” means a Person that is a Related Party to the Commission, the Issuer or the Commonwealth.

“Controlled Group” means a group of entities controlled directly or indirectly by the same entity or group of entities within the meaning of this definition.

(i) The determination of direct control is made on the basis of all the relevant facts and circumstances. One entity or group of entities (the controlling entity) generally controls another entity or group of entities (the controlled entity) for purposes of this definition if the controlling entity possesses either of the following rights or powers and the rights or powers are discretionary and non-ministerial—

(A) The right or power both to approve and to remove without cause a controlling portion of the governing body of the controlled entity; or

(B) The right or power to require the use of funds or assets of the controlled entity for any purpose of the controlling entity.

(ii) If a controlling entity controls a controlled entity under the test set forth in paragraph (i) of this definition, then the controlling entity also controls all entities controlled, directly or indirectly, by the controlled entity or entities.

(iii) An entity is not a controlled entity under paragraph (i) of this definition if the entity possesses substantial taxing, eminent domain, and police powers. For example, a city possessing substantial amounts of each of these sovereign powers is not a controlled entity of the state (Commonwealth).

“501(c)(3) Organization” means any Person described in Section 501(c)(3) of the Tax Code and exempt from tax under Section 501(a) of the Tax Code.

“Governmental Person” means a state or local governmental unit as defined in Treas. Regs. § 1.103-1 or any instrumentality thereof. The federal government and its agencies and instrumentalities are not Governmental Persons.

“Issuer” means the Tobacco Settlement Financing Corporation, a public body corporate and an independent instrumentality of the Commonwealth.

“Loan” means any transaction that is generally characterized as a loan for federal income tax purposes. A Loan may arise from the direct lending of money or may arise from transactions in which indirect benefits that are the economic equivalent of a loan are conveyed within the meaning of Treas. Regs. § 1.141-5. Certain leases, management contracts and other contractual arrangements and certain prepayments for property or services may constitute Loans under Treas. Regs. § 1.141-5.

"Person" means any natural person, firm, joint venture, association, partnership, business trust, corporation, limited liability company, corporation or partnership, or any other entity (including a governmental entity).

"Related Person" shall have the meaning set forth in Section 144(a)(3) of the Tax Code. For purposes of Section 144(a)(3) of the Tax Code, a Person is a Related Person to another Person if—

(A) the relationship between such Persons would result in a disallowance of losses under Section 267 or 707(b) of the Tax Code, or

(B) such persons are members of the same controlled group of corporations (as defined in Section 1563(a) of the Tax Code, except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears therein).

"Tax Code" means the Internal Revenue Code of 1986, as amended, and the applicable provisions of the regulations of the U.S. Department of Treasury promulgated thereunder.

"Tobacco Bonds" means the Tobacco Settlement Asset-Backed Bonds, Series 2005, which were issued by the Issuer on May 16, 2005, and have a stated final maturity date of June 1, 2037, and the Tobacco Settlement Asset-Backed Bonds, Series 2007 B, C, and D which were issued by the Issuer on May 3, 2007, and have a stated final maturity date of June 1, 2047.

Working Capital Expenditure means any cost that is not a Capital Expenditure. Generally, current operating expenses are Working Capital Expenditures.

2. **Source of Grant Funds; Reliance.** The Grantee represents that it understands that the Grant funds are derived from the proceeds of the Tobacco Bonds, the interest on which must remain excludible from gross income for federal income tax purposes (that is, "tax-exempt") pursuant to both (i) Virginia law and (ii) contractual covenants made by the Commission, the Issuer and the Commonwealth for the benefit of the owners of the Tobacco Bonds. The Grantee further represents that (a) the undersigned authorized representative of the Grantee has been informed of the purpose and scope of Sections 103 and 141-150 of the Tax Code as they relate to the Tobacco Bonds and the Grant, and (b) the representations and warranties contained in this Section and throughout this Agreement can be relied on by the Commission, the Issuer and bond counsel for the Commission and Issuer in executing certain documents and rendering certain opinions in connection with the Tobacco Bonds.

