



**COLLEGE TOWNSHIP
INDUSTRIAL DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
Wednesday, July 20, 2022 at 9:30 AM
1481 E. College Avenue, State College PA, 16801**

ATTENDED BY -

AUTHORITY MEMBERS:

Alison Kurtz, Chair
Lamartine Hood, Vice Chair
Lamar Kunes, Treasurer
Raymond Forziat, Asst. Secretary, Asst. Treasurer
Benson Lichtig
Anthony Fragola

ADDITIONAL ATTENDEES:

Adam T. Brumbaugh, Acting Executive Director
Paul Takac, Council Liaison
Jeff Stover, Solicitor
Jennifer Snyder, Recording Secretary

ABSENT:

Sara J. Parks, Secretary

CALL TO ORDER: Ms. Alison Kurtz, Chair, called to order the July 20, 2022, College Township Industrial Development Authority (CTIDA) Regular Meeting at 9:30 AM.

CONSENT AGENDA

CA-1 Meeting Minutes; Approval of June 15, 2022 Regular Meeting

Mr. Fragola pointed out a technical correction for the June 15, 2022, regular meeting minutes.

Mr. Hood made a motion to approve CA-1 as amended with technical corrections.

Mr. Lichtig seconded the motion.

Motion carried unanimously.

SECRETARY'S REPORT

Nothing to Report.

EXECUTIVE DIRECTOR'S REPORT

Mr. Brumbaugh, Acting CTIDA Executive Director, CT Manager, reported that he recently spoke with solicitors Kristin Long and Jeff Stover as well as CBICC Executive Director Greg Scott related to gathering information about the location of signed agreements that the CTIDA has executed. The CTIDA process for document management and availability need to be addressed. The Dropbox, while a great storage space and readily available to all Board members, does not have the final executed documents for many of the current clients. Mr. Brumbaugh will focus on updating client records and creating complete portfolios for each.

Mr. Brumbaugh offered that Mr. Scott, CBICC Executive Director, is willing to work with the CTIDA and determine the best process to share information. Work on both ends, the CTIDA and the CBICC, is needed to move forward in a positive manner.

Mr. Fragola asked how long Mr. Brumbaugh expects it will take to get the documents in order. Mr. Brumbaugh anticipated that it would take no longer than 45 days.

TREASURER’S REPORT

Mr. Lamar Kunes, Treasurer, created a new financial report to reflect the current financial standing of the CTIDA. He offered the following report for the month ending June 30, 2022.

Cash on Hand:	\$ 165,449.74 (5.6% of total assets)
Monies held at Brokerage Firms	\$1,605,000.00 (53.9% of total assets)
Monies invested in Clients	\$1,205,352.13 (40.5% of total assets)

The Board offered some suggested changes to the format of the report, which Mr. Kunes will incorporate where possible into the next month’s financial report.

COUNCIL LIAISON REPORT

Mr. Paul Takac, CT Council Liaison to the CTIDA, offered Council has given their full support of the Memorandum of Understanding for the Township Manager to assist the CTIDA as the interim Executive Director. They are encouraged by the efforts and progress being made. Council is available to assist in any way.

OLD BUSINESS No *Old Business* brought forward for discussion.

NEW BUSINESS

FINANCE COMMITTEE

NB-1 FINANCE COMMITTEE MISSION STATEMENT

**The Finance Committed brought the following motion forward: to approve the Finance Committee Mission Statement.
Motion carried unanimously.**

NB-2 STATEMENT OF INVESTMENT OBJECTIVES AND POLICIES

The Finance Committee brought the following motion forward: to approve the Statement of Investment Objectives and Policies.

Mr. Brumbaugh offered that the Finance Committee sought an opinion from Solicitor Stover pertaining to investment options available to the CTIDA in accordance with the Economic Development Finance Act, the enabling legislation governing the CTIDA. Solicitor Stover’s opinion makes clear that investments of the CTIDA must be held in US Treasury bills, short term obligations of the US Government and federal agencies, savings and checking accounts and certificates of deposit in banks, savings and loan associations and credit unions where federally insured, general obligation bonds of the federal government or any state, and shares of mutual funds whose investments are restricted to the above categories. Additionally, Mr. Joe Fedeli, Fiore Fedeli Snyder Carothers, LLP, provided his opinion on investments.

