

JobsOhio Public Board Meeting

March 17, 2020

Call to Order

Bob Smith, Chairman

Introduction of Special Guests

Bob Smith, Chairman

Governor Mike DeWine

Agenda

Approve: Minutes of December 19, 2019

President's Report

- JO Organization Impact, Coronavirus
- Economic Impact & Outlook (A. Deye)
- Pipeline Review (D. Saucier)
- Financials (B. Faust)

JobsOhio Strategy

- Federal & Military (J. Zeis)
- Hometown Heroes (J. Hoagland)

Committee Reports

Approve Minutes of December 19, 2019

Bob Smith, Chairman

President's Report

JP Nauseef, President & CIO

President's Report

- Organization Impact & Continuity Coronavirus
- Announcements
 - Release of Annual Report to DSA
 - Ohio No. 1 (per capita) Governor's Cup Rankings
 - Sherwin Williams remains in NE Ohio
- Ohio Economic Impact & Outlook
- Deal Flow & Pipeline

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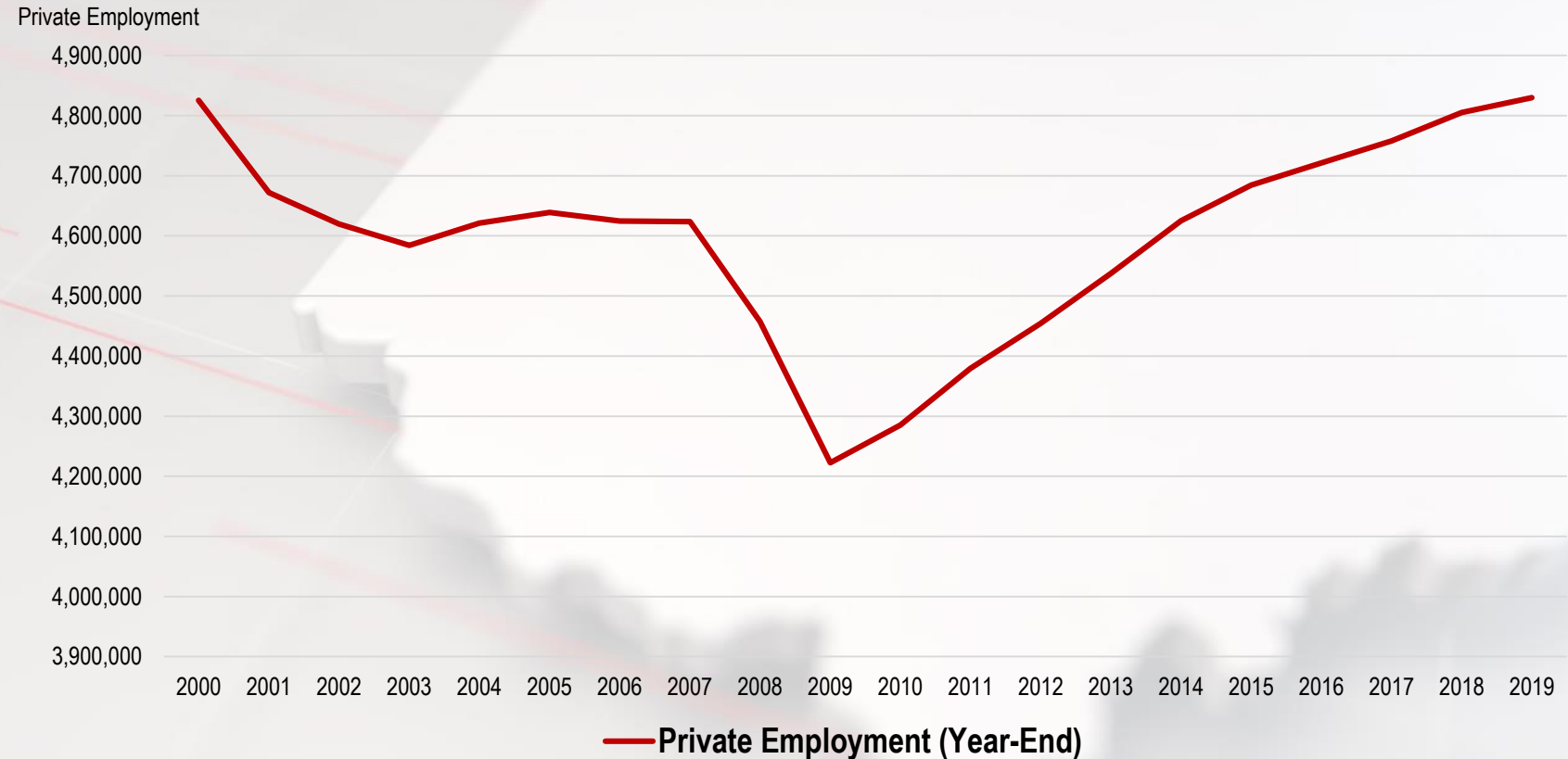
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Ohio Began 2020 with Historically High Private Employment of 4.8M (Most Since 2001)

Private Employment in Ohio (2000-2019)

Source: U.S. Bureau of Labor Statistics



Global Public Health Crisis Now Taking a Major Toll on the Economy



"Dow Falls Nearly 3,000 Points as Virus Fears Spread... signaling markets' increasing struggle with the concern that emergency measures won't ward off a recession caused by the coronavirus outbreak"



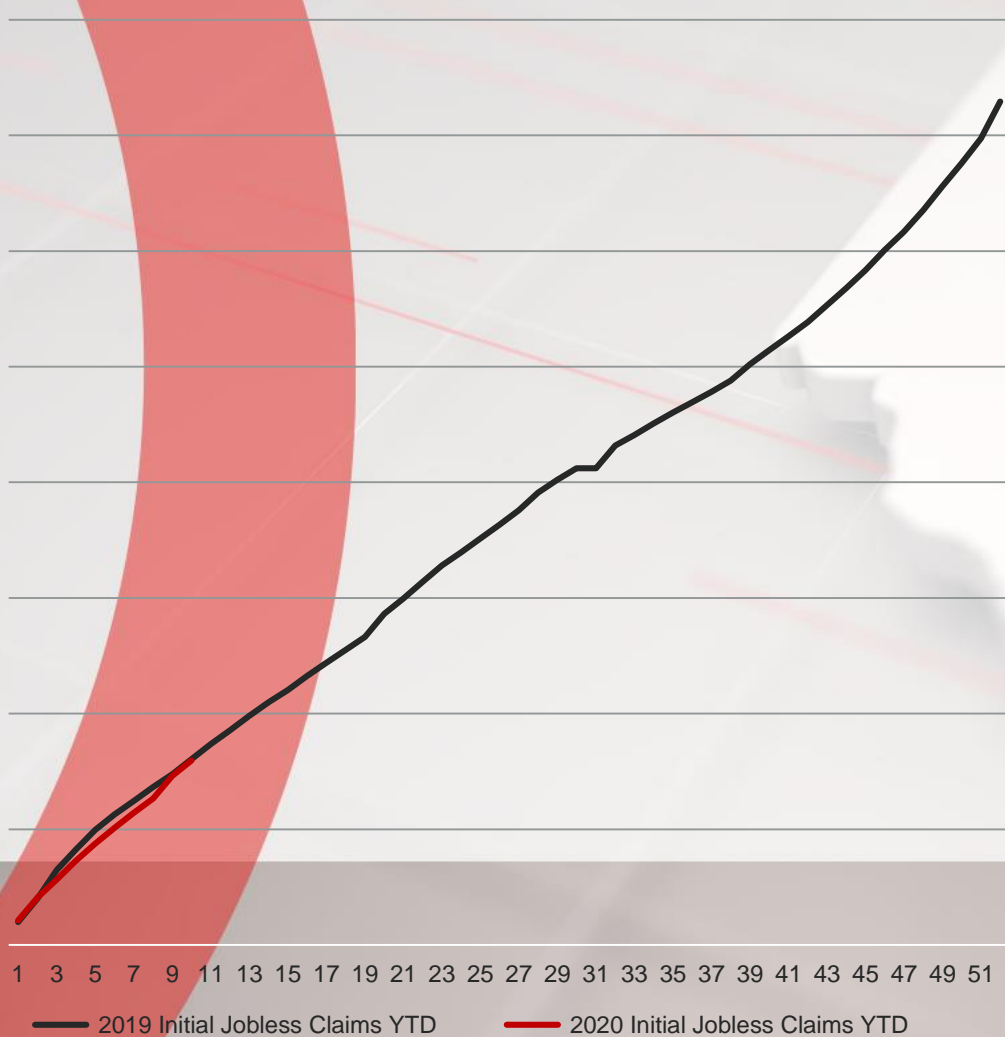
"The coronavirus outbreak has harmed communities and disrupted economic activity in many countries, including the United States...The effects of the coronavirus will weigh on economic activity in the near term and pose risks to the economic outlook. In light of these developments, the Committee decided to lower the target range for the federal funds rate to 0 to 1/4 percent."



