

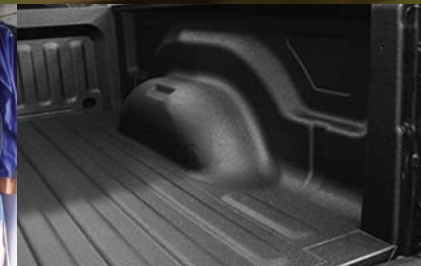


# Fay-Penn

Economic Development Council

2007 Annual Report

**MADE IN FAYETTE**





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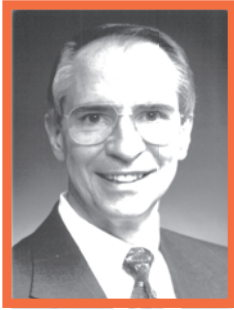
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Leo T. Krantz, Jr.  
*Chairman*

## CHAIRMAN'S MESSAGE

This year's 2007 Annual Report cover features products that are made in Fayette County to highlight the importance of manufacturing in our local economy. Too often the manufacturing sector has been taken for granted, hidden behind the financial services, information technology or mega-retail industries. Manufacturing is a cornerstone of any economy, local or national. It supports other industry sectors and has become a major point of discussion in the hotly debated US presidential election. As stated in simple terms, manufacturing brings money into an economy. It is where a person earns a paycheck, not spend it.

With this understanding, we were delighted to announce that British owned, Johnson Matthey's decision to construct a new \$43 million manufacturing facility in the Fayette Business Park in Georges Township. The company will produce the next generation of catalytic converters for large diesel engines. The catalytic converters are needed to meet new environmental standards for vehicle emissions. Besides being the single largest manufacturing investment in Fayette County's recent history, this was the first time we have had a major supplier in the transportation industry locate here in a very long time. We are fortunate that the international company made this decision, which would have invested in another state without financial assistance from the Commonwealth. Competition between communities for manufacturing companies continues to increase because their critical economic value is becoming more understood. From the recent trend of moving American manufacturing off shore to other countries, the lack of a manufacturing presence in our national economy is becoming more obvious, as local communities struggle to maintain their local economy and middle class.

Fay-Penn's primary focus has always been on manufacturing. Efforts to improve housing, education and tourism have all been associated with efforts to improve the local quality of life in order to be more successful in attracting and expanding Fayette's manufacturing sector. Manufacturing in turn supports our local quality of life by pumping dollars into our local economy and by employing our residents. In 2007, the organization was successful in assisting six (6) manufacturing companies, in addition to providing assistance to other companies.

On behalf of the board of the directors, I invite you to review this report and keep in mind our good fortunes to still have manufacturing as a significant part of our local economy. This year let us make extra effort to congratulate the owners, the managers and the employees of our local manufactures as one of the key contributors to our economy.

A handwritten signature in black ink, appearing to read "Leo T. Krantz, Jr.", written in a cursive style.

## ORGANIZATION OVERVIEW

**Incorporated** in 1991, Fay-Penn was formed to assist in the economic revitalization efforts of Fayette County. The organization was designated by the Internal Revenue Service (IRS) as a tax-exempt, nonprofit organization under Section 501(c)(3) of the Internal Revenue Code. As a membership based organization with 161 members, funding comes from various local, public, and private contributors and foundations, in addition to grant support from the Commonwealth of Pennsylvania and federal government for specific projects. Funds may not be used for the benefit of or be distributed to members, directors, officers, or private persons. Fay-Penn's **Mission** is to maintain and increase employment opportunities (jobs) in Fayette County in an effort to improve the quality of life for all of its residents. This mission is met through a comprehensive strategy of specific economic development objectives and by providing superior services to its clients. The organization primarily focuses on the manufacturing sector, in addition to a concentration on workforce issues and infrastructure development.

## PRIMARY GOALS

*Provide superior economic development services that meet the needs of Fayette County by building local capacity and capabilities.*

*Generate new commerce by revitalizing commercial areas through community and tourism development initiatives.*

*Provide services to ensure that Fayette County has a qualified workforce to accommodate world-class industry.*

*Encourage development at existing and future business sites.*

## CONFIDENTIAL BUSINESS SERVICES

**Fay-Penn offers a full range of confidential services and works closely with each client to provide customized service.** In summary, the staff works hands-on with each company guiding them through the necessary procedures and providing the following types of assistance, wherever possible, to ensure the successful completion of their business location, expansion, or start-up projects, i.e.

- ❑ Low interest financing
- ❑ Business development assistance
- ❑ Technical operations assistance
- ❑ Tourism business development
- ❑ Site selection assistance
- ❑ Workforce and education development
- ❑ Business park development

## Staff

### President



Michael W. Krajovic  
President & CEO

### Accounting Dept.



Linda Yuhaniak  
Acct. Manager



Brenda Sapic  
Sr. Acct. Asst.



Debbie Williams  
Acct. Assistant



Ronald Sheba  
Educ. & Workforce  
Dev. Manager

### Education



Denise King  
Exec. Assistant/  
FEC Manager



Dawn Jankovic  
Secretary



Traci Klink  
Administrative  
Assistant



Connie Welling  
Part-Time  
Secretary

### Administrative Dept.

### Asset and Contract Management Dept.



Tina Wargo  
Asset & Contract  
Dept. Manager



Robert Biddle  
Construction  
Project Rep.



Ron Cole  
Construction  
Project Coord.



