

ANNUAL REPORT

2012

Montgomery County Economic
Development Corporation



Dear Members,

It is with mixed feelings that I write to you. I write with hope because the mission of this corporation is so important and the personnel to meet that mission are in place. I feel good about that.

At the same time, the mission is so immense that it can be overwhelming. As a teacher, I was (and am) addicted to both short-term and long-term results. If a literature or composition class didn't catch on to a concept immediately, I'd teach and reteach to make my point clear. When the light of acknowledgement flickered and at times flamed in the students' eyes, I was rewarded.

When past students acknowledge that I indeed did know what I was teaching, and that my efforts in some way helped them after they left the protective walls of the classroom, I receive the long-term reward. An egotist needs both flavors of feedback.

It is not that simple in economic development. My one-year term as chairman of this organization has taught me respect for those who do this for a living. In education, I could see progress, at least in my classes; economic developers reap very few, if any, immediate rewards. That makes it a tough job.

There are those who demand an immediate return for their investment; I don't blame them in this economy, but it isn't that simple. When I investigate the reasons for high unemployment in the county, I find problems that money won't solve. There are those who say if Town X receives a grant, then my town should too. I understand those feelings, but it isn't that simple.

Our only solutions to our problems in a relatively poor county in a state deemed to be less than business friendly is to become family – to argue madly with each other behind closed doors but to stand firmly together as municipalities and towns, as small businesses and large manufacturers, as individuals and corporations, when the outside world looks in our direction.

I thank you for the opportunity to serve you as all offices representing the County and the corporation; I've made new friends and gained an understanding of the world of business that I would not have gained from any other perspective.

Good luck as we go forward together.

Ron Deabenderfer,
MCEDC Chairman
2012-2013

MCEDC Staff



Ron Deabenderfer

Chairman

Ron has served as the County's representative to the MCEDC board for six years. Prior to his service with MCEDC, he spent 39 years teaching English at Hillsboro High School, and is in his 20th year as an adjunct professor teaching composition at Lincoln Land Community College. Ron has been a member of the Montgomery County Board for 13 years and has chaired the County's Economic Development committee. Presently, he sits on both the County's Economic Development and Buildings and Grounds committees. At the close of his tenure with the MCEDC, he is looking forward to spending time with his grandchildren.



Erika Kennett

Executive Director

Erika has over a decade of experience facilitating municipal and regional economic development programs. Prior to her arrival at MCEDC, Erika served as the Executive Director for the Edwardsville | Glen Carbon Alliance, and was a Project Manager for the St. Louis Regional Chamber and Growth Association. Her economic development career began when she led the Economic Development department for The City of Franklin, Virginia. Erika was integral in the formation of a small business incubator and later worked for the Peninsula Alliance for Economic Development. Erika earned her Master's in Public Administration from Troy University, and graduated from IEDC's Basic Economic Development Course at Chapel Hill, NC, and the Virginia Institute for Economic Development.



Megan Beeler

EDGE Manager, Business Retention and Expansion

Megan served as EDGE Manager from 2011-2012. Prior positions include Executive Director of the Hillsboro Chamber of Commerce and Community & Economic Development Facilitator at Boomtown Institute. Beeler completed her certified economic developer training (CEcD) from Oklahoma University Economic Development Institute. She earned her Master's of Science from Purdue University in Agricultural Economics where her research focused on food manufacturing site selection and has been featured in the Journal of Agricultural and Applied Economics. She is a stay-at-home mom who also works as an adjunct economics instructor at Robert Morris University. As a Montgomery County Board Member she serves on the Finance and Economic Development committees.



Nancy Slepicka

Grant Manager

A Hillsboro native, Nancy is a 1965 graduate of Hillsboro High School and 1969 graduate of Northwestern University, Evanston, IL. For more than 30 years, she and her husband, Richard, were owners/editors of her family's business, The Montgomery County News. In 2004, The Montgomery County News merged with The Hillsboro Journal to form The Journal-News. Nancy and Richard served as senior editors until retiring five years ago. Richard died in July 2012. In addition to her current work as Grant and EDGE Manager for MCEDC, Nancy maintains the websites and performs marketing duties for Fusion Fitness & Aquatics, Hillsboro Area Hospital and Hillsboro Specialty Clinics. Nancy took over EDGE Management in the fall of 2012.

