

# Commonwealth of Pennsylvania



**BOARD OF FINANCE AND REVENUE  
1101 South Front Street, Suite 400  
Harrisburg, Pennsylvania 17104-2539**

**STATUTORY MEETING  
BOARD OF FINANCE AND REVENUE  
June 23, 2020 1:00 P.M.**

**TELECONFERENCE 1888-251-2902 ACCESS CODE: 8091742**

## **AGENDA**

### **CALL TO ORDER**

(SECTION 1) Members

### **ESTABLISHMENT OF QUORUM**

(SECTION 2) Certification of "Sunshine Law" Advertisement

(SECTION 3) Approval of Minutes  
Meeting of December 11, 2019

### **OLD BUSINESS**

(SECTION 4) Reports on Petitions Filed, Continued Pending Litigation by the Board for 2020 (to date)

(SECTION 5) Report on Liquid Fuels Tax Refunds Paid from Appropriations for Fiscal Year 2020 (to date)

(SECTION 6) Report on Commonwealth Depositories

(SECTION 7) Report on Depository Bank Ratings

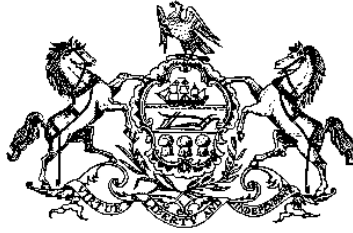
### **NEW BUSINESS**

(SECTION 8) Right to Know Requests

(SECTION 9) Resolution establishing the rate of interest to be paid by Commonwealth Depositories

# **SECTION 1**

# Commonwealth of Pennsylvania



BOARD OF FINANCE AND REVENUE  
1101 South Front Street, Suite 400  
Harrisburg, Pennsylvania 17104-2539  
Fax (717) 783-4499

## BOARD OF FINANCE AND REVENUE MEMBERS

**Jacqueline A. Cook**  
Designee for Joseph M. Torsella  
State Treasurer

**David R. Kraus**  
Board Member

**Paul J. Gitnik**  
Board Member

# **SECTION 2**

# Commonwealth of Pennsylvania



## Certification of Sunshine Law Advertisement

Special, Board of Finance and Revenue, Statutory Meeting, 6/23/2020, 1 PM, Conf. Call: 1-888-251-2909, Access Code: 8091742, Contact: Jacqueline Cook 717-787-2974

Special, Unemployment Compensation Benefits Modernization Advisory Committee Meeting, 6/23/2020, 10 AM, Conf. Call: 1 267-332-8737; Access Code: 510958750#, Contact: Sherry Rollins 717-214-1835

Cancelled, DEP, Coastal Zone Advisory Committee Meeting, 6/24/2020, 9:30 AM, Rachel Carson Bldg., 400 Market St., 10th Fl., Conf. Rm., Harrisburg, PA, Contact: Stacey Box 717-772-5622

State Workers' Insurance Fund Board Meeting, 6/25/2020, 10 AM, Conf. Call: 1-267-332-8737, Access Code: 587576678#, Contact: Sherry Rollins 717-214-1835

Appeared in: *Patriot-News* on Thursday, 05/28/2020

<http://www.mypublicnotices.com/PennLive/PublicNotice.asp?Page=SearchResults>

# **SECTION 3**

December 11, 2019 Statutory Meeting minutes are available online at  
[www.patreasury.gov](http://www.patreasury.gov)

# **SECTION 4**



**Petitions Filed**  
**Board of Finance and Revenue for 2020**

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>Jun.</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Total</u>
Corporation Tax													
Review	13	17	2	11	0	0	0	0	0	0	0	0	43
Review of Refund	9	5	5	13	0	0	0	0	0	0	0	0	32
Miscellaneous Tax													
Refund	1	1	0	0	0	0	0	0	0	0	0	0	2
Review	81	66	18	8	0	0	0	0	0	0	0	0	173
Review of Refund	7	3	1	3	0	0	0	0	0	0	0	0	14
Personal Income Tax													
Review	54	33	44	8	0	0	0	0	0	0	0	0	139
Review of Refund	31	24	15	5	0	0	0	0	0	0	0	0	75
Sales Tax													
Review	73	68	33	9	0	0	0	0	0	0	0	0	183
Review of Refund	87	60	58	24	0	0	0	0	0	0	0	0	229
Total Filed	356	277	176	81	0	0	0	0	0	0	0	0	890