Twila Kendall  
Tech. Assistance  
Specialist

### Economic Development Dept.



Barry Seneri  
Economic Dev.  
Manager



Michael Jordan  
Economic Dev.  
Specialist



Dana Kendrick  
Economic Dev.  
Specialist



Joe Podolinski  
Fayette/Washington  
KIZ Coordinator

The year 2007 was another successful year for Fay-Penn's Revolving Loan Fund (RLF). Originally established in 1993, the RLF had grown from \$1 million to \$14.4 million at the end of 2007. The RLF is comprised of seven (7) separate programs that assist eligible businesses by funding capital expansion projects in fixed assets, such as new equipment and facilities at low interest rates. Six (6) projects received \$2,210,210 in financing assistance through the RLF in 2007. These projects generated additional private investment of \$911,000 and resulted in the creation and/or retention of 90 jobs. To date, 125 projects have been financed involving over \$43 million in private investment and the potential creation and/or retention of 3,716 jobs.

## REAL ESTATE

Fay-Penn owns, operates and maintains ten (10) buildings, offering 358,934 sq. ft. of space to existing and potential tenants - 97%

filled to capacity- and operates and maintains three (3) business development sites (owned by Fayette Industrial Fund, a sister organization) totaling 660 acres, 348 of which are ready for immediate development. Fay-Penn also owns another 1,158 acres of land in three different locations for future development.

In 2007, Fay-Penn began construction of a 12,000 sq. ft. expansion to the Fay-Penn Innovation Center, an existing 14,000 sq. ft. multi-tenant building located in the University Technology Park. The 12,000 sq. ft. addition is ready for occupancy.

Renovations, utility separation and leasehold improvements on Fay-Penn's 57,000 sq. ft. building in Bullskin Township were also underway in 2007 to make the facility more marketable for multi-occupancy use. The building is currently filled to capacity. A parking lot expansion, new HVAC units, and a full roof replacement are three (3) major improvements completed or underway at Fay-Penn's 43,000 sq. ft. facility in Redstone Township.



Fay-Penn Innovation Center, University Technology Park, North Union Township

University Technology Park, North Union Township



Brownsville Plaza, Redstone Twp.  
Parking Lot Expansion



Tedesco Building, Bullskin Twp.  
Utility Separation



Fayette Business Park, Georges Township



# 2007

## Summary of Completed Projects

### 2007 Business Development Projects

	Jobs Created/ Retained*
Atlas Energy Resources, LLC	150
Chestnut Ridge Storage, LLC	10
CJC Investments	8
Ebtech Industrial Offices	10
Gerome Mfg. Co., Inc.	7
Timothy Grindle	4
Mars Petcare USA, Inc.	0
Salon Capelli & Day Spa	9
Shane Felter Industries	60
<b>Total:</b>	<b>258</b>

### 2007 New Project Results Overview

Completed Projects	9
Jobs Created & Retained*	258
Increase in Annual Payroll	\$8,836,000
Increase in Annual Tax	\$ 336,504
New Investment	\$180,134,219
Public Financing	\$ 2,210,219
Private Investment	\$178,211,000

\* The data recorded are based upon information provided - and three year projections committed to - by the companies.

\*\* Job creation/retention numbers reported in previous annual reports

# 1992 - 2007

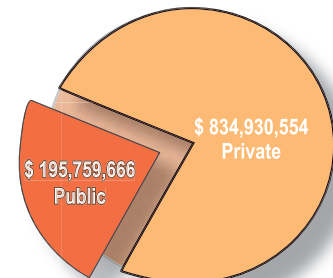
## Key Performance Indicators

**Total Completed Projects:**  
**235**

**Job Creation & Retention:**  
**7,490**

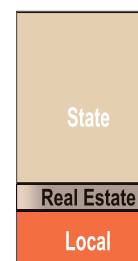


**New Investment Dollars:**  
**\$1,030,690,220**



**New Annual Payroll Dollars Generated:**  
**\$139,423,205**

**New Construction Dollars:**  
**\$478,123,768**



**New Annual Taxes Generated:**

**\$6,062,835**

(Does not include residential municipal, school or county real estate taxes)

# BUSINESS DEVELOPMENT highlights



**Atlas Energy Resources, LLC** an energy company focused on the development and production of natural gas principally in the Appalachian Basin and the Northern Michigan region constructed a new 24,000 sq. ft. district headquarters in the Fayette Business Park, Georges Township. The Company invested over \$2.3 million in the new facility that is used to service

the company's growing number of gas wells in the region. There are currently 150 employees working out of this facility with the potential to grow to 180 in the next few years.



**Ebtech Industrial Offices**, a leading manufacturer of modular in-plant offices, mezzanines and pre-assembled buildings, relocated its operation from St. Louis to Fay-Penn's Multi-Tenant Building in the Connellsville Industrial Park. The location of this company in Fayette County was a joint effort between Fay-Penn and the Pittsburgh Regional Alliance. Fay-Penn provided a \$100,000 loan to assist in financing the purchase of equipment, tools and leasehold improvements for this project that resulted in \$600,000 in new private investment and the creation of ten (10) jobs in Fayette

**Gerome Manufacturing Company, Inc.** received assistance from Fay-Penn in the form of a \$60,219 loan to assist in financing a new \$133,819 robotic cell. In business since 1957, the company is a well known producer of custom precision sheet metal products, bus bar and metal-working techniques to form, shape, machine, heat-treat, and finish various materials. Plants in Pennsylvania and Arizona conveniently serve East and West Coast clients, as well as foreign markets. The project is expected to result in the retention of 110 jobs and the creation of seven (7) new jobs.