Year in Review

This annual report takes into account our annual Program of Work that was adopted for 2011-2012.

Site Development: Availability of sites is an essential part of locating, retaining and expanding a business. This year, the MCEDC worked with four communities to begin addressing sites vital to the enhancement of development opportunities. Site development consists of understanding which parcels are primed for successful development, gaining insight as to which utilities are onsite and understanding the necessary improvements required prior to the commencement of construction. Action items for these sites have been developed and implementation will continue in 2013.

Workforce Development:

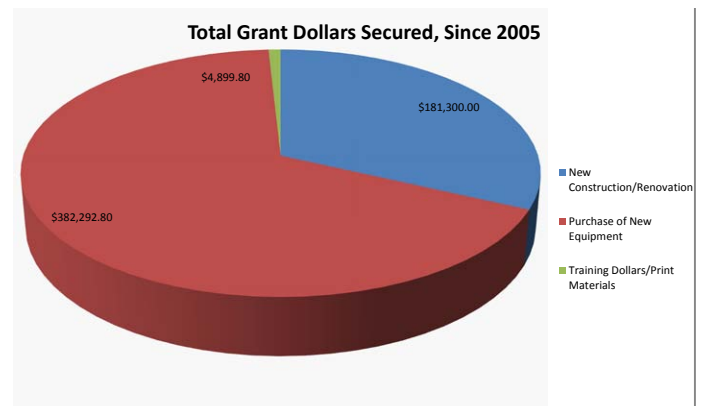
Previously, site location was dependent on building and land locations. However, having an employable workforce currently tops the list of desired qualities for any community. MCEDC's focus this year is to examine the quality of our labor pool, understand the factors influencing the County's high unemployment rate and bridging the skill gap between employers looking to recruit employees and residents seeking employment. In 2012, a Bi-County Workforce Development Taskforce with Macoupin County was created to bring public, private and educational partners together to address the concerns facing our residents and employers. These challenges will continue to be examined and should be a priority for all those interested in the economic prosperity of our region.

Career Fair: Putting County residents to work benefits each community within our region. One way to help those looking for work is to pair them up with employers seeking employees. Thus, a partnership with MCEDC, City of Litchfield, Lincoln Land Community College, Blackburn College, and Illinois Department of Employment Security was born. We pooled our efforts into creating a career fair in October 2012. Companies from around the region and nation met with students and adults seeking employment opportunities. The next event is scheduled to occur in September 2013 at Lincoln Land Community College. We hope to make this an annual event.

Customized Service to the Communities:

Each municipal member of MCEDC can request assistance with preparing a grant application each fiscal year. If the grant is successful, the community may ask MCEDC to administer the grant for a minimal administrative fee. In addition to grant writing, MCEDC works with communities that have issues related to business incentives or ordinances to guide development. The MCEDC also works with communities that have community-specific issues such as site development and business recruitment.

In 2011-2012, grant dollars continued to be increasingly competitive. This year, the MCEDC requested over \$375,000 in grant funding. As of the printing of this report, \$6,500 was awarded in funding. Several grants have yet to be awarded, so the MCEDC is hopeful the grant total will grow further.



Revolving Loan Fund: Over a dozen businesses contacted the MCEDC this year seeking information regarding Montgomery County's Revolving Loan Fund (RLF). However, no new applications were filed. The outstanding participation is \$80,580.91. The RLF benefits new and existing businesses that operate within Montgomery County limits. An original investment of \$250,000 by the Montgomery County Board from the General Revenue Fund (allocation of money generated from sale of coal rights) was used to start this fund back in 2007, and another \$150,000 was placed into the fund in 2011. The available balance is determined based on outstanding participation agreements.

Year in Review

Location Branding: MCEDC was invited to present information on location branding at the City of Hillsboro Planning Commission's subcommittee on economic development. Location Branding is more than a logo and a fancy banner. It is the process a municipality undertakes to change, refine or improve thoughts and perceptions about their locality. The MCEDC would be pleased to present this information to interested member communities.

Tour of Montgomery County - State of Illinois Department of Commerce and Economic Opportunity (DCEO):

Just because we are part of the state doesn't mean that we are always on the top of their radar screen. MCEDC hosted a one-day tour of Montgomery County for DCEO's new Central Region Manager in June of 2012. Not only were we able to highlight regional development opportunities, but we toured the Alpy facility in Litchfield.



