

4. Report of the Assistant Secretary.

- a. Attached are copies of the Department of Community and Economic Development Allocation Bulletin #44 (attached as Exhibit D) and 2022 Allocation Usage Summary (attached as Exhibit E).

5. Report of the Solicitor

6. New Business.

- a. Motion to recommend and request reappointment of John P. Kline and appointment of Jennifer Miele as members of the Authority for five (5) year terms effective November 30, 2023.

Motion by: _____ Seconded by: _____
Approved: _____ Not approved: _____
Comments:

- b. Preliminary discussion for possible By-law Amendments

7. Adjournment.

- a. Motion to adjourn: _____ Seconded by: _____
Vote: _____ Adjournment at _____ p.m.

**WESTMORELAND COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

**MINUTES OF THE REORGANIZATION MEETING
Tuesday, January 17, 2023**

1. The meeting opened with role call and those attending were:

Bruce J. Corna (by phone)	Tony Pauly
Daniel Howard (by phone)	Vicki Ridenour
John Kline	Edward Sobota
Terry Painter	Tom Sochacki

Also in attendance were the Solicitor, James J. Conte, and Rebecca S. Lewis.

2. **Election of Officers.**

The Solicitor, James J. Conte, at the request of the Board, presided as Chairman, pro tem, for the sole and exclusive purpose of accepting nominations for and election of officers.

a. Mr. Conte invited nominations for the office of Chairman. Upon motion by Ed Sobota, second by Tom Sochacki, the nomination of Bruce J. Corna for Chairman was unanimously approved.

b. Mr. Conte invited nominations for the office of Vice Chairman. Upon motion by Tom Sochacki, second by Vikki Ridenour, the nomination of Daniel Howard for Vice Chairman was unanimously approved.

c. Mr. Conte invited nominations for the office of Secretary. Upon motion by Vikki Ridenour, second by Tom Sochacki, the nomination of Anton Pauly for Secretary was unanimously approved.

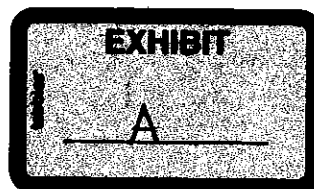
d. Mr. Conte invited nominations for the office of Treasurer. Upon motion by Tom Sochacki, second by John Kline, the nomination of Victoria Ridenour for Treasurer was unanimously approved.

e. Mr. Conte invited nominations for the office of Assistant Treasurer. Upon motion by Tony Pauly, second by Tom Sochacki, the nomination of Edward Sobota for Assistant Treasurer was unanimously approved.

There were no other nominations for any of the officers to be elected. Each of the nominees was unanimously elected to the offices indicated with an 8-0 vote.

f. Mr. Conte asked for a motion for the appointment of Rebecca Lewis as Assistant Secretary. The motion made by Vikki Ridenour, second by Tom Sochacki, to appoint Rebecca Lewis as Assistant Secretary was unanimously approved.

Immediately thereafter, Mr. Corna assumed the Chair and presided over the balance of the Reorganizational Meeting.



3. **Schedule of Meetings for 2023.** Today's meeting and all other meetings for the year 2023 were advertised in the Tribune Review on December 12, 2022. A copy of the proof of advertising was attached to the Agenda as Exhibit A. Tony Pauly moved for approval of the meeting dates for 2023 as advertised in the Tribune Review on December 12, 2022, second by Ed Sobota; approved unanimously by 8-0 vote.

4. **Minutes.** The minutes of the meeting held September 19, 2022, were reviewed by all members in attendance. Ed Sobota moved for approval of the minutes and waiving formal reading, second by Tony Pauly; approved unanimously by 8-0 vote.

5. **Report of Treasurer.** An outline of the balance in the checking account was attached to the Agenda indicating that there was a balance on hand on September 15, 2022, of \$3,570.83; no deposits; and five (5) disbursements, being checks payable to Trib Total Media (\$475.00) for advertising the audit report; Economic Growth Connection (\$3.75) for cost of GoToMeeting; The Cincinnati Insurance Company (\$1,500.00); Hempfield Mini Storage (\$908.21) for file storage for 2022; and Trib Total Media (\$195.00) for advertising 2023 meeting schedule; and that the current balance as of January 11, 2023, and the date of this meeting is \$488.87. Tom Sochacki moved for acceptance of the Report of Treasurer, second by Ed Sobota; approved unanimously by 8-0 vote.