3. **Nature of Grantee.** The Grantee represents that it is neither a Commission-Related Party nor an agent of the Issuer, the Commission or the Commonwealth. A true, correct and complete copy of the Grantee's charter, articles of incorporation or similar governing instrument is attached hereto as **Exhibit D** and is in full force and effect on the date hereof. If the Grantee is a 501(c)(3) Organization, a copy of its IRS determination letter shall also be attached as part of **Exhibit D** hereto. The Grantee will not make any changes to its governing documents or structure, funding or operations during the term of the Tobacco Bonds that would or may cause the Grantee to become a Commission-Related Party or an agent of the Issuer, the Commission or the Commonwealth.

4. Project and Budget; Nature of Authorized Expenditures. The Grantee agrees to use the Grant for that portion of the Project not being paid from other sources as set forth in the budget for the Project attached hereto as **Exhibit B** (the "Project Budget"). No portion of the Grant shall be used by the Grantee for any purpose whatsoever other than to pay or to reimburse Authorized Expenditures with respect to the Project without the prior written approval of the Executive Director of the Commission (the "Executive Director"). No material changes shall be made in the scope of the Project or to the Project Budget without the prior written approval of the Executive Director. Any document signed by the Executive Director accepting a change in the scope of the Project or to the Project Budget shall set forth with specificity the accepted change. If the maximum authorized amount of the Grant exceeds the amount necessary to complete the Project, the excess shall not be disbursed to the Grantee but shall remain with the Commission or, if previously disbursed, be returned to the Commission within thirty (30) days of the earlier of the completion of the Project or the expiration of this Agreement.

The Grantee represents, warrants and covenants as follows:

(a) All Authorized Expenditures will be Capital Expenditures. No Authorized Expenditure will be a Working Capital Expenditure.

(b) Other than as described in Sections 12 and 13 below, the Grant does not impose on the Grantee any obligation or condition to directly or indirectly repay any amount (in cash, property or services or otherwise) to the Commission, the Issuer, the Commonwealth or any Commission-Related Party.

(c) No Authorized Expenditure will represent, nor will the Grant involve, the use by the Grantee of any portion of the Grant funds, directly or indirectly, (i) to make or finance a grant or a Loan to a Commission-Related Party or (ii) to refund, redeem or pay debt service on the debt obligations (including without limitation any tax-exempt bonds) of the Grantee or any other Person.

(d) No part of the assets to be financed by the Grant will be used by the Commission, the Issuer, the Commonwealth or other Commission-Related Party pursuant to a lease, a management or service contract, output contract, or pursuant to any other arrangement conveying special legal entitlements for the use of such assets that is comparable to a lease, a management or service contract or an output contract, such as an arrangement conveying priority rights to the use or capacity of a Grant-financed asset.

The average reasonably expected economic life of the assets to be financed by the Grant is set forth in **Exhibit D** attached hereto.

The Grantee agrees to cause the Project to be acquired, constructed, improved, equipped, furnished and/or otherwise undertaken as described in **Exhibit A** and will cause the Project to be completed on or before the expiration of this Agreement. The Grantee represents and warrants that Grant funds and funds available from the other sources specified in the Project Budget will be sufficient to cause the Project to be completed.

The Grantee agrees to comply with any applicable governmental requirements pertaining to the Project and the use and application of Grant funds provided hereunder, including but not limited to, applicable requirements of the Virginia Public Procurement Act (Virginia Code Section 2.2-4300 *et seq.*, as amended) but only as and to the extent required by any such governmental requirements, and the Commission shall not in any way be responsible for determining the extent, to which any such governmental requirements apply to this Grantee.