Night of Networking: In December, MCEDC partnered with the Litchfield Economic Development Office to host a holiday Night of Networking. This provided business and community professionals across the region the opportunity to network while celebrating the holiday season. Entrepreneur Pete Visintin from Ageless Fitness & Fight the Fight Clothing presented to the group. During the presentation, he explained how he was able to navigate the waters of opening a small business and create a successful endeavor.

New Office: The MCEDC moved into a new home in 2012. We are fortunate to share an office with the Montgomery County Board Chairman and are excited about this partnership with the County!

Small Business Appreciation Breakfast: On Monday, May, 21, business leaders from across Montgomery County celebrated National Small Business and National Tourism weeks with the MCEDC and City of Litchfield EDC. Speakers included Rep. Wayne Rosenthal and Deb Detmers from Congressman Shimkus' office. Rep. Rosenthal discussed the challenges faced by the State regarding budgetary issues. MCEDC will be partnering with the Litchfield and Macoupin County EDCs for this event in May 2013.

Enterprise Zone: For the past State Fiscal Year, the Montgomery County Enterprise Zone investments topped \$9.5 million. Over 325 jobs were retained and more than 70 jobs have been created within the past two years.

Illinois Institute for Rural Affairs Economic Development Conference: MCEDC attended the IIRA's Economic Development Conference in March of 2012. We were able to learn how fellow communities were able to successfully position themselves to sustain local development opportunities.

Grantsmanship Training by Illinois Department of Human Services: Grant dollars are increasingly competitive. Thus, it is important to sharpen our skillset in grant writing. MCEDC attended grantsmanship and program development training by the Illinois Department of Human Services. This training session provided tips and best practices on federal, state and foundation based grants.

RBGA Economic Development - Marketing and Branding to Get your Site Noticed: The Riverbend Growth Association provided a training session that explained why some communities succeed at attracting new businesses while others are ignored. We learned simple strategies to help our local communities get noticed. This conference reiterated the importance of local, regional and state organization working in tandem to brand and market new businesses. Many of these great ideas are already being put to work in Montgomery County.

Local Food Connections & Technical Summit: The MCEDC received an invitation to attend this Illinois Farm Bureau conference where we were able to learn about the local food initiatives that are taking shape throughout Illinois.

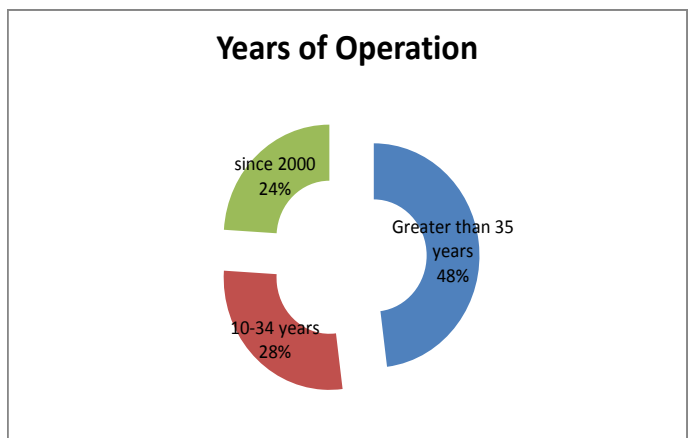
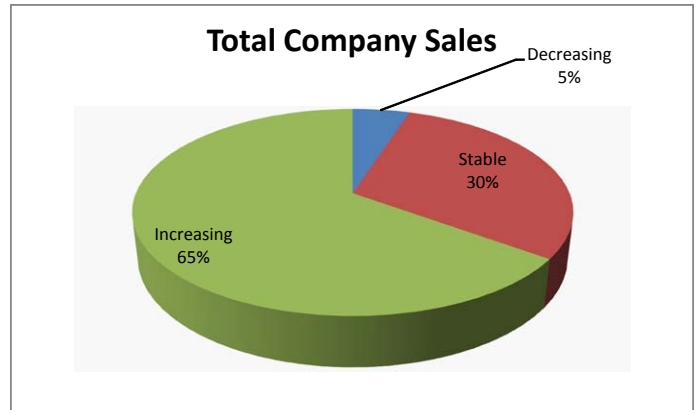
Year in Review