Fay-Penn assisted **Mars Petcare USA, Inc.**, a global provider of high quality pet products, with site selection assistance to meet warehousing and distribution requirements during an expansion project at their manufacturing plant in Everson, Pa. Fay-Penn completed facility upgrades to allow Mars Petcare to temporarily locate warehouse operations in Fay-Penn's Multi-Tenant Building in the Connellsville Industrial Park. Three (3) jobs were moved to this location for a projected 18 month timeframe.

**Chestnut Ridge Storage, LLC** is developing a major new high-performance natural gas storage facility near Uniontown. Chestnut Ridge Storage, project owner and developer, is owned by affiliates of Tenaska Power Fund, L.P. of Omaha, Nebraska and eCORP, LLC of Houston, Texas. Fay-Penn assisted the new company early on by making introductions to local officials and key contacts, as well as providing location assistance for a rail lay down and storage yard in the Fayette Business Park to support the construction phase. The Junction Facility will provide significant economic benefits during construction. The projects long-term benefits include ten (10) full time jobs, increased tax revenues and reliable and competitively priced natural gas.



Fay-Penn assisted **Highland Coaters, LLC**, a supplier of abrasive blasting and high performance coatings to OEM fabricators, with site selection assistance and facility upgrades to locate their business operations in Fay-Penn's Multi-Tenant Building in the Connellsville Industrial Park. The move to a larger facility will allow Highland Coaters to expand their service offerings to include wet spray coatings, dry powder coatings, anodizing and plating. This project resulted in the creation of five (5) new jobs.

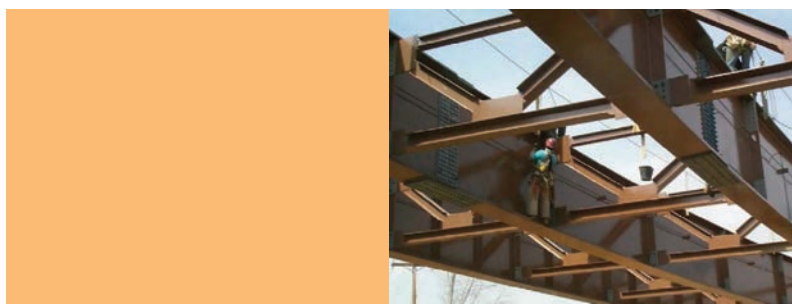


**Shane Felter Industries, Inc.**, located in Upper Middletown, is a bridge fabricator that produces steel bridge structures for various Departments of Transportation throughout the Eastern United States. Fay-Penn has assisted this company with several projects over the past few years resulting in the retention of sixty (60) jobs. The company has been in business in the Fayette County area since January 1970.



In late December 2007, **Johnson Matthey Inc.** announced that it will build a 156,000 sq. ft. manufacturing facility in the Fayette Business

Park in GeorgesTownship to produce SCR catalysts for the North American market to meet stricter US 2010 Heavy Duty Diesel emission standards. Construction is currently underway and additional information will be included in the 2008 Annual Report.





## Small Business Development

Fay-Penn's Business Development Program answered 152 inquiries during 2007. Six (6) businesses secured \$410,219 in financing resulting in the creation and/or retention of 151 jobs. Continuing to be responsive to the needs of business, Fay-Penn works with the Service Corp. of Retired Executives (SCORE) and the Saint Vincent College – Small Business Development Center.

Fay-Penn provided a total of \$150,000 in **Downtown Revitalization Loan Fund (DRLF)** loan funds to assist with three building acquisition and/or renovation projects in downtown Uniontown (\$50,000 to each project) that resulted in the combined retention of seventeen

(17) jobs and the creation of two (2) new jobs, i.e., **Salon Capelli & Day Spa:** Renovation of newly acquired commercial property that will result in the creation of



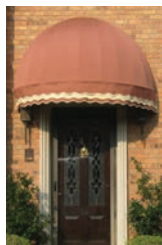
two (2) new jobs and retention of seven (7) jobs;

**CJC Investments, LP dba**

**Hibbs Awning:** Renovation of a newly acquired commercial property to house Hibbs Awning, a manufacturer of cloth awnings and canopies, resulting in the retention of six

(6) jobs and the creation of two (2) new jobs; and

**Timothy Grindle:** Purchase of a commercial building currently occupied by two tenants with 10,000 sq. ft. of vacant available space, that will result in retention of four (4) jobs.



### Fayette/Washington KIZ (Keystone Innovation Zone)

KIZ's are designated zones by the state of Pennsylvania to encourage creativity, foster innovation

and provide entrepreneurial opportunities within geographic areas and industry concentrations.

The newly created **Fayette/Washington KIZ** works with entrepreneurs and start-up businesses in both counties interested in developing an invention, new product concept or technology, or innovative idea by helping clients assess the idea and the access the many useful resources available to them through the KIZ program. The KIZ zone focus is on Department of Defense/Homeland Security, energy related businesses, and information technology.



Fay-Penn met with 100 local businesses to assess their current and future needs

and provided assistance to twenty (20) of those companies under the PA Business Retention and Expansion Program. The Sixty-one (61) Customer Action Plans (CAPs) generated were focused on capital needs, market & product development, technology assistance, workforce needs, site needs, government assistance, and business management. Cooperating partners included PA CareerLink, PennTap, Innovation Works, Catalyst Connection, Private Industry Council of Westmoreland/Fayette, SCORE and the Saint Vincent College - Small Business Development Center.