During the Report of the Treasurer, discussion was had among the Board for a spring clean-up of the files located at Hempfield Mini Storage. It was discussed that this item could be placed on the agenda for the next meeting to decide the dates and parameters for the clean-up. Mr. Conte explained that there is a continuing discount for the storage at Hempfield Mini Storage because of the relationship of Costello and Berk when the facility was first leased and to reduce the size of the storage location would eliminate the discounted rate and WCIDA could incur higher costs for a smaller storage location.

6. **Report of Solicitor.**

a. **Reappointment/appointment.** Mr. Conte reported that Terry Painter and Anton Pauly have been reappointed by the Westmoreland County Commissioners to a five (5) year term.

b. **Elections and Appointments.**

i. Mr. Corna called for a motion to appoint the bank depository. A motion was made by Vikki Ridenour to appoint Commercial Bank & Trust of PA; second by Tom Sochacki. There being no other recommendations, the appointment of Commercial Bank & Trust of PA, designation of signatories and required forms of resolutions, was unanimously approved by 8-0 vote.

ii. Mr. Corna called for a motion to approve corporate authorization resolution designating the Chairman, Treasurer, Assistant Treasurer, and Assistant Secretary as authorized signatories for the powers described [(1),(2),(3),(4),(5)] with 2 signatures required. If a new signature card is required by Commercial Bank & Trust of PA, Mr. Conte will circulate it

among the corporate officers. A motion was made by Vikki Ridenour; second by Tom Sochacki; and was approved unanimously by 8-0 vote.

iii. Mr. Corna called for a motion to appoint the auditor. A motion was made by Tony Pauly to appoint Horner, Wible & Terek, P.C.; second by Ed Sobota. There being no other recommendations, the appointment of Horner, Wible & Terek, P.C., was approved unanimously by 8-0 vote.

iv. Mr. Corna called for confirmation of the appointment of James J. Conte, Esquire, as Solicitor. A motion was made by Tom Sochacki to confirm; second by Tony Pauly; and was approved unanimously by 8-0 vote.

v. Mr. Corna asked for a motion to appoint bond counsel and Vikki Ridenour made a motion to appoint James H. Webster of Clark Hill, PLC; second by Tony Pauly. The appointment of James H. Webster was unanimously approved by 8-0 vote.

vi. Insurance and/or Bond carrier. Mr. Corna advised that the current carrier is The Cincinnati Insurance Company. Upon motion of Terry Painter and second by Tom Sochacki, The Cincinnati Insurance Company was unanimously approved by 8-0 vote to continue as the insurer and bond carrier for Westmoreland County Industrial Development Authority.

c. **Yearly Conflict of Interest Resolution** – A copy of the Yearly Conflict of Interest Resolution was circulated with the packet of information provided to all Authority members. Upon motion of Tony Pauly, second by Ed Sobota, the Yearly Conflict of Interest Resolution was unanimously approved by 8-0 vote. Each of the Authority members in attendance signed off on the Yearly Conflict of Interest Resolution. The Solicitor will forward the Yearly Conflict of Interest Resolution to members who were absent or attending by phone.

d. **Yearly Suspected Misconduct and Dishonesty Resolution** – A copy of the Yearly Suspected Misconduct and Dishonesty Resolution was circulated with the packet of information provided to all the Authority members. Upon motion of Tom Sochacki, second by Vikki Ridenour, the Yearly Suspected Misconduct and Dishonesty Resolution was unanimously approved by 8-0 vote. Each of the Authority members in attendance executed the Yearly Suspected Misconduct and Dishonesty Resolution. The Solicitor will forward the Yearly Suspected Misconduct and Dishonesty Resolution to members who were absent or attending by phone.

e. **Ratification Motion** – Upon motion of Ed Sobota, second by John Kline, a motion to approve and ratify all decision and actions of the Board, Solicitor, Bond Counsel and Auditors for the year 2022, was unanimously approved, vote 8-0.