5. Payment of Grant Funds. Subject to the terms of this Agreement, including but not limited to, satisfaction by the Grantee, in the sole discretion of the Commission, of the conditions set forth on Exhibit C attached hereto, the Grant shall be disbursed to the Grantee on a reimbursement basis upon submission of a signed payment request on the Commission's then current form ("Payment Request Form") with adequate supporting documentation. The Grantee agrees to comply with the Commission's General Funding Policies, Grant Disbursement Guidelines and Guidelines for Advance of Funds as adopted by the Commission as in effect from time to time and applied in the sole discretion of the Commission. Expenses incurred prior to the Award Date are not eligible for reimbursement. Prior to any disbursement, the Commission shall have on record documentation from the Grantee designating the officers, employees or agents authorized to make a reimbursement request (such documentation may be in the form of a resolution or minutes of the Grantee appointing such designee). Reimbursement requests shall be submitted not more frequently than quarterly, unless the Commission otherwise agrees. Appropriate supporting documentation shall be attached to all Payment Request Forms and may include, but is not limited to, invoices from goods purchased and services performed, receipts, vouchers, reporting forms or other evidence of the actual payment of costs related to the Project and consistent with the Project Budget. The Grantee shall also provide appropriate supporting documentation of the expenditure and application of any required matching funds for the Project as set forth on Exhibit C attached hereto. The Commission may in its sole discretion refuse to make a disbursement if the documentation is not adequate or if such disbursement does not appear to be within the Project Budget or otherwise contrary to or in violation of the provisions hereof. The Commission in its sole discretion may refuse to disburse any funds to the Grantee if the Grantee has previously received a grant award and a final grant report for the previous grant award has not been received by the Commission.

The Grantee may request in writing an advance of up to twenty-five percent (25%) of the Grant if the Grantee lacks sufficient funds to commence the Project. Approval of such request shall be in the sole discretion of the Commission and shall be available no earlier than ninety days (90) prior to the start of the Project. If an advance is disbursed, the Grantee may request additional disbursements only upon submission of signed Payment Request Forms with adequate documentation demonstrating the use of the advance in accordance with the provisions of this Agreement.

6. Quality of Work. The Commission, and its members, employees and agents, shall have the right to inspect the Project at reasonable times from time to time. Upon a determination that the quality of work done or the progress toward completion of the Project is unsatisfactory, the Commission may take whatever action is necessary to preserve the integrity of the Grant and its original intended purpose, including but not limited to, the actions set forth in Section 12 of this

Agreement. The Project may be monitored through on-site visits by representatives of the Commission or in any other manner deemed appropriate by the Executive Director.

7. Parties' Relationship. In connection with the award or the administration of the Grant, the Commission does not and shall not assume any liability for any financial or other obligations of the Grantee made to third parties, whether or not related to the Project. The Grantee shall provide written notice to all vendors, contractors and any other party retained to work on the Project that neither the Commission nor the Commonwealth shall be liable for the Project or any payment failure or other obligation related thereto. Such written notice shall provide that by accepting work on the Project, all such vendors, contractors and other parties release and relinquish the Commission and the Commonwealth from any claim which might otherwise be asserted, and that each party accepting such work thereby indemnifies and holds the Commission, and its members, employees and agents, harmless against any and all such obligations; and further, that if any action is brought against the Commission, or its members, employees or agents, the party accepting such work shall be liable for all legal expenses and other costs related to such action. The Grantee is and will be acting as an independent contractor in the performance of the Project, and agrees to be responsible, where found liable and to the extent not covered by insurance or specified by statute, for the payment of any claim for loss, personal injury, death, property damage, or otherwise arising out of any act or omission of its members, employees or agents in connection with the performance of the Project. Nothing contained herein shall be deemed an express or implied waiver of the sovereign immunity of the Commission or the Commonwealth.