As of 6/20/20202

2020  
Board of Finance and Revenue  
Petitions Resolved Pending Litigation  
Year to Date

<b>Petitions From Lit Resolved</b>	<u>*Jan</u>	<u>**Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>July</u>	<u>Aug</u>	<u>Sep</u>	<u>**Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>
Corporation Tax	3	0	1	0	0	0	0	0	0	0	0	0	4
Personal Income Tax	3	0	2	158	0	0	0	0	0	0	0	0	163
Miscellaneous Tax	0	0	0	2	0	0	0	0	0	0	0	0	2
Sales Tax	4	0	1	0	0	0	0	0	0	0	0	0	5
Total Processed	10	0	4	160	0	0	0	0	0	0	0	0	174
Total Withdrawn	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Resolved	10	0	4	160	0	0	0	0	0	0	0	0	174
Petitions Continued Behind Lit. 2020	7	0	29	2	5	0	0	0	0	0	0	0	43
Total Remaining	740	740	765	607	612	612	612	612	612	612	612	612	612

\*The beginning balance for 2020 is 743 petitions pending the outcome of litigation. This number differs from the 2019 ending balance due to the Board's reorganization of its Case Management System.

\*\*There are no February or October 2020 hearings.

# **SECTION 5**

**LIQUID FUELS TAX REFUNDS**  
**PAID FROM 2019-2020 APPROPRIATIONS (to date)**

<u>Refund Claimant</u>	<u>Claims Received</u>	<u>Claims Denied</u>	<u>Total Claims Approved</u>	<u>Total Amount Approved</u>	<u>Appropriation Amount</u>
<b>Farmers (Agricultural)</b>	4,766	7	4,734	\$4,682,319.74	*\$4,700,000.00
<b>Volunteer Fire, Ambulance and Rescue Squads</b>	192	1	171	\$563,926.18	**\$600,000.00
<b>Political Subdivisions</b>	364	0	314	\$3,766,529.47	\$3,800,000.00
<b>PA Fish and Boat Commission (DCNR)</b>	1	0	1	\$12,326,174.23	***\$12,824,111.37
<b>Snowmobile/ATV</b>	0	0	0	\$0.00	\$1,000,000.00
<b>Non-Public Schools Not Operated For Profit</b>	27	0	23	\$74,400.6	0
<b>Aviation Fuel Users</b>	1	0	1	\$440.29	0
<b>Miscellaneous (PA State Agencies, US Government Agencies, Etc.</b>	98	1	912	\$1,417,995.19	\$5,000,000.00
<b>Totals</b>	5,449	9	5,336	\$22,831,785.70	\$27,924,111.37

\*Additional Executive Authorization of \$700,000.00 was added on 3/13/2020 to cover outstanding payments in the Agricultural appropriation.

The original appropriation amount was \$4,000,000.00

\*\*Additional Executive Authorization of \$100,000.00 was added on 4/02/2020 to cover outstanding payments in the Volunteer appropriation. The original appropriation amount was \$500,000.00.

\*\*\* PA Fish and Boat Commission was paid \$601,111.37 from FY 2018 to cover the requested refund.

# **SECTION 6**

**COMMONWEALTH OF PENNSYLVANIA  
STATE TREASURY**

STATUS OF DEPOSITORIES

Depositories with Time Deposits:	42
Composed of:	
Banks	36
Savings & Loans	0
Savings Banks	6
 Total Deposits as of June 23, 2020: (Appendix A)	 \$ 26,180,500.00
 Current Rate: 1.625%	
Approved Depositories at the level of \$1,000,000: (Appendix A)	18
 Approved Depositories at the level between \$501,000 and \$ 999,999.00: (Appendix A)	 5
 Approved Depositories at the level of \$500,000: (Appendix A)	 3
 Approved Depositories totaling less than \$500,000: (Appendix A)	 16
<hr/>	
Depository applications approved: (Appendix B)	0
Depository applications in process: (Appendix B)	0
Depository applications requested: (Appendix B)	0
Number of Depositories redeeming deposits (as of June 23, 2020):	0
Number of Depositories reducing deposits (as of June 23, 2020):	0
Number of Depositories increasing deposits (as of June 23, 2020):	0
Depository Mergers/Acquisitions	1

Fidelity Deposit and Discount Bank acquired Merchants Bank of Bangor on 5/1/20, increasing Fidelity Deposit and Discount Bank's deposit from \$500,000 to \$750,000.