What to Watch: Weekly Unemployment Claims... and Job Postings

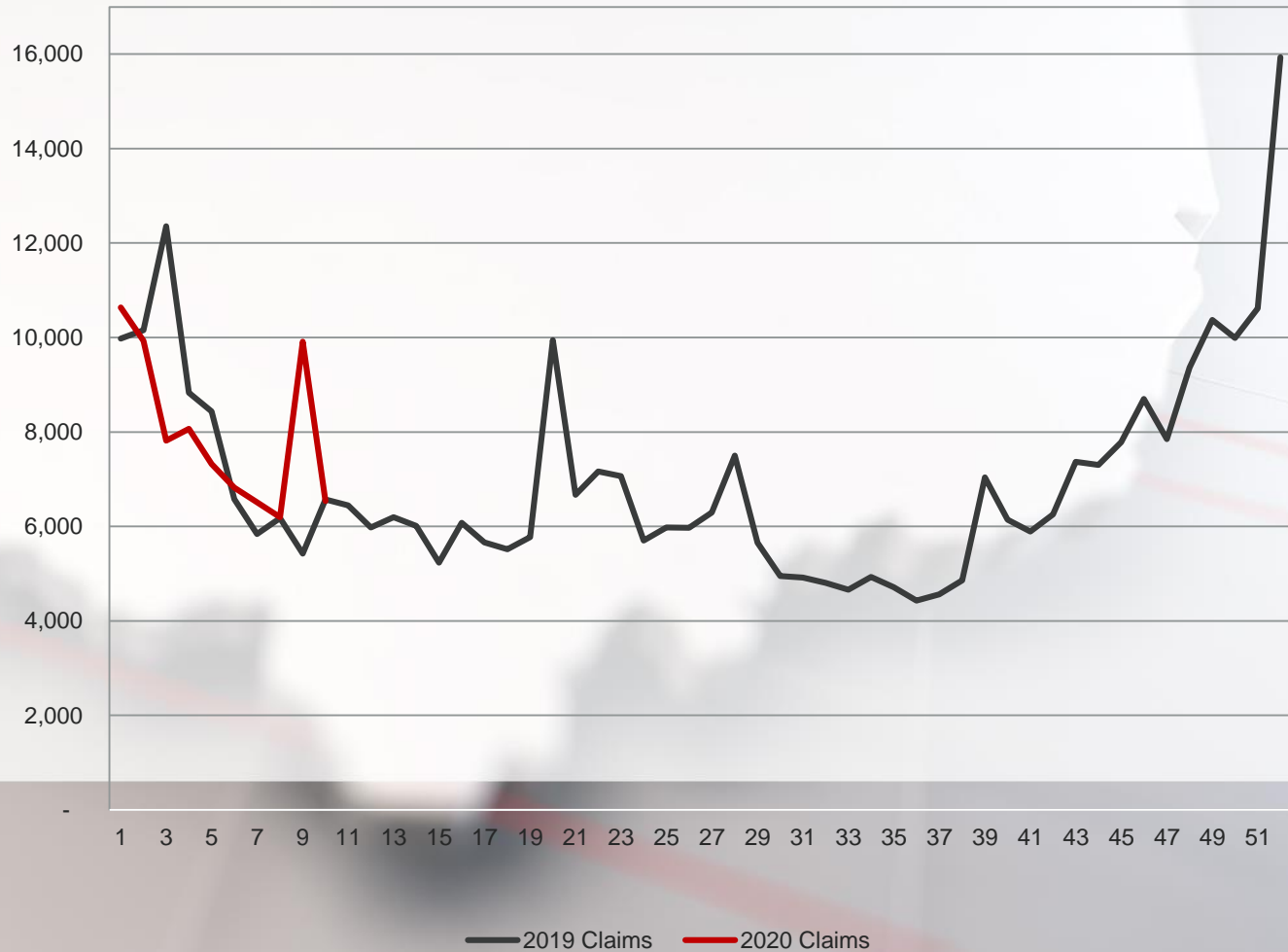
Weekly Jobless Claims Year to Date

Not Seasonally Adjusted



Jobless Claims by Week

Not Seasonally Adjusted

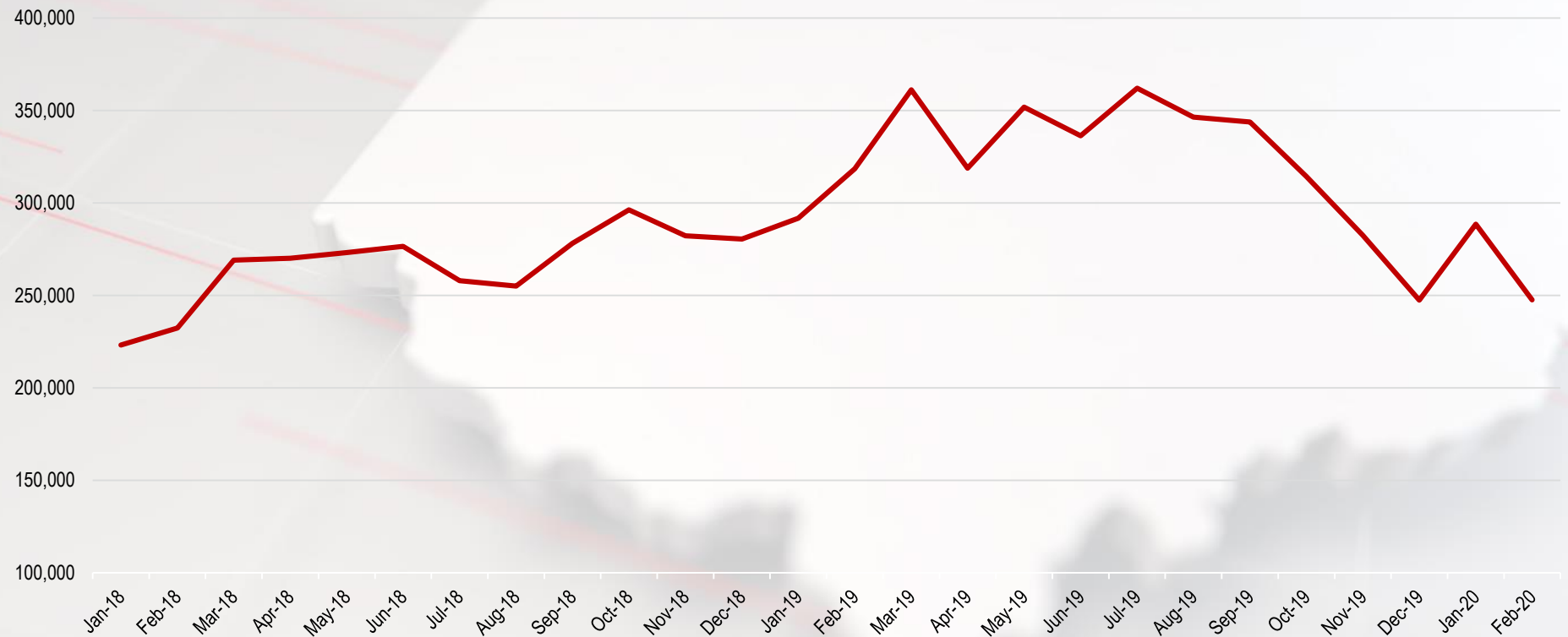


What to Watch: Weekly Unemployment Claims... and Job Postings

Illustrative Monthly Job Postings in Ohio

Source: EMSI

Note: Limited to the top 1000 Companies by Active Postings (Jan 2018 - Feb 2020)



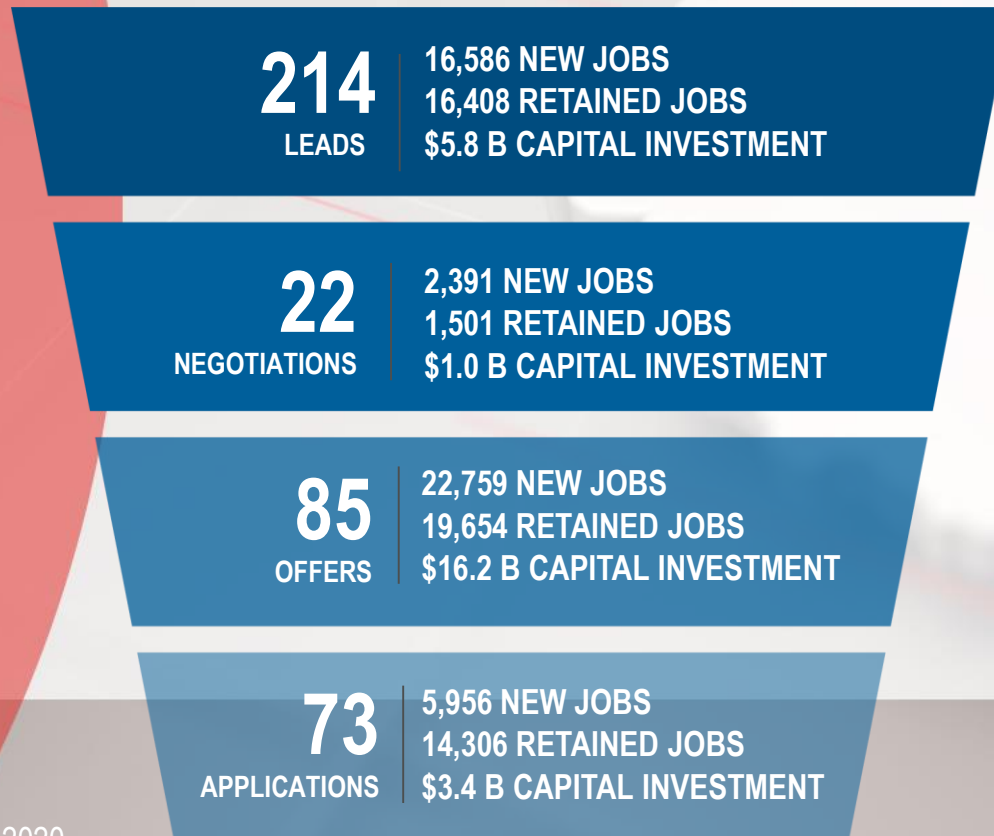
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PIPELINE

The JobsOhio project pipeline represents the potential deals that JobsOhio and its state, regional and local partners are working to drive job creation and capital investment in Ohio.

ACTIVE PROJECTS BY STAGE*



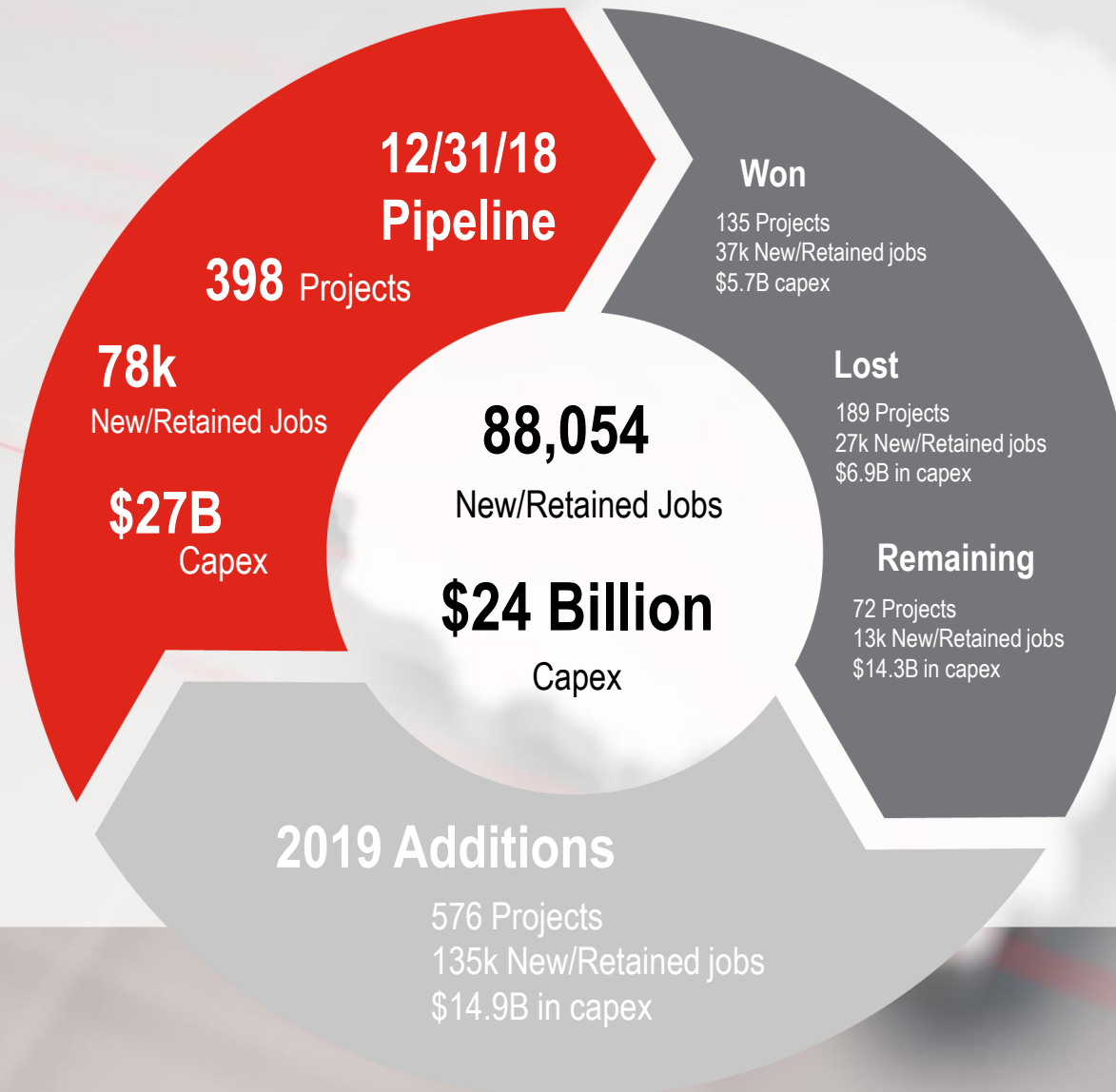
TOTAL PROJECT PIPELINE*



Data as of February 29, 2020

* Potential results if all projects are realized.

