

JACKSONVILLE REGIONAL ECONOMIC DEVELOPMENT CORPORATION

2014 ANNUAL REPORT
2015 PLAN OF WORK

MAKING CONNECTIONS





CONNECTING LEADERSHIP
CONNECTING INVESTMENT
CONNECTING OUR REGION

CHAIRMAN'S MESSAGE



**Andy Ezard,
Chairman**

Dear Investors and Guests,

My parents always told me that the older you get, time goes by faster – the year 2014 was no exception, time went fast. It has been my honor to serve as Chairman of the Jacksonville Regional Economic Development Corporation (JREDC) for the year 2014. It is with great hope that the year 2015 is a year of continued growth for the Jacksonville Region.

As Chairman and as Mayor of Jacksonville, I often hear naysayers saying that nothing is being done to attract economic development in our area. That could not be further from the truth. Every day we work hard to achieve growth.

Terry Denison and Bonni Waters work diligently every day guiding JREDC in a positive direction. JREDC board members are a working board, and shall remain so, and their input is invaluable. We are not afraid to ask for help from our members and constituents. My gratitude and appreciation goes to the members of the JREDC Board, as well as the staff of JREDC, for their professionalism, hard work and dedication in ensuring the continued success of economic development in Morgan and Scott counties and their surrounding communities.

Since 2009, investments into the Region have increased. Eastgate Industrial Park is full, Diversified Services and Westermeyer Industries continue to grow, CCK Automations is adding new jobs, Bartlett Grain is exceeding expectations, Burrus Seed and Goodwill Industries expanded with new locations at Capitol Way, the Downtown Revitalization project is near completion, a new Water Treatment Plant will break ground in 2015, and commercial developer Tom Marx continues to buy, renovate and recruit new and expanding retail business. The Creating Entrepreneurial Opportunities (CEO) program is moving forward providing young high school students with the tools and skills required to give back to their communities, start businesses and aid in the creation of jobs, all a collaborative effort between school districts and various businesses.

Congratulations to Marx Commercial Properties & Development, recognized as this year's recipient of the Harold Cox Award for Industry of the Year! On behalf of the JREDC Board, investors, and the communities of Morgan and Scott County, we thank you, Tom, for the impact your business has provided our Region throughout the years.

In closing, I have always been one who looks at the glass half full. We are on the cusp of an economic rebound. I challenge the JREDC board members, JREDC staff, investors and community to help add the pieces to the puzzle by making JREDC stronger in 2015.

Sincerely,

Andy Ezard

Mayor

City of Jacksonville



OUR MISSION

The Jacksonville Regional Economic Development Corporation works to retain, expand, create and recruit job opportunities for Morgan and Scott counties.

PRESIDENT'S MESSAGE



**Terry L. Denison,
President**

Economic Development! What does this phrase mean to you? Definitions seem to vary depending on your interest. To Main Street, it's about the downtown area; to the Convention & Visitors Bureau, it's about heads in beds; to the Chamber of Commerce, it's about retail and service businesses; to healthcare, it's about new patients in our hospital and residents in our assisted living facilities; to higher education, it's about increased student enrollment; to the Small Business Development Center, it's about start-up businesses and entrepreneurship. To the Jacksonville Regional Economic Development Corporation, it's all of the above, plus retention, expansion and recruitment efforts.

It's also an always popular subject come election time. Every candidate has an opinion about economic development and how to improve upon it. Usually, jobs top the list of concerns - the need for more of them. We all want more job opportunities for our region. But it takes planning, preparation, hard work, self-determination, a positive attitude, lots of patience and a little luck to create new job opportunities. They don't just happen because we have a nice community.

Speaking of jobs, let's look at the job picture for the Morgan and Scott County Region. "1983" at 9.7% was the year for highest unemployment. "1999" with 4.0% was the lowest. In December of 2014 our unemployment rate was 6.0%, in January of 2014 it was 9.2%. There are 732 more people working now than in January of last year. That is very good news!

As you will see in the following pages of this report, our region had a good year! 5 new businesses; \$10 million of new investment and 195 new jobs were created by these new businesses. To these new businesses, we say "Thank You" for selecting the Jacksonville Region and we are glad you are here!