## STATE TREASURY DEPARTMENT

## OUTSTANDING TIME DEPOSITS MATURING 06/30/2020

<b>BANK NAME</b>	<b>(\$1,000,000.00)</b>	<b>LOCATION</b>	<b>DEPOSIT AMOUNT</b>
ACNB Bank		Gettysburg	\$1,000,000.00
Ameriserv Bank		Johnstown	\$1,000,000.00
Asian Bank		Philadelphia	\$1,000,000.00
BNY Mellon		Pittsburgh	\$1,000,000.00
First Commonwealth Bank		Indiana	\$1,000,000.00
Firsttrust Savings Bank		Conshohocken	\$1,000,000.00
Fulton Bank		Lebanon	\$1,000,000.00
Honesdale National Bank		Honesdale	\$1,000,000.00
Mercer County State Bank		Sandy Lake	\$1,000,000.00
First National Bank		Camp Hill	\$1,000,000.00
Mid Penn Bank		Millersburg	\$1,000,000.00
Mifflinburg Bank and Trust Company		Mifflinburg	\$1,000,000.00
Nextier Bank		Kittanning	\$1,000,000.00
Orrstown Bank		Orrstown	\$1,000,000.00
Peoples Security Bank and Trust Company		Scranton	\$1,000,000.00
QNB		Quakertown	\$1,000,000.00
S & T Bank		Indiana	\$1,000,000.00
Univest National Bank and Trust Company		Souderton	\$1,000,000.00
<b>TOTAL NUMBER OF BANKS=18</b>			<b>\$18,000,000.00</b>
<b>BANK NAME</b>	<b>(501,000 - 999,999)</b>	<b>LOCATION</b>	<b>DEPOSIT AMOUNT</b>
First Columbia Bank and Trust Company		Bloomsburg	\$965,000.00
First Keystone Community Bank		Berwick	\$755,000.00
First Summit Bank		Johnstown	\$825,000.00
First United National Bank		Fryburg	\$600,000.00
Fidelity Deposit and Discount Bank		Dunmore	\$750,000.00
<b>TOTAL NUMBER OF BANKS=5</b>			<b>\$3,895,000.00</b>
<b>BANK NAME</b>	<b>(500,000)</b>	<b>LOCATION</b>	<b>DEPOSIT AMOUNT</b>
Standard Bank		Monroeville	\$500,000.00
Dime Bank		Honesdale	\$500,000.00
Washington Financial Bank		Washington	\$500,000.00
<b>TOTAL NUMBER OF BANKS=3</b>			<b>\$1,500,000.00</b>
<b>BANK NAME</b>	<b>(100,000-499,999)</b>	<b>LOCATION</b>	<b>DEPOSIT AMOUNT</b>
Centric Bank		Harrisburg	\$100,000.00
Commercial Bank & Trust Co. of Pennsylvania		Latrobe	\$100,000.00
Pennian Bank		Mifflintown	\$400,000.00
First Northern Bank and Trust		Palmerton	\$100,000.00
Harleysville Bank		Harleysville	\$100,000.00
Jim Thorpe Neighborhood Bank		Jim Thorpe	\$165,000.00
Jonestown Bank and Trust Company		Jonestown	\$250,000.00
Juniata Valley Bank		Mifflintown	\$100,000.00
Kish Bank		Belleville	\$100,000.00
Malvern Federal Savings Bank		Paoli	\$100,000.00
Marion Center Bank		Marion Center	\$250,000.00
Neffs National Bank		Neffs	\$100,000.00
Prudential Savings Bank		Philadelphia	\$100,000.00
PS Bank		Wyalusing	\$490,500.00
Turbotville National Bank		Turbotville	\$230,000.00
Susquehanna Community Bank		West Milton	\$100,000.00
<b>TOTAL NUMBER OF BANKS=16</b>			<b>\$2,785,500.00</b>
<b>GRAND TOTAL</b>		<b>GRAND TOTAL OF</b>	
<b>OF BANKS=42</b>		<b>TIME DEPOSITS</b>	<b>\$26,180,500.00</b>