7. **Report of Assistant Secretary.**

a. A Statement of Financial Interest/Ethics Statement was circulated to each of the Authority members with the Agenda and packet of information. It was requested that each of the

Authority members complete the Statement of Financial Interest/Ethics Statement. The Statement is required to be submitted to the Westmoreland County Commissioners' Office by May 1, 2022. Statement of Financial Interest/Ethics Statements were completed and received at the meeting from James Conte, Rebecca Lewis, John Kline, Terry Painter, Victoria Ridenour, Edward Sobota, and Thomas Sochacki. Bruce Corna, Dan Howard, Dennis Kennedy and Tony Pauly will forward by mail or email.

b. Annual Post-Issuance Compliance Fee statements for the year 2022 were sent to the following: Adelphoi USA, Inc.; CSE Corporation/Chattan Highland Group, LLC; EA Fischione; Excela Health; Redstone Presbyterian SeniorCare; and Westmoreland Cultural Trust for a total of \$1,500.00.

c. Annual Post-Issuance Certificates for the year ending 2022 were sent to the following: Adelphoi USA, Inc.; CSE Corporation/Chattan Highland Group, LLC; EA Fischione; Excela Health; Redstone Presbyterian SeniorCare; and Westmoreland Cultural Trust.

8. **New Business.**

James Conte reviewed information concerning Noble Environmental, Inc., and its inability to move forward. The matter of adding funds from resources other than annual fees was also discussed. Mr. Conte will approach Westmoreland County for funding of a minimum of \$5,000 and asked for a motion; a motion was made by Terry Painter, second by Ed Sobota; motion carried unanimously, and James Conte will draft a letter requesting funds from Westmoreland County. Bruce Corna raised the question of asking for money from Economic Growth Connection and Mr. Conte explained the possibility of funding from ARPA. James Conte asked for a motion to pursue funding from ARPA; a motion was made by Ed Sobota, second by Terry Painter; motion passed unanimously, and Mr. Conte will draft a letter requesting funds from Economic Growth Connection through the ARPA programs.

9. **Adjournment.**

Upon motion by Tom Sochacki, seconded by Terry Painter, a motion to adjourn was unanimously approved. Adjournment occurred at 3:50 pm.

Respectfully submitted,



Rebecca S. Lewis
Assistant Secretary

REPORT OF THE TREASURER

Balance on hand as of September 15, 2022 **\$3,570.83**

Deposits:

None

Total Deposits: **\$ 0.00**

Disbursements:

Date	Check	Payee	
10/04/22	1020	Trib Total Media – publish audit	\$ 475.00
10/17/22	1021	Economic Growth Connection of Westmoreland – GoTo Meeting Charge for 09/15/22 Board Meeting	\$ 3.75
12/19/22	1022	The Cincinnati Insurance Insurance Company (commercial policy \$525; nonprofit pillar policy \$975)	\$1,500.00
12/19/22	1023	Hempfield Mini Storage	\$ 908.21
12/19/22	1024	Trib Total Media – publish 2023 meeting schedule	\$ 195.00

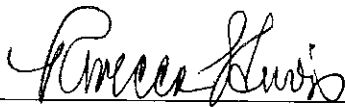
Total Disbursements: **-\$3,081.96**

Balance on hand as of January 11, 2023 **\$ 488.87**

CERTIFICATION OF AUTHORITY

I hereby certify that the attached is a true and correct copy of the Minutes of the Westmoreland County Industrial Development Authority for its regular meeting held on Tuesday, January 17, 2023.

WESTMORELAND COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: 
Rebecca S. Lewis, Assistant Secretary

REPORT OF THE TREASURER

Balance on hand as of January 1, 2023 **\$ 488.87**

Deposits:

01/24/23	Excelsa Health – annual fee	\$ 250.00
01/24/23	EA Fischione – annual fee	\$ 250.00
01/24/23	Redstone Presbyterian SeniorCare – annual fee	\$ 250.00
02/01/23	Adelphoi USA – annual fee	\$ 250.00
02/18/23	Westmoreland Cultural Trust – annual fee	\$ 250.00
04/24/23	Economic Growth Connection of Westmoreland	\$5,500.00
08/15/23	CSE/Chattan Corporation – annual fee	<u>\$ 250.00</u>

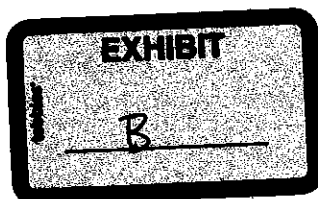
Total Deposits: **\$7,000.00**

Disbursements:

Date	Check	Payee	
06/14/23	1025	James J. Conte- reimburse audit fee paid to Horner, Wible & Terek, PC	\$2,160.00
07/25/23	1026	Trib Total Media – publish 2022 Audit summary	\$ 475.00

