

COUNTY OF



ALLEGHENY

RICH FITZGERALD  
COUNTY EXECUTIVE

Higher Education Building Authority  
2023 Budget

**ADOPTED**



**ALLEGHENY COUNTY HIGHER EDUCATION BUILDING AUTHORITY  
GENERAL FUND  
2023 ADOPTED BUDGET**

|  | <b>2022<br/>Adopted<br/>Budget</b> | <b>2022<br/>Projected<br/>Revenues/Costs</b> | <b>2023<br/>Adopted<br/>Budget</b> | <b>Increase /<br/>(Decrease)</b> | <b>Notes</b> |
|--|------------------------------------|--|------------------------------------|----------------------------------|--------------|
| Beginning Operating Reserve                | \$ 654,912                         | \$ 661,956                                   | \$ 637,588                         | \$ (17,324)                      | 1            |
| <b><u>REVENUES</u></b>                     |                                    |  |                                    |                                  |              |
| Agenda Fees                                | \$ 500                             | \$ 1,000                                     | \$ 500                             | \$ 0                             | 2            |
| Annual Fees                                | 226,395                            | 257,123                                      | 218,385                            | (8,010)                          | 3            |
| Closing Fees                               | 15,000                             | 52,888                                       | 15,000                             | 0                                | 4            |
| Project Fees                               | 5,000                              | 10,000                                       | 5,000                              | 0                                | 5            |
| Interest Income                            | 55                                 | 5,699  | 13,409                             | 13,354                           | 6            |
| Other Income                               | 0                                  | 0  | 0                                  | 0                                |              |
| <b>TOTAL REVENUES</b>                      | <b>\$ 246,950</b>                  | <b>\$ 326,710</b>                            | <b>\$ 252,294</b>                  | <b>\$ 5,344</b>                  |              |
| <b><u>EXPENSES</u></b>                     |                                    |  |                                    |                                  |              |
| ACED Administrative Contract               | \$ 300,000                         | \$ 300,000                                   | \$ 300,000                         | \$ 0                             | 7            |
| Audit                                      | 2,700                              | 4,149  | 2,900                              | 200                              | 8            |
| Insurance                                  | 2,500                              | 1,700  | 2,500                              | 0                                | 9            |
| Legal                                      | 27,500                             | 23,208                                       | 11,810                             | (15,690)                         | 10           |
| Legal Advertising                          | 1,000                              | 0  | 1,000                              | 0                                | 11           |
| Miscellaneous                              | 15,928                             | 22,022                                       | 1,823                              | (14,105)                         | 12           |
| Furniture                                  | 0                                  | 0  | 3,000                              | 3,000                            | 13           |
| <b>TOTAL EXPENSES</b>                      | <b>\$ 349,628</b>                  | <b>\$ 351,078</b>                            | <b>\$ 323,033</b>                  | <b>\$ (26,595)</b>               |              |
| Excess (Deficit) Revenues<br>Over Expenses | <b>\$ (102,678)</b>                | <b>\$ (24,368)</b>                           | <b>\$ (70,739)</b>                 | <b>\$ 31,939</b>                 |              |
| Ending Operating Reserve                   | <b>\$ 552,235</b>                  | <b>\$ 637,588</b>                            | <b>\$ 566,849</b>                  | <b>\$ 14,615</b>                 |              |

**ALLEGHENY COUNTY HIGHER EDUCATION BUILDING AUTHORITY  
GENERAL FUND  
NOTES TO THE 2023 ADOPTED BUDGET**

**1. BEGINNING OPERATING RESERVE**

|  |            |
|--|------------|
| 2022 Beginning Operating Reserve           | \$ 661,956 |
| Projected 2022 Defecit/Revenue             | (24,368)   |
| 2023 Projected Beginning Operating Reserve | \$ 637,588 |

**2. AGENDA FEES**

Agenda fees are monies paid by participants who request new financing agreements with the Board of Directors. Using a conservative approach, it is estimated that there will be one (1) new bond issue in 2023 at a total of \$15,000,000 with agenda fees of \$500.

|  |        |
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|  | \$ 500 |
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**3. ANNUAL FEES**

See Schedule A (rounded).

|   |            |
|---|------------|
| Annual Fees Collected in 2022                         | \$ 207,273 |
| Less: 2021 Annual Fees Collected in 2022              | (19,494)   |
| Annual Fees Expected to be Collected in 2022          | 30,356     |
| One Estimated Bond/Note in 2023                       | 3,750      |
| Less: Redemption of Point Park University Series 2016 | (3,500)    |
| 2023 Proposed Annual Fees                             | \$ 218,385 |

**4. CLOSING FEES**

Using a conservative approach, it is estimated that there will be one (1) new bond issue in 2023 at a total of \$15,000,000 with closing fees totaling \$15,000.