EDGE Program (Business Retention and Expansion):

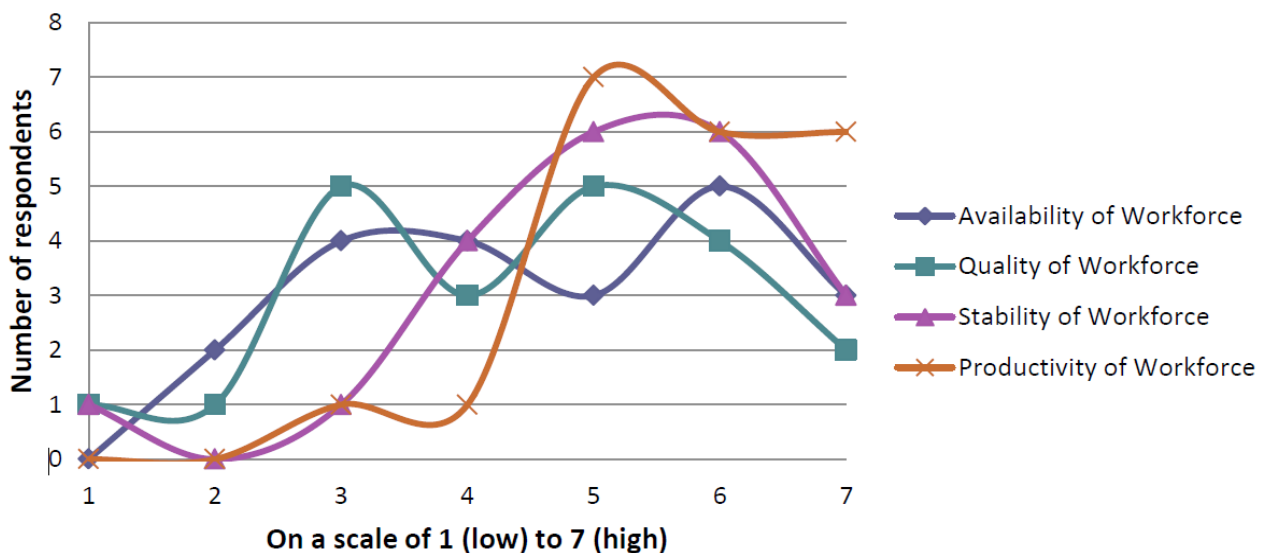
Business retention is a core tenet of economic development. Keeping our local businesses prosperous doesn't only benefit businesses. It also keeps our residents employed. It is as beneficial to recruit a new business as it is to retain an existing business. MCEDC created the Enhancing Development through Growing Enterprises (EDGE) program in 2008 and has earned its place as a model for business retention programs throughout the state.

In 2012, 20 businesses located in Montgomery County (excluding Litchfield, as they have their own retention program) participated in the EDGE program. The industries represented include fire, insurance and real estate, healthcare and pharmaceutical, industrial goods, retail, transportation, communications, government, consumer services and building and construction.

Businesses answered questions about general business trends, expansion, workforce, future business and more. A selection of the survey results are shown here and the State of the Industry report provides a comprehensive view of the program's year-end results.



Workforce Attributes



2011-2012 MCEDC Board of Directors

Representative	Member	Membership Class
Pam Burdzilauskas	City of Nokomis	Municipal
Ron Deabenderfer - Chairman	Montgomery County	County
Shelly Herman	City of Litchfield	Municipal
Brenda Fesser	First National Bank, Raymond	Business
John Galer - Vice Chairman	Journal Publications	Business
Thomas Gooding	City of Hillsboro	Municipal
Ray Marten	Village of Raymond	Municipal
Terri Miller - Secretary	Miller Enterprises	Individual
Randy Singler	Montgomery County Farm Bureau	Business
Dan White	Mid-Central Illinois Regional Council	Business
Shelia White	City of Coffeen	Municipal



*Top row Ray Marten,
Thomas Gooding, Randy
Singler, John Galer.*

*Bottom row Shelia
White, Shelly Herman
Ron Deabenderfer, Terri
Miller, Erika Kennett*

2011-2012 MCEDC Members

The MCEDC's membership is comprised of business, industry and municipal partners like you.