## Southwest PA Railroad

Fay-Penn, through its affiliate organization, the Fay-Penn Industrial Development Corporation (IDC), continues to own and oversee the operation of 27 miles of rail line through Fayette County. The rail line provides rail service to nine Fayette County companies.



# Education Highlights



is about ...

- ≡ **Preparing** and **developing** a skilled workforce;
- ≡ **Retaining** a skilled workforce through greater job opportunities; and
- ≡ **Attracting** new residents and skilled workers by having a superior education system.

## Supporting Fay-Penn's mission, **Reaching Educational Achievement with Community Help (REACH)** was created in 2001

as a unique collaborative force between the local business sector and educators in the six Fayette County school districts on district-specific and county-wide initiatives. With the intentions of providing all local youth with the hope, opportunity and empowerment that quality education affords, REACH is focused on systemic education reform to prepare the county's youth for successful lives, economic growth and sustainability with a bolstered workforce.

REACH is currently reestablishing itself in the community and will continue to engage the entire community to support systemic change in education – strengthening relationships and encouraging collaboration. Some of the efforts of REACH include:

- Career awareness – working to support curriculum development and prepare young people for the workplace.
- Facilitate opportunities for students to receive real life experiences prior to high school graduation. Work with school districts on career and transitional plans.
- Help promote Science Technology Engineering Mathematics (STEM) activities in the school systems.
- Coordinate a unified comprehensive plan to help school districts work together.
- Introduce best practices and research programs to the county schools that have the best probability of success.
- Build new relationships and a partnership between the business community and the school systems.
- Promote workforce development activities to meet current and future employer needs.
- Seek funding sources for educational programs and staff development.



## CONTRIBUTORS

- Richard Capelli
- Duke Energy
- Laurel Business Institute
- Laurel Caverns
- National City Bank
- Ohiopyle Prints
- PNC Bank
- The Scottdale Bank & Trust Co

*Fay-Penn recognizes, with thanks, the generous support and financial contributions from so many companies, individuals and organizations. With their support, REACH is making a difference.*





# Community Development Highlights

## Downtown Uniontown Revitalization

Thanks to the efforts of many, the Downtown Revitalization effort is underway to advance Fayette County as an attractive location for companies looking to expand or locate new facilities. Fay-Penn assisted the City of Uniontown in obtaining **\$6 million in state and federal grants to support more than \$11 million in public and private investments**. In addition to the completion of the construction of a 257 space parking garage, parking along Main Street, a new building project at Fayette County Community Action Agency, and a Master Plan for the Development of City Parks in previous years, Fay-Penn completed the administration of two additional projects during 2007, i.e. **State Theatre Center for the Arts renovations** and **the City of Uniontown police building renovations**. Planning is underway for the \$1 million Hometown Streets Grant for the **Morgantown and Main Streetscape improvements** to be administered by the Uniontown Redevelopment Authority.



### FEC Funded Projects - 2007

Menallen Elementary School	\$12,000
Southside Elementary School	\$12,000
LaFayette School	\$12,000
Cox-Donahey Elementary	\$ 6,000
Cardale & Cox-Donahey Elementary	\$ 6,000
Junior Achievement	\$ 6,000
Fayette County Drug Task Force	\$ 6,000
REACH	\$ 6,000
Fayette Co. Community Action Agency	\$ 6,000
Keisterville Community & Youth Center	\$ 6,000
Gallatin Avenue Concerned Citizens	\$ 6,000
Lions Baseball	\$ 6,000
Wesley Health Center	\$ 6,000
Menallen Township Supervisors	\$ 6,000
Redstone Township	\$ 6,000
Uniontown Fire Department	\$ 5,000
Domestic Violence Services	\$ 3,818
Dunbar Borough Police Department	\$ 3,182

## Fayette Enterprise Community (FEC)

The FEC Strategic Plan includes 105 benchmark activities totaling more than \$200 million dollars targeted at local revitalization efforts in the county's most distressed communities. Of the 105 benchmarks, 73 are active. Of the 73 active benchmarks, **41 are completed, 28 are in progress, 4 are just beginning**. Thanks to funds **appropriated by the United States Congress for 2007**, the FEC funded eighteen (18) projects totaling \$120,000.

# 2007 BOARD OF DIRECTORS

## OFFICERS

Chairman	President	Vice Chair	Secretary	Treasurer
				
<b>Leo T. Krantz, Jr.</b>	<b>Michael W. Krajovic</b>	<b>Steve Neubauer</b> Pres/Gen. Mgr. Neubauer Flowers, Inc.	<b>George Rattay</b>	<b>James Foutz, CPA</b> McClure & Wolf