Total Disbursements: **-\$2,635.00**

Balance on hand as of August 21, 2023 **\$4,853.87**

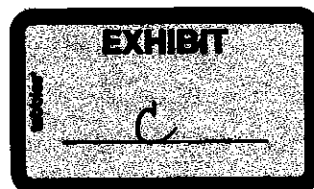


WESTMORELAND COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

GREENSBURG, PENNSYLVANIA

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended December 31, 2022



WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
GREENSBURG, PENNSYLVANIA

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HORNER, WIBLE & TEREK, PC
CERTIFIED PUBLIC ACCOUNTANTS

500 Rugh Street, Greensburg, PA 15601
724-837-7141, 724-837-7172 Fax
hwt@hwtcpa.com

Barbara A. Terek, CPA
Matthew D. Horner, CPA
Robert K. Bulloch, CPA

Independent Auditor's Report

Board of Directors
Westmoreland County Industrial Development Authority
Ligonier, Pennsylvania

Opinion

We have audited the accompanying cash receipts and disbursements of the Westmoreland County Industrial Development Authority for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of the Westmoreland County Industrial Development Authority for the year ended December 31, 2022, in accordance with the cash basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Westmoreland County Industrial Development Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Westmoreland County Industrial Development Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Westmoreland County Industrial Development Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Horner, Wible & Terek, PC

Horner, Wible & Terek, PC
June 5, 2023

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended December 31, 2022

CASH RECEIPTS

Annual Compliance Fees	\$	1,000
Application Fees		<u>-</u>
 Total Cash Receipts	 \$	 1,000

CASH DISBURSEMENTS

Advertising Expense		941
Professional Fees		2,014
Storage Fees		908
Insurance Expense		2,475
Office Expense		<u>18</u>
 Total Cash Disbursements		 <u>6,356</u>

INCREASE IN CASH (5,356)

BEGINNING CASH - January 1, 2022 5,845

ENDING CASH - December 31, 2022 \$ 489

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

NOTE (1) NATURE OF THE ORGANIZATION

The Westmoreland County Industrial Development Authority was formed under the Industrial Development Authority Law, Act of August 23, 1967, P.L. 251. The Authority was approved by the Westmoreland County Board of Commissioners on November 30, 1967, while its Articles of Incorporation were approved by the Commonwealth on January 22, 1968 and amended on April 28, 2016.

A. NATURE OF OPERATIONS

The principal business activity of the Westmoreland County Industrial Development Authority (the "Authority") is the furtherance of the industrial development in Westmoreland County by conducting activities to promote, attract, stimulate, develop, and expand business, industry, and commerce and to facilitate the redevelopment and revitalization of areas within the County of Westmoreland and the Commonwealth of Pennsylvania so as to benefit the residents and populous of the Westmoreland County.

B. BASIS OF ACCOUNTING

The Statement of Cash Receipts and Disbursements is a summary of the cash activity of the Authority and has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recorded. The cash basis differs from generally accepted accounting principles primarily because accounts receivable from customers, inventory, fixed assets, accounts payable to vendors, and long-term debt are not included in the financial statements. Further, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

NOTE (2) OTHER MATTERS

Tax Exempt Obligations

The Authority issues tax-exempt obligation debt through various lending and financial institutions to provide below-market interest financing to private and public sector entities for eligible projects. The debt is secured by the property financed or the future revenues of the entity benefiting from the financing and is solely funded from the payments received from that entity. Neither the Authority, the Commonwealth of Pennsylvania, nor any political subdivision thereof, is obligated in any manner for the repayments of the debt. Accordingly, the debt is not reported as a liability in the accompanying financial statement.

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS "CONTINUED"

NOTE (2) OTHER MATTERS "Continued"

Lease Purchase/Installment Sale Agreements

In some transactions, the Authority holds legal title on deeds for properties in Westmoreland County in which non-recourse mortgage interests are conveyed for the purpose of securing debt for eligible projects. However, the Authority is without possession or control and equitable title resides with a lessee under a form of lease-purchase agreement or with the beneficial interest owner under a form of installment sale agreement. Where there are legal proceedings against or by the lessee or beneficial interest owner, the Authority may be named as a party as the record title holder of the property.

Upon satisfaction of the mortgage interest via the monthly lease payments or installment sale payments by the lessee or beneficial interest owner, title to the property is transferred from the Authority to the lessee or beneficial interest owner by quit claim deed.

Pennsylvania Economic Development Financing Authority

The Authority may also act as an Application Agent for financing through the Pennsylvania Economic Development Financing Authority (PEDFA). In those instances, the Authority does not take title to property nor does it assume or incur any liability for the financing through PEDFA.

