



Business Meeting

November 30, 2022



Tri-County Council
For Western Maryland

Tri-County Council for Western Maryland

Revenue and Expenditures
From 1/1/2022 Through 10/31/2022

YTD %

83.33%

2022 Administrative Funds		Modified Budget #1	Proposed Modified Budget #2	YTD Administrative Funds	Variance Over / Under	Percent YTD
Revenue						
40100	Grant Revenue (EDA, CARES, MD D&C, RMPW)	890,965.00	950,965.00	749,242.61	201,722.39	78.79%
40200	ARC Revenue	175,000.00	175,000.00	139,687.57	35,312.43	79.82%
40500	RLF Revenue (RLF, VLT)	170,000.00	170,000.00	145,147.96	24,852.04	85.38%
40700	MTA Revenue	26,000.00	26,000.00	23,022.21	2,977.79	88.55%
41700	County Revenue	120,000.00	120,000.00	100,000.00	20,000.00	83.33%
38500 / 30000	CYU Fund Balance	66,000.00	66,000.00	52,524.17	13,475.83	79.58%
Total Revenue		1,447,965.00	1,507,965.00	1,209,624.52	298,340.48	80.22%
Expenditures						
50000	Salaries	522,873.00	522,873.00	413,391.50	109,481.50	79.06%
50500	Fringe Benefits	336,575.00	311,575.00	208,869.53	102,705.47	67.04%
52010	Contractual	121,500.00	121,500.00	0.00	121,500.00	0.00%
53000	Travel	21,795.00	23,295.00	21,857.25	1,437.75	93.83%
53100	Vehicle Operating Costs	790.00	790.00	245.67	544.33	31.10%
53200	Conference Fees	2,600.00	5,300.00	4,934.00	366.00	93.09%
53300	Training	3,880.00	3,880.00	1,785.00	2,095.00	46.01%
53500	Supplies	13,964.00	13,964.00	7,629.26	6,334.74	54.64%
53700	Postage	876.00	876.00	135.41	740.59	15.46%
54500	Membership	7,116.00	9,116.00	8,755.00	361.00	96.04%
54800	Fees	600.00	1,000.00	952.55	47.45	95.26%
55000	Furniture / Equipment / Software	86,106.00	153,606.00	117,341.21	36,264.79	76.39%
55500	Publications & Subscriptions	1,300.00	1,300.00	999.32	300.68	76.87%
56000	Audit	1,054.00	2,554.00	2,500.00	54.00	97.89%
56500	Accounting	5,940.00	10,940.00	10,893.58	46.42	99.58%
56800	Technical Assistance	18,200.00	18,200.00	16,349.00	1,851.00	89.83%
57000	Sponsored Events	5,500.00	7,800.00	7,750.00	50.00	99.36%
57100	Meeting Expenses	10,750.00	11,750.00	8,655.26	3,094.74	73.66%
57200	Marketing	5,210.00	8,610.00	8,558.53	51.47	99.40%
58500	Legal	8,892.00	4,892.00	1,500.00	3,392.00	30.66%
59000	Insurance	1,963.00	2,113.00	2,009.99	103.01	95.12%
59500	Donations & Memorials	0.00	50.00	50.00	-	100.00%
99900	Indirect Costs	139,264.00	133,264.00	99,073.42	34,190.58	74.34%
14200	Capital	170,950.00	178,450.00	150,637.15	27,812.85	84.41%
Total Expenditures		1,487,698.00	1,547,698.00	1,094,872.63	452,825.37	70.74%
Net Revenue over Expenditures		(39,733.00)	(39,733.00)	114,751.89		

2021 Audit

- Completed and submitted to Clearinghouse by September 30
- Independent Auditors Report Opinion – Pages 4-7
- Management Discussion & Analysis – Pages 8-10
- Year in Review – Page 87-91
- Schedule of Findings and Questioned Costs – Page 78-80
 - Type of Auditor's Report issued – unmodified
 - Internal Control- Material Weaknesses, Significant Deficiencies - none