The Grantee shall at all times protect, indemnify and hold the Commission, the Issuer, the Commonwealth and the owners of the Tobacco Bonds, and their respective members, directors, officers, employees, attorneys and agents (the "Indemnitees"), harmless against any and all liability, losses, damages, costs, expenses, penalties, taxes, causes of action, suits, claims, demands and judgments of any nature arising from or in connection with any misrepresentation, breach of warranty, noncompliance or default by or on behalf of the Grantee under this Agreement, including, without limitation, all claims or liability (including all claims of and liability to the Internal Revenue Service) resulting from, arising out of or in connection with the loss of the excludability from gross income of the interest on all or any portion of the Tobacco Bonds that may be occasioned by any cause whatsoever pertaining to such misrepresentation, breach, noncompliance or default, such indemnification to include the reasonable costs and expenses of defending any Indemnatee or investigating any claim of liability and other reasonable expenses and attorneys' fees incurred by any Indemnatee in connection therewith.

8. Recordkeeping. The Grantee shall maintain proper books of record and account with respect to the Grant and the Project in which accurate and timely entries shall be made in accordance with generally accepted accounting principles, consistently applied, during the term of this Agreement. Grant funds shall be held in a separate and segregated account (the "Fund") and the Fund shall reflect all activity of the Grant funds received for the Project, itemized by category of expenses in the same manner as in the Project Budget. The Grantee shall retain all invoices from goods purchased and services performed, receipts, vouchers, reporting forms or other evidence of the actual payment of costs related to the Project. All books of record and account and all records of receipts and expenditures with respect to the Grant and the Project and copies of Payment Request Forms with supporting documentation and annual and final reports submitted to the Commission shall be retained for at least three (3) years after the later of the completion of the

Project or the expiration of this Agreement. The Commission, and its members, employees and agents, shall have the right at reasonable times from time to time to inspect and make copies of the books and records of the Grantee and the Fund.

9. Annual Reports. The Grantee shall submit to the Commission annual financial and narrative reports reflecting activity in the Fund and progress made toward completion of the Project. Annual financial reports shall be presented on the Commission's grant reporting form then in effect (the "Grant Reporting Form"). Annual narrative reports shall indicate the progress made toward achieving the goals of the Grant and shall be submitted with the Grant Reporting Form. Annual reports shall be due one year from the Award Date and annually thereafter until the Project is complete. The Commission reserves the right to request additional information to supplement the information provided in the Grant Reporting Form or the annual narrative reports, including but not limited to, the Grantee's audited financial statements.

10. Final Report. The Grantee shall provide a final financial and narrative report to the Commission upon submission of the final payment request. The final report shall contain the type of information contained in the annual reports, including a narrative as to the success of the Project and a description of the long-term achievements and expectations for the Project. The Commission may withhold disbursement of the final payment until receipt of a final report that is in all respects satisfactory to the Commission. After the completion of the Project and expiration of this Agreement, the Commission may in its sole discretion require additional reporting on the long-term achievements and expectations of the Project.

11. Interim Reports. In addition to the annual reports and final report required by Sections 9 and 10 of this Agreement, the Commission may reasonably request that the Grantee submit additional or interim information from time to time to ensure that the provisions of this Agreement are properly carried out, administered and enforced.

12. Misuse of Award; Rights of Commission. If the Commission determines that any part of the Grant has been used for a purpose other than to pay or reimburse Authorized Expenditures with respect to the Project or that the Grantee has failed to comply with any material term or condition or obligation of the Grantee in this Agreement, including but not limited to, the Grantee making in any material respect a false or misleading statement or other written or oral representation, warranty or statement furnished or made to the Commission in this Agreement, the Application or otherwise, the Commission in its sole discretion may withhold any further disbursements to the Grantee and, in addition:

(a) rescind the Grant by written notice to the Grantee, in which event the Grantee shall be obligated to return to the Commission, within five (5) days following receipt of such notice, an amount, from legally available funds, equal to all Grant payments received pursuant to this Agreement, plus interest from the date of receipt of such notice at the prime rate set forth in the Wall Street Journal on the date of such notice;

(b) require the Grantee to take whatever action at law or in equity the Commission may direct in order to recover any Grant funds not used for the actual payment of costs related to the Project and consistent with the Project Budget, and comply with any procedures that the Commission may direct in order to prevent further improper use of the Grant;

(c) take any other action as necessary to preserve the integrity of the Grant and to preserve Grant funds for appropriate uses;

(d) determine that the Grantee is ineligible to receive future grant funding through the Commission;

(e) withhold any and all disbursements requested by the Grantee from the Commission under any other grant previously approved by the Commission; and/or

(f) take such judicial action as is necessary to collect any amounts owed, including legal action for breach of this Agreement, pursuant to this Section or as otherwise provided in this Agreement.

