

**MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF CAMPBELL, VIRGINIA**

December 21, 2006

The called meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the Community & Economic Development Conference Room, County Office Building, Rustburg, Virginia, on December 21, 2006.

The Directors present were:

Vance Driskill, Chairman
Robert Kennedy
Lewis Robertson
John Yates
Malcolm Morris
George Rosser

Also Present:

J. Michael Davidson, Economic Development Director
Frank Wright, Jr., Overby, Hawkins, Selz & Wright
Kevin Cash, Edmunds & Williams

Mr. Driskill called the meeting to order at 7:32 pm.

// Mr. Driskill opened the meeting by explaining that this called meeting serves as a public hearing on the application and plan of financing Centra Health Incorporated's Cancer Center with bank qualified IDA bond funds. Two successive weekly notices of the hearing appeared on December 7th, 2006, and December 14th, 2006, in the News and Advance, a newspaper having general circulation in Campbell County, Virginia.

Mr. Driskill opened the floor for comments on the proposed financing. Mr. Yates inquired whether this item needs to go into closed session with the Board of Supervisors. Given the nature of the proposal, this is not necessary.

Mr. Driskill then gave the floor to Mr. Kevin Cash from Edmunds & Williams, representative for Centra Health. Mr. Cash explained that Centra Health's Cancer Center project requires \$20 million in funding. Centra Health requests that \$7.5 million of the available \$10 million in bank qualified IDA bond funds for 2007 be issued for this project. Mr. Cash noted that neither the IDA nor Campbell County will be responsible for pledging its credit to the repayment of these funds. He also noted that Centra Health will have the bond managed through BB&T and will be charged a 4.13% interest rate.

Next, Mr. Davidson further explained to the IDA members details of the proposal. He said that this type of bond is made available only to government, 501C, and other 501 not-for-profit organizations. These bonds are not traditional industrial revenue bonds. These bonds are capped at \$10 million per political jurisdiction. The IDA would be allocating the \$7.5 million to Centra Health out of the funds for 2007. Pending confirmation from two more eligible organizations, Mr. Davidson said he believes that there are no other entities intending to make use of these funds in an amount exceeding the \$2.5 million that will be left over after \$7.5 million is allocated to Centra Health. He also commented that Centra Health is willing to pay the 1/8th of 1 percent annual state allowed fee on the outstanding balance of the bank qualified IDA bond funds issued.

Mr. Wright reviewed the resolution. He highlighted several requirements and stipulations of the resolution. All IDA members are required to have taken their oath. Every IDA member must be a resident of Campbell County. As stated on Page 2, Paragraph 1, the IDA's credit is not pledged to the issuance or repayment of these funds. Mr. Wright will be authorized to review and make improvements on the resolution and any additional documents prepared regarding this resolution. The Chair and Vice Chair will have the authority to execute the documents.

Additionally, it was noted that the titles "President" and "Vice President" will be changed to "Chair" and "Vice Chair." Also, on Page 3, the dates will be changed from 2006 to 2007.

The IDA members were given an opportunity to ask questions or make comments. General discussion followed.

On a motion by Mr. Morris, seconded by Mr. Yates, and duly adopted by unanimous vote, the Industrial Development Authority adopted the resolution for issuance of \$7.5 million in bank qualified IDA bond funds to Centra Health.

// Mr. Davidson next mentioned that an important topic to be discussed in-depth at the January 2007 regularly scheduled IDA meeting is that of the IDA's accounting policies and procedures. Given the increased revenue of the IDA over the last several years, Campbell County's auditors feel it necessary to transfer bookkeeping responsibilities to either Campbell County Management Services or an outsourced accounting agency. Further discussion of this need will take place in January.

After general discussion of the aforementioned matters, no other business was presented for consideration. On a motion by Mr. Morris, seconded by Mr. Rosser, and duly adopted by unanimous vote, the Campbell County Industrial Development Authority adjourned at 8:30 pm. The next regularly scheduled meeting will be held on January 23, 2006 at 7:30 pm.

Vance Driskill, Chairman

George Rosser, Secretary-Treasurer