**BANK APPLICATION STATUS**  
**(Appendix B)**

**June 23, 2020**

**Applications Approved:**

None

**Applications In Process:**

None

**Applications Requested:**

None



# **SECTION 7**

<b>Bank</b>	<b>City</b>	<b>Bauer Rating 2019</b>
		<b>Mar 2020-YTD</b>
		<b>1st qtr</b>
ACNB Bank (ADAMS COUNTY NATL BK)	Gettysburg	5.00
AmeriServ Financial	Johnstown	5.00
Centric Bank	Harrisburg	5.00
Commercial Bank & Trust of Pennsylvania	Latrobe	5.00
Dime Bank	Honesdale	5.00
Fidelity Deposit and Discount Bank	Dunmore	5.00
First Columbia Bank and Trust Company	Bloomsburg	5.00
First Commonwealth Bank	Indiana	5.00
First Keystone Community Bank	Berwick	5.00
First Northern Bank and Trust	Palmerton	5.00
First Summit Bank (1st Summit Bank)	Johnstown	5.00
First United National Bank	Fryburg	5.00
Firsttrust Savings Bank	Conshohocken	5.00
Harleysville Bank	Harleysville	5.00
Honesdale National Bank	Honesdale	5.00
Jim Thorpe National Bank	Jim Thorpe	5.00
Jonestown Bank and Trust Company	Jonestown	5.00
Juniata Valley Bank	Mifflintown	5.00
Malvern Federal Savings Bank	Paoli	5.00
Mercer County State Bank	Sandy Lake	5.00
Mifflinburg Bank and Trust Company	Mifflinburg	5.00
Neffs National Bank	Neffs	5.00
Nextier Bank	Kittanning	5.00
Orrstown Bank	Orrstown	5.00
Pennian Bank	Mifflintown	5.00
Peoples Security Bank and Trust Company	Scranton	5.00
PS Bank of Wyalusing	Wyalusing	5.00
S & T Bank	Indiana	5.00
Santander Bank	Wyomissing	5.00
Standard Bank of Monroeville (Allegheny Valley Bank of Pittsburgh)	Pittsburgh	5.00
Susquehanna Community Bank /West Milton State Bank	West Milton	5.00
Univest National Bank and Trust Company	Souderton	5.00
Washington Financial Bank	Washington	5.00
Asian Bank	Philadelphia	5.00
Prudential Savings Bank	Philadelphia	5.00
QNB	Quakertown	5.00
Turbotville National Bank	Turbotville	5.00
Fulton Bank	Lancaster	5.00
BNY Mellon	Pittsburgh	4.00
First National Bank of Pennsylvania- FNB	Greenville	4.00
Kish Bank	Belleville	4.00
Marion Center National Bank	Marion Center	4.00
Mid Penn Bank	Millersburg	4.00
NOTES: Individual Rating Definitions: <b>1=Troubled; 2=Problematic;</b>		
3=Adequate; 4=Excellent; 5=Superior		