County - Governing

Montgomery County Board

University of Illinois Extension

Municipal - Governing

City of Coffeen

City of Hillsboro

City of Litchfield

City of Nokomis

City of Witt

Village of Butler

Village of Coalton

Village of Donnellson

Village of Farmersville

Village of Fillmore

Village of Irving

Village of Ohlman

Village of Raymond

Village of Schram City

Village of Taylor Springs

Village of Waggoner

Municipal - Associate

Village of Harvel

Irving Township

Individual - Governing

Heather Hampton + Knodle

Terri Miller

Emily Battin

Robert F. Mulch, MD

Amanda Cole

Individual - Associate

James Rupert

2011-2012 MCEDC Members

The MCEDC's membership is comprised of business, industry and municipal partners like you.

Business - Governing

Montgomery County Farm Bureau	Mid-Central Illinois Regional Council of Carpenters
Hillsboro Energy LLC	CNB Bank & Trust, N.A.
Hillsboro Area Hospital	First National Bank of Raymond
Journal Publications	Aumann Auctions, Inc.
Hurst-Rosche Engineers, Inc.	Stiehl-Dawson Funeral Homes LLC
1st National Bank of Nokomis	Drummond Company, Inc.
Ameren	National Bank
M.J.M. Electric Cooperative, Inc.	

Business - Associate

Borgic Farms, Inc.	Pritchard & Osborne, LLC
Security National Bank	First Community Bank of Hillsboro
M & M Service Company	Southwestern IL Building & Construction Trades Council
WSMI - WAOX	Litchfield National Bank
Ronk Electrical Industries, Inc.	Hayes Abrasives Inc.
All Precision Mfg.	Historical Society of Montgomery County