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|  | \$ 15,000 |
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**5. PROJECT FEES**

Using a conservative approach, it is estimated that there will be one (1) new bond issue in 2023 at a total of \$15,000,000 with project fees totaling \$5,000

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|  | \$ 5,000 |
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**6. INTEREST INCOME**

2023 projected interest income was calculated below:

|                                   |            |
|-----------------------------------|------------|
| 2023 Beginning Operating Reserve  | \$ 637,588 |
| Less: One-Half Administrative Fee | (150,000)  |
| Balance                           | \$ 487,588 |
| Percentage                        | 2.75%      |
| 2023 Projected Interest           | \$ 13,409  |

**ALLEGHENY COUNTY HIGHER EDUCATION BUILDING AUTHORITY  
GENERAL FUND  
NOTES TO THE 2023 ADOPTED BUDGET**

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| 7.  | <b><u>ACED ADMINISTRATIVE CONTRACT</u></b> |  | <u>\$ 300,000</u> |
|     |  | Projection assumes the administrative contract between the HEBA and the Allegheny County Department of Economic Development will remain at \$300,000 in 2023.  |                   |
| 8.  | <b><u>AUDIT</u></b>                        |  |                   |
|     |  | Professional audit fees are typically contracted every three (3) years, however HEBA extended it's current contract with Maher Duessel for and additional two years. In 2024 the authorities will issue another RFP for years 2024-2027. |                   |
|     |  | 2023 Audit Fees (for YE 2022 audit)  | <u>\$ 2,900</u>   |
| 9.  | <b><u>INSURANCE</u></b>                    |  |                   |
|     |  | 2023 Director & Officer's insurance expenses is estimated at \$2,500.00<br>Based on estimated total ACED authorities aggregate of \$15,000.00<br>(\$15,000 / 6 authorities) Each ACED authority is invoiced separately.                  | <u>\$ 2,500</u>   |
| 10. | <b><u>LEGAL</u></b>                        |  |                   |
|     |  | Fees are based on current Clark Hill, PLC contract.<br>Based on estimated total FDC aggregate of \$42,240.00.  |                   |
|     |  | Contracted Amount (\$42,240 / 4)   | \$ 10,560         |
|     |  | Out-of-Pocket Expenses   | <u>1,250</u>      |
|     |  | 2023 Legal Fees  | <u>\$ 11,810</u>  |
| 11. | <b><u>LEGAL ADVERTISING</u></b>            |  |                   |
|     |  | Budget includes cost for the annual audited financial statements and any additional meetings which have to be advertised.  | <u>\$ 1,000</u>   |
| 12. | <b><u>MISCELLANEOUS</u></b>                |  |                   |
|     |  | \$500 Allowance for postage and bank service charges. \$900 for quickbooks fee split between each authority. \$423 for PNC Pinnacle online banking fees.   | <u>\$ 1,823</u>   |
| 13. | <b><u>FURNITURE</u></b>                    |  |                   |
|     |  | Allowance for the purchase of items such as furniture, file cabinets, etc.   | <u>\$ 3,000</u>   |

**ALLEGHENY COUNTY HIGHER EDUCATION BUILDING AUTHORITY  
GENERAL FUND  
2023 ANTICIPATED ANNUAL FEE SCHEDULE  
SCHEDULE A**

