

**MINUTES**  
**February 20, 2018**  
**KENTUCKY CAPITAL DEVELOPMENT CORPORATION**

The regular meeting of the Kentucky Capital Development Corporation was called to order at 12:05p.m., February 20th, 2018. Those present were Danny Willis, Chairman; Rex Fowler, Treasurer; Dr. Houston Barber; Zachary Horn; Heather Worthington; Clay Patrick; Terri Bradshaw, President/CEO; Laura Ray Warren, Administrative Assistant; Huston Wells, Franklin County Judge Executive; Jennifer Wilson, Deputy Judge Executive; Bill May, Mayor of Frankfort; Chuck Knowles; John Sower and Alfred Miller, staff writer with The State Journal.

**MEETING MINUTES**

Danny Willis presented the minutes from the November meeting for reconsideration and the December minutes for approval. Rex Fowler moved to accept the minutes for November and December as read. The motion was seconded by Zachary Horn and passed unanimously.

**MONTHLY BUSINESS**

Rex Fowler presented the monthly invoices for January and February 2018. Invoices for January totaled \$17,131.30 and \$25,220.55 for February. On a motion by Dr. Houston Barber and a second by Rex Fowler, the board voted unanimously to approve the January and February invoices for payment.

Mr. Fowler then presented the General Fund Monthly Financial Reports for December 2017 and January 2018. The December Operating Account had receipts of \$115.24 and disbursements of \$15,512.57. The balance in the Operating Account at the end of December was \$557,741.72. Other financial reports for December included the Land Account with an ending balance of \$569,454.75; the County Revolving Loan Account with a balance of \$585,470.87; and the City Revolving Loan Account with a balance of \$252,020.09. The January Operating Account had receipts of \$28,246.74 and disbursements of \$22,557.15. The balance in the Operating Account at the end of January was \$563,431.31. Other financial reports for January included the Land Account with an ending balance of \$569,648.21; the County Revolving Loan Account with a balance of \$385,525.73; and the City Revolving Loan Account with a balance of \$252,020.09 with a notation that the next interest posting will be updated for the March reports. On a motion by Zachary Horn and a second by Dr. Houston Barber, the board voted unanimously to approve the December 2017 and January 2018 Financial Reports.

**NEW BUSINESS**

Mr. Willis stated that there was now a vacant officer position of Vice Chair with the ending term of Board Member, Dave Weller. Rex Fowler made a motion that Dr. Houston Barber be selected to fill that position. The motion was seconded by Zachary Horn and passed unanimously.

Ms. Bradshaw presented the 2016-17 Audit Report and stated that there was a correction that was made after their copies were printed. The correction noted is on page 4, third line in the first paragraph. The statement should be read "... increase of \$15,947." There were no issues and in summary the opinion is that the financial statements referred to present fairly, in all material respects, the respective financial position of The Authority as of June 30, 2017 and 2016, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States. With a motion by Dr. Houston Barber that the Audit Report be accepted as presented with noted correction and a second by Clay Patrick, the report was approved and accepted unanimously.

Ms. Bradshaw reported that she, Houston Wells and Rex Fowler met with local industry representatives. At that meeting, a decision was made to revive the Frankfort Industry for Reliable Energy (FIRE). It was also decided that a letter should be sent to the Mayor and City Commission listing the concerns of the local industry regarding representation on the Frankfort Plant Board and KCDC Board. Ms. Bradshaw stated that there had been no response from those who had received the letter. The first meeting of FIRE will be scheduled as early as March or April.

Ms. Bradshaw and Rex Fowler presented the proposed 2018-19 budget. The only increase that is proposed in the request is for funding needed to cover the 8.87% increase in the retirement contribution. Houston Wells suggested that we round the budget request to a total of \$115,000 each from the city and county. Rex Fowler made a motion that the board approve the budget with the suggested increase. The motion was seconded by Dr. Houston Barber and passed unanimously.

## **OLD BUSINESS**

Ms. Bradshaw stated that the sale of Lot 4B in Industrial Park #3 needs to be ratified. The lot was 2.777 acres and purchased for \$25,000 per acre, with the total purchase price being \$69,425. Zachary Horn made a motion that the sale of Lot 4B be accepted and approved. Clay Patrick seconded the motion which was unanimously approved.

Dr. Barber reported that the DC Strategies Committee continues to solicit support letters and calls for the TIGER Grant as well as the Brownfield Grants and plans another visit in the spring.

Ms. Bradshaw informed the board that a consultant with Jones, Long, LaSalle – LA visited Frankfort to determine possible recruitment opportunities for our community.

## **OTHER BUSINESS**

Ms. Bradshaw noted that the new web site was now up and functioning.

Ms. Bradshaw noted that we have not received the signed copies of the "Proof of Receipt" letters from city appointed board members, verifying they have been provided copies of "Your Duty Under the Law" and "Managing Public Records" according to KRS 15.257. These documents must be signed and returned within 60 days of appointment.

Zachary Horn requested help for Pic Pac. Ms. Bradshaw reported that she, at the request of several city commissioners, contacted a number of grocers who could possibly fill the void in downtown. However, Pic Pac owners decided not to retire. There are no programs available through KCDC to assist a small business that is not profiting. Mr. Horn asked Ms. Bradshaw to check on possible bridge loans through local banks. The Mayor advised the board that he is working on some options and potential funding streams but that they needed a financial impact statement and that he was waiting on them to complete and submit that report.

## **PRESIDENT/CEO REPORT**

A detailed description of the President/CEO's activities was included in the board packets.

At 1:05 p.m., a motion was made by Rex Fowler and seconded by Heather Worthington to enter into closed session. The motion passed unanimously.

At 1:21 p.m., a motion was made by Rex Fowler and seconded by Dr. Houston Barber to come out of closed session. The motion passed unanimously.

At 1:21 p.m., a motion was made by Rex Fowler and seconded by Dr. Houston Barber, with all in approval, to adjourn.