PIPELINE EFFORTS



CUSTOMER FEEDBACK

Survey Results

- 2019
 - Net Promoter Score - 74
 - Responses – 246
- 2018
 - Net Promoter Score – 77
 - Responses – 278
- 2017
 - Net Promoter Score – 75
 - Responses - 284

Highlights

- Professionalism
- Program Knowledge

Opportunities

- Process Simplicity
- Responsiveness



Financial Update

2nd Quarter Fiscal Year 2020

Brian Faust, CFO

DEC 2019 – STATEMENT OF NET POSITION

Net Position Increase: 2.3%

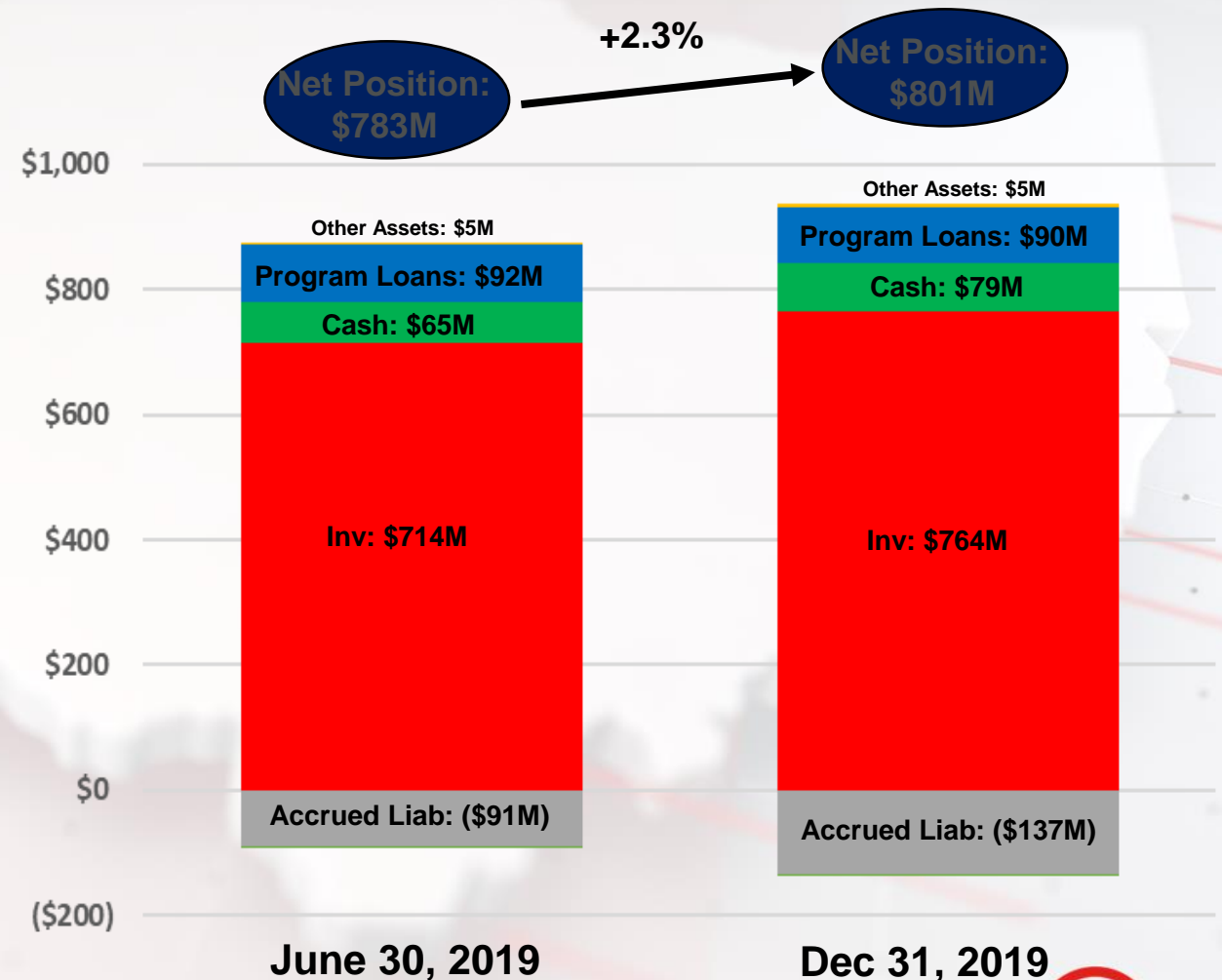
6/30/19 – 12/31/19

Assets increased 7.1%

- Cash and Investment Increase – contributions from liquor enterprise
- Loan decrease - two loan payoffs
- Other small changes in A/P and Other

Liabilities increased 47.2%

- Minor change in Accounts Payable due to timing of expenses
- Accrued liabilities increase - executed grant agreements not yet disbursed