In closing, I want our investors and our allies to know how much we appreciate them! We could not accomplish what we do without your support. THANK YOU! If you're not an investor, we would like to encourage you to consider becoming one. Economic Development is a "TEAM" effort. All of us together can accomplish so much more for the Jacksonville Region. The JREDC wishes everyone much success and happiness in 2015!

Sincerely,

Terry L. Denison
President
JREDC

2015 PLAN OF WORK

BUSINESS DEVELOPMENT & ATTRACTION

Prospects

- Respond to all viable leads for new business development in a timely and professional manner.
- Host at least 3 site visits for prospective new business or industrial projects.
- Successfully recruit at least one new project into our region.

Entrepreneurship

- Continue to support, encourage and expand the Morgan Scott CEO Program.
- Enhance and continue our partnership with the Jacksonville Area Chamber of Commerce, the Small Business Development Center and the local SCORE Chapter to encourage and help develop new business startups. Small business is the number one creator of new jobs.

Allies, Site Consultants & Corporate Realtors

- Conduct three multi-day call trips in Chicago and St. Louis.
- Conduct an annual event to promote JREDC business location advantages to allies, consultants and realtors.

Ally Development

- Continue to expand our relationship with DCEO and meet at least twice each year with DCEO & Economic Development executives.
- Meet with economic development representatives from each utility which serves the JREDC region at least once.
- Meet with economic development representatives from all major railroads whose tracks service the JREDC territory at least once to discuss our activities and marketing initiatives.

Target Marketing Program

- Develop and implement a basic media advertising campaign to promote the region's business advantages.
- Develop and print customized promotional materials targeted to each identified target segment.
- Annually conduct a targeted prospect development trip to prospects identified through allies or ad leads.

Formal Property Program

- Continue to develop and update pertinent information on LOIS regarding available sites and buildings.
- Identify and prepare informational brochures on at least four new sites each year.
- Identify and prepare informational brochures on at least two new buildings each year.
- Continue to diligently market our available existing industrial buildings. Our goal is to fill at least one vacant building.
- Development of one "Shovel Ready Site".
- Continue to develop and market Business Parks in Morgan and Scott Counties.

EXISTING INDUSTRY, BUSINESS RETENTION & EXPANSION

Formal Existing Industry Visitation Program

- Conduct at least 12 retention /expansion visits to our existing businesses and industries.
- Address individual company concerns with rapid response and follow-up.
- Identify at least two synergistic relocation or expansion opportunities.

Business Climate Improvement

- Host CEO/Plant Managers Breakfast Roundtables.
- Participate in monthly Human Resource Managers luncheon meetings.
- Assist community efforts to increase population by partnering with the Chamber, Main Street, the CVB, the City, the Village and the Morgan & Scott County Commissioners.
- Continue to work with our employers and our educators to transform our workforce into a more “Work Ready Region.” By utilizing the National Career Readiness Certification program, we can prove we have a skilled and educated workforce.
- Partner with the Project on Global Opportunities Committee and the World Affairs Council to increase global trade opportunities for our regional businesses.
- Encourage and support the development of a fiber optics network in Jacksonville and South Jacksonville as well as Scott County.
- Continue to support and encourage educational facilities improvement. Doing nothing is not an option.

Recognition Program

- Working with JREDC Existing Industry Committee, select and recognize three local companies through the Industry Spotlight Program.
- Working with JREDC Existing Industry Committee, select and recognize a local company as the Industry of the Year.

INVESTOR AND PUBLIC RELATIONS

Written Publicity

- Publish and distribute a quarterly newsletter to our investors and allies.
- Develop and release at least 1 Media Release or Placement per quarter.
- Continue to update and improve our website and other electronic media, which means keeping them current, relevant and comprehensive.

Events & Programs

- Speaking Engagements - make at least four presentations regarding JREDC programs and successes to service clubs and other public meetings.
- Meet with Silver and Bronze level investors as a group.
- Annually sponsor the Chamber’s annual summer golf outing, field a foursome, and award the Corporate Cup.
- Conduct a JREDC Annual Meeting.