		<b>FIS Rating</b>
<b>Bank</b>	<b>City</b>	<b>March 2020-YTD</b>
Commercial Bank and Trust of PA	Latrobe	1.63
Firsttrust Savings Bank	Conshohocken	1.99
Susquehanna Community Bank /West Milton State Bank	West Milton	2.02
First Columbia Bank & Trust Co.	Bloomsburg	2.11
The Fidelity Deposit and Discount Bank	Dunmore	2.15
PS Bank	Wyalusing	2.23
The Honesdale National Bank	Honesdale	2.24
1st Summit Bank	Johnstown	2.32
The Turbotville National Bank	Turbotville	2.37
First United National Bank	Fryburg	2.41
Harleysville Savings Bank	Harleysville	2.42
Washington Financial Bank	Washington	2.44
Kish Bank	Belleville	2.45
Peoples Security Bank and Trust Company	Scranton	2.49
The Neffs National Bank	Neffs	2.49
Orrstown Bank	Shippensburg	2.53
Jim Thorpe Neighborhood Bank	Jim Thorpe	2.54
Ameriserv Financial Bank	Johnstown	2.56
Asian Bank	Philadelphia	2.62
Standard Bank of Monroeville (Allegheny Valley Bank of Pittsburgh)	Pittsburgh	2.63
Mifflinburg Bank and Trust Company	Mifflinburg	2.65
Pennian Bank	Mifflintown	2.66
BNY Mellon, National Association	Pittsburgh	2.66
First Northern Bank and Trust Company	Palmerton	2.68
The Juniata Valley Bank	Mifflintown	2.68
The Dime Bank	Honesdale	2.82
Centric Bank	Harrisburg	2.84
Nextier Bank, National Association	Kittanning	2.86
PNC Bank, National Association	Wilmington	2.86
Mercer County State Bank	Sandy Lake	2.88
TD Bank, National Association	Wilmington	2.88
Fulton Bank, National Association	Lancaster	2.93
Mid Penn Bank	Millersburg	2.96
Wells Fargo Bank, National Association	Sioux Falls	2.97

		FIS Rating
Bank	City	March 2020-YTD
First Commonwealth Bank	Indiana	2.98
Univest Bank and Trust Co.	Souderton	2.98
Jonestown Bank and Trust Company	Jonestown	3.01
Manufacturers and Traders Trust Company	Buffalo	3.01
First National Bank of Pennsylvania- FNB	Greenville	3.02
The Huntington National Bank	Columbus	3.03
Malvern Federal Savings Bank	Paoli	3.07
First Keystone Community Bank	Berwick	3.09
ACNB Bank	Gettysburg	3.11
QNB Bank	Quakertown	3.12
S&T Bank	Indiana	3.19
Prudential Savings Bank	Philadelphia	3.31
Marion Center Bank	Indiana	3.37
Percentile Ranking Table:		
	Mar 2020 (YTD)	
10th Percentile		3.38
25th Percentile		2.98
50th Percentile		2.58
75th Percentile		2.18
90th Percentile		1.86

# **SECTION 8**

## **RIGHT TO KNOW REQUESTS**

**(12/12/2019-6/23/2020)**

On January 21, 2020, Sebastian Watt, ReedSmith, requested copies of video recordings for the following Board of Finance and Revenue hearing:

- Duke Energy Fayette II LLC Docket Numbers 1709482, 1709484-1709486, July 17 & 18, 2018 public hearing.

Videos were not published to the public until August 2018. **(Request Denied)**

On May 19, 2020, Hector Castillo, inquired regarding information on estimated tax accounts and returns associated with his social security number. The Department was not in possession of the requested records . **(Request Denied)**

# **SECTION 9**

## RESOLUTION

WHEREAS, Section 505 of The Fiscal Code, Act of April 9, 1929, P.L. 343 as amended, 72 P.S. § 505, authorizes and directs the Board of Finance and Revenue to fix the interest rate semi-annually on State deposits and provides that such rate shall not be in conflict with law or any regulation of the Comptroller of the Currency, or the Federal Reserve Board of the United States; and

WHEREAS, it has been determined by the members of the Board of Finance and Revenue, after deliberation and taking cognizance of the prevailing money market, that the rate of interest shall be fixed according to the formula hereinafter provided.

NOW, THEREFORE, BE IT, AND IT IS HEREBY RESOLVED, that for the period July 1, 2020 through December 31, 2020, the interest rate of such single maturity "Time Deposit Open Accounts" shall be fixed at twenty-five basis points (.25) and that the State Treasurer be authorized and directed to notify all depositories holding such funds of this action.

### BOARD OF FINANCE AND REVENUE

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Jacqueline A. Cook, Chair  
Designee for Joseph M. Torsella, State  
Treasurer

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David R. Kraus, Board Member

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Paul J. Gitnik, Board Member

ATTEST: \_\_\_\_\_

Thomas W. Watson, Secretary  
Board of Finance and Revenue

DATE: \_\_\_\_\_