**Paul Bacharach**  
President/CEO  
Uniontown Hospital



**Dave Berish**  
President  
Berish Agency, Inc.



**William Blaney**  
Sec/Treas  
Blaney Farms



**Andrew Boni**  
President, Fay. Co.  
Assoc. of Township Officials



**Brian Boyle**  
Exec. VP, Advanced  
Acoustic Concepts, Inc.



**Dr. Gary Brain**  
Acting Superintendent  
Laurel Highlands  
School Dist.



**Todd Casteel**  
W.R. Casteel Co. Inc.



**Richard Ellsworth**  
Sr. VP of Operations  
American Broadband



**John A. Fiesta**  
Fiesta Insurance Agency



**Ed Fike**  
Mayor, City of Uniontown



**Mark Fike**  
Account Executive  
Paul Sprowls Agency



**Kenneth Finney**  
Chairman  
Fay. Co. Redev. Auth.



**Deborah Fox**  
Plant Manager  
BAE Systems



**Edward J. Franczyk**  
President & CEO  
Centra Bank



**Debra Gideon**  
VP/Bus. Dev. Officer  
Community Bank



**John Hart**  
Sec/Treas  
Gallatin Fuels, Inc.



**Sonny Herring**  
Sec/Treas.  
Woodland Zoo



**Van Humbert**  
Pres., Connellsville  
Industrial Enterprises



**William S. Jackson, Jr.**  
Jackson Farms



**Dr. Ed Jeffreys**  
Exec. Director, Fay Co.  
Vo-Tech School



**Sen. Richard Kasunic (D)**  
Dist 32, State Senator



**Lawrence J. Kiefer**  
Treasurer  
Scottdale Bank & Trust



**Brian Kisiel**  
Shareholder,  
Kisiel & Rudnik



**Raymond J. Koffler, II**  
VP, Dist. Sales Exec.  
National City Bank of PA



**Val Laub**  
VP/Publisher  
Uniontown Newspapers



**Trey Matheu**  
Dir. of Resort Operations  
Nemacolin Woodlands  
Resort & Spa



**Robert McKeown**  
Owner  
Ball Transfer Systems



**Dr. Emmanuel I. Osagie**  
Ph.D., PMP, Chancellor  
Penn State Fayette



**Greg Parsons**  
VP, CBIZ  
Benefits & Insurance



**Stephen A. Peters**  
Senior VP & Branch Mgr.  
Parker/Hunter, Inc.



**Judy Reed**  
Mayor  
City of Connellsville



**Frank Ricco**  
Sec/Treasurer  
Brownsville Bus Lines



**Louis Ridgley**  
Treasurer  
NAACP



**David Rossi**  
General Manager  
Parametric Technology Corp.



**Charmaine Sampson**



**Rusty Smalley**  
President  
George R. Smalley  
Electric



**Linda Smith**  
Communities in Schools



**Karen Stiles**  
Systems Eng. & Mfg.  
Argon ST



**Vincent A. Vicites**  
Fayette County  
Commissioner



**Ben E. Wright, Sr.**  
Senior VP, Mktg. Mgr.  
FNB of PA



**Fred Wright**  
President  
Ohiopyle Prints, Inc.



**Edward Yankovich**  
VP, International  
UMWA Dist. #2



**Vincent Zapotosky**  
Chairman  
Fayette County Board of  
Commissioners



**Angela M. Zimmerlink**  
Fayette County  
Commissioner



# FINANCIAL STATEMENTS

## Fay-Penn Economic Development Council

### Statement of Activities January 1, 2007 thru December 31, 2007

CHANGES IN NET ASSETS:	TOTALS
<b>SUPPORT</b>	
Contributions	\$ 337,100
Grants	\$ 748,856
Member Contributions	\$ 46,721
Total Support	\$ 1,132,677
<b>REVENUES</b>	
Loan and Administration Fees	\$ 146,581
Rental Income	\$ 1,652,369
Interest-Revolving Loan Fund	\$ 433,551
Interest-Other	\$ 55,190
Annual Dinner	\$ 22,155
Other	\$ 29,453
Total Operating Revenues	\$ 2,339,299
<b>TOTAL SUPPORT AND REVENUES</b>	<b>\$ 3,471,976</b>
<b>EXPENSES</b>	
<b>Program:</b>	
Revolving Loan Fund	\$ 282,829
SWPA Business Retention & Expan. Prog.	\$ 30,269
Buildings	\$ 413,805
Marketing	\$ 16,685
Federal Enterprise Community Admin.	\$ 162,712
Keystone Opportunity Zone Program	\$ 35,275
REACH	\$ 19,846
Linking Education to Job Opportunity	\$ 36,370
Downtown Uniontown Revitalization	\$ 102,550
Keystone Innovation Zone	\$ 16,114
Total Program Expenses	\$ 1,116,455
<b>Support Services:</b>	
General Administration	\$ 718,436
Business Assistance	\$ 286,685
Tourism Development	\$ 54,540
IDC Administration	\$ 131,178
Total Support Services	\$ 1,190,383
<b>TOTAL EXPENSES</b>	<b>\$ 2,307,293</b>
Increase in Net Assets	\$ 1,164,683
<b>Net Assets:</b>	
Net Assets-January 1, 2007	\$ 22,595,920
Increase in Net Assets	\$ 1,164,683
<b>Net Assets - December 31, 2007</b>	<b>\$ 23,760,603</b>