Program Feedback Opportunities

- Facilitate a quarterly Western Illinois Council of Municipal Officials meeting to provide a forum for sharing common concerns.
- Solicit program feedback by providing a performance measures report at Quarterly Board of Directors Meetings.
- Annually speak to at least 8 City/Village/Morgan & Scott County Board Meetings regarding JREDC activities & successes.

Staff Development & Training

- Utilize continuing education seminars, professional educational programs, events and economic development conferences to keep current with trends and best practices in the economic development profession.



FINANCIAL REPORT

BALANCE SHEET

for year ending December 31 (unaudited)

ASSETS	2014	2013
Checking/Savings	\$58,198	\$42,750
Investment/Reserves	\$245,669	\$219,924
Fixed Assets – Furniture	\$61,319	\$61,319
Lease Hold Improvements	\$30,531	\$30,531
Accum. Depreciation – F & E	-\$68,335	-\$65,767
Total Assets	\$327,382	\$288,757
LIABILITIES & EQUITY		
Retained Earnings	\$288,757	\$293,305
Net Income	\$38,625	-\$4,548
Total Equity	\$327,382	\$288,757

PROFIT & LOSS

for year ending December 31 (unaudited)

INCOME	2014	2013
Investments	\$201,375	\$193,050
Interest Income	\$833	\$675
JREDC Foundation	\$0	\$13,250
Enterprise Zone Fees	\$56,860	\$0
Other Income	\$3,000	\$9,700
Total Income	\$262,068	\$216,675
EXPENDITURES		
Personnel	\$164,768	\$171,132
Administrative	\$30,818	\$36,841
Marketing	\$9,433	\$7,895
Retention	\$1,423	\$3,314
Land Development	\$9,340	\$0
Entrepreneurship (CEO)	\$5,000	\$0
Office Equipment	\$92	\$36
Depreciation Expenses	\$2,568	\$2,004
Total Expenses	\$223,442	\$221,222
Net Income	\$38,626	-\$4,547

TOM MARX

HAROLD COX INDUSTRY OF THE YEAR

The Industry of the Year Award has been presented by the Existing Industry Committee of the JREDC since 1990, to honor the industry that exhibits outstanding business development and activity that enhances regional economic viability. It is by the examples of exemplary businesses in our area, like Tom Marx of Marx Commercial Properties & Development that the JREDC works to realize their mission for the benefit of all. We are proud to recognize and have selected Marx Commercial Properties and Development as recipient of the 2014 Harold Cox Award for Industry of the Year.

For the past 16 years, the Jacksonville Region has had a silent investor. Tom and Kathie Marx and now their son Josh Marx of Marx Commercial Properties & Development have been investing in vacant buildings and transforming them into thriving businesses. Tom found he had a fondness for the community from his first purchase to his most recent, the EMI Building on Capitol Way.

Marx Commercial Properties & Development manage their properties not only in Jacksonville, but in Hannibal, Missouri and Keokuk, Iowa, Quincy and Springfield. Today they manage over 200 tenants. Their specialty is primarily in the retail environment, building new or renovating existing buildings. They not only do free standing buildings, but strip centers, shopping centers, a mall, bus park, and warehousing. When asked how and why he chose Jacksonville, Tom said he just doesn't like to see vacant buildings and he wanted more reasons to come to the region.

In 1998, Tom purchased his first Jacksonville property, many of you will recall the Eagle Foods and Osco Drug stores, Tom not only renovated the property, but was able to recruit a Staples brand office supply store to the community. This scenario plays out through the years as Tom acquired many properties that today, are no longer vacant, but thriving businesses.

One of his properties, the former Birdsell building which is now home to Pet Supplies Plus has become a showcase store for the Pet Supplies Plus brand. Other familiar properties are scattered along Morton Avenue and include businesses such as Papa Johns, Rent a Center, Midland Farm & Home Supply, Enterprise Car Rentals, Buffalo Wild Wings, Rue 21, Maurice's, Slumberland and Title Max to name a few. He also purchased the complex that formerly housed the local Unemployment Office and has filled that space with a Family Dollar and an expanded office site for Landes Trucking.