The Commission reserves the right to modify or withhold any disbursement of Grant funds if the Commission in its sole discretion determines that it is necessary in order to protect the purposes and objectives of the Commission and the Grant or to comply with any law or regulation applicable to the Commission, the Grant and/or the Grantee.

13. Sale or Encumbrance; Security Interest. Until the Commission has determined that the public purposes of the Grant have been satisfied, none of the assets or property acquired, constructed, improved, equipped, and/or furnished as part of the Project shall be leased, sold, exchanged, disposed of, hypothecated, mortgaged or encumbered without the prior written approval of the Executive Director. In the event that such asset or property is leased, sold, exchanged, disposed of, hypothecated, mortgaged or encumbered without the prior written approval of the Executive Director, the Commission may assert its interest in the asset or property to recover the Commission's share of the value of such asset or property and/or recover from the Grantee, unless otherwise prohibited by law.

The Grantee hereby pledges, delivers and assigns to the Commission and, as its interests may be, to the Grantee, a security interest in, to and on all property purchased with the Grant, which security interest shall be held by the Commission and, as applicable, the Grantee to secure the Grantee's full performance under this Agreement. Upon the request of the Commission and, as applicable, the Grantee, the Grantee will execute, provide and sign all documents necessary to establish and/or perfect Commission's and, as applicable, the Grantee's security interest in such property, including deeds of trust, supplemental deeds of trust, amendments or modifications hereto, financing statements, continuation statements or other instruments and documents which may be reasonably required from time to time. The Commission will release its security interest upon the Grantee's full performance under this Agreement, including, without limitation, the Grantee's full compliance with all reporting requirements required herein, and once the Commission has determined that the public purposes of the Grant have been satisfied.

14. Press Releases. The Grantee agrees that it shall not issue any press releases or other public statements regarding the Grant without the prior written consent of the Commission.

15. Future Funding. The Grant provided pursuant to this Agreement shall not be deemed to be an actual or implied promise of the Commission to fund the Project except as provided for herein. No representation by the Commission, or its members, employees or agents, shall be binding unless set forth in writing and signed by the Executive Director. In addition to the other remedies provided by law or in this Agreement, if the Grantee fails to comply with the terms of this Agreement, the Project shall not be entitled to additional funding by the Commission.

16. Entire Agreement. To the extent there are inconsistencies between this Agreement and its supporting documents, including the Application and the exhibits attached hereto, this Agreement shall control. This Agreement expresses the entire understanding and all agreements between the Commission and the Grantee and may not be modified except in a writing signed by the Commission and the Grantee.

17. Governing Law; Jurisdiction; Venue. This Agreement shall be governed by the applicable laws of the Commonwealth. The venue of any judicial action shall be in the Circuit Court of the City of Richmond, Virginia, and such litigation shall only be brought in such court.

18. Limitation of Commission's Liability. Nothing herein shall be deemed to be a covenant, agreement or obligation of a present or future member of the Commission or of an employee or agent of the Commission. No member, employee or agent of the Commission shall incur any personal liability with respect to any action taken by him or her pursuant to this Agreement.

19. Severability. If any provision of this Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

20. Public Documents. Unless specifically exempted pursuant to the Virginia Freedom of Information Act (Virginia Code Section 2.2-3700 *et seq.*, as amended), all reports, documents, financial data and other information provided to the Commission shall be public records.