NET CONTRIBUTION – June 30 '19 vs Dec 31 '19

Contribution Increase: 163%

6/30/19 vs 12/31/19

Operating revenues increased 154%

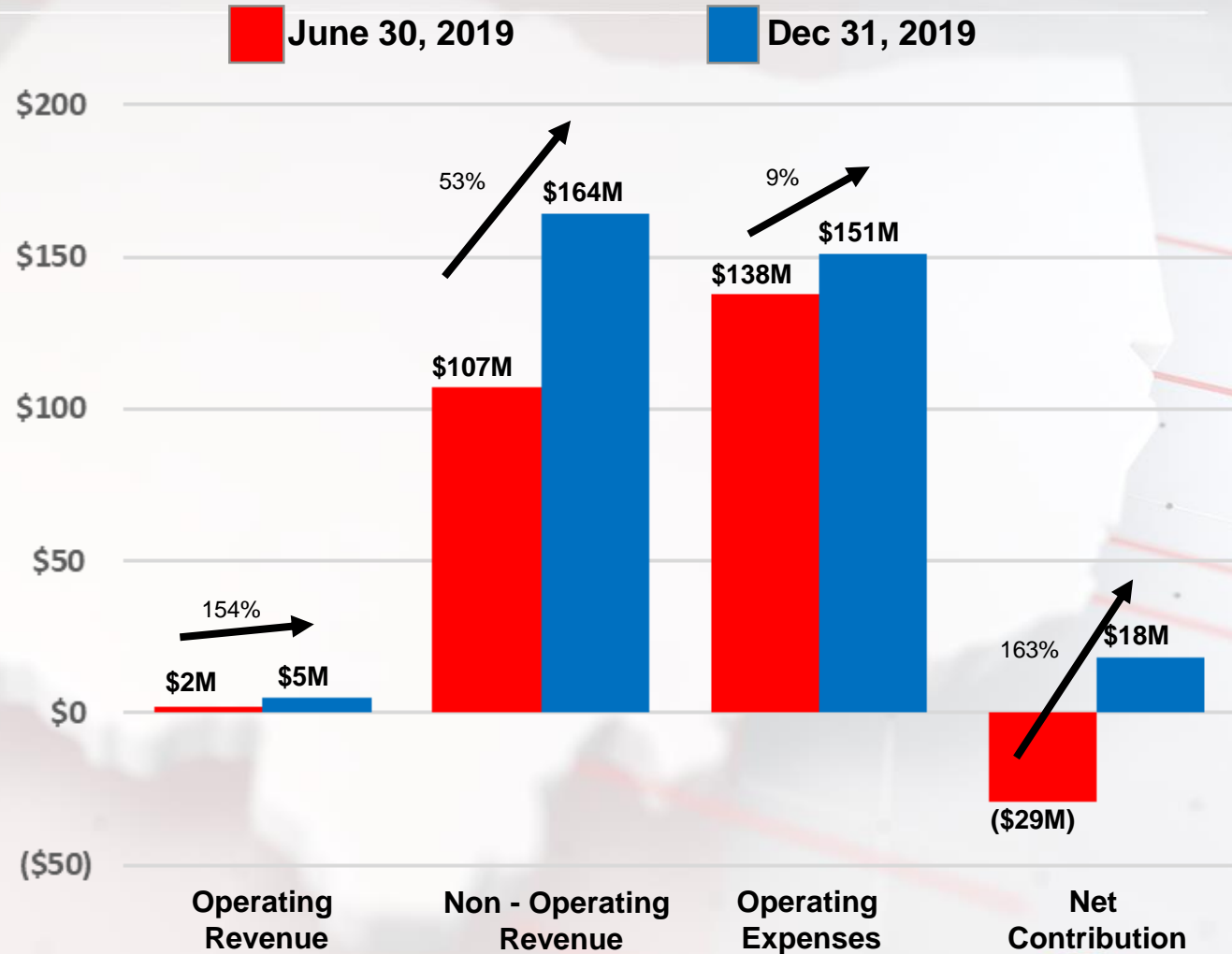
- Increase in management fees

Nonoperating revenues increased 53%

- Increase in liquor enterprise contribution
- Investment income increase

Operating expenses increased 9%

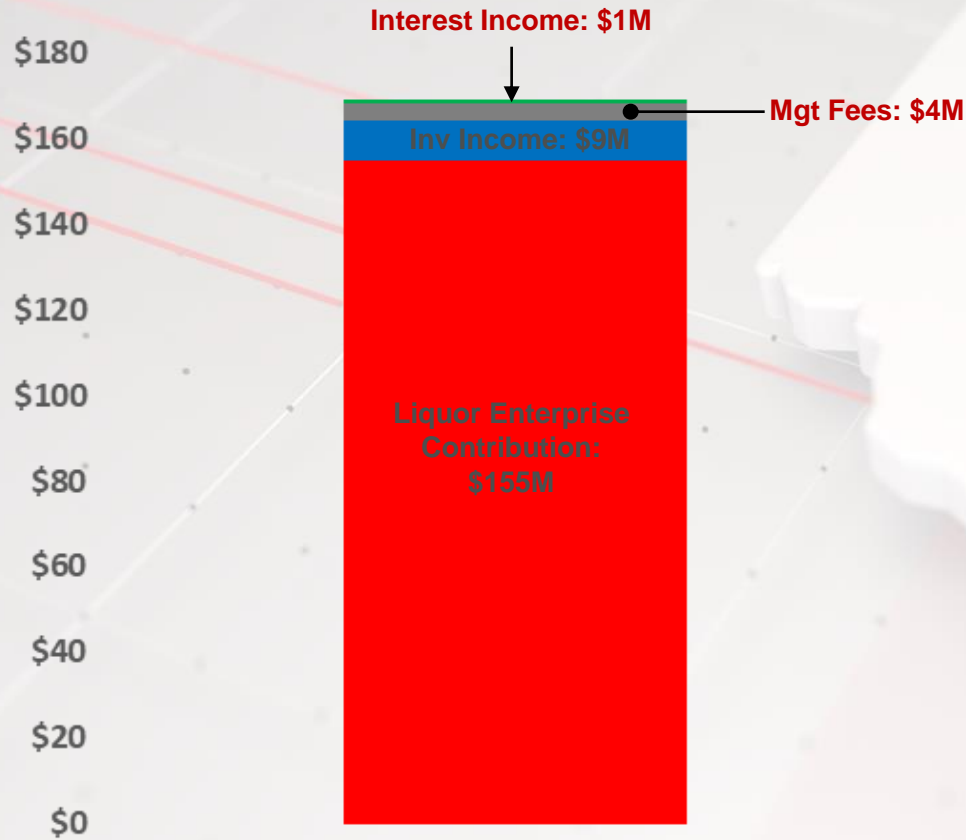
- Increased grant agreements
- Marketing sponsorships and branding costs
- Minor increase in Admin cost



REVENUE AND EXPENSE SUMMARY

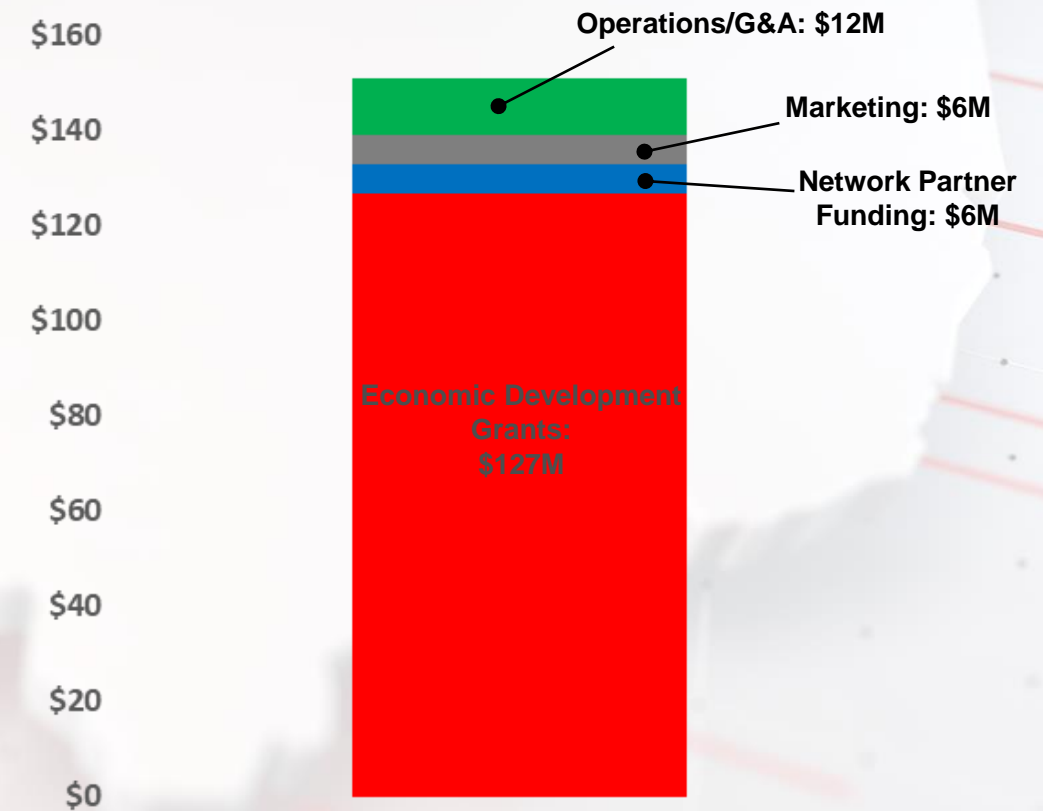
Accrued Supplemental
Payment to State: \$33M
(vs. \$28M as of 12/31/18)

Revenue: \$169M



Six Months Ending 12/31/19

Expense: \$151M

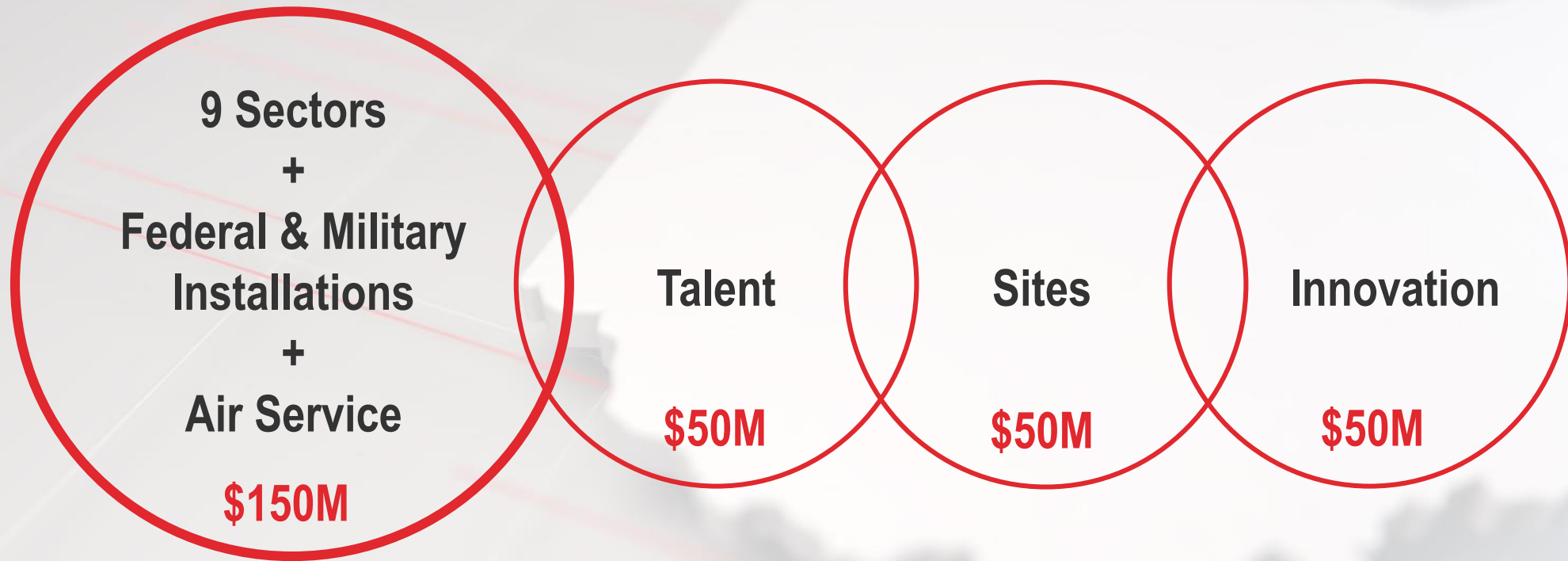


Six Months Ending 12/31/19

JobsOhio Strategy

JP Nauseef, President & CIO

Go-Forward, 5-Year “2.0” Strategy



Inclusive Growth Strategy

Federal + Military

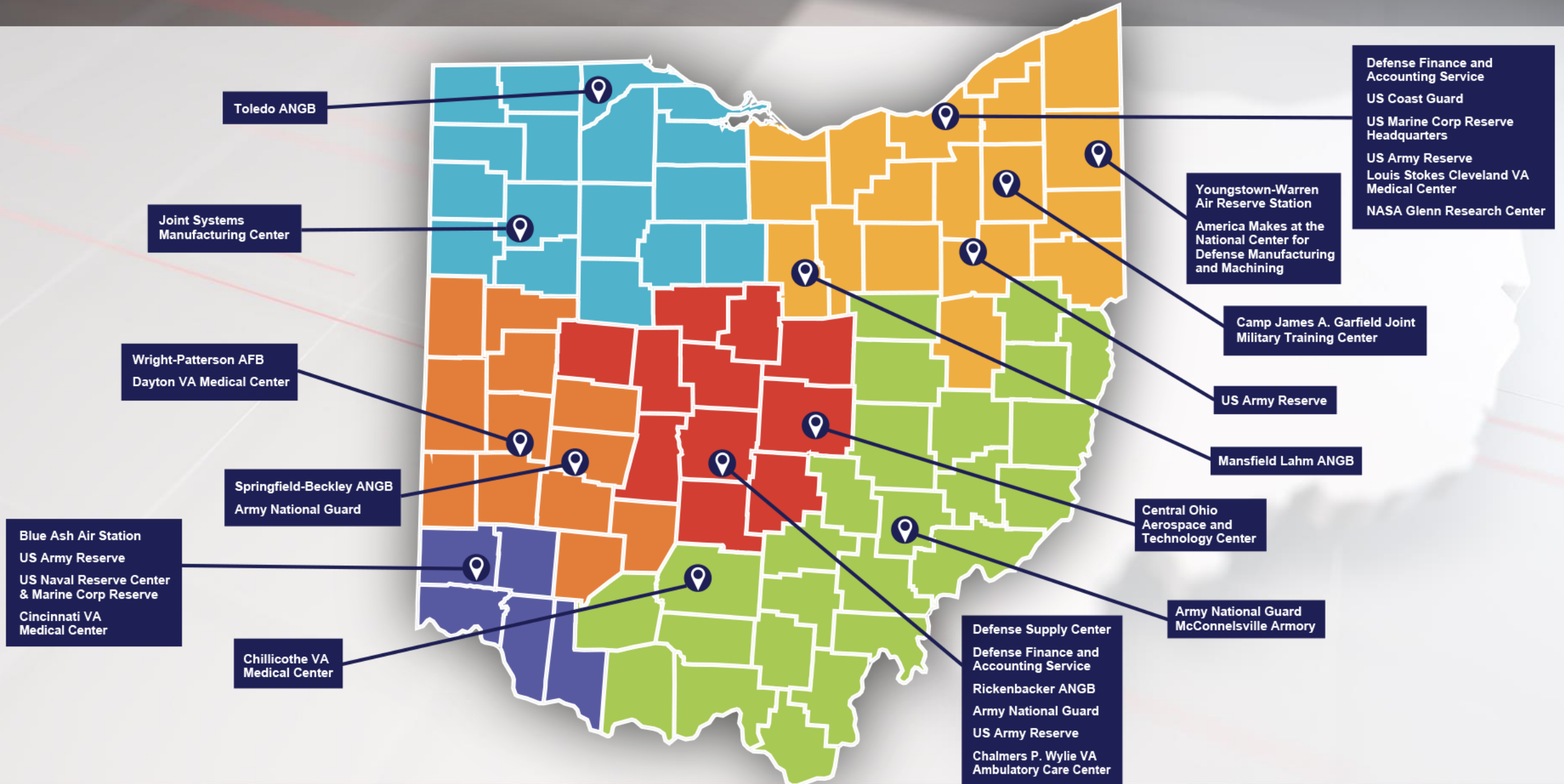
Premise: Fed/Military impact is roughly same as Aerospace sector and Ohio does not receive “fair share” of jobs