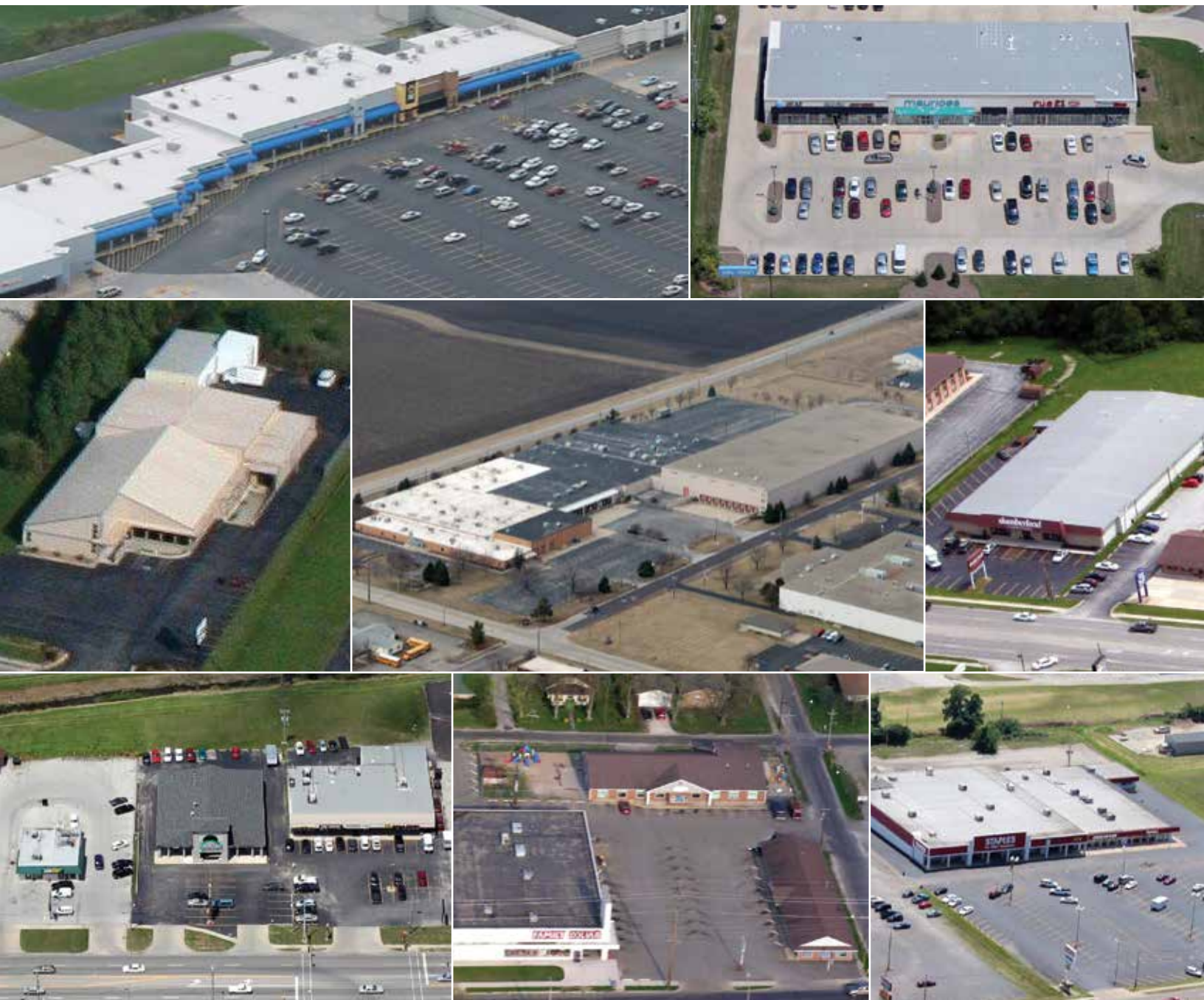
He was instrumental in the eventual sale of the old K-Mart building as well. Work was already underway to create an entry from this property to the new Walmart complex. After a year of working to get that accomplished and preliminary talks with potential new tenants, the building and property were sold to Pathway who completed renovations for their new facility.