MONTGOMERY COUNTY ECONOMIC DEVELOPMENT CORPORATION						
2012 OPERATING BUDGET						
as of	12/31/2012					
		BUDGET	RECEIVED	DIFFERENCE	OF INCOME	RECEIVED
INCOME						
BUSINESS RETENTION & EXPANSION						
	BUSINESS AND INDUSTRY	\$13,000.00	\$11,900.00	\$1,100.00	18.21%	91.54%
	ASSOCIATE MEMBERSHIP	\$1,100.00	\$1,050.00	\$50.00	1.54%	95.45%
	SPECIAL EVENTS (Quality of Labor)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	REVOLVING LOAN FUND	\$1,000.00	\$0.00	\$1,000.00	1.40%	0.00%
	GRANTS (or grant administration)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	Total		\$15,100.00			
COMMUNITY ASSISTANCE						
	MUNICIPAL	\$19,334.50	\$21,124.50	-\$1,790.00	27.09%	109.26%
	SPECIAL EVENTS (Montgomery County Summit)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	ADVERTISING (tourism brochure)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	GRANTS (or grant administration)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	Total		\$19,334.50			
RELATIONSHIPS/GENERAL OPERATIONS						
	CARRY OVER	\$3,644.78	\$3,644.78	\$0.00	5.11%	0.00%
	COUNTY	\$30,000.00	\$30,000.00	\$0.00	42.03%	100.00%
	INDIVIDUAL MEMBERSHIP	\$1,250.00	\$850.00	\$400.00	1.75%	68.00%
	ASSOCIATE MEMBERSHIP	\$50.00	\$0.00	\$50.00	0.07%	0.00%
	SPECIAL EVENTS (fundraisers)	\$1,000.00	\$0.00	\$1,000.00	1.40%	0.00%
	DONATIONS	\$1,000.00	\$440.50	\$559.50	1.40%	44.05%
	ADVERTISING (website)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	GRANTS	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	Total		\$36,944.78			
	Total Income		\$71,379.28	\$69,009.78	\$2,369.50	100.00%
EXPENSE						
BUSINESS RETENTION & EXPANSION						
<i>STAFF / PROGRAM DELIVERY: EDGE, Infrastructure, Workforce, Business Development, Networking, RLF, CIEDA & LOIS</i>						
	* U OF I EXTENSION PARTNERSHIP	\$6,000.00	\$1,172.78	\$4,827.22	8.46%	19.55%
70%	EXECUTIVE DIRECTOR CONTRACT	\$24,500.00	\$22,466.50	\$2,033.50	34.56%	91.70%
	EXECUTIVE DIRECTOR EXPENSE	\$800.00	\$700.50	\$99.50	1.13%	87.56%
	EDGE CONTRACTOR	\$7,000.00	\$7,000.00	\$0.00	9.87%	100.00%
	EDGE CONTRACTOR EXPENSE	\$400.00	\$453.10	-\$53.10	0.56%	113.28%
<i>ECONOMIC / COMMUNITY DEVELOPMENT COMMITTEE</i>						
	PROFESSIONAL DEVELOPMENT	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	QUALITY OF LABOR SURVEY	\$0.00	\$0.00	\$0.00	0.00%	0.00%
	SUMMIT (networking event)	\$850.00	\$0.00	\$850.00	1.20%	0.00%
	Total		\$39,550.00			
COMMUNITY ASSISTANCE						
<i>STAFF / PROGRAM DELIVERY: Grants, Planning & Policy</i>						
	* U OF I EXTENSION PARTNERSHIP	\$11,500.00	\$500.00	\$11,000.00	16.22%	4.35%
8%	EXECUTIVE DIRECTOR CONTRACT	\$2,800.00	\$2,567.60	\$232.40	3.95%	91.70%
	EXECUTIVE DIRECTOR EXPENSE	\$500.00	\$650.52	-\$150.52	0.71%	130.10%
<i>MEMBERSHIP / COMMUNICATIONS COMMITTEE</i>						
	SPRINGFIELD DAY	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	INTERNSHIP	\$500.00	\$500.00	\$0.00	0.71%	100.00%
	Total		\$15,300.00			
RELATIONSHIPS/GENERAL OPERATIONS						
<i>STAFF / PROGRAM DELIVERY: External Comm., Internal Comm., Mailings, Book Keeping, Meeting Preparation & Website</i>						
	* U OF I EXTENSION PARTNERSHIP	\$2,500.00	\$2,500.00	\$0.00	3.53%	100.00%
22%	EXECUTIVE DIRECTOR CONTRACT	\$7,700.00	\$7,060.90	\$639.10	10.86%	91.70%
	EXECUTIVE DIRECTOR EXPENSE	\$1,300.00	\$508.18	\$791.82	1.83%	39.09%
	COMMUNICATIONS DIRECTOR	\$0.00	\$0.00	\$0.00		
<i>STAFF / BOARD OF DIRECTORS</i>						
	MEETING (annual meeting of members)	\$1,200.00	\$1,048.12	\$151.88	1.69%	87.34%
	MEMBERSHIP DUES / SUBSCRIPTIONS	\$350.00	\$32.00	\$318.00	0.49%	9.14%
	MCEDC CELL PHONE	\$700.00	\$563.70	\$136.30	0.99%	80.53%
	GENERAL OPERATING EXPENSE	\$1,300.00	\$1,393.46	-\$93.46	1.83%	107.19%
<i>MEMBERSHIP / COMMUNICATIONS COMMITTEE</i>						
	COMMUNICATIONS / MARKETING (web page & phone book listing)	\$1,000.00	\$194.40	\$805.60	1.41%	19.44%
	SPECIAL EVENTS (fundraisers)	\$0.00	\$0.00	\$0.00	0.00%	#DIV/0!
	Total		\$16,050.00			
	Total Expense		\$70,900.00	\$49,311.76	\$21,588.24	100.00%
	Balance		\$479.28	\$19,698.02		

* Partnership will be re-evaluated based on staffing changes January 2012.



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The MCEDC's mission is to increase the economic standard of living and quality of life in Montgomery County by providing educational opportunities and additional support to the general public and business. We aim to:

- Promote the development, establishment, expansion, and retention of residents, business and industries.
- Research and maintain current data and analysis of county economic and social trends.
- Educate the county's residents on the county's economic and social status and trends.
- Develop and maintain an inventory of available business and industrial sites.
- Recruit business and residents through the use of an informational and interactive web site and collateral materials.
- Research, apply, and administer grants, when requested by members of our corporation.
- Raise funds from existing businesses, communities, industry and individuals to support community and economic development efforts.
- Support countywide tourism efforts.