Goal: Retain, expand & attract fed/military talent and jobs so that Ohio is known as #1 state for Military missions, families and Veterans

Outcomes: 5 year: up to 10,000 new jobs
1 year: up to 1,000 new jobs; build plan; build team

Budget: \$3M (partner w/DDC & Admin Aero Advisor)

Statewide Federal & Military Sector

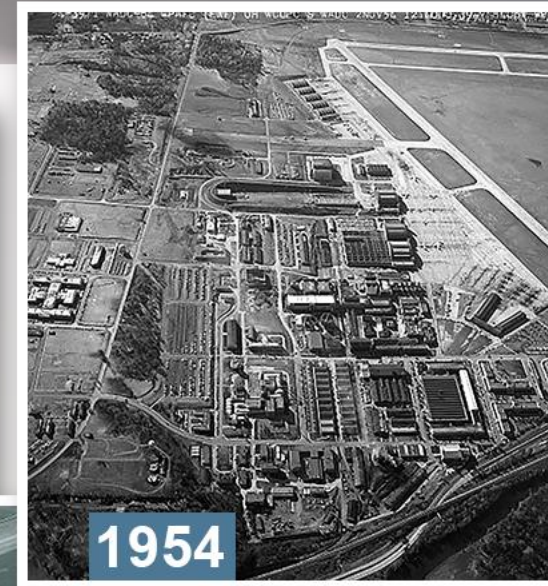
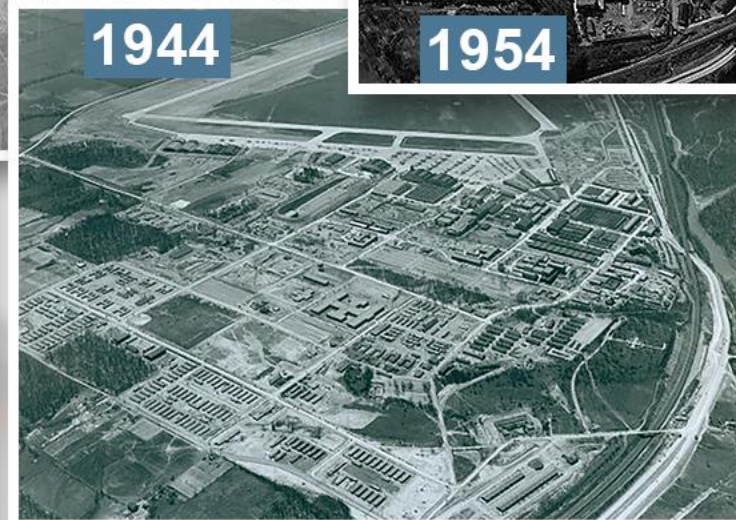
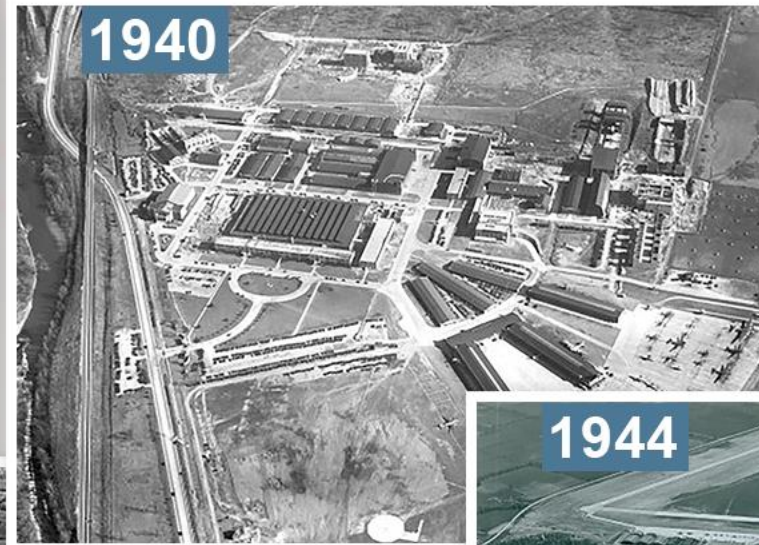
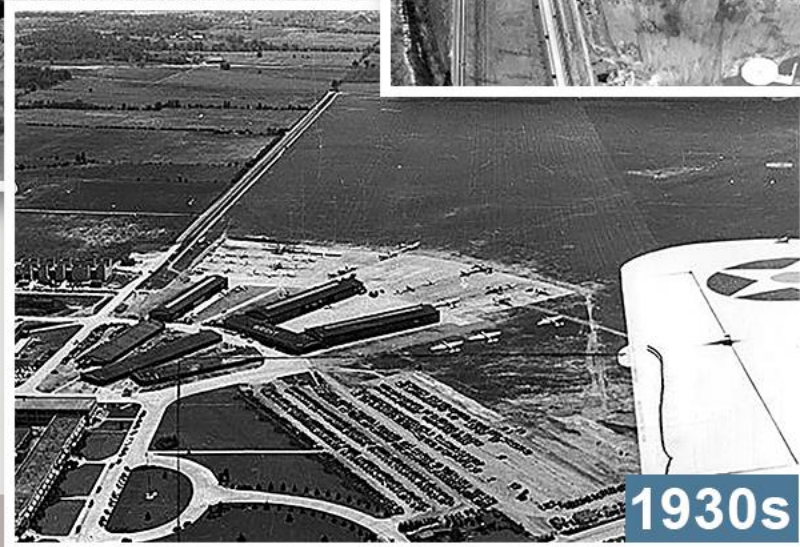
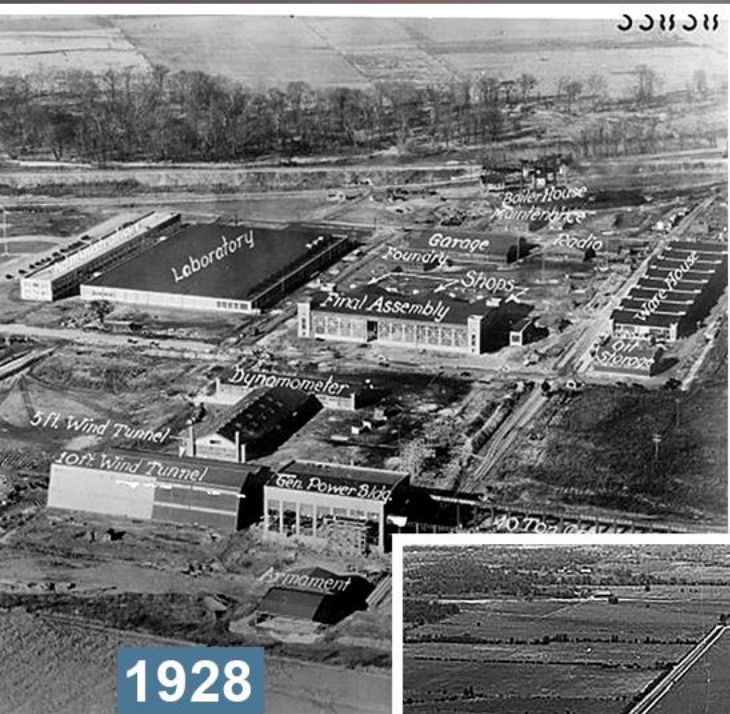


Federal and Military Installations

WPAFB: Why Dayton?