Over the years, Tom has invested over \$13 million in the Jacksonville Region. With each investment, although each one varies, he creates an estimated 15-20 construction jobs and an unknown amount of new jobs as new companies come to town or businesses expand and grow. Tom prides himself on making every effort to use local tradesmen for his projects

including plumbing, electrical, roofing, driveway and general construction professionals, right down to the window washer!

We are very fortunate to have an investor in our community like Tom Marx and his family. His investment and retail business recruitment and expansion have been exemplary and even through very hard times for our Region, they saw it fitting to invest in the Jacksonville Region and we thank you! Tom feels he has been very fortunate to work with all the good local contractors in this area in completing his projects.

He will tell you he didn't do it alone, that from that first purchase, whether assistance with an acquisition or work as his broker, Rich Hohmann, Broker/Owner of The Hohmann Agency, started as a local and business partner with much needed knowledge of the Region, and over the years the relationship has turned into a valued friendship.



2014 SUMMARY

ACCOMPLISHMENTS, HIGHLIGHTS, & ECONOMIC INDICATORS

Retention Visits	12
Courtesy Calls	10
Prospects (RFP's) (1,165 potential jobs)	29
Site Visits Hosted	11
New Business Locations	5
New Jobs Created	195
New Investment	\$10,600,000
New Square Footage	156,000
Possible New Construction Jobs (2015-2017)	2,800
Jacksonville/Morgan County Enterprise Zone Activity Projects	126
Investment Total	\$4,421,943
Residential	\$271,370
Industrial/Commercial	\$4,150,573
Jobs Created	(Reported) 105
Jobs Retained	(Reported) 58
Fees Collected	\$56,860
Employment January 2014	17,052
Employment December 2014	17,784
Net Gain (New Jobs)	732

Sales Tax Receipts

Morgan County	\$1,027,265.81
Scott County	\$86,470.71
City of Jacksonville	\$5,596,089.43
Village of South Jacksonville	\$178,980.34
City of Winchester	\$193,474.15
Homes Sold	364

2014 was a busy year,
with the JREDC making
many connections and
assisting with a variety of new
projects in the region.



SALES TAX RECEIPTS 2010-2014

Morgan County

2014	\$1,027,266
2013	\$971,773
2012	\$973,358
2011	\$962,801
2010	\$902,488

Scott County

2014	\$86,471
2013	\$93,335
2012	\$94,627
2011	\$111,912
2010	\$99,151

City of Jacksonville

2014	5,596,089
2013	\$5,509,384
2012	\$5,507,313
2011	\$5,312,694
2010	\$5,153,925

Village of South Jacksonville

2014	\$178,980
2013	\$199,118
2012	\$203,352
2011	\$188,588
2010	\$173,551

City of Winchester

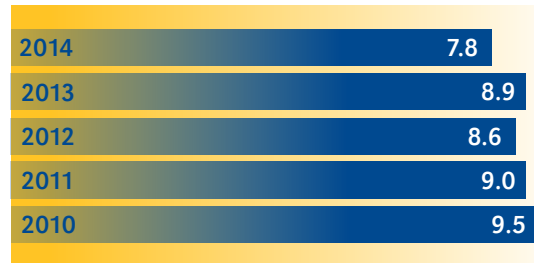
2014	\$193,474
2013	\$161,575
2012	\$164,307
2011	\$179,950
2010	\$154,910

The region has continued to see a general trend of growth for sales tax in most areas.