### Statement of Financial Position as of December 31, 2007

<b>ASSETS</b>	
Cash and Cash Equivalent	\$ 1,940,472
Accounts Receivable	\$ 458,790
Other Assets	\$ 17,112
Revolving Loan Fund	
-Cash	\$ 4,947,696
-Loan Receivable:	
Capital Loans	\$ 3,519,319
Fayette Industrial Fund	\$ 2,379,887
Fay-Penn Industrial Dev. Corp.	\$ 40,000
-Investments-Loan Guarantee Program	\$ 300,000
Other Assets	\$ 19,369,409
<b>TOTAL ASSETS</b>	<b>\$ 32,972,685</b>
<b>LIABILITIES AND NET ASSETS</b>	
<b>Liabilities:</b>	
Accounts Payable	\$ 63,370
Accrued Expenses	\$ 91,643
Security Deposits	\$ 128,668
Deferred Revenue	\$ 379,528
Mortgage Payable	\$ 8,548,873
<b>Total Liabilities</b>	<b>\$ 9,212,082</b>
<b>Net Assets:</b>	
Unrestricted:	
Designated	\$ 729,887
Revolving Loan Fund	\$ 13,748,064
Operating	\$ 9,162,139
Total Operating	\$ 23,640,090
Temporarily Restricted:	
Operating	\$ 120,513
<b>Total Net Assets</b>	<b>\$ 23,760,603</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 32,972,685</b>



## Fay-Penn Industrial Development Corporation

Statement of Activities  
January 1, 2007 thru December 31, 2007

CHANGES IN NET ASSETS:	TOTALS
<b>SUPPORT AND REVENUES</b>	
Grant - PA Dept. of Transportation	\$ 210,011
Grant Match - Southwest PA Railroad	\$ 104,239
Contributions from Affiliated Organizations	\$ 20,000
Gain from Sale of Land	\$ 3,500
Land Easements & Leases	\$ 34,256
Shortline Operator Lease	\$ 14,058
Investment Income	\$ 528
Tourism Train Track Rental	\$ 3,033
Sale of Scrap Metal	\$ <u>35,000</u>
<b>TOTAL SUPPORT AND REVENUES</b>	<b>\$ 424,624</b>
<b>EXPENSES</b>	
Management and Administration	\$ 48,094
Real Estate Taxes	\$ 1,667
Omega Rail Commission	\$ 10,094
Rail Repair & Maintenance	\$ <u>337,584</u>
<b>TOTAL EXPENSES</b>	<b>\$ 397,439</b>
Increase (Decrease) in Net Assets	\$ 27,185
Net Assets:	
Net Assets-January 1, 2007	\$ 5,744,831
Increase (Decrease) in Net Assets	\$ <u>27,185</u>
<b>Net Assets - December 31, 2006</b>	<b>\$ <u>5,772,016</u></b>

### Statement of Financial Position as of December 31, 2007

<b>ASSETS</b>	
Cash	\$ 385,551
Cash - escrow	\$ 13,021
Accounts Receivable	\$ 1,972
Net Fixed Assets	\$ <u>5,765,277</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>6,165,821</u></b>
<b>LIABILITIES AND NET ASSETS</b>	
Current Liabilities:	
Accounts Payable	\$ 340,784
Security Deposit	\$ 13,021
Long Term Liabilities:	
Mortgage Payable	\$ <u>40,000</u>
Total Liabilities	\$ 393,805
Total Net Assets - Unrestricted	\$ <u>5,772,016</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>6,165,821</u></b>

## Fayette Industrial Fund

Statement of Revenues, Expenses and Changes  
in Net Assets for the Period  
January 1, 2007 thru December 31, 2007

<b>REVENUES</b>	
Interest on Temporary Investments	\$ 10,415
Membership Dues	\$ 9,050
Meeting Reimbursements	\$ 606
Administrative and Service Fees	\$ 11,383
Park Tenant Income	\$ 4,600
Revenue from Land Sales	\$ 392,988
Grant from CFA	\$ 171,952
Miscellaneous	\$ <u>175</u>
<b>TOTAL REVENUES</b>	<b>\$ 601,169</b>
<b>EXPENSES</b>	
Administration Fees	\$ 30,000
Real Estate Fees	\$ 46,437
Application and Service Fees	\$ 7,395
Interest Expense	\$ 56,919
Insurance	\$ 3,090
Office Expense	\$ 1,146
Legal and Accounting	\$ 1,101
Meetings	\$ 1,108
Property Operations	\$ 51,646
Grant Expenses-CFA	\$ 171,956
Special Project	\$ 3,480
Other	\$ <u>2,250</u>
<b>TOTAL EXPENSES</b>	<b>\$ 376,528</b>
Excess of Revenues Over (Under) Expenses	\$ 224,641
Net Assets:	
Net Assets-January 1, 2007	\$ 1,658,153
Excess of Revenues Over (Under) Expenses Including Gain on Sale of Land	\$ <u>(224,641)</u>
<b>Net Assets - December 31, 2007</b>	<b>\$ <u>1,882,794</u></b>

### Balance Sheet as of December 31, 2007

<b>ASSETS</b>	
Cash in Bank	\$ 636,465
Accounts Receivable	\$ 28,262
Fixed Assets - Land and Improvements	\$ <u>5,759,186</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>6,423,913</u></b>
<b>LIABILITIES AND NET ASSETS</b>	
Current Liabilities	
Accounts Payable	\$ -
Accrued Interest Payable	\$ -
Current Portion of Notes Payable	\$ 729,887
Deferred Revenue	\$ 118,550
Long-Term Liabilities	
Notes Payable	\$ 3,400,000
Due to Fay-Penn	\$ <u>292,682</u>
Total Liabilities	\$ 4,541,119
Net Assets	
Contributed Capital	\$ 509,516
Unrestricted Fund Equity	\$ <u>1,373,278</u>
Total Net Assets	\$ 1,882,794
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>6,423,913</u></b>



# SPECIAL THANKS AND ACKNOWLEDGEMENTS



Fay-Penn received financial support from individuals and businesses who share in the same desire of strengthening Fayette's economy. In 2007, The Richard King Mellon Foundation was the major contributor in support of Fay-Penn's administration. Fay-Penn takes this opportunity to acknowledge and say "Thank You" to the following who have provided significant financial support to both projects and programs in 2007, and to the 161 area businesses, organizations and individuals listed below whose annual financial contributions have aided in Fay-Penn's success.