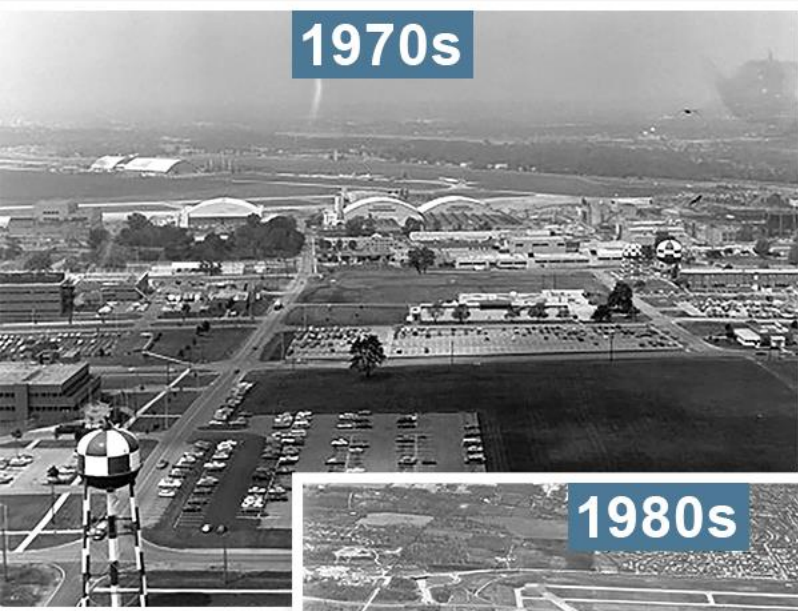


History

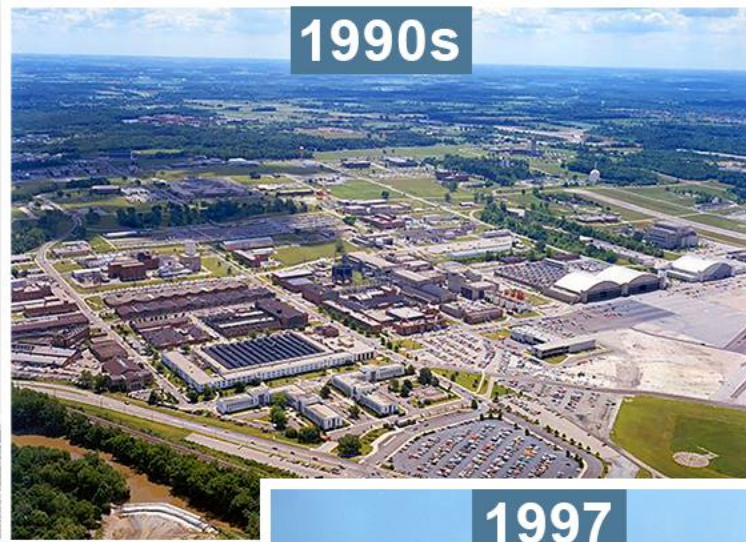


History

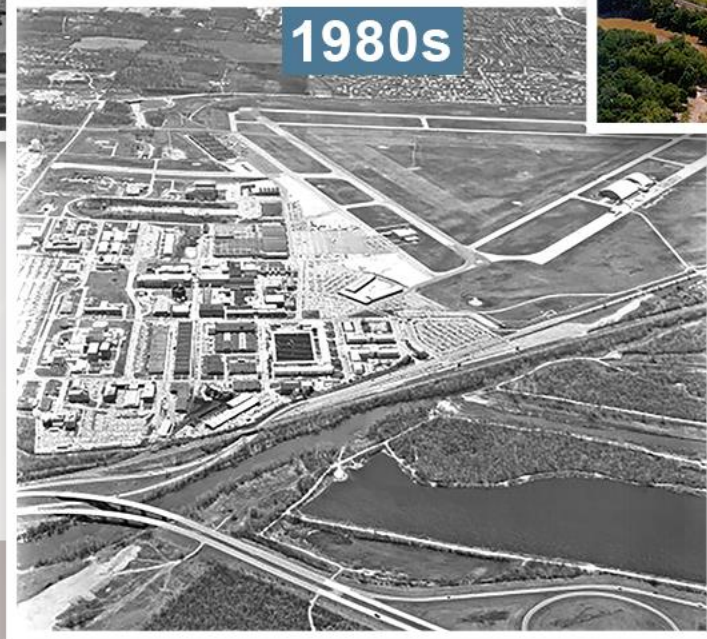
1970s



1990s



1980s



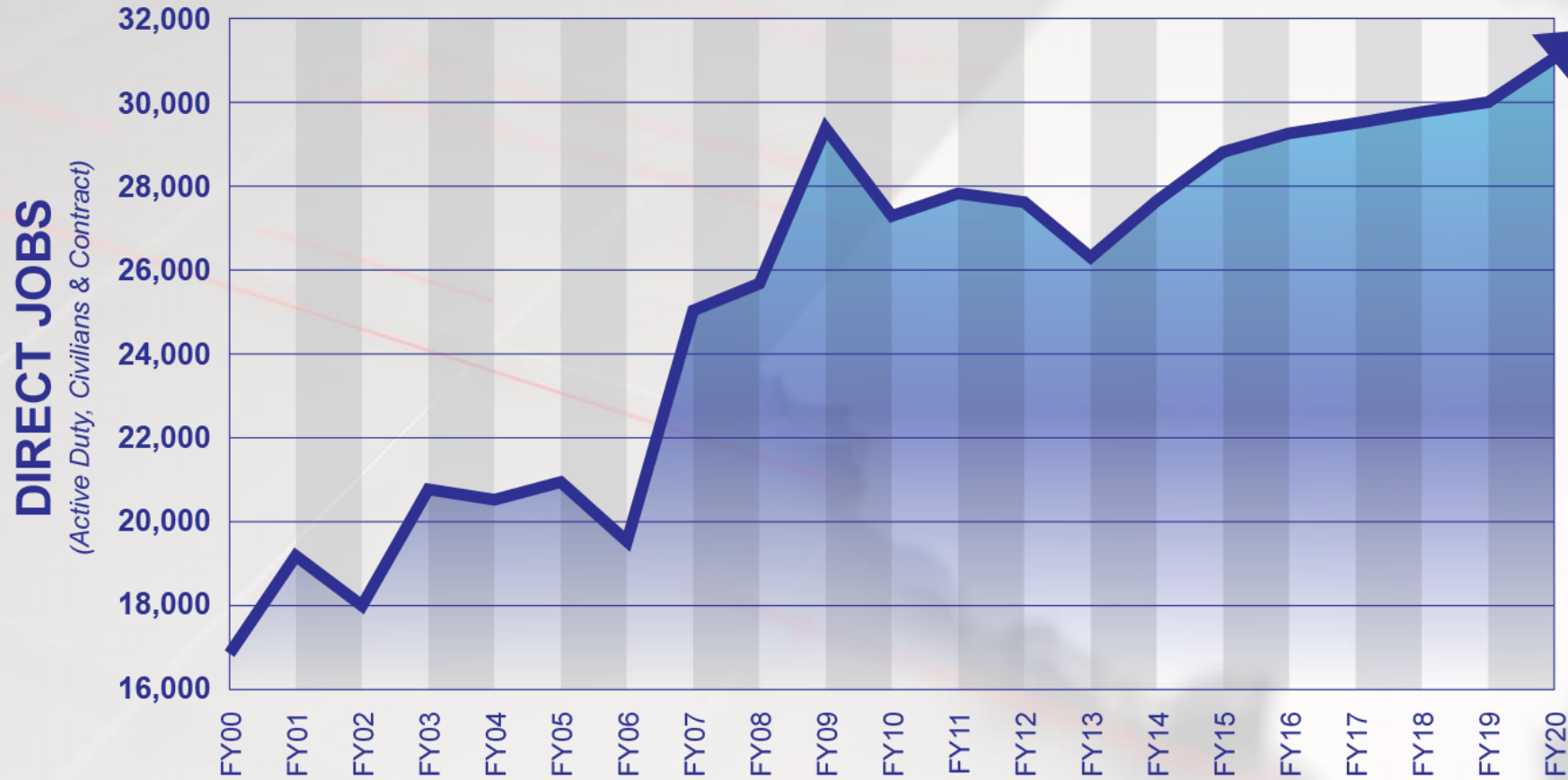
1997



2004



Wright-Patterson Air Force Base



Ohio's Largest
Single-Site Employer



About WPAFB

88TH AIR BASE WING

Medium-sized City Government

AF MATERIEL COMMAND

Fortune 50 Company

AF LIFE CYCLE MANAGEMENT CENTER

Fortune 135 Company

AF INSTITUTE OF TECHNOLOGY

Graduate University

NATIONAL AIR & SPACE INTELLIGENCE CENTER

Major IT Company

445TH AIRLIFT WING

International Airline

NATIONAL MUSEUM OF THE USAF

Smithsonian Museum

**AF SECURITY ASSISTANCE &
COOPERATION DIRECTORATE**

International Company

AIR FORCE RESEARCH LAB

5 University Research Institutes



Community Engagement

1984 The Dayton Region's first Community Leader Fly-In

1991 4950th Test Wing ordered closed at WPAFB

1993 Gentile Air Force Station in Kettering and Springfield Air National Guard Base ordered closed.

1994 DDC started to lead regional economic development and advocacy with a focus on WPAFB

1995 Order closing Springfield Air National Guard Base reversed



Community Engagement



1995 Lost missions and installations in the Base Realignment and Closure (BRAC)

- Defense Electronics Supply Center and Gentile AFS
- WPAFB Test Wing

Ongoing effort to save Air Force Institute of Technology

Region focused on speaking with “One Voice” and became more engaged with the Federal and State Government to support WPAFB

Community Engagement



2002 Wright-Patt 2010 established.
New engagement strategy.

2004 DDC began Hometown
Heroes™ with Dayton Dragons



Community Engagement

2005 WPAFB won the BRAC

- Gained 711th Human Performance Wing mission
- \$300M in Military Construction for new and expanded missions
- DDC visited San Antonio, Texas & Mesa, Ariz., to encourage relocation to Dayton

**WRIGHT-PATTERSON AFB**

HOME NEWS WELCOME UNITS CONTACT US CAREERS

HOME > NEWS > ARTICLE DISPLAY

BRAC reshaping local communities

By Derek Kaufman , 88th Air Base Wing Public Affairs / Published March 14, 2007

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PRINT | E-MAIL

WRIGHT-PATTERSON AIR FORCE BASE, OHIO -- At Wright-Patterson Air Force Base and across the nation, the military's transformation because of base realignment and closure changes are reshaping communities.

The economic impact of BRAC decisions can be profound, which is why military leaders, government officials and business leaders are frequently gathering to discuss mission changes and looking for opportunities to develop strategies to prepare for what is coming and going.

"BRAC 2005 is a huge win for Wright-Patterson Air Force Base and the Miami Valley," said Col. Colleen Ryan, 88th Air Base Wing commander, at an economic development forum Feb. 8 at the Hope Hotel and Conference Center here. "We stand to gain some real synergy by concentrating aerospace medicine education, training and research, as well as sensors research here."



**Dayton Daily News**

Today on DaytonDailyNews.com/events: SEARCH FOR AN EVENT, CHECK OUT A CLUB OR FIND A RESTAURANT

Base stands to gain thousands of jobs; AFTT stays

BIG WIN FOR WRIGHT-PAT

500 jobs, 1,000 students kept: AFTT stays, board created for sharing resources with IL and Monterey Institute	2,250 jobs kept: Development and Fielding Systems group spared from move to Hanscom	Estimated 2,000 jobs gained: Medical training and various research groups move to WPAFB	425 jobs lost: Defense Finance Accounting Service in Netterville to close by 2009
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THE BASE REALIGNMENT AND CLOSURE COMMISSION voted to keep the Air Force Institute of Technology adjacent to Wright-Patterson Air Force Base, sparing it from a proposed

Community Engagement

2008

Development of Wright-Patt 2020 Strategic Plan to prepare for the next 10 years.

Wright-Patt 2020 Committee established:

- Gen Lester L. Lyles (Chair)
- Col Joseph E. Zeis
- Grey Beards Group
- Community Representatives

State of Ohio repealed income tax on military retirement salaries

2014 Economic Impact Study - \$4B



ECONOMIC IMPACT ANALYSIS 2014

ECONOMIC IMPACT ANALYSIS 2014



vides the foundation,
partners include the
ent Center, Air Force
nd Space Intelligence
ospace research, test
ondary education and
his solid foundation,
o fly, fight and win in
Air Force.

ity. The 20-plus cities,
numerous private and
support in countless
rting events, and arts
e area, with many of
ations, and becoming
strumental in Wright-

lion with more than
y given time. We will
relationships for both
nd the community is

illi
OLONEL, USAF
Base Wing

Community Engagement



2012

Started Unmanned Aircraft System (UAS) Initiative

Ohio Aerospace Strategic Integration Study (OASIS) Study

AFMC Reorganization Saves \$109M per year
Reduces AFMC Centers from 12 to 5

- 2 Centers/HQ located at WPAFB
- Consolidates all Acquisition under AF Life Cycle Management Center (AFLCMC)
- No physical moves –only changed reporting channels to WPAFB

Hometown Heroes™ began working with The Big Hoopla® to provide First Four® tickets to Airmen.



