



**2018
ANNUAL
REPORT**

grow *Claremore*

LETTER FROM THE CHAIRMAN



DR. KEITH BALLARD
CHAIRMAN
*Claremore Industrial
and Economic
Development Authority*

*Professor of Professional
Development and
Leadership Academy
University of Oklahoma*

As I reflect on 2018, I am encouraged and excited by the positive momentum and continued collaboration across Rogers County.

Our region continues to be a prime candidate for industry growth and expansion due to the low cost of doing business, short commute times and central location. Over the past year, the Claremore Industrial and Economic Development Authority (CIEDA), continued its efforts to attract new business opportunities, expand existing operations and collaborate with partners to position Claremore for increased economic activity.

This year, Claremore saw a net growth of new quality jobs, welcomed a new manufacturing operation, celebrated a significant expansion by Claremore's largest employer, and continued to foster an environment which supported collaboration and partnership between our industrial manufacturing facilities.

As an educator, I am proud to say that 2018 truly centered on developing talent throughout Rogers County. Across the United States, finding an educated, skilled workforce continues to be one of the top challenges facing employers. CIEDA continues to support initiatives that foster a robust, skilled workforce pipeline to serve our growing manufacturing sector.

We are proud to say that this year, CIEDA witnessed a record number of students impacted through its talent development initiatives. Our Learn and Earn program expanded to include classroom visits and career pathway presentations, further showcasing the local opportunities available for students. Partners in Education continues to connect county students with area businesses, shaping the culture of our next generation of workforce.

It is through these initiatives that we witness the true, holistic impact of economic development. An increase in quality jobs leads to a growth in rooftops. This year Claremore witnessed zoning changes which will one day be home to a variety of housing options for Claremore's growing workforce. As our community's population continues to increase, national retailers have chosen Claremore as a home for new establishments. In 2018, Claremore welcomed local and national retailers such as 10Box Cost-Plus, Cotton Patch Café, Da Vinci's, and Aspen Dental.

As we look back on the year 2018, it is evident that CIEDA and its partner organizations accomplished much in support of our region. I am grateful to all who supported our mission and am humbled by the opportunity to serve as CIEDA Chairman. In true collaboration, we are working together to build our community and define a legacy for future generations.

I anxiously anticipate what lies ahead in the next year, and hope you will continue supporting us in our quest to build a better Rogers County.

Respectfully,

A handwritten signature in black ink that reads "Keith E. Ballard". The signature is written in a cursive, flowing style.

SUPPORTING LOCAL GROWTH

In 2018, Claremore saw a net growth of approximately 400 new quality jobs, many of which were a direct result of existing company expansion. Roughly 80 percent of job growth in any community is the product of established industry expansion. To best aid Rogers County's manufacturing sector, CIEDA revamped its business retention and expansion efforts, with a focus on developing and rebuilding relationships with key partners in the community.

This direct engagement allows CIEDA to quickly connect companies with the solutions needed to be successful in northeast Oklahoma.

CIEDA staff spent many hours within the facilities of the following industrial partners. This allowed for a more collaborative approach to identifying opportunities, overcoming barriers and celebrating collective success.



APPROXIMATELY 400 NEW QUALITY JOBS AND THREE MANUFACTURING FACILITY EXPANSIONS



PROMOTING OPPORTUNITY

To maintain increased economic activity, the CIEDA staff worked diligently to market Claremore as an ideal location to live, work and do business. Through these efforts, Claremore welcomed one new aerospace manufacturing operation. Additionally, staff submitted numerous project proposals and hosted two site visits.

To support its marketing initiatives, CIEDA partnered with Civic Plus, a leader in website development, to revamp its web presence. The new and improved growclaremore.com boasts all the information and resources needed by industry site selectors.

Additionally, CIEDA maintains its statewide presence through partnerships with the Oklahoma Professional Economic Development Council and the

Governor's Economic Development and Marketing Team. Partnerships with these organizations and the Oklahoma Department of Commerce allow CIEDA to connect with both national and international companies looking to expand or relocate in the region.

In 2018, CIEDA's executive director attended call trips in both Dallas, TX and southern California to promote Oklahoma as an ideal location for business expansion and relocation. Additionally, CIEDA staff attended the Tulsa Regional Chamber's Intercity Visit in Columbus, Ohio to learn about the city's best practices. Staff also attended the Tulsa Regional Washington D.C. Fly-In to advocate on behalf of pro-business legislation.

