



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

August 11, 2016

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on August 11, 2016 at 5240 Knowledge Parkway; Erie, PA. Legal Notice of the meeting was given through an advertisement appearing in the Erie Times-News. The meeting was called to order by the Chair.

ROLL CALL

Mr. Bagnoni, Mr. Barney, Mr. Domino, Mr. Paris, Mr. Sample, Mr. Yaple. Mr. Wood and Mr. Lee are also present.

APPROVAL OF THE AGENDA

Mr. Paris makes a motion to approve the agenda. Mr. Barney seconds the motion. Motion carries 6-0.

APPROVAL OF MINUTES – August 2016

Mr. Barney makes a motion to approve the minutes. Mr. Bagnoni seconds the motion. Motion carries 6-0.

COMMENTS BY THE CHAIRMAN

We have the Shaping Tomorrow Grants coming up, and I would like to propose that Dale, Dave Yaple, and myself represent ECGRA, and if anyone else wants to attend, they know it's going to be a day-long event. It's definitely becoming one of the largest interesting things in Erie County, and we're looking forward to going through it again.

Wood: Mr. Chairman, the next step in the process is to receive full proposals from the five organizations that were whittled down to in the first step. We'll be distributing those as well.

PUBLIC COMMENT

No comments.

PRESENTATIONS

Matthew Pundt, Central Tech, Tech After Hours. First of all, I just want to say thank you very much. I don't know how many times you really hear that, but to me, I sincerely mean that. And on behalf of all the students in the program, it really is changing lives. It may be starting off with a smaller quantity of people, but as we build it, it will be stronger, and your investment is doing a good thing for our community.

Here are the programs we started off with in January. We got the grant from you in October/November. We started our first semester in January, and we just finished that group this week. In fact, last night was the very last night for all of them. And these are the areas that we have: Machine Technology with NIMS Certification; Welding Technology; Patient Care Assistant; Construction Trades; and part of that is also high-school diploma program.

What we're seeing in the program is that some students are coming to us realizing that they should have stayed in school and gotten their high school diploma, and it took a couple years for that to be realized. They are realizing that life is tough, and they want to go back and get their high school diploma. In addition to that, they need some training to get a good job. It's really compelling to hear some of the stories. Along the way on this PowerPoint I have some facts and figures. I'm going to try and pause and tell you a story or two about the individuals that are in it, so that you have an understanding of the target audience we are helping and really making a difference with.

Our funding sources came from you guys, The Erie Community Foundation, and then after that, I wrote a grant to the Gene Haas Foundation, and we are really the only ones in the area that run a machining program. Haas is a big equipment company that most of the local manufacturers use in town. Central Tech has invested in new CNC machines from Haas, and so I was talking to the president of the foundation, and she said, "Oh, why don't you apply for a grant? We help pay for scholarships." So we got \$25,000 from them and were able to get several students through on that. And then they gave us an additional \$5,000. We have a year to use it, and that pays for students who are sitting for the NIMS certification, which is the national industry standard for machine technology, which is kind of nice, because now I have this small line of credit that I can use, at about \$100 a test, where it's not costing me an expense. So, we are off to a great start using those funding sources.

The next funding sources are individual people who qualify for funding through the WIOA Grant. They go to the CareerLink and apply for it. There are two ways that you can get it: A displaced worker. For example, a GE worker who is laid off from a job. Our programs are all state approved from the Department of Labor and the Department of Education. Because of that we are able to accept students that can get free funding. If you are a displaced worker from anywhere, you qualify for tuition. Our tuition rate is so low that it reaches under the amount that they allocate. They allocate \$5,500, and our tuition is \$4,900. So, in essence, they go for free. Where other institutions, and I'm not here to pick on any institution whatsoever, but other training programs are \$25,000 to \$30,000 to run. What we don't have is the overhead, like everybody else has, because equipment is in place because the state and federal governments have funded us for millions of dollars of equipment. Those are the funding sources that help us operate on a day-to-day basis.

We just started in January, so our enrollment started off low, and then we hope to build it over time. The first year instruction was right at its projections. We had four students enrolled in the program for machine technology. Three of them just graduated. One had to drop out due to health issues. She was on medication and couldn't operate heavy machinery. We hope that once she gets her health problem resolved she will come back. I put a freeze on her thing.