Community Engagement

2014 Air Force Times: #1 Air Force Base

Ohio Aerospace and Aviation Technical Committee Stood-up by Ohio Legislature

2016 Dayton Region honored by the Association of Defense Communities as one of the Inaugural Great American Defense Communities



Dayton Daily News Wednesday, July 1, 2015

B | LOCAL & STATE

Contact Newsroom: 937-225-2211 | News tips: newsdesk@cmgohio.com or 937-259-2237

MILITARY

Coalition, Ohio win national award

Partnership with base called model for community programs.

By Barrie Barber
Staff Writer

BEAVERCREEK – A partnership initiative between Wright-Patterson Air Force Base and regional municipalities and other agencies to curb costs and boost training and education has won national recognition.

The Association of Defense Communities has awarded the Community Excellence Award to the Dayton Development Coalition and the state of Ohio for the joint program with the Air Force base in the Miami Valley.

The partnership could be a model for military and community programs nationwide, officials said Tuesday. "In today's fiscally constrained environment, we must find better ways to do business," said Col. John M.

Devillier, Wright-Patterson installation commander. With sequestration-induced budget cuts, the Air Force has looked for ways to trim costs through shared resources. The base has multiple partnerships with a variety of organizations and agencies, from municipalities to area hospitals.

"In a time of sequestration and budget cuts, partnerships ... are going to be things that are even more critical as we try to keep what we have here at Wright-Patterson Air Force

MILITARY NEWS

Our military affairs reporter Barrie Barber will keep you up to date on the latest news. Follow him on Twitter at @BarrieBarber

Base, but also help solve the problems of the Air Force and the Department of Defense," said Jeff Hoagland, Dayton Development Coalition president and chief executive officer.

The P4 Partnership Program, which stands for public-public and public-private partnerships, began about 16 months ago. Since then, Wright-Patterson launched its largest partnership with Sinclair Community College to train firefighters, officials said. Last year, 2,000 firefighter students at Sinclair traveled to the base for training, officials said. In exchange, Sinclair offered leadership

Award continued on B8



Community Engagement



2017 WPAFB celebrates the 100th anniversary of McCook Field



2018 NASIC \$182M Building Announced



F-35 Hybrid Product Support Integrator (HPSI) Organization

DAYTON DAILY NEWS INVESTIGATES

The Path Forward: JOBS & ECONOMY



Ensuring readiness in the face of constrained budgets is a big concern for defense leaders, Sherman and others said at the Ohio Defense Forum in Columbus on Monday. The forum, now in its fourth year, is run by the Dayton Development Coalition and seeks to bring together Ohio's legislators, members of Congress and aerospace and military leaders for two days to discuss defense issues.



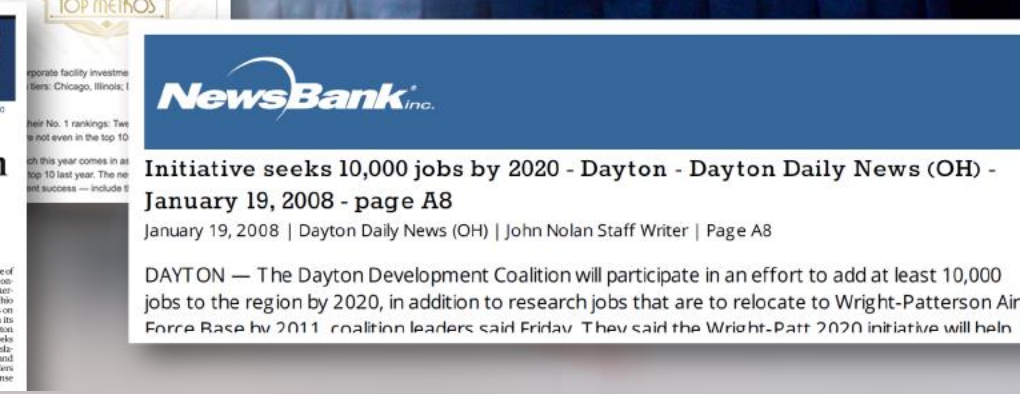
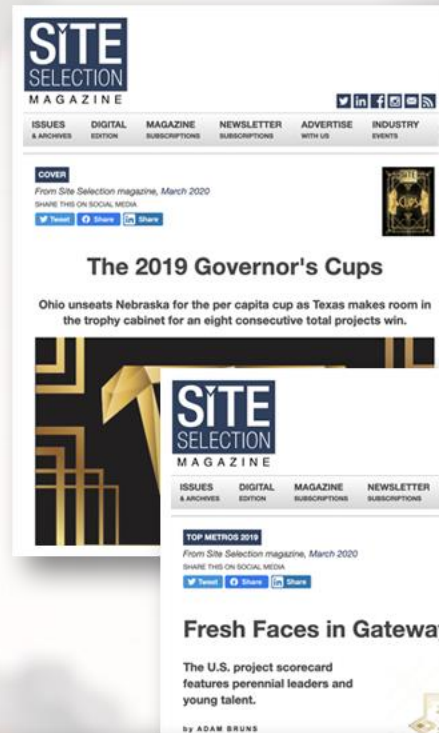
Community Engagement



2020

Governor DeWine signed Ohio Senate Bill 7 at the National Museum of the U.S. Air Force, making it easier for military spouses to transfer professional licenses for a variety of occupations.

Site Selection Magazine announced the Dayton Metro ranks No. 1 among mid-sized metros for economic development projects in its annual Governor's Cup rankings, marking the 14th consecutive year the region has ranked in the top 10!



Here We Are Today

2000 >>> **2020**

JOB

17,000

30,000+

EIS

\$4 Billion

\$15.5 Billion

CAPITAL INVESTMENT

—

\$500 Million

**HOMETOWN HEROES™
TICKETS**

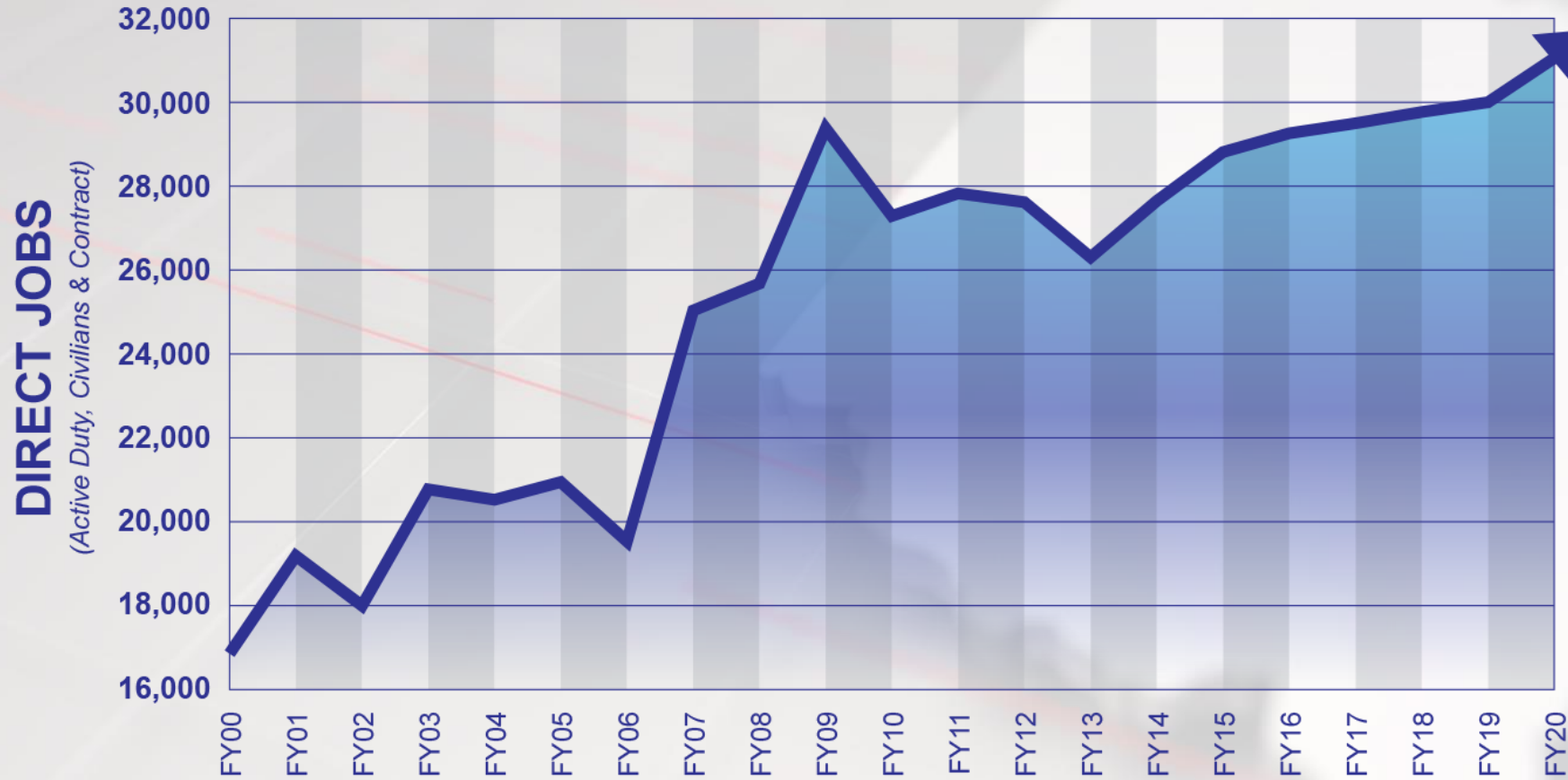
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70,000+