AIM FOR THE SKY

The Claremore Regional Airport continues to maintain its reputation as one of Oklahoma's leading regional airports. To maintain this momentum, the airport completed a number of projects including a 1,040 square-foot upstairs renovation to accommodate the growing flight school in addition to a nearly \$2.4 million runway rehabilitation project.

2018 AIRPORT ACCOMPLISHMENTS

- \$8.5 million in total annual economic impact
- Aircraft operations – average 41 take-offs/landing operations per day
- More than 80,250 gallons in total annual fuel sales
- Approximately \$120,770 in land/hangar leases
- 74 based aircraft

TALENT DEVELOPMENT - PARTNERING FOR A STRONG WORKFORCE

The misunderstandings surrounding the manufacturing industry impede our region's future workforce pipeline. As our regional manufacturing entities continue to grow, it is imperative we work to change the misconceptions surrounding this vital economic sector. CIEDA continues its commitment to investing in the current and future talent pipelines that fulfill primary jobs. Rogers County employers have shared a desire and need for skilled workforce participants. Through programs such as Learn and Earn and Partners in Education, employers are working collaboratively with our area educational institutions to change misperceptions and educate students on the careers available in their own backyard. Utilizing student job placement, career simulation programming, and direct connections to employers, CIEDA is actively working to ensure Rogers County's students are engaged with future career opportunities. The first semester of the 2018 - 2019 academic year allowed 1,786 students to participate in programming that supports sustainability and growth potential through a career within their community.



PARTNERS IN EDUCATION
CAPITAL: \$35,796.24
VOLUNTEER: 331 HOURS
FROM AUGUST - DECEMBER 2018

JUNIOR ACHIEVEMENT BIZTOWN

CIEDA continues its support in sponsoring the attendance of all Claremore Public Schools fifth-graders to Junior Achievement BizTown. Enjoying a day at a fully interactive, simulated town experience, each student is interviewed and placed in a career. Through this, they learn the essential aspects of work readiness, entrepreneurship, financial literacy, and the economics of life. The program helps students connect the dots between what they learn in school and the real world.



LEARN & EARN

Our future workforce is in the classroom. Connecting with students allows CIEDA and regional employers the opportunity to educate on the quality jobs available in the manufacturing sector, and the skills needed to be successful in those careers. Following a successful pilot year, 2018 saw continued interest and engagement in CIEDA's Learn and Earn program. High school seniors interested in or considering the manufacturing sector as a career industry are placed as part-time, paid employees at a local Claremore manufacturer. Through this initiative, participants receive paid training on-site, with opportunities to advance within various positions. Ultimately, this leads to a full-time job upon graduation. Through this unique process, Claremore's manufacturing partners are directly engaged in developing the next generation of workforce.



PARTNERS IN EDUCATION





EMERGING MANUFACTURING LEADERS

Dream It Do It Oklahoma is an initiative that showcases the incredible career opportunities available in manufacturing to the emerging workforce. The organization strives to change the misperceptions of manufacturing careers and create an understanding of the renaissance of this vital industry in the United States. To aid in this effort, the organization celebrates young manufacturing leaders throughout the state each year. Claremore was honored to employ seven of the 33 honored in August. Award recipients were nominated by area manufacturing employers for displaying great potential in their career.

FROM LEFT TO RIGHT:

Andy and Sarah Fiegner, Owners of Rye Design, Katie Morris, Production Control Planner at Baker Hughes, a GE Company
 Emily Glavan, Manufacturing Engineer at Baker Hughes, a GE Company, Brandon Jones, Assistant Supervisor at Baker Hughes, a GE Company
 Jay Katon, Manufacturing Manager at AXH air-coolers, LLC, Brian O'Dell, Vice President of Blue Arc Metal Specialties, Inc.

WORKFORCE STUDY

With the continued upturn in Oklahoma's economy, Claremore and northeast Oklahoma are poised for significant growth in the coming years. To ensure that the region is positioned to address its future workforce needs, CIEDA commissioned a county-wide labor study by Site Selection Group of Dallas. Areas assessed include occupational data, target industries, as well as commuter and labor shed analyses using primary and secondary information sources.