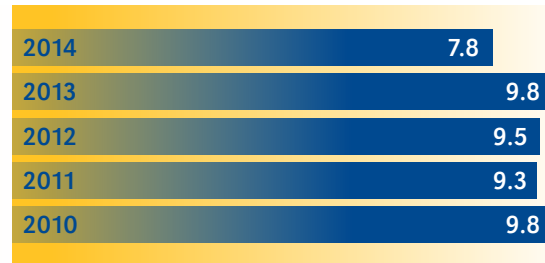


UNEMPLOYMENT 2010-2014

Morgan County

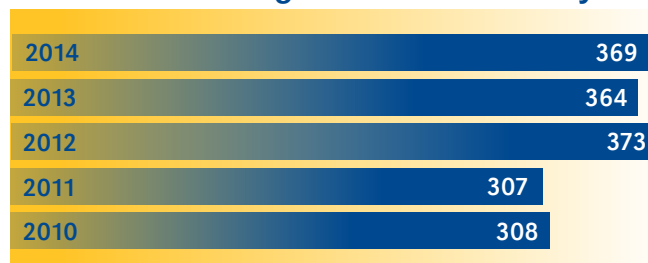


Scott County

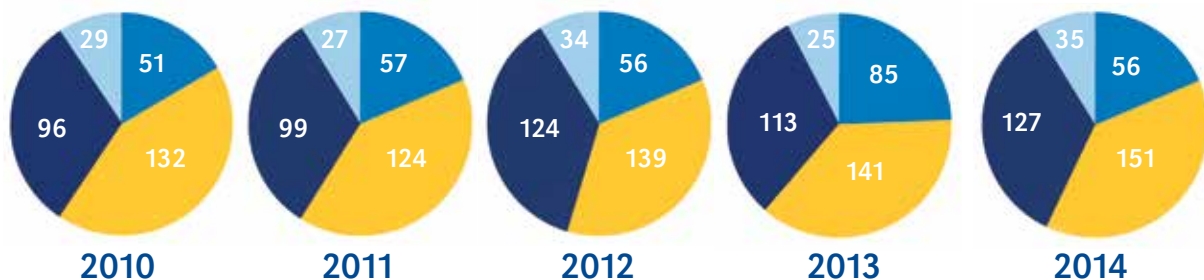


HOME SALES 2010-2014

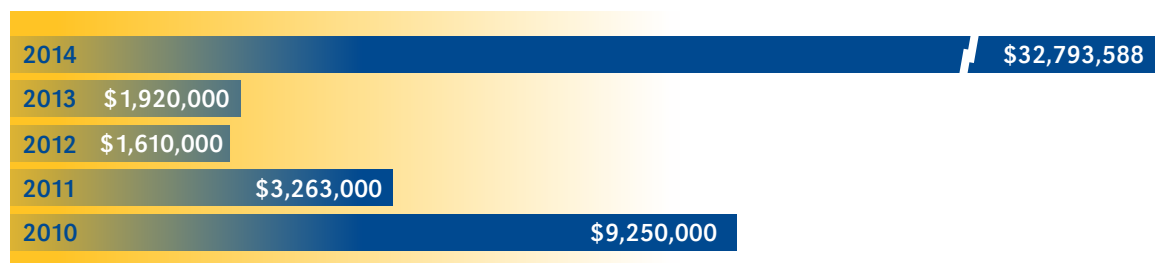
Home Sales - Morgan and Scott County



■ Under \$50,000
 ■ \$50,000 - \$100,000
 ■ \$100,000 - \$200,000
 ■ Over \$200,000

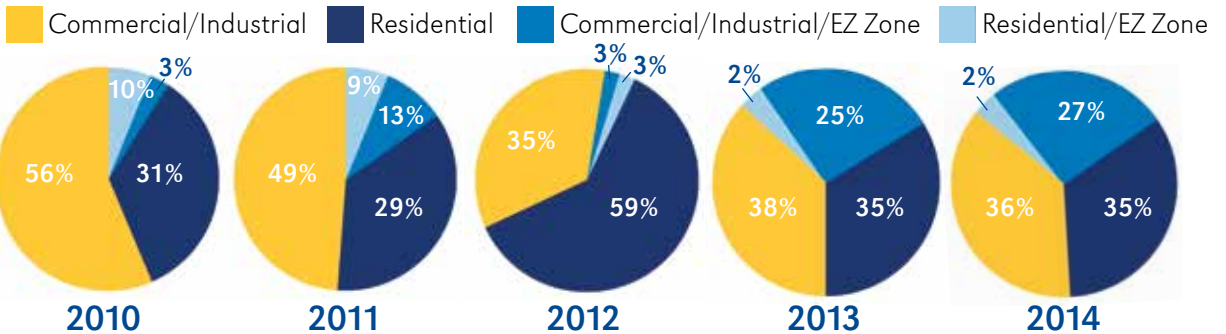
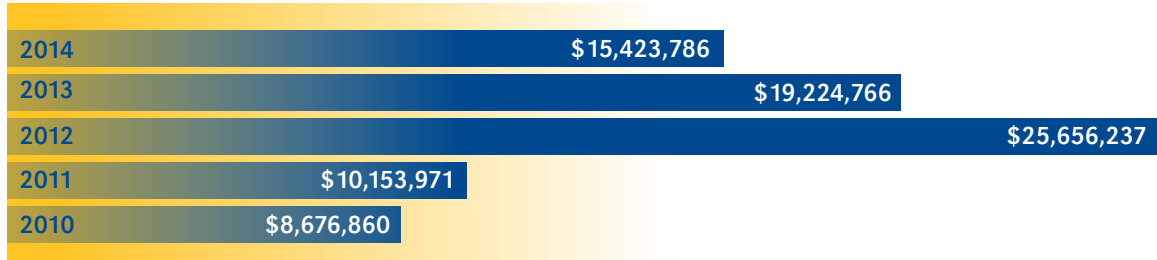


