

July 14, 2017

Senator Bill Sample, Chair
Representative David L. Branscum, Chair
Arkansas Legislative Council
Room 315, State Capitol
Little Rock, AR 72201

Dear Senator Sample and Representative Branscum:

Attached is the annual report of the Economic Development Incentive Quick Action Closing Fund for Fiscal Year 2017. Below are the expenditures and commitments of the Fund:

Expenditures prior to FY17	\$113,236,209
FY17 Expenditures	8,428,624
Committed funds	8,383,174
Projects offered but not yet accepted	30,007,000
Remaining QACF Balance	16,703,505
Refunds/Clawbacks	<u>(506,512)</u>
TOTAL	\$176,252,000

Act 510 of 2007 stipulates that the annual report will contain the following:

1. The names and addresses of the businesses receiving money from the fund. (See Attachment)
2. The date, amount, and purpose of the disbursements of money from the fund. (See Attachment)
3. An evaluation of the effectiveness of the disbursements made from the fund.
4. Any suggestions for improving the use of the fund.

This fund allows the Governor to act quickly and decisively in highly competitive situations to finalize an agreement with an employer to locate its business in Arkansas.

The companies proposing 77 job creation and/or retention projects that have received monies from the fund project the creation and retention of 25,225 jobs at an average hourly wage of \$20.55. The projected cumulative investment of these projects was \$3.044 billion. As of June 30, 2017, these 77 projects have created and retained 19,860 jobs.

The Quick Action Closing Fund is a vital tool for our State. Continuing to fund this appropriation on an annual basis, as well as increasing its amount, will allow for greater success in bringing quality companies with quality jobs that will help increase Arkansans' per capita personal income and broaden our tax base.

Sincerely,



Michael Preston
Executive Director

MP/kn
Enclosure

**Economic Development Incentive Quick Action Fund (Governor's Quick Action Closing Fund) Information
Annual Report of Expenditures for Fiscal Period July 1, 2016 - June 30, 2017**

Company Name	Location	Date	Purpose	Amount
ArcBest Corporation	Fort Smith	12/19/2016	Site Preparation and Construction	2,000,000.00
Arkansas Venture Center	Little Rock	12/5/2016	Venture Capital Accelerator Expenses	180,000.00
Ben E. Keith Foods	North Little Rock	2/16/2017	Energy Efficiency Improvements	275,000.00
Big River Steel Holdings LLC	Osceola	7/12/2016	Training	798,000.00
Cooper Tire and Rubber Company	Texarkana	11/8/2016	Equipment	900,000.00
FMH Conveyors LLC	Jonesboro	3/15/2017	Infrastructure and Equipment	757,412.50
		5/2/2017	Infrastructure and Equipment	242,587.50
<i>Subtotal</i>				<u>1,000,000.00</u>
GC Evans Sales and Manufacturing Company	Little Rock	12/1/2016	Equipment	200,000.00
HIA Velo LLC	Little Rock	9/11/2016	Equipment	400,000.00
Mortuus Pater Pictures LLC	Little Rock	5/4/2017	Film Production	144,071.54
Public Funds Investment Tracking	Little Rock	9/29/2016	Relocation Expenses and Equipment	50,000.00
		1/9/2017	Relocation Expenses and Equipment	50,000.00
<i>Subtotal</i>				<u>100,000.00</u>
Remington Arms Company, Inc.	Lonoke	8/2/2016	Infrastructure and Equipment	57,300.09
		9/22/2016	Infrastructure and Equipment	97,224.11
		10/16/2016	Infrastructure and Equipment	671,946.17
		11/21/2016	Infrastructure and Equipment	491,518.26
		1/2/2017	Infrastructure and Equipment	241,801.83
		2/22/2017	Infrastructure and Equipment	433,838.54
		5/1/2017	Infrastructure and Equipment	437,923.51
<i>Subtotal</i>				<u>2,431,552.51</u>
TOTAL EXPENDITURES				8,428,624.05