21. Notices. Unless otherwise provided for herein, all notices, approvals, consents, correspondence and other communications pursuant to this Agreement shall be in writing and shall be deemed received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee) to (a) the Commission at 701 East Franklin Street, Suite 501, Richmond, Virginia 23219, Attention: Executive Director, or (b) the Grantee at the address set forth below.

22. Conditional Funding. In the event that disbursement of Grant funds is contingent upon the happening of an event or events described in Exhibit C attached hereto that have not yet occurred as of the Award Date, the Commission may withdraw the Grant if such event or events have not been substantiated with appropriate documentation satisfactory to the Commission within

twelve (12) months of the Award Date. This Agreement is subject to the availability of Commission funds. If such funds become unavailable and the Commission is unable to obtain sufficient funds, this Agreement shall be amended or terminated, as appropriate.

23. Expiration. Thirty-six (36) months after the date on which the Grant is approved, the Grant shall be automatically rescinded with respect to all funds not yet disbursed by the Commission, unless an extension is granted in writing by the Commission.

24. Assignment. Neither this Agreement nor any rights under this Agreement may be assigned, by operation of law or otherwise, by the Grantee without the prior written consent of the other parties hereto. The provisions of this Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns.

25. Survival. The rights and remedies available to the Commission shall survive any expiration or termination of this Agreement, including but not limited to, Sections 7, 10, 12, 13 and 25.

26. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original, and all of which together shall constitute but one and the same instrument.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**TOBACCO REGION REVITALIZATION COMMISSION, a body
corporate and political subdivision of the Commonwealth of Virginia**

Signature of Executive Director: _____

Printed Name of Executive Director: _____ **Evan Feinman** _____

Date: _____

Blue Ridge Crossroads Economic Development Authority

Signature of Grantee's Chief Executive: _____

Printed Name of Grantee's Chief Executive: _____

Date: _____

Grantee Information:

Address _____

Phone # _____ **e-mail** _____ **Federal ID #** _____

Description of Project

The Blue Ridge Crossroads Economic Development Authority (BRCEDA) has requested this grant to for construction of a natural gas interconnect station and upgrade of a wastewater pump station serving Wildwood Commerce Park. Funding will go directly to engineering and construction-related costs of the natural gas interconnection station.

Grant Conditions

1. No less than 50% of the total Project Budget shall be funded by non-commission sources and satisfactory evidence thereof submitted to the Commission prior to disbursement of any Commission money. Un-approved applications to other funding sources are not satisfactory evidence.
2. Award granted for 50% pf the natural gas interconnect project costs.

Governing Documents of Grantee

Attach charter, articles of incorporation or similar governing instruments, also attach IRS determination letter if a 501(c)(3) Organization

**DETERMINATION OF AVERAGE REASONABLY EXPECTED
ECONOMIC LIVES OF PROJECT ASSETS**

The Tax Code limits the length of average maturity for certain tax-exempt bonds, such as the Tobacco Bonds, to no more than 120% of the average reasonably expected economic life of the assets being financed with the proceeds of such bonds. In this Exhibit, the Grantee will determine the average reasonably expected economic life of the assets being financed by the Grant.

There are two safe harbors in determining "economic life": the ADR midpoint life under IRS Revenue Procedures 83-85 and 87-56 and the guideline life under IRS Revenue Procedure (in the case of structures). For the purposes hereof, the reasonably expected economic life of an asset is to be determined as of the date the asset is expected to be placed in service. You may wish to consult your accountant in completing this Exhibit. Commission staff can provide copies of the above-referenced Revenue Procedures.

Please complete the attached Schedule as follows:

Step 1. Please list each of the assets comprising the Project to be financed or refinanced by the Grant funds by describing them in Column I. At the minimum, the assets should be broken down as "Land," "Land Improvements," "Building," and "Equipment." In Column II, indicate whether each asset will be acquired, constructed, installed, renovated, etc.

Step 2. In Column III, set forth the corresponding total cost of each asset to be paid with Grant funds. Any amounts shown on the Project Budget as "Contingency" should be assigned to the shortest-lived asset.