MORGAN COUNTY ENTERPRISE ZONE 2010-2014



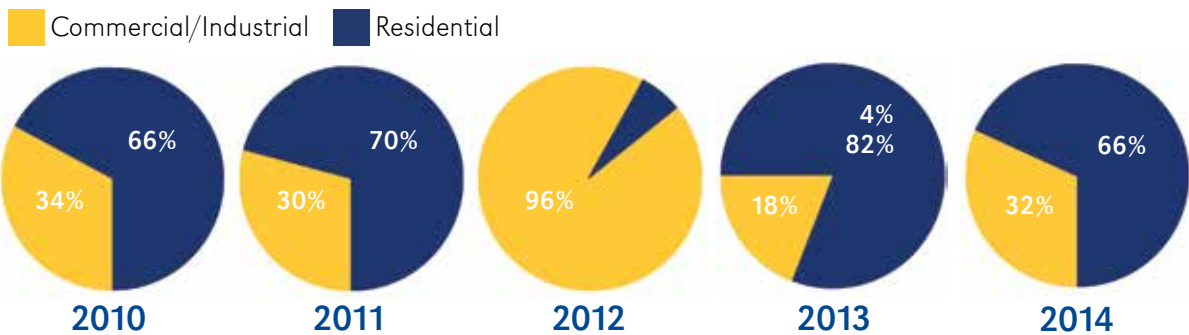
CITY OF JACKSONVILLE ENTERPRISE ZONE 2010-2014

City of Jacksonville Building Permits



SOUTH JACKSONVILLE BUILDING PERMITS 2010-2014

Village of South Jacksonville Building Permits



BOARD & OFFICERS

2015 Officers

2014 -2015 (2 Year Term) Officers

Chairman, Andy Ezard, City of Jacksonville
Vice Chairman, Shawn Rennecker, IREC
Treasurer, Dave Bolen, Passavant Area Hospital
Secretary, Paul White, Premier Bank of Jacksonville
Asst. Secretary, Dan Beard, Bellatti Law Office
Past Chairman, David Pennell, Passavant Hospital

Proposed Nominations for Silver Board Members

2015 - 2016 (2 Year Term)

Keith Bradbury, Franklin Bank
Brian Dyche, Envirovac
Tom Frederick, Elm City Center

2015 Proposed Board of Directors

Mike Anderson, Jacksonville Country Club
Marsha Awe, Jacksonville Chamber of Commerce
Dan Beard, Bellatti Law Office
Dan Berden, Prairie Power
Dave Bolen, Passavant Area Hospital
Keith Bradbury, Franklin Bank
Skip Bradshaw, City of Jacksonville
Seth Bushnell, Illinois Rural Electric Coop
Brian Dyche, Envirovac
Dusty Douglas, Morgan County
Susie Drake, Illinois College