Director's Report

Legislative Report

- Continuing Resolution through December 16, 2022
- ARC appropriations FY'23
 - Final FY'21 LDD planning grants \$6.2 million (74 LDD's)
 - Final FY'22 LDD planning grants \$8 million
 - FY'23 proposed \$8 million
- ARC Special LDD Capacity Building Initiative "Ready LDD's"
 - \$100,000 per LDD (match free) for hiring staff and building local capacity
- EDA appropriations FY'23
 - Final FY'21 Planning Grants \$33.5 million
 - Final FY'22 Planning Grants \$34.5 million
 - FY '23 House proposed \$36 million
 - FY'23 Senate proposed \$38 million



FY23 Request for Congressional Action Support Local Development District Funding

DDAA REQUEST:

**Congress should provide
\$18 million in FY23 for LDD admin.**

The President's FY22 Budget Request recommended and the FY22 Consolidated Appropriations Act includes \$8 million for ARC LDD admin.

This constitutes a \$1.8 million increase over FY21, but still falls short of need

Further LDD admin funding increases are needed to address significant staffing demands and the pressure of administering larger volumes of ARC grants.

LDDs provide critical technical assistance, project coordination and implementation support, and ARC grant writing and grant administration assistance.

Over the past five years, annual appropriations for ARC have increased by ~50% while **LDD funding has remained flat.**

Moreover, the IIJA bipartisan infrastructure bill provided ARC with \$1B in grant funds, but with **no dedicated LDD administrative support funding for grant administration.**

National FY23 EDA Funding Request for Congressional Action

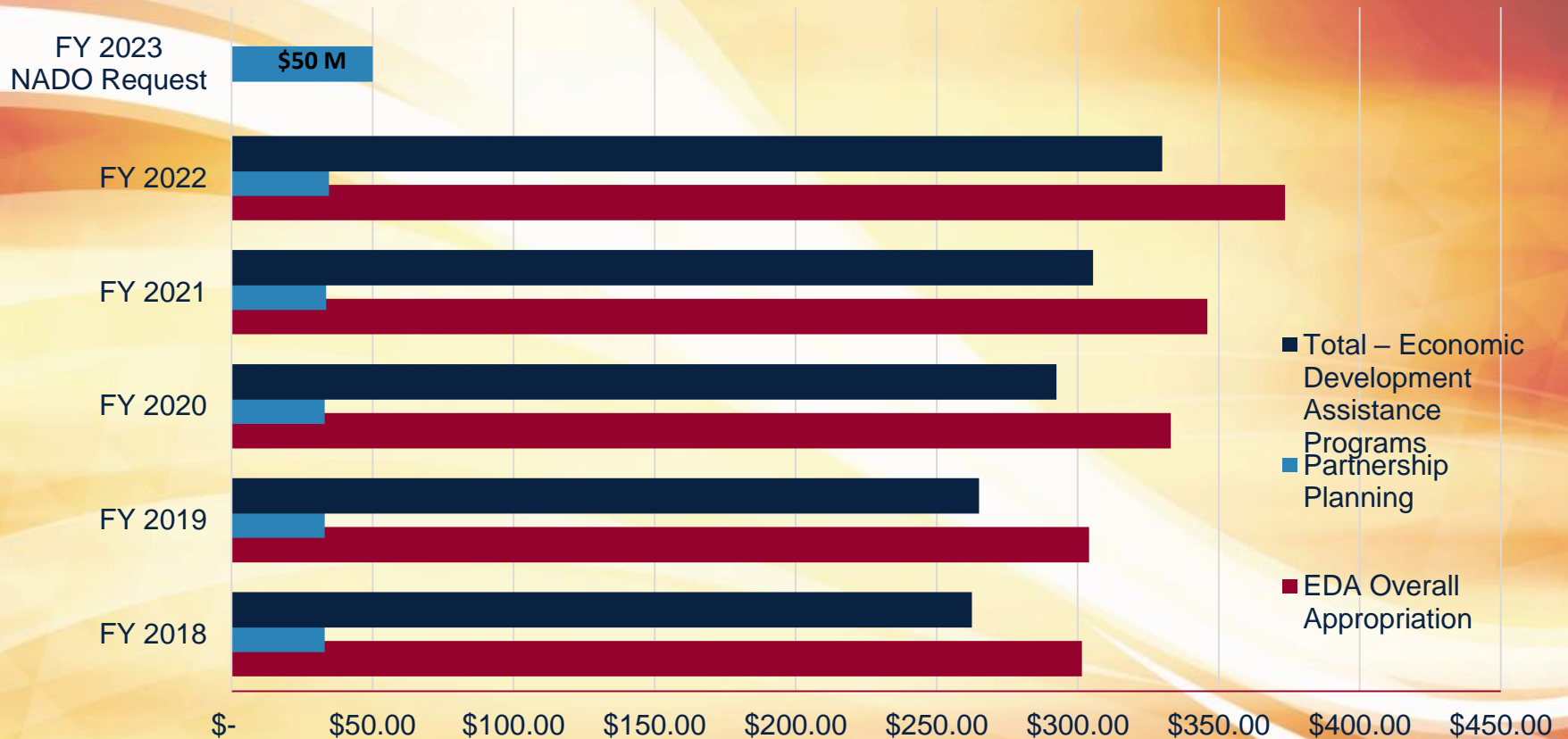
ACTION NEEDED: Congress should allocate \$50 million in FY23 Appropriations for EDA EDD Partnership Planning Grants