## \$1,000 - \$10,000

- ❖ Duke Energy
- ❖ First Federal Savings & Loan of Greene Co.
- ❖ First National Bank
- ❖ National City Bank of PA
- ❖ Ohio Pyle Prints
- ❖ PNC Bank
- ❖ Richard Capelli
- ❖ The Laurel Geological Studies Center

## \$10,001 - \$100,000

- ❖ Commonwealth of PA
  - PA Bus. Retention & Expan. Program
  - Local Eco. Dev. Assistance Program
- ❖ US Dept. of Labor
  - Linking Education to Job Opportunities

## Over \$100,000

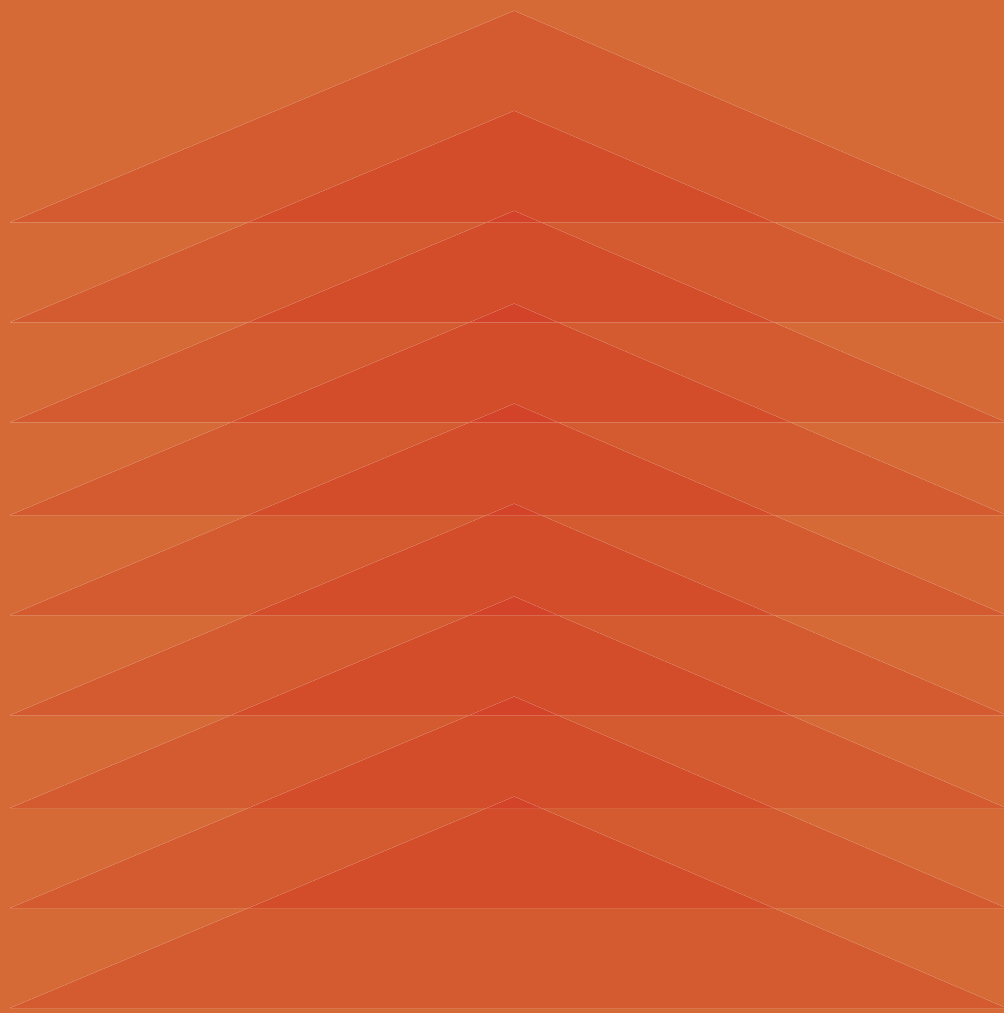
- ❖ Commonwealth of PA - Grant Program
- ❖ Richard King Mellon Foundation
- ❖ Scottdale Bank
- ❖ US Dept. of Agriculture
  - Fayette Enterprise Community
  - Rural Business Enterprise Grant