Step 3. In Column IV, set forth the date each asset is expected to be placed in service. An asset is first placed in service when it is first placed in a condition or state of readiness and availability for a specifically assigned function.

Step 4. In Column V, set forth in years the ADR midpoint life or the guideline life of each asset listed in Column I, in accordance with the following:

Land. If any portion of the Grant funds will be used to finance land, Commission staff should be consulted to determine the economic life to be assigned. In most cases, Commission staff will direct you to assign the land an economic life of 0 and to exclude the land from the economic life calculation.

If land improved with one or more existing buildings will be acquired, please allocate the purchase price between the land and buildings and furnish the Commission with a copy of a recent appraisal of the relative value of the land and buildings to support your allocation.

Buildings. A guideline life must be determined under Revenue Procedure 62-21 for any building to be financed with the Grant. Forty years is the guideline life for most buildings. Based on the nature of the particular building, your accountant or Commission staff will assist you in determining whether another guideline life is more appropriate. Each building includes the structural shell of the building and all integral parts thereof, equipment which services normal

heating, plumbing, air conditioning, fire prevention and power requirements, and equipment such as elevators and escalators.

Equipment. Please select a ADR midpoint life for each item of equipment to be financed. The tables of asset guideline classes, asset guideline periods and asset depreciation ranges included in Revenue Procedures 83-35 and 87-56 is used for reference.

To use the table, you should first determine the asset guideline class in which each item of equipment falls. General business assets fall into classes 00.11 through 00.4 to the extent that a separate class is provided for them. Other assets, to the extent that a separate class is provided, fit into one or more of classes 01.1 through 80.0. Subsidiary assets (jigs, dies, molds, patterns, etc.) are in the same class as are the other major assets in an industry activity unless the subsidiary assets are classified separately for that industry. Each item of equipment should be classified according to the activity in which it is primarily used. If the equipment is not described in any asset guideline class, its estimated economic life must be determined on a case by case basis.

Working Capital. Working Capital Expenditures are ineligible for Grant funding.

Step 5. In Column VI, adjust the ADR midpoint or guideline life for each asset by adding the amount of time (in years) between May 16, 2005 (the closing date of the Tobacco Bonds) and the in-service date specified in Column IV. For example, if a building with a guideline life of 40 years will be placed in service one year and six months after May 16, 2005, the adjusted economic life for such building in Column VI should be 41.5

Step 6. In Column VII, show with respect to each asset the product of the respective entry in Column III multiplied by the respective entry in Column VI.

Step 7. Total all of entries in Column III and Column VII.

Step 8. Divide the Column VII Total by the Column III Total. The quotient is the average reasonably expected economic life of the assets to be financed with Grant funds as part of the Project.

INFORMATION SCHEDULE
REASONABLY EXPECTED ECONOMIC LIVES
OF PROJECT FACILITIES

| | COLUMN I | COLUMN II | COLUMN III | COLUMN IV | COLUMN V | COLUMN VI | COLUMN VII |
|---|--|---|---|--------------------|--------------------------------------|------------------------------|------------------------------|
| | DESCRIPTION OF ASSETS INCLUDED IN THE PROJECT | ACQUISITION, CONSTRUCTION, INSTALLATION, RENOVATION, ETC. | TOTAL COST TO BE FINANCED BY GRANT | IN SERVICE DATE | GUIDELINE OR ADR MIDPOINT LIFE | ADJUSTED ECONOMIC LIFE | COLUMN III X COLUMN VI |
| 1 | Land Improvements | Construction | 514,659 | 9/21/17 | 14 | 26 | \$13,381,134 |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| | | | Total: \$514,659 | | | | Total: \$13,381,134 |

AVERAGE REASONABLY EXPECTED ECONOMIC LIFE:

COLUMN VII TOTAL \$13,381,134 ÷ COLUMN III TOTAL: \$514,659 = 26 YEARS