Community Support for Military Members and Families



Wright-Patterson Air Force Base



**Ohio's Largest
Single-Site Employer**



Latest Employment Levels

NASA Glenn Research Center

3,135 employees

Defense Supply Center Columbus

7,000+ employees

**Defense Finance and Accounting
Service (DFAS) Cleveland**

2,500 employees

Battelle

1,635 employees



BATTELLE

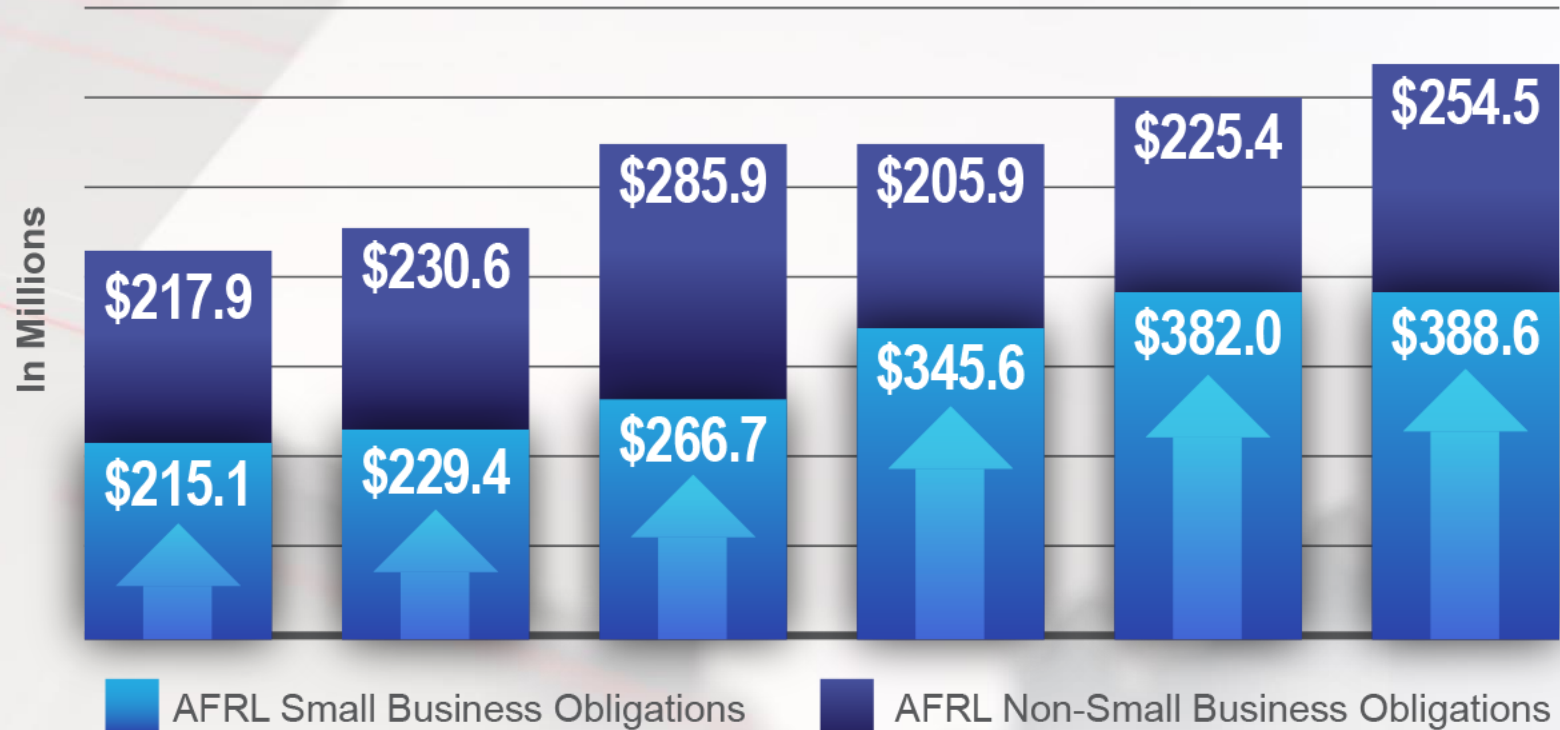
Wright-Patterson Air Force Base



AFRL
continues to
INCREASE
small business
obligations.

Source: Air Force Research Laboratory

Air Force Research Laboratory Ohio Business Obligations (FY2013-19)



Wright-Patterson Air Force Base

Air Force Research Laboratory

Global vs. Ohio Obligations (FY2013-19)

\$15.20 Billion
AFRL Total Obligations

\$3.62 Billion
AFRL Ohio Obligations



Obligation: Contract dollars committed but may not have been spent yet.

Source: Air Force Research Laboratory

Wright-Patterson Air Force Base

Air Force Research Laboratory

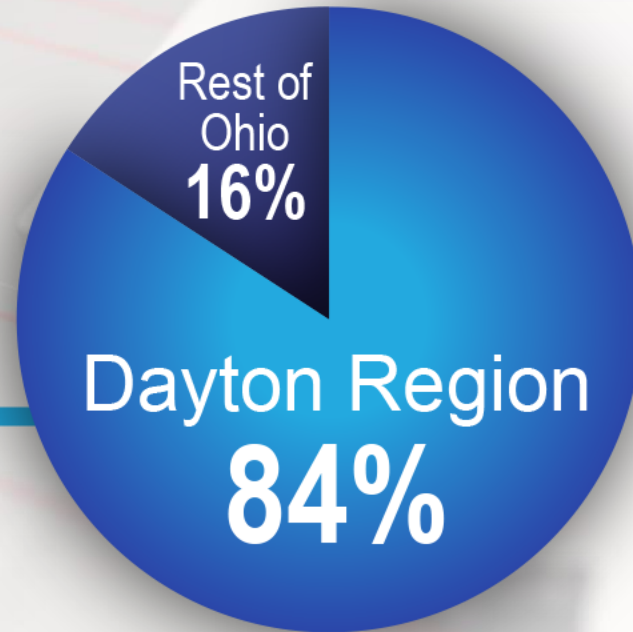
Obligations to Companies in the Dayton Region (FY2013-19)

\$3.62 Billion

Total Ohio
AFRL Obligations

\$3.07 Billion

Dayton Region
AFRL Obligations



In FY2019, in the Dayton Region received **88%** of AFRL's Ohio obligations, up from 72% in FY2013.

Source: Air Force Research Laboratory



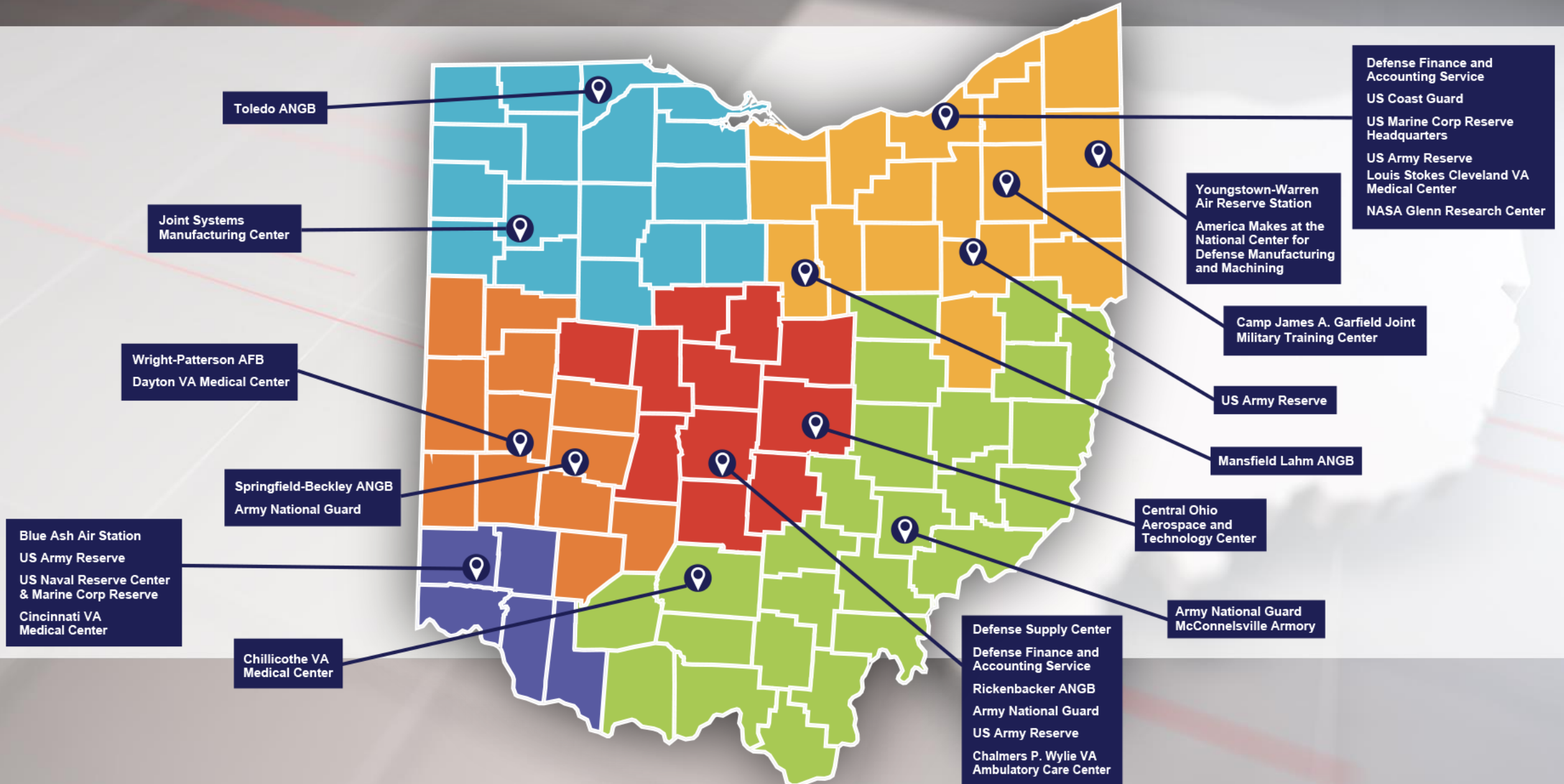
What's Next

Statewide Federal & Military Sector

- Expanding JobsOhio investments to include federal and military installations is critical.
- Plan to build employment bases tied to government investments, which is historically less dependent on economic cycles and thus more resilient.
- Establish a statewide initiative to drive federal workforce retention, expansion and attraction.
- Desired outcome is for Ohio to be recognized as the best place in America for military missions, military members, military families and veterans!



Statewide Federal & Military Sector



2.0 Strategy Program Focus

1. Preserve, Protect, Defend & expand Ohio's Federal Installations
2. Increase synergies & research portfolio of Ohio's National Labs
3. Aggressively attract new mission, industry & jobs
4. Supply talented workforce: university-educated, craftsman-trained & experienced, 2nd career, cleared government workforce

Most military friendly state in the country
Hometown Heroes™ statewide for military families





Next Steps

Next Steps: April – June (Q2)

Jobs Ohio's Partners and Team



Col Joseph E. Zeis Jr.
(USAF ret) Senior Advisor for
Aerospace and Defense to
Ohio Gov. Mike DeWine



Col. James Dignan
(USAF ret)



Jeff Hoagland
President and CEO, Dayton
Development Coalition



Lt Gen Thomas Owen
(USAF ret)



Gen Lester L. Lyles
(USAF ret)



Gen T. Michael Moseley
(USAF ret)

ADVISORS

Redefining Draft Plan

Regional Meetings & Roundtables with JobsOhio Network Partners

Next Steps

2020 >>> 2025



**HOMETOWN HEROES™
TICKETS**

2 new regions

6 regions

JOBS

550

5,000

PAYROLL
(UP TO)

\$46.2M

\$420M

CAPITOL EXPENDITURE
(UP TO)

\$200M

\$1B

Committee Reports



Thank You for Attending!

Save the Date: June 4th