84 Lumber  
 AAA East Central  
 Advanced Acoustic Concepts  
 Altman & Altman Architects  
 American Broadband  
 Anatomical Designs  
 Assad Iron & Metals, Inc.  
 BAE Systems  
 Ball Transfer Systems  
 Berish Agency, Inc.  
 Berwyn S. Detweiler, Inc.  
 Blaney Farms, Inc.  
 Brownsville Bus Lines  
 Brownsville School District  
 Catalyst Connection  
 Centra Bank  
 Chess Coal Company  
 City of Uniontown  
 Clarke, James E.  
 Columbia Gas of PA, Inc.  
 Commercial Center Associates  
 Communities in Schools of SWPA  
 Community Bank, N.A.  
 Community Engagement Group  
 for Early Care & Education  
 Computer Trends, LLC  
 Connellsville Redevelopment Auth.  
 Demco Excavations, Inc.  
 Dominick DeFrank  
 DeWeese, Rep. H. William  
 Donald M. Miller, Inc.  
 Douglass Education Center  
 Dynamic Materials Corp.  
 Eat 'N Park Restaurant  
 Fairchance Construction Co.  
 Fallingwater/Western PA Conserv.  
 Fayette Chamber of Commerce  
 Fayette Co. Agricultural  
 Improvement Ass. Inc.  
 Fayette Co. Area Vo-Tech School  
 Fayette Co. Housing Authority  
 Fayette Co. Community Action Agen.  
 Fayette Co. Mental Health/  
 Mental Retardation  
 Fayette County Redev. Authority  
 Fayette Institute of Commerce  
 & Technology  
 Fayette Parts Service  
 Fiesta, John A. Agency, Inc.  
 Fayette Resource, Inc.  
 Fayette Technical Institute  
 First Federal Savings & Loan  
 of Greene Co.  
 First Federal Savings Bank  
 First National Bank of PA  
 Ford Business Machines, Inc.  
 Fox-Cluss Glass Co.  
 Frank's Auto Supply

Gabriel Brothers  
 Gallatin Fuels, Inc.  
 George, France M.  
 George R. Smalley Co., Inc.  
 Gerome Manufacturing Co., Inc.  
 Glass Mart  
 Gnagey Gas & Oil Co. Inc.  
 Goodwill Industries of Fayette Co.  
 Greater Tri-Town Industries, Inc.  
 Green Filter USA, Inc.  
 Ground Force Marketing Co.  
 Haky Funeral Home  
 Hazemag, USA Inc.  
 Holiday Inn  
 Hunter Panels  
 ICM/NU-Kote  
 Indian Creek Valley Water Auth.  
 International Liner Co.  
 J & C Buildings, LTD.  
 J. Dorazio Agency  
 Jackson Dairy Farm  
 Kasunic, Senator Richard  
 Kisiel & Rundik, PC  
 Krantz, Leo T. Jr.  
 Kula, Deberah, Pa State Rep.  
 Laurel Business Institute  
 Laurel Caverns  
 Laurel Highlands River Tours  
 Laurel Highlands School District  
 Laurel Machine Co.  
 Life's Work of Western PA  
 Lynn's Dairy Queen Franchiser  
 Magnum Colors, LLC  
 Maracon, Inc.  
 Margolis, George, & Port  
 Masontown Trophy Co.  
 McClure and Wolf  
 McMillen Engineering  
 Meloni's Restaurant  
 NAACP  
 National City Bank of PA  
 National Envelope Co.  
 Nemacolin Woodlands  
 Resort and Spa  
 Neubauer's Flowers, Inc.  
 New-Belle Construction Inc.  
 Office of Vocational Rehabilitation  
 Ohio Pyle Prints, Inc.  
 Omega Rail Management  
 Otto Brick Company  
 PA - American Water Co.  
 Parametric Technology Corp.  
 Parker/Hunter, a Div. of  
 Janney Montgomery Scott LLC  
 Parkvale Bank  
 Paul Spowls Agency  
 Penn State Fayette -  
 the Eberly Campus

Pine Hollow Mechanical  
 Plumbers & Pipefitters #354  
 Private Industry Council of  
 Westmoreland/Fayette  
 Prime Communication, Inc.  
 ProLogic, Inc.  
 PSI Packaging Services, Inc.  
 Ptak's Formal Wear  
 Quality Reclamation Services  
 Rolaf Lawn & Landscaping Services  
 Scottdale Bank & Trust Co.  
 Senior Care Network  
 Sensus Metering Systems  
 Sepic, Dr. Ronald R., DDS, LTP  
 Shanefelter Industries  
 Shumar's Welding &  
 Machine Service  
 Sisters of the Order of St. Basil  
 the Great  
 Smithfield Stop-N-Shop  
 Specialty Conduit & Mfg, LLC  
 ST Development Co., LLC  
 Stahl's Hotronix  
 Stefano's Printing  
 TeleTech Call Center  
 The Insurance People  
 Township of Brownsville  
 Township of Bullskin  
 Township of Connellsville  
 Township of Dunbar  
 Township of Luzerne  
 Township of Redstone  
 Township of Saltlick  
 Township of Upper Tyrone  
 Township of Wharton  
 Tri-Town Industries, Inc.  
 Uniontown Area School District  
 Uniontown Hospital  
 Uniontown Mall  
 Uniontown Newspapers, Inc.  
 Uniontown Redev. Authority  
 United Dairy  
 United Mine Workers  
 Valley National Gases  
 Vertex Outsourcing, LLC  
 W.B. Kania & Associates  
 W.R. Casteel, Inc.  
 Wally Corporation  
 Webster & Webster  
 West Penn Warehousing  
 Western PA Conservancy  
 Westmoreland/Fayette WIB  
 White Energy Services  
 White Swan Flower Shop  
 Woodland Zoo & More, Inc.  
 WSW Holdings, Inc.

**Cooperation and assistance  
 were the keys to generating the  
 results contained in this report.  
 Everyday Fay-Penn works with  
 many different organizations all  
 dedicated to "Moving Fayette  
 Forward." Fay-Penn wishes to  
 thank everyone who assisted in  
 these accomplishments.**



# Fay-Penn

Economic Development Council

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UNIONTOWN, PA 15401 [WWW.FAYPENN.ORG](http://WWW.FAYPENN.ORG)

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Located in the Scenic Laurel Highlands