What I'm really proud of is that when a student graduates from our program, and this really allows us to stand out above and beyond other people, we do issue that certificate of completion. So,

you get a nice diploma from Erie's Public Schools saying that you successfully completed the Machine Technology Program. Everybody else does that too. It just verifies that you've met the standards of our curriculum and have earned that. But, really important, is the national measure that employers look for. Is the person qualified to do the job? Can they pass a national test? This NIMS certification is the machining one, and there's one in each area of training programs, and so students have to sit for this. In this particular program, students have to sit for 11 different industry credentials. Depending on which ones they pass, it allows them to be either CNC Machinist 1, or CNC Setup Operator. There are plenty of job categories that they can get into. We're well positioned with that.

With this program too we are also tying into the local manufacturers who have a group of 20 that are trying to start apprenticeship programs, and because of this program and the way we have organized and laid it out with the credentials that we give, we are all ready to issue the apprenticeship programs. Enrollment with that into this program starts September 6 when we start up a new group of classes. I'm hoping we will have several from the local apprenticeship programs. They get funding from their employer to come and take the classes, and we work in coordination with the employer to train the person to match our program and our credentials and their needs on their floor. They have a total of 17 they want to start off with in their first pilot program, so we'll see how many actually sign up and do it that route, but it's a nice connection that Tech After Hours has connected into the community. Other schools will pitch in too. Erie County Vo Tech and stuff like that are going to do some parts and stuff like that.

We're changing the welding here. I want to bring you down to the bottom line. You'll see on every single one of them, so I won't mention it each time, is a portfolio, which is really important to us. The students document their work. Electronically they have it, but they also have it in a binder, and the cover has their name on it, and inside of it you'll see a cover letter, a resume, their OSHA 10 certification, their individual lab certifications, printout of their test results – whatever tests they're sitting for, and then samples of their work. When they walk into an employer, they show their portfolio, and it allows them to jump ahead of the pool of applicants, because they can demonstrate their skill level. That has been a valuable asset for both our high school students and people going through Tech After Hours.

We enrolled five in our welding program. We graduated three. One dropped out because he could not handle the rigor of the class, the mathematics involved in it. We're going to see that, and that's okay, but we give everybody a chance, and we realize that that's going to happen from time to time. We will work with someone. We have individual tutoring, but sometimes people want the easy road, and it's not an easy road. It's a lot of work. The payoff is good at the end then. And then you see the AWS certification, American Welding Society. That's a national standard that is very well recognized. I'll give you an example of how difficult it is. We worked with a local employer that was having trouble with two of their current employees passing that test. They brought them over to us, and we have welding simulators, and we practiced with them. So, the two employees that were practicing, they had a third employee that is also a student of ours at Central Tech working for them in a co-op position. The student of ours that took the test passed it no problem first time – 16 years old – up against a 28-year-old and a 34-year-old that had work experience in the field who took the test twice and failed it. The employer said, "I'll put you in this quick training program. If you can pass the test, you can keep your job. If you can't pass the test, I need you to move on." I think it is admirable for the company to give someone a chance, but really they needed that credential and that skill level to do it. Of the two employees, one definitely got it. After some training he was able to pass it, because we were able to analyze his skill sets and help him improve on it. The other one just didn't make it and lost his job. It was a good measure for an employer to have to get somebody of quality that they need to produce a product that goes around the world.

Barney: What happened to the other person?

Pundt: One dropped out due to rigor. The other one, well, the truth is he went to prison. I usually try to hold back on that. And we have another one in another program – construction trade – and she went to prison too. Those are the types of individuals we have. Inspiring in welding is one story, and there are several stories. But there's a gentleman in the class who is 54 years old, a really good hard worker, and he heard about Tech After Hours when we did our parent broadcast and handed information out at our open houses in one of our schools. His son is in the 6th grade at Pfeiffer Burleigh School, and when he was at the open house, he got the information on Tech After Hours, and he signed up. His story of wanting to do this was he needed to better his life and show his kid that school is important. That is why he enrolled in this program, and his goal is to get a nice job to show his kid that that's what you need to succeed in life. I just love that guy. His passion and the example he is trying to set for his son is admirable. Yes, he's working another job that's not in the industry at low pay. He's breaking his back by coming to school at night to prove to his son that hard work and dedication are important. To me, that's impressive. He's doing very well. He just passed his AWS certification, and now we're setting him up for job interviews.