- Congress should ensure that EDA Partnership Planning funding for EDDs is provided at no less than \$50 million in FY23 appropriations
- Annual appropriations for EDA have increased by ~24% over the last five years; however EDA Partnership Planning funds have only increased ~4.5% in that same timeframe
- EDDs are relied upon to coordinate and administer increasingly large volumes of EDA funding, and to work with a widening set of stakeholders. Yet EDD funding for administrative and planning support has not been adequately increased accordingly.
- COVID-19 relief funding has widened the gap between EDA grant dollars and EDD admin/planning dollars further

ECONOMIC DEVELOPMENT ADMINISTRATION APPROPRIATIONS

While EDA funding has increased year-over-year, EDD Partnership Planning Grants have remained stagnant

Budget figures are in Millions



National EDA Reauthorization Priorities

1. Increase authorized funding level for EDA Partnership Planning Grants to \$100 million annually

- The planning process lays the groundwork for the success of subsequent federal investments into projects
- Currently, each EDD only receives approx. \$70,000 annually
- An authorized level of \$100 million for EDA Partnership Planning would provide approx. \$250,000 per EDD

2. Increase EDA's federal cost share to 90% for EDA Partnership Planning Grants, and reduce EDD local match to 10%

- The CEDS planning process is an EDA-mandated process
- EDA should cover a larger portion of the overall costs
- Currently, EDA's federal investment rate is often 50%, which leaves the EDD responsible for providing a 50% local match

CHIPS ACT AUTHORIZES \$11 BILLION FOR EDA

- The CHIPS Act was signed into law in August 2022
- The bill contains \$52 billion to increase semiconductor manufacturing
- It also authorizes a record **\$11 billion** for new programs to be administered through the **EDA**:
 - **\$10 billion** for the “Regional Technology Hubs” Program
 - **\$1 billion** for the “RECOMPETE” Pilot Program
- Important caveat: the CHIPS Act authorizes – but does not appropriate – funding for these new EDA initiatives

EDA REAUTHORIZATION UPDATE

- An unfortunate “unintended consequence” of the passage of the CHIPS Act is that it negatively impacted the chances of EDA reauthorization
- Other barriers also stood in the way
- **Good news:** Draft EDA legislative text was shared with our national association, which included a significantly increased funding level for EDA Partnership Planning Grants, as well as a standard 80/20 match rate
- **Bad news:** Progress has stalled on EDA reauthorization for this legislative session. Advocacy efforts will resume during the next session of Congress

Operating Report

- All reports for 2022 have been completed in a timely and accurate manner, and all funding has been received except as noted.
- FY 2023
 - FY 2023 ARC - \$180,000 (recovery) (Due 12/16)
 - FY 2023 EDA - \$70,000 (year 2 of 3 submitted 11/28)
 - EDA Cares Act - \$400,000 (ends 12/31/22)
 - Maryland Department of Commerce FY23 - \$200,000
 - Maryland Transit Administration FY23- \$26,000
 - Rural Maryland Council FY23 - \$600,000

TCCWMD @ 11 S. Lee Street, Cumberland

WE HAVE MOVED!

