

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION
BOARD OF DIRECTORS' MEETING**

May 25, 2022

Oakhurst Grille and Event Center, Somerset, PA

Convened: 10:00 A.M.

Adjourned: 11:30 A.M.

Members In Attendance:

Hon. Debbie Baughman (via Zoom)
Hon. Randy Bunch
Hon. Laura Burke (via Zoom)
Mr. Jay Cessna
Mrs. Sharon Clapper
Hon. Barry Dallara (via Zoom)
Hon. Colleen Dawson
Hon. Alan Frederick (via Zoom)
Hon. Scott Hunt

Mr. Tom Luciano (via Zoom)
Mr. Donald E. Rhodes, II (via Zoom)
Mr. Rick Strait (via Zoom)
Hon. Pamela Tokar-Ickes
Hon. Stuart Ulsh (via Zoom)
Hon. Gerald Walker
Hon. Scott Walls
Hon. Amy Webster (via Zoom)

Others In Attendance:

Mrs. Renee Best
Mr. Daniel Bowers
Mr. George Gvozdich
Mr. Steven Howsare
Ms. Regina Klevan (via Zoom)

Mrs. Trudy Mitchell
Mr. Brandon Peters
Mrs. Debbi Prosser
Mrs. Susan Whisler

CALL TO ORDER:

Commissioner Walker, President, called the meeting to order at 10:00 A.M.

MINUTES, March 16, 2022, and April 27, 2022:

A motion was entered by Commissioner Hunt to approve the March 16, 2022, Board of Directors' meeting minutes, as presented and the April 27, 2022 Combined Executive/Personnel Committee meeting minutes, as presented. The motion was seconded by Commissioner Walls and was unanimously approved.

Commissioner Hunt made the recommendation to fully institute the financial packet from the compensation plan that was done by the Personnel Committee which is reflected in the proposed budget for FY 2022-2023. The compensation study was done to determine if the organization is in line with current market conditions to make SAP&DC competitive as an organization.

A motion was entered by Commissioner Hunt to approve the compensation plan as presented at the Personnel Committee meeting that was held today at 9:00 AM. The motion was seconded by Mr. Jay Cessna and was approved with Commissioner Baughman, Commissioner Dallara, and Commissioner Ulsh opposing.

FINANCE REPORT:

Mr. Daniel Bowers, SAP&DC Director of Finance, presented the Accounts Payable/General Fund Ending Balance, and reviewed some of the larger expenses by category. He also reviewed account balances in detail.

A motion was entered by Mr. Tom Luciano to approve the Accounts Payable/General Fund Ending Balance, as presented. The motion was seconded by Commissioner Bunch and was unanimously approved.

SAP&DC FISCAL YEAR 2022-2023 OPERATIONAL BUDGET:

Mr. Thomas Luciano, Chair, SAP&DC Finance Committee, explained that the Finance Committee had met earlier this morning and reviewed SAP&DC's FY 2022-2023 Operational Budget with the recommendations that were made by the Personnel Committee. The budget was approved, and he requested that the budget be presented to the full board. Mr. Luciano then turned the meeting over to Mr. Daniel Bowers, Director of Finance.

Mr. Bowers explained that for FY 2022-2023, SAP&DC's budget was again prepared and designed through a collaborative effort with all members of SAP&DC's management team evaluating and reviewing all aspects of the organization. He reported that the process went smoothly due to the hard work and cooperation of all management team members.

Mr. Bowers provided members with a power point presentation that summarized the items included as part of SAP&DC's FY 2022-2023 budget and provided a detailed overview of the budget. Mr. Bowers explained how the budget is prepared. The budget is balanced with a projected revenue of \$12,643,028 and \$163,000 in unbudgeted revenue that is evaluated throughout the year. The budget increased approximately \$2.1 million over last year.

Mr. Bowers then reviewed the primary revenue funding streams for FY 2023 in detail. He provided an illustration of how SAP&DC's funds are broken out. Ninety percent of funding comes from federal sources, a little over \$1 million comes from state funding, and the local counties' contribution is approximately \$36,000.

Mr. Bowers explained that the bulk of SAP&DC's primary expenses are for contracted services with a total amount of almost \$9.4 million which is up over \$2.1 million from last year. Allocated costs remained low this year, and direct staff costs decreased by almost \$10,000.

Mr. Bowers then explained the definition of allocated costs and reviewed the cost allocation plan followed by SAP&DC. Part of the entire organizational budget is the allocated budget. The allocated cost budget for FY 2023 is under \$600,000, and Mr. Bowers performs a monthly analysis of allocated costs to look at trends and to ensure the organization is under budget. In FY 2021, SAP&DC was approximately \$23,000 under budget which is common for the organization. For FY 2022, annualized through the end of June, SAP&DC will be approximately \$6,245 under budget.

Mr. Bowers reviewed staff costs in detail: for 33 employees the cost will be approximately \$2.6 million assuming that all positions will be filled for the entirety of the year. The wages for staff costs assumed this year were based on Personnel Committee action from the wage study that was completed. He also reviewed costs associated with medical benefits for FY 2023.

Mr. Bowers explained that grant income drives SAP&DC's operations. If grant income decreases, SAP&DC must make adjustments accordingly.

Mr. Bowers recommended the proposed SAP&DC FY 2022-2023 budget be presented for approval with salary adjustments based on the compensation plan that was presented at the Personnel Committee meeting.

A motion was entered by Mr. Tom Luciano to approve SAP&DC's Fiscal Year 2022-2023 Operational Budget, as presented. The motion was seconded by Commissioner Hunt and was unanimously approved.