Sample: And the prison ones, Matt, they could have been prior deals.

Pundt: Yeah. I don't know the welding one, what his situation is. I know the woman's situation, and she was in class, and I just won't get into it. It happened in Florida when it happened, so it didn't happen in Erie. She was a nice lady, and circumstances and a bad situation hit her. Again, we'll find that. This group, six enrolled and four graduated. They are a wonderful team together. Every program is teamwork, but the construction trade is really essential for teamwork. So this group worked well together. They had a few moments. One had a higher skill level than the other, and they learned a valuable lesson on how to work through that. We teach work. We teach you how to operate on your soft skills, your work ethic, your attendance, and we focus on your skills. We try to give you the whole person when we train somebody. That was a really good one for them. The students graduate with NCCER certification, which is National Construction Trade's certification. If they would join an apprenticeship program and go down to Pittsburgh, because that's the closest place you can get that, that's the course they would start off with. It would cost them \$10,000 to go through that course, and then they can move on to the next level of apprenticeship program and job. With us, if they're successful in it, and these individuals were, they got certified in their NCCER certification right from us. So they walk out the door with not only our credentials, but this national credential, and they save themselves \$10,000.

Barney: So if they enter an apprenticeship program, they start at the second level?

Pundt: Yes. Automatically if they enter an apprenticeship program, they will start at the second level. Construction companies, when they see that NCCER and the OSHA 10 certification, will hire you on the spot. And of the students we have in there, three of them are minorities, and minorities are in high demand if you want government contracts, because you have to have your workforce evenly blended. So this puts those individuals right up there at the top of the line with credentials. And now these individuals who have never had the opportunity in our region to get credentials while living in Erie, now have the opportunity to get that.

Patient Care Assistant – nine students enrolled, four graduated. The ones who dropped, some were from rigor. A couple who took the taped tests in the beginning got too nervous and walked out the door because it was probably beyond them. We don't simply just let them walk out the door either. We sit and talk with them. It's sad when you see an adult in their 30s crying because they're worried about how they're going to perform on math and English tests.

They leave with OSHA 10 certification, first aid, clinical labs, home assistant certification, medication distribution certification. We help them get their clearances, because that's what you need

to get a job – background clearances, and then they earn the certificate of patient care. I'm proud to say that all of those students had multiple job offers before they even graduated. Part of the program is that we take you out to industries and let you tour the places that you're working toward, talk to current employers about what they expect of you to get a job in our location. We do that early in the program so they have a full understanding of expectations to get the job. Three people, one came in, two site visits, and all of them got job offers. They had a choice to pick what they wanted.

Bagnoni: Have you had any feedback from employers?

Pundt: From patient care in particular because those are the first ones that we placed in jobs. The others ones just finished, so we're now placing them in jobs. Regarding patient care assistants, and employer asked, "How many can you give us, and we'll take more. They are so organized. I've never seen anybody with these credentials. And thank you for offering a patient care assistant certification." To me that is the fine example of how a successful student can be if they have the desire to do that.

Paris: When they go through these programs, what's their usual starting pay?

Pundt: Patient care assistant is the lowest paying one. It usually starts off between \$10 and \$15 an hour. They usually end in the category of \$15 after some time. But patient care assistant, I'll give you an example of a young lady, which will also tie into pay too with her. There are two of them in there that really have nice stories. A young lady, pregnant, no father in the picture, and she's living at home. Enrolled in the program while she was pregnant, through the whole program. She gave birth in March. Took a week off for the birth and came right back to class with her baby. Thankfully is was patient care assistant. She brought the baby twice and then we did infant care as part of the training with a real infant versus our manikins that we have. It was nice to be able to that. Very dedicated. She had four job offers. And we were sitting down last night trying to decide which one was best for her and why, and then where's her next step, because she's going to get the job, get some experience, and then she was trying to decide did she want to be an LPN or an RN. And we sat down and talked with her and decided that the RN program would fit her well, and the income she will make will be between \$60,000 and \$100,000 depending where she works.