Thank you to the Rural
Maryland Council and the
State of Maryland for
supporting our funding
through the Rural Maryland
Prosperity Investment Fund



TCCWMD @ 11 S. Lee Street, Cumberland

- Relocated the offices from Frostburg on August 30-31
- Finishing up renovations, exterior doors currently being installed
- Furnishings and technology for the conference room are expected to be delivered/installed in December
- Open House/Ribbon Cutting in the Spring

Loan Fund Reports



For FY22, the State awarded TCCWMD \$1,500,000 for the existing VLT Program as well as an additional \$444,444.

2022 Lending Activity

Inquiries	74
Applications	10
Approved	10
Denied	0
Total Settled	10 @ \$1,611,769
Approved Not Disbursed	1@ \$105,000
Died Before Settlement	0
Leverage \$	\$4,028,777
Jobs	57 Retained and 44 Created

Lending Portfolio

<u>Current Portfolio</u>	
Projects	59
Total Lent	\$8,373,227
Principal Outstanding	\$6,067,312
<u>Since Inception</u>	
Projects	303
Total Lent	\$26,842,274
Leveraged	\$106,284,014
Jobs Created	2421
Jobs Retained	2344

Rural MD Prosperity Investment Fund (RMPIF)

Technical Assistance Activity

- The source for T.A. funding is a grant through the Rural MD Council FY23 Grant 6/1/22 – 6/30/23 with \$25,000 for T.A.
- Provide grants for T.A. to small businesses in Allegany, Garret and Washington counties
- Approve projects that will assist businesses that need professional guidance and services of a technical nature
- The program is intended to help small businesses expand, grow, improve operations and create jobs

2022 T.A. Activity

14 Inquiries

3 Applications

\$13,699 Paid out

\$3,325 Committed not paid

Maryland Department of Commerce Report

Small Business Development Center Report

The background of the slide is an abstract composition. It features several broad, sweeping, wavy lines in shades of yellow, orange, and red, creating a sense of movement. Overlaid on these waves is a subtle, low-poly triangular pattern, similar to a mosaic or a digital art style. The overall color palette is warm, ranging from light yellows to deep reds.

ARC Program Manager Update

The background of the slide is an abstract composition. It features several broad, sweeping, wavy lines in shades of yellow, orange, and red, creating a sense of movement. Overlaid on these waves is a subtle, low-poly triangular pattern, similar to a mosaic or a digital art style. The overall color palette is warm, ranging from bright yellows to deep reds.

Unfinished Business

The background of the slide is an abstract composition. It features several broad, sweeping, wavy lines in shades of cream, light yellow, and pale orange, which flow from the left side towards the right. Overlaid on these curves is a subtle, low-poly mosaic pattern of small triangles in various warm colors, including yellow, orange, and red, creating a textured, sun-like effect. The overall color palette is warm and vibrant, with a gradient from light yellow on the left to deeper orange and red tones on the right.

New Business

- 2023 Work Plan and Budget
- CEDS 2023-2027 Presentation
- 2023 Calendar of Meetings
- Announcements from the floor

2023 Work Plan & Budget

The Work Plan for TCCWMD is an agency wide document that outlines the tasks required to be performed under the various grants that fund our operations.

The agency currently operates under ten programs as indicated in the budget.

This presentation will only highlight changes from the FY 2022 document.

Community & Economic Development

- Capital Project – exterior (roof, porch, gutter system)
- Rural Maryland Economic Development Fund
 - Execute & Fund grant agreements for up to \$10 million in approved projects
 - Monitor Project Status
 - Report to the State

Community & Economic Development

Western Maryland Future Investment Board – Senator George C. Edwards Fund

- Staff the Board and Administer the Fund
- Collect Notice of Intent to Apply and Full Applications for Funding
- Distribute applications to County Economic Development Offices for ranking
- Fund projects approved by the WMFIB that are consistent with TCC policies
- Report on Projects to the General Assembly
- Execute a contract for a contractual employee to staff this Board and oversee the projects associated with the Rural 50 program for TCCWMD



Tri-County Council for Western Maryland, Inc.