TARGET INDUSTRIES



MANUFACTURING



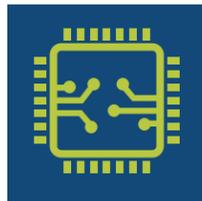
FOOD &
BEVERAGE



AEROSPACE



HEALTH CARE



ELECTRONICS



METALS &
MACHINERY

EMPLOYER TESTIMONIES DRIVING STRATEGIC EFFORTS FOR 2019:

POSITIVES

- » Perfect location for manufacturing
- » Drawing professional-level talent from Tulsa, Owasso, etc.
- » Strong work ethic
- » Ingredients for strong educational triangulation
- » Quality of life—a “real” place and community

CHALLENGES

- » Very high competition
- » Rising wages (above what the wage databases report)
- » Work readiness of incoming talent
- » Need increased and deeper engagement with training for a stronger pipeline of workers

KEY TAKEAWAYS

- » Candid employer testimony is the most important part of site selection
- » In the current environment, communities win/lose on workforce training

THANK YOU TO THE FOLLOWING FOR THEIR PARTICIPATION THROUGH INTERVIEWS AND DATA PROVISION:

- Abundant Solutions
- AXH Air-Coolers
- Baker Hughes, a GE Company
- Belgas FM
- City of Claremore
- Claremore Public Schools
- Hillcrest Hospital
- HydroHoist Boatlifts
- Northeast Technology Center
- Northeast Workforce Investment Board
- Rogers State University
- And other key employers

STATEMENT OF NET POSITION

June 30, 2018

ASSETS

Current assets:

Cash and cash equivalents	\$ 637,956
Accounts receivable	12,447
Inventories	48,388
Due from primary government	83,203
Restricted:	
Cash	945,156
Interest receivable - TIF	7,670
Notes receivable - TIF - current portion	561,835
Total current assets	2,296,655

Noncurrent assets:

Notes receivable - TIFs	2,602,522
Capital assets:	
Land held for development	2,723,430
Property and equipment, net	2,162,920
Total noncurrent assets	7,488,872
Total assets	9,785,527

DEFERRED OUTFLOWS OF RESOURCES

<i>Related to defined benefit pension plan</i>	46,234
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LIABILITIES

Current liabilities:

Accounts payable and accrued expenses	11,655
Accrued interest payable	11,692
Current portion of notes payable:	
TIF notes payable from restricted assets	575,835
Other notes payable	17,109
Total current liabilities	616,291

Noncurrent liabilities:

Net pension liability	201
OPEB liability	8,536
Notes payable, net of current portion:	
TIF notes payable from restricted assets	2,738,209
Total noncurrent liabilities	2,746,946
Total liabilities	3,363,237

DEFERRED INFLOWS OF RESOURCES

<i>Related to pension plan and other post employment benefits</i>	38,946
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NET POSITION

Net investment in capital assets	4,869,241
Restricted - TIF debt service	814,585
Unrestricted	745,752
Total net position	\$ 6,429,578

The notes to the financial statements are an integral part of this statement.



ABOUT US

The Claremore Industrial and Economic Development Authority (CIEDA) is a public trust organization formed in 1948 under Oklahoma state law established to make sufficient use of economic resources and to stimulate economic growth

and development for the City of Claremore and Rogers County. CIEDA facilitates the recruitment, retention, and expansion of primary industry jobs, and expansion of the sales tax base through recruitment of new destination retail businesses.

TRUSTEES

Dr. Keith Ballard, Chairman

Professor of Professional Development and Leadership Academy, University of Oklahoma

Ryan Neely, Vice Chairman

Financial Advisor, Neely Insurance and Financial Services

Jeff Jensen, Secretary/Treasurer

President, BancFirst

Gary Collins, Trustee

Operations/Production Manager, CF Industries

Tim Fleetwood, Trustee

Owner, Love Air Conditioning, LLC

Brian Green, Trustee

President, Ira M. Green Construction

Mick Webber, Trustee

President and CEO, HydroHoist Marine Group

STAFF

John Feary

Executive Director

Meggie Froman-Knight

Talent Development Manager

Kaleigh Hossack

Project Manager

Kara Lenard

Office Manager

Eric Winn

Airport Manager



CIEDA
CLAREMORE
INDUSTRIAL
& ECONOMIC
DEVELOPMENT
AUTHORITY