The other one is a young lady who was living in a homeless shelter with a young child 3 years old, and coming to class, making sure she was there. Thankfully the homeless center would watch her kid when she came. She is in a job. She's working full time. Got her credentials and everything, and she is out of the homeless shelter.

You can see the people that we're affecting and the difference we are making in their lives. A young lady just having a baby now off welfare working a job. A girl that probably was on welfare living in a homeless shelter now working a full-time job, taking care of her kid, and living in an apartment. That's life changing.

Sample: And I think when we sat through that last year, that was your selling point. We can actually change lives. It's not just lateral transfers. It's people that are actually bringing themselves up.

Pundt: And you have to have the desire to want to do that. We've seen people that don't – they want the easy thing, but those are the drops. But the ones that we're helping, are great. Looking at the percentages, more being successful...

Then the other part is the high school diploma. We have 14 students enrolled, five have graduated, and three of those five have also earned a career certificate. Six are still working on it, and three dropped out. What I like about this program is there are two ways to achieve your high school diploma when you've dropped out of high school. Do you have just a few credits to get, or do you have almost everything? And we see both. For example, I was on the phone with someone the other day that's enrolling in the fall. They're only behind three credits. So what I would do with that person, I

would put them on our online courses, and let them work with our tutors to complete those courses, and we would issue them a high school diploma.

Then there's the other group that are so far off from a high school diploma that it doesn't make much sense for them to take a series of courses. So we have them work with our partner, the iU5 - no charge to the students, because that's a government grant that pays for that - and the student sits down and goes through a certain amount of hours of education, and then they sit for the GED test. If they successfully pass the GED, they enroll in our current Tech program, successfully complete that, and get all those industry credentials that we spoke about in the individual programs. Then we'll convert that GED into a high school diploma with transcripts. A GED is good quality and is an acceptable measure of graduating high school, but a high school diploma carries a little bit more class, I should say. I don't want to say "weight", because they are both equal, but the perception of an employer between a GED and a high school diploma is a big difference. Add that to their portfolio along with all their credentials, and they're a marketable person.

Barney: When you say six still working, is there a timeframe?

Pundt: They can do it at their own pace. There's a lot of them working real hard over the summer because of funding sources. The way the thing goes is they have to finish the GED before they can run into the career program in order to get the free financing. I've been working with the local WIB, Janet Anderson, trying to get them to go simultaneously, because that's a big motivation. It is risky in the reporting to do it that way, so she said if I want to do a pilot to go ahead and do a pilot, but we've just got to watch the data reporting. And I said okay. Because they enter a system, I said let's just stick with it the way that it is. I don't want to cause their funding sources any problems. So I'm comfortable with that.

So here's what we've got, thanks to you guys:

- High School Diplomas earned – 5
- High School Diplomas in progress – 6
- Career Training Completed – 21
- Industry Credentials Issued – 63 (multiple credentials issued to the 21 students)
- Career Training to the Next Level – 3 (machine students who want to go to Machine Level 2, which is part of our program)
- Placement in the Field – 8

Yaple: Average age, who are we getting?

Pundt: That's really unique. We have a few that are 18-19 years old. We have several in their mid-twenties, but, surprisingly, I have some people in their 40s and 50s too. We are hitting the whole gamut. I'd say the average age is in the late twenties, but there are people coming to us at an older age for training. And now what I'm seeing for the fall is that we are getting a little bit more people that are coming through GE that are older. I have a GE employee laid off who wants to go into the medical field. He's not sure he wants to be an RN yet, so he's enrolling in our Patient Care Assistant program to give it a test to see how he'll do because he's worked in another field for so many years. So he's enrolling in that and trying it out before he decides if he wants to go onto college.

We added a culinary arts class, and I have a group of ladies that are in their late 50s, early 60s who are enrolling in that. My perception of that is they are simply enrolling so their unemployment can continue just by the questions they've asked. But I've never come out and asked them that question, and they've never said it to me, but I think that's a little bit of what we're seeing.