Andy Ezard, City of Jacksonville
Ginny Fanning, Morgan County
Rich Foss, Jacksonville Savings Bank
Tom Frederick, Elm City Center
Kelly Hall, City of Jacksonville
Colleen Hester, MacMurray College
Ken Humphreys, FutureGen
Gordon Jumper, Village of South Jacksonville
Larry Kuster, Rammelkamp Bradney, P.C.
Jodee Nell, US Bank
Jim Oliver, Farmers State Bank & Trust Company
David Pennell, Passavant Hospital
Shawn Rennecker, Illinois Rural Electric Coop
Kai Schnitker, First National Bank of Arezville
Andy Smith, Jacksonville Chamber of Commerce
Jan Terry, Lincoln Land Community College
Pat VanDeVelde, Scott County Dev. Corp.
Paul White, Premier Bank
Brad Zeller, Morgan County

The board, officers,
and investors are the key
to the continued success
of the JREDC.
Thank you for your support!



SPECIAL RECOGNITION RETIRING BOARD MEMBER

P. Devon Davidsmeyer



Devon Davidsmeyer, CEO of Illinois Road Contractors, Inc. has been a member of the Jacksonville Regional Economic Development Corporation since 2001. Devon served as Chairman of the Board from 2003-2005. He has served on most of the JREDC Committees including the Executive Committee and has been an active leader in the Building Tomorrow Campaigns.

Devon has been a valued member of our organization and has had a substantial impact on economic development in our Region. He has been an integral part of our organization and a dedicated supporter of our mission and vision. You will be missed and we thank you for your many years of outstanding service.

RETIRING BOARD MEMBER

Mark Whalen



We wish to recognize and sincerely thank retiring board member Mark Whalen for his service, dedication and commitment to the JREDC this past year.

OUR INVESTORS



PLATINUM INVESTORS

(Annual Investment of \$10,000 & up)

Illinois Rural Electric Cooperative
Jacksonville Area Chamber of Commerce
Jacksonville, City of
Morgan County
Passavant Area Hospital
US Bank



GOLD INVESTORS

(Annual Investment of \$5,000 - \$9,999)

Farmers State Bank & Trust Company
FutureGen
Jacksonville Country Club
Jacksonville Savings Bank
Prairie Power
Premier Bank of Jacksonville
Rammelkamp Bradley Law Office
Scott County Development Corporation
South Jacksonville, Village of



SILVER INVESTORS

(Annual Investment of \$100 - \$4,999)

A. Gaudio & Sons
Ameren
Area Disposal
Arends-Awe, Inc.
Bank of Bluffs
Bellatti Law Office
Benton & Associates
Brandt Consolidated
Burrus Seed Farms
Carpenter Law Office
Carpenter's Local 270
CassComm
CCK Automations
CNB Bank & Trust
Colton Downey & Associates
Consolidated Grain & Barge
Dental Associates of Jacksonville
Duncan Management, Inc.
Elm City Center
Envirovac

First National Bank of Arenzville
First National Bank of Winchester
Franklin Bank
Franklin, Village of
Freeman Seed Company
Hamilton's Catering
Harold O'Shea Builders
Hutchison Engineering Company
Illinois Road Contractors
ILMO
J.B. Large & Sons Painting Contractors
Jacksonville Area Association of Realtors
KE Vas
Langdon Insurance Agency
Linda Standley
Meredosia, Village of
Mike Hubbs Insurance & Financial Services
Murrayville, Village of
Peak Insurance Agency
People's Bank
Susan Weller
Tri County CDC
Turner Insurance Agency, Inc.
UCM
United Strategies, LLC
Westtown Ford
Whalen Trucking
Winchester, City of
Windsor Homes
Worrell Land Services, LLC
WJIL/WJVO
WLDS/WEAI
Zumbahlen Eyth Surratt Foote & Flynn



On Our Cover

Bartlett Grain Company, South Jacksonville, Illinois

Bartlett Grain began constructing their new facility on 130 acres in June of 2012 and by June of 2013 they were accepting grain. Their South Jacksonville facility has the capacity for 2 million bushels of grain, which is housed in 6 concrete silos, and two steel bins. The concrete silos stand an impressive 145 feet tall. They have 3 truck dumps, each capable of processing 20,000 bushels an hour. During harvest season, Bartlett Grain handles as many as 500 trucks daily. A Kansas City Southern Railroad track loop with a 100-car train capacity, is loaded and shipped weekly.



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