Economic Growth Connection of Westmoreland

On June 19, 2013, Westmoreland County Industrial Development Authority entered into a cooperation agreement with Economic Growth Connection of Westmoreland (EGCW), a nonprofit industrial development corporation, organized and existing under the laws of the Commonwealth of Pennsylvania.

Under the agreement, the Authority and EGCW agree to cooperate with each other and to assist each other in the promotion, attraction, stimulation, development and expansion of business, industry and commerce and the redevelopment and revitalization of areas within Westmoreland County. EGCW will utilize its staff to assist the Authority in servicing initial inquiries from potential clients and assisting with applications for assistance through various financing programs and services available through the Authority. EGCW and the Authority shall be entitled to reimbursement for any and all personnel services on a case by case basis as may be negotiated by them in good faith. Two transactions occurred between the parties during 2021 for reimbursements from WCIDA to EGCW for office expenses.

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS "CONTINUED"

NOTE (2) OTHER MATTERS "Continued"

Westmoreland County Industrial Development Corporation

In June 2018, the Authority entered into an Inducement Resolution with Westmoreland County Industrial Development Corporation (WCIDC) for the development of a tax increment financing plan to provide financing for a portion of the costs of site development and infrastructure improvements at the Waltz Mill Redevelopment site in Sewickley Township, Westmoreland County, Pennsylvania.

On November 19, 2018, the Authority adopted a resolution for the Waltz Mill Redevelopment TIF Plan. The Authority has worked with the WCIDC to develop a financing plan to provide financing for the elimination and the development or spread of blight within specified tax increment districts, including a TIF District located in the Township of Sewickley, the Yough School District and Westmoreland County.

The TIF Plan is subject to the taxing bodies adopting legislation authorizing participation in the TIF Plan pursuant to an intergovernmental cooperation agreement by and among the Authority and each taxing body. Westmoreland County Industrial Development Authority authorized the issuance of its tax increment financing note in an aggregate principal amount not to exceed \$2,500,000, in order to pay a portion of the costs of the TIF Plan including related financing costs. The Note will be secured by the TIF Revenues generated from the TIF District, as provided in the cooperation agreement and the TIF Plan, and any other sources of security as shall be acceptable.

At December 31, 2022, transactions have not yet taken place regarding the issuance of the bonds.

NOTE (3) SUBSEQUENT EVENTS

Subsequent events were evaluated through June 5, 2023, which is the date the financial statements were available to be issued.

Allocation Bulletin #44

January 30, 2023

2023 Initial Tax-Exempt Bond Allocation

The Pennsylvania Department of Community and Economic Development (DCED) has assigned the 2023 tax-exempt allocation as follows:

Small Issue	\$115,000,000
Small Issue (PEDFA)	\$100,000,000
Agriculture Bonds	\$25,000,000
Exempt Facility Bonds	\$581,845,000
Education (PHEAA)	\$0
Housing (PHFA)	<u>\$734,795,960</u>
	\$1,556,640,960

Preliminary and Final Allocation Requests

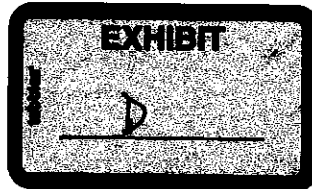
Whenever submitting an 8038 when allocation is used the FAR (Final Allocation Request) should be attached to the 8038 and sent to the IRS NOT the PAR (Preliminary Allocation Request). The PAR is a preliminary approval that expires after 90 days if the project has not funded and received an FAR. Please attach the correct documents to avoid being required to file an amended with the IRS.

TEFRA Approval Changes

In 2019, the IRS provided new public approval (TEFRA) regulations that affect the TEFRA approval process IDAs are accustomed to. The TEFRA regulations affect issuers and borrowers who are required under the tax rules to obtain approval and hold a public hearing before issuing their bonds. To make yourself familiar with these changes you may reference the following: <https://www.federalregister.gov/documents/2018/12/31/2018-28371/public-approval-of-tax-exempt-private-activity-bonds>

Small-Issue Manufacturing Policies

- In order to distribute the small-issue manufacturing allocation to the Industrial Development Authorities (IDAs) this calendar year, the following DCED policies will be followed:



Center for Private Financing

- Allocation will be granted to **complete** projects, generally on a first-come-first-served basis. Complete projects are those that meet the application and allocation guidelines including clearances by the Pennsylvania Department of Revenue (taxes) and Pennsylvania Department of Labor and Industry (Pennsylvania Contractor Responsibility).
- Preliminary and final allocations will only be approved for amounts in multiples of \$1,000. Please notify all borrowers and bond counsels that allocation projects must close in \$1,000 multiples. **If we receive a Final Allocation Request for an amount that is not in \$1,000 multiples, we will round down in approving the final allocation approval.**
- For the viability of the project, bond closings are **NOT** to be scheduled prior to receiving project approval. Projects requiring volume cap may **NOT** close prior to the receipt of a PAR approval.
- **All projects being issued by an IDA and when an IDA takes on debt are both required to** get approval from the Secretary of DCED under the Economic Development Financing Law.

Our office must receive Final Allocation Requests (FAR) for small issue and exempt facility projects **within 15 calendar days of closing**. It is the IDA's responsibility to submit this request in a timely manner. If the FAR is not received in 15 calendar days, then it is at the discretion of the agency if the IDA will be suspended from receiving further allocation for the year. Please call our office to confirm the FAR has been received.

- Please note that all IDA applications, IDA PARs, and IDA FARs should be sent directly to the Center for Private Financing office to the Attention of Gail Flaim or to gflaim@pa.gov. **DO NOT send applications to the Customer Service Center or submit them online in the Electronic Single Application (ESA) unless it is a Next Generation Farmer Loan.**

- Only one copy of an application is needed for an IDA project. Duplicates are not necessary and are discarded. The only time a duplicate copy of an application is necessary is when submitting a Next Generation Farmer Loan applications. A separate copy must go to the Department of Agriculture.

If at any time during the year you have any questions concerning the availability of small issue manufacturing allocation, it is important that you call Gail Flaim, Program Manager for the IDA Bond program, at 717-783-1109.

Jurisdiction Projects.

An IDA may finance a project within its (geographic) jurisdiction or outside its jurisdiction without receiving the consent of the most active IDA where the project is located as long as the IDA submits the proper TEFRA documentation. This includes the public notice proof of publication, hearing minutes, and highest elected official approval and adheres to Section 147(f)(2) of the Internal Revenue Code of 1986, as amended [26 U.S.C. §147(f)(2)].

TEFRA documentation for multi-county projects should include the TEFRA information for each county. Keep in mind a host approval is needed, as well as the highest elected official approval from the township or county the project is located.

Bond Counsel Opinion

ALL tax-exempt project applications are to be accompanied by a preliminary bond counsel opinion, regardless of project amount.

Draw-Down Financings

Please refer to IRS Notice 2010-81. Allocation must be used in the year the funds are used. Separate PARs and FARs will be necessary for each draw.

Exempt Facilities

ALL exempt facility projects needing allocation are required to contact the Center for Private Financing prior to submitting an application and requesting allocation to discuss how we can assist with a smooth transaction.

All exempt facility projects that require more than **\$20 million** of allocation must be financed through PEDFA.

2022 Industrial Development Authority Yearly Audit Reports

Each Industrial Development Authority is required to submit an annual audit report to the Department. The 2022 IDA audit report is due by July 31, 2023. The report is required whether or not there was any activity during the year (consult the Pennsylvania Economic Development Financing law for further explanation and requirements). Failure to submit this report with an audit will result in a temporary suspension of receiving the Secretary's approval to issue bonds. If multiple years of reports have not been filed, we require the three most recent years of reports to become current.

2022 Annual Allocation Report

A copy of Pennsylvania's 2022 Allocation Report that provides a breakdown of the use of allocation during the previous year is attached for reference purposes.

To Contact Our Office

If you have any questions regarding the information in this bulletin, please contact Gail Flaim, Program Manager at 717-783-1109 or via email at gflaim@pa.gov.

TABLE 1
2022 ALLOCATION USAGE SUMMARY

Category	2022 Allocation	2022 Allocation Usage	2022 Remaining Allocation
IDA	\$115,000,000	\$14,146,260	\$100,853,750
Agriculture	\$25,000,000	\$13,419,000	\$11,581,000
PEDFA	\$40,000,000	\$0	\$40,000,000
Exempt Facility	\$430,296,000	\$0	\$430,296,000
Housing	\$750,001,000	\$363,094,771	\$386,906,229
Education	\$70,000,000	\$53,448,202	\$16,551,798
Balance	\$1,430,297,000	\$444,108,223	\$986,188,777