If approved, this Investment Policy will supersede the policy adopted in January at the reorganization meeting.

Chair Kurtz called the question.

Motion carried unanimously.

LOAN COMMITTEE

Chair Kurtz offered that she reached out to Dominight. He is in default of his loans. The CTIDA had asked Solicitor Stover to reach out to him via a letter regarding the situation. Mr. Stover offered because Loans #1 and #2 are participation loans with the CBICC, they would have to be in agreement with a letter being sent to Dominight. The CBICC's Revolving Loan Committee was not in favor of sending a letter; therefore, Mr. Stover has not followed through with this.

Solicitor Stover will review the restructuring of the loan agreement with Dominight to make sure the CTIDA is being represented. He offered participation loans with the CBICC typically are written as a 50/50 split, aside from the administration fee the CBICC receives for these services, with equal terms of payment. The CBICC takes care of all administrative duties and if a client were in default, they would come to the CTIDA and ask how they would like to respond.

The Board discussed participation loans and the limitations of controls with this type of loan. Mr. Kunes offered no matter who the CTIDA enters into a participation loan with, controls are regulated, even loan guarantees. The CTIDA would only have total control with a direct loan.

Chair Kurtz offered that the Loan Committee reached out to the CBICC with new terms for the loan agreement with Abington Equine. The CBICC does not agree with the changes so we are at a standstill. Chair Kurtz offered that Abington Equine's construction contract went way over budget and they have a shortfall of \$150,000.00.

Mr. Forziat opined the CTIDA needs to follow the process that was agreed upon by the Board and stop reacting to emergencies.

The Board discussed a compromise to the term sheet and what process to follow. If the CBICC should accept the compromised agreement, the Loan Committee would then meet (could be virtually or via email consent) and forward recommendation to the Finance Committee. The Finance Committee would make recommendation to the full Board. For the Board to take action, the Board must meet in an advertised meeting. The Board agreed to meet on Thursday, August 4, 2022, at 9:30 AM via Zoom should it be necessary.

Mr. Lichtig made a motion to amend the agenda and add an action item related to Abington Equine as NB-4.

Mr. Fragola seconded the motion.

Motion carried unanimously.

NB-4 Modifications to the Term Sheet for Abington Equine

Mr. Lichtig made a motion to allow the Chair to negotiate with the CBICC the following modifications to the term sheet for Abington Equine: CTIDA listed next to the CBICC (CBICC/CTIDA) in all instances on the term sheet, interest rate of 4.5%, reverting to the first version of sub-letter "e", and Mr. Stover charged with writing up the loan.

Mr. Hood seconded the motion.

Motion carried unanimously.

MARKETING COMMITTEE

The Marketing Committee offered no items for discussion or action.

OPERATIONS TASK FORCE

NB-3 RENAMING OF OPERATIONS TASK FORCE

Mr. Forziat offered that before he had to leave the meeting that he is fine with changing the name to the Governance Committee with the understanding that some of the tasks of the committee may fall outside of what is typically associated with a governance committee.

The Operations Task Force brought the following motion forward: to rename the Operations Task Force to Governance Committee and approve the Governance Committee a standing committee of the Board. Motion carried unanimously.

Mr. Brumbaugh offered the by-laws would need to be updated to reflect this change.

OTHER BUSINESS

Mr. Fragola asked Solicitor Stover to provide a Scope of Work for his work with the CTIDA.

A discussion took place regarding the line of credit extended to Dominight and the status of this loan. The Loan Committee will add this discussion to their agenda for discussion and review.

ADJOURNMENT

Hearing no further matters for discussion, Chair Kurtz called for a motion to adjourn the July 20, 2022, College Township Industrial Development Authority Regular Meeting

**Mr. Hood made a motion to adjourn.
Mr. Kunes seconded the motion.**

Chair Kurtz adjourned the meeting at 11:36 AM.

Respectfully submitted,

Ray Forziat

Ray Forziat
CTIDA Assistant Secretary