2023 Administrative Budget

DRAFT

Draft 3	Account Number	Account Name	2023 Original Budget
R e v e n u e	31000	ARC - federal	\$ 180,000
	31500	EDA - federal	70,000
	34400	Maryland Rural 50	50,000
	31550	EDA CARES Act RLF	14,000
	31600	MTA - Maryland Transit Administration	26,000
	34000	TCCWMD VLT	95,000
	34303	Maryland Dept of Commerce	200,000
	35900	RMPIF - Rural Maryland Prosperity Investment Fund	600,000
	38300	RLF - Revolving Loan Funds	95,000
	38500	Local Funds	120,000
	Total Revenue:		\$ 1,450,000
E x p e n d i t u r e s	50000	Salaries	\$ 559,066
	50500	Fringe Benefits	352,888
	52010	Contractual	43,544
	53000	Travel	33,804
	53100	Vehicle Operating	790
	53200	Conference Fees	5,675
	53300	Training	9,308
	53500	Supplies	11,996
	53700	Postage	1,193
	54500	Membership	8,950
	54800	Fees	600
	55000	Equipment	25,400
	55500	Publications	1,800
	56000	Audit	5,000
	56500	Accounting	10,000
	56800	Technical Assistance	25,000
	57100	Meeting Expenses	20,224
	57200	Marketing / Sponsored Events	15,450
	58500	Legal	11,000
	59000	Insurance	1,963
	99900	Indirect Costs	106,350
	90000	Capital	200,000
	Total Administration Expenditures:		\$ 1,450,000
	Undesignated Funds Remaining:		\$ (0)

Comprehensive Economic Development Strategy (CEDS) Update

- 5 Year Plan 2023-2027
- Projects update – Spring
- Planning update - Fall

CEDS Priority Areas 2023-2027

Economic Development

- Foster Entrepreneurship
- Acknowledge and Embrace Tourism and Recreation
- Access to Capital
- Lack of Greenfield Sites
- Coordination of Transportation

CEDS Priority Areas 2023-2027

Workforce Development and Training

- Stronger Coordination Between Education, Employers, and Training Organizations
- Availability of Continuing Education Opportunities
- Availability of Career and Technical Schools
- Focus on Retraining Veterans and Those Recovering from Addictions
- Access to Healthcare

CEDS Priority Areas 2023-2027

Infrastructure

- Broadband, Affordability and Open Access
- Infrastructure Improvements
Aging, Water, Sewer, Treatment Plants
- Infrastructure Improvements
New, Water, Sewer, Roads, Bridges

CEDS Planning Updates

- Demographics
- SWOT Analysis
- Economic Development Survey
- Priority Areas 2023-2027
- Economic Recovery and Resiliency
- FY23 Projects List

CEDS Committee

Roger Fairbourn, <i>Chair</i>	Washington County, Private Sector
David Cotton	ARC Program Manager / Maryland Department of Planning
Stu Czapski	Cumberland Economic Development Corporation
Kim Durst	Garrett County Department of Business Development
Jeremy Irons	Allegany County, Private Sector
Amy Jacobs	Tri-County Council for Western Maryland
Karen Johnson	Allegany County, Private Sector
Jonathan Kessler	Garrett County, Private Sector
Steve MacGray	Allegany County, Private Sector
Jeff McKenzie	Allegany County, Private Sector
Jack Miller	Washington County, Private Sector
David Nedved	Allegany County Dept of Economic & Community Development
Steve Nelson	Allegany County, Private Sector
Andrew Sargent	Maryland Department of Commerce
Spencer Schlosnagle	Garrett County Mayor, Town of Friendsville
Cindy Sharon	Garrett County Finance Department
Robert Smith	Allegany County, Private Sector
Linda Spence	Washington County Business Development
Elizabeth Stahlman	Allegany County, City of Frostburg
Guy Winterberg	Tri-County Council for Western Maryland

Calendar of Meetings 2023

Date

Wednesday, April 12, 2023

Wednesday, June 21, 2023

Wednesday, December 13, 2022

Location

Allegany County

Garrett County

Washington County

Announcements from the Floor

The background of the slide is an abstract composition. It features several thick, flowing, wavy lines in shades of white, cream, and light yellow, which sweep across the frame from the left and bottom. These lines are set against a backdrop of a fine, repeating triangular or mosaic pattern. The color palette is warm, ranging from pale yellows and oranges to deep, saturated reds and oranges, particularly concentrated on the right side and bottom corners.