| <b>DATE DUE</b>  | <b>INSTITUTION</b>         | <b>SERIES</b> | <b>ORIGINAL ISSUE AMOUNT</b> | <b>REDEMPTION DATE</b>      | <b>ANNUAL FEE 2023</b> | <b>FEE PER University</b> | <b>% PER University</b> |
|--|----------------------------|---------------|------------------------------|-----------------------------|------------------------|---------------------------|-------------------------|
| 04/10  | CARNEGIE MELLON UNIVERSITY | 2008          | 135,000,000                  | 04/10/38                    | 30,205.00              |                           |                         |
| 02/12  | CARNEGIE MELLON UNIVERSITY | 2013          | 52,250,000                   | 03/01/28                    | 13,062.50              |                           |                         |
| 07/19  | CARNEGIE MELLON UNIVERSITY | 2017          | 62,165,000                   | 06/30/47                    | 15,541.25              |                           |                         |
| 01/02  | CARNEGIE MELLON UNIVERSITY | 2019 A&B      | 109,740,000                  | 02/01/42                    | 27,435.00              |                           |                         |
| 02/05  | CARNEGIE MELLON UNIVERSITY | 2020A         | 45,565,000                   | Footnote <sup>1&amp;2</sup> | 11,391.25              |                           |                         |
| 01/27  | CARNEGIE MELLON UNIVERSITY | 2022 A&B      | 77,470,000                   | Footnote <sup>1</sup>       | 19,367.50              |                           |                         |
| 02/16  | CARNEGIE MELLON UNIVERSITY | 2022 C        | 25,000,000                   | Footnote <sup>1</sup>       | 6,250.00               | 123,252.50                | 57.42%                  |
| 03/01  | CHATHAM COLLEGE            | 2012          | 35,870,000                   | 06/30/36                    | 8,967.50               |                           |                         |
| 07/01  | CHATHAM COLLEGE            | 2014          | 18,000,000                   | 08/01/26                    | 4,500.00               |                           |                         |
| 07/01  | CHATHAM COLLEGE            | 2022          | 22,200,000                   | TBD                         | 5,555.00               | 19,022.50                 | 8.86%                   |
| 12/01  | DUQUESNE UNIVERSITY        | 2014          | 39,195,000                   | 03/01/33                    | 9,798.75               |                           |                         |
| 05/12  | DUQUESNE UNIVERSITY        | 2016          | 58,040,000                   | 03/01/33                    | 14,510.00              |                           |                         |
| 05/24  | DUQUESNE UNIVERSITY        | 2018          | 17,760,000                   | 03/01/34                    | 4,440.00               |                           |                         |
| 08/28  | DUQUESNE UNIVERSITY        | 2020A&B       | 24,780,000                   | 03/01/38                    | 6,195.00               |                           |                         |
| 12/01  | DUQUESNE UNIVERSITY        | 2021          | 47,890,000                   | TBD                         | 11,972.50              |                           |                         |
| 12/28  | DUQUESNE UNIVERSITY        | 2022          | 15,140,000                   | 09/01/32                    | 3,785.00               | 50,701.25                 | 23.62%                  |
| 07/22  | POINT PARK UNIVERSITY      | 2013          | 31,670,000                   | 07/22/38                    | 7,917.50               |                           |                         |
| 05/18  | POINT PARK UNIVERSITY      | 2016          | 14,000,000                   | 05/17/23                    | -                      | 7,917.50                  | 3.69%                   |
| 06/01  | ROBERT MORRIS COLLEGE      | 1998A         | 8,335,000                    | 05/01/28                    | 2,083.75               |                           |                         |
| 11/01  | ROBERT MORRIS COLLEGE      | 2016          | 19,200,000                   | 05/31/41                    | 4,800.00               |                           |                         |
| 09/27  | ROBERT MORRIS COLLEGE      | 2017          | 27,430,000                   | 10/15/38                    | 6,857.50               | 13,741.25                 | 6.40%                   |
| <b>Add:</b> One (1) HEBA Bond/Note at an annual fee of \$3,750.00<br>(Estimated deal of \$15,000,000 x .00025 = \$3,750) |                            |               |                              |                             | 3,750.00               |                           |                         |
| <b>TOTAL</b>   |                            |               |                              |                             | <b>\$ 218,385.00</b>   | <b>\$ 214,635.00</b>      | <b>100.00%</b>          |

- 1 - Bond is redeemable at any time upon payment of an index-based redemption price
- 2 - Carnegie Mellon University 2022 Series A is redeemable on 2/1/2027
- 3 - Point Park University Series 2016 will be redeemed before another annual fee payment will be received

|  |                      |
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| TOTAL RECEIVED FROM 2022 ANNUAL FEES IN 2022 | \$ 187,778.75        |
| TOTAL RECEIVED FROM 2021 ANNUAL FEES IN 2022 | \$ 19,493.75         |
| TOTAL ANNUAL FEES RECEIVED TO DATE IN 2022   | <u>\$ 207,272.50</u> |