SOUTHERN ALLEGHENIES WORKFORCE DEVELOPMENT BOARD REPORT:

Mrs. Susan Whisler, SAWDB Director, explained that the SAWDB receives its funding in two increments and an initial budget must be developed, followed by a second budget when the federal budget is approved. Mrs.

Whisler reviewed the first increment budget summary in detail. The budget was prepared prior to receiving the TANF allocation which is funding received to serve in-school youth. Once the carryover figures are determined in mid-July, SAWDB's operating budget will be close to \$4.5 million.

Mrs. Whisler then reviewed line items of the budget summary in detail and reviewed the funding amounts for Adult, Dislocated Worker, and Youth categories. She reported that the SAWDB is starting PY 2022 in a strong financial position.

Mrs. Whisler requested a motion to approve the Southern Alleghenies Workforce Development Board (SAWDB) first Increment Budget as presented.

A motion was entered by Mrs. Sharon Clapper to approve the SAWDB first Increment Budget, as presented. The motion was seconded by Mr. Jay Cessna and was unanimously approved.

Mrs. Whisler reported that each May the region's Chief Elected Official, who is also the President of the Southern Alleghenies Planning and Development Commission's Board of Directors, takes action to reappoint members to the Southern Alleghenies Workforce Development Board (SAWDB) whose terms are set to expire on June 30th. She then presented information listing each member's name and required membership and requested approval to reappoint all members listed.

A motion was entered by Commissioner Hunt to approve the reappointment of the SAWDB members, as presented. The motion was seconded by Commissioner Tokar-Ickes and was unanimously approved.

BUSINESS LENDING SERVICES REPORT:

Mrs. Trudy A. Mitchell, Director, Business Lending Services, presented and reviewed the actions taken by the Loan Review Committee. Mrs. Mitchell reported that there were five projects approved since the last Board of Directors meeting which include two PIDA projects, one loan that will be funded through local ARC money, and two EDA CARES loans.

Mrs. Mitchell then presented and reviewed the list of applications and projects in detail: one from Cambria County, three from Bedford County and two from Huntingdon County for a total of \$1,226,500. All applications were approved unanimously by the Loan Review Committee, as presented, and are now presented to the Board of Directors for concurrence.

A motion was entered by Commissioner Bunch to concur with the actions taken by the Loan Review Committee, as presented. The motion was seconded by Mrs. Sharon Clapper and was approved with Mr. Rick Strait abstaining.

ARC LOAN FUNDS RESOLUTION:

Mrs. Trudy Mithcell reported that ARC has invited Revolving Loan Fund Recipients who have met certain criteria to request a close-out of the ARC award and release the Recipient from the reporting requirements.

Mrs. Mitchell made a recommendation to close out the Commission's ARC Loan Program award and relinquish ARC's interest in ARC funding.

A motion was entered by Commissioner Tokar-Ickes to relinquish ARC's interest in ARC funds, as presented. The motion was seconded by Commissioner Walls and was unanimously approved.

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs) RESOLUTION:

Mr. Brandon Peters, Director, Planning & Community Development, explained that the Economic Development Administration (EDA) requires the Commission's Board of Directors to certify that, through its meetings, that there has been opportunity to review and act upon proposed EDA programming. Accordingly, a resolution in support of SAP&DC's Comprehensive Economic Development Strategy planning process and the activities undertaken by the SAP&DC for the Southern Alleghenies Region is being presented for approval.

Mr. Peters explained that this Resolution is an annual approval that states SAP&DC will support the annual CEDs plan. It was updated in 2020 and is accepted through 2024. One of the pillars of the CEDs plan is housing and the need to look at the types of housing in the area in addition to housing demand. Mr. Peters reported that over the next six months, SAP&DC will be looking at a housing study to identify tipping point communities in each one of the counties in the region. Tipping point communities are those that without

investment could fail from a housing perspective, but with a small investment could turn those communities around.

Mr. Peters made a recommendation for approval of this Resolution, and that the Board will support SAP&DC's CEDS Plan for the next year.

A motion was entered by Commissioner Hunt to approve the Resolution in support of SAP&DC's Comprehensive Economic Development Strategy planning process and the activities undertaken by the SAP&DC for the Southern Alleghenies Region. The motion was seconded by Commissioner Bunch and was unanimously approved.

EXECUTIVE ORDER 12372 PROJECTS:

Mr. Brandon Peters explained that SAP&DC is designated by the Federal Office of Management and Budget (under E.O. 12372) to review requests for Federal financial assistance within its six-county service area for concurrence with relevant regional planning documents. Three projects requesting federal financial assistance through other agencies were presented as consistent with the Commission's overall Comprehensive Economic Development Strategy. Mr. Peters then reviewed the projects in detail. SAP&DC staff has reviewed the proposed project listed.

Mr. Peters explained that the applicants are not requesting funds from SAP&DC, but from various funding sources. SAP&DC is a clearinghouse for these projects and provides a letter to the applicant stating the project meets the goals and intent of the CEDS plan.

A motion was entered by Commissioner Hunt to approve the Projects Under Executive Order 12372, as presented. The motion was seconded by Mrs. Sharon Clapper and was unanimously approved.

A motion was entered by Mr. Jay Cessna to go into Executive Session to discuss current litigation. The motion was seconded by Commissioner Hunt and was unanimously approved.

A motion was entered by Commissioner Walls to come out of Executive Session. The motion was seconded by Commissioner Tokar-Ickes and was unanimously approved.

OTHER BUSINESS & INFORMATIONAL ITEMS:

Mr. Steve Howsare reminded members that the next SAP&DC Board of Directors meeting will be held Wednesday, July 20, 2022.

ADJOURNMENT:

There being no further business the meeting was adjourned at 11:30 A.M.

Respectfully submitted,

Scott Hunt

Secretary