So here's what we added – Auto Mechanics with a PA Inspection License. Enrollment is really good on that. Culinary Arts with a Safe Serve Manager certification, so they're ready for the workforce with that certification. The Health Department looks for that in places of employment to make sure employees are certified. Restaurants and hotels cannot operate without that. Masonry will be part of

Construction Trades, Web Page Design, and Emergency Medical Technician Protective Services Program. I have zero enrolled in these last two, but everything else is doing really good. So, I may not be offering those two starting up in September 6, because no one seems interested. Both have huge job openings but don't seem to appeal to anybody.

Barney: So right now, the three new that you're adding, what are your numbers projected?

Pundt: Top of my head, Auto Mechanics has about eight or nine students, Culinary Arts has six, Masonry has two, but they are part of Construction Trades which has eight, so a total of 10 in that program. Those two individuals would just focus their attention on masonry, but they will get the NCCER certification – the four that I talked about earlier – and they'll get masonry.

Sample: Matthew, have you found a reason to change your marketing strategy? Has it evolved?

Pundt: Yes, it has evolved, and I have a couple of slides on that. Here's some of the advertising we've been doing. We have a website, and I encourage you to go check it out and look at the different programs on there. We did a newspaper ad for an open house. We've done two radio stations trying to reach our target-market audiences. We've run on cable TV. Our best result was our parent broadcast system – flyers in our Erie Public Schools during parent conferences. So we got a target audience that are our parents that come to schools and are caring about their kids, and we reach out to them all the time.

Wood: Just out of curiosity, how many referrals are from CareerLink?

Pundt: That is really changing. In the beginning, zero, and we were picking people and sending them down. Now it's a good 65% to 75% coming from CareerLink. And I'll explain that too. What happens, if you're laid off from a job or are seeking the assistance of CareerLink to find a job, you are mandated to go down there and fill out paperwork and get into the system so you can start looking at things. CareerLink is doing a really wonderful job – now, they've got to keep independent and refer to every program, or whatever, but they make people aware – but we will spend a lot of time with their career counselors talking to them about our program and the logistics of it. And now that they understand it, it seems to be a good viable option for them to recommend. Again, they're not necessarily saying, "Go to this program, go to that program," but are making people aware of it. Therefore, we're getting referrals. Once we get a referral or two, then word of mouth seems to take over with their friends that are in a similar situation, and people join them. Also I've told those in Construction Trades, "Hey, why don't you tell some of your friends if you like it so much?" One guy answers me back, "I don't want to tell my friends." I said, "Why?" He said, "Those are the people I'm trying to get away from." That's another nice story. There's an example of ad and we have brochures that look like that.

Here are enrollment numbers for the fall: 54 applications have been approved so far for starting off August 31. The top two programs are Patient Care Assistance, and Welding. The bottom two are EMT and Web Design – zero enrollment at the moment. Advertising will start again in September. We have open enrollment, so we'll start this group, and then we'll continue recruiting and you can join at the beginning of each month. It's competency-based learning, so we can take people in at different skill levels and at different times of the year. One thing we're considering is maybe hiring a recruiter part-time that will go out to the community centers and talk people up about it.

Wood: Did you want to introduce another document here really quick?

Pundt: Why don't you go to commercial two. We have a couple commercials that the students produced – high-school students produced – that we run on TV on cable. (Commercial is played.)

Lee: I know we are pressed for time here. I just want to make a quick comment and a question. First of all, Matt, seriously, we really appreciate your commitment and your team commitment to this great initiative, because it is affecting lives as we can hear and is giving hope, and

more importantly, it is giving results – not only for that individual, but for the family as you’ve given several examples. So I can’t commend you and your team enough. Great job.

Sample: I would almost say, Matt, that the perception with the reduced rate...there’s all these horror stories of the places out there...I’ve got an employee that works for me who owes \$17,000 on a massage therapist degree that he’ll never use. And he makes monthly payments. And I commend you, because you’ve got to get down to the _____ and get people to believe in you. Because everybody says, “You know what they’re telling me when it’s cheap? It’s not cheap, I’m going to be paying for this the rest of my life.”

Pundt: That’s a key. It comes to the point since funding sources are available. It becomes affordable without any debt, and the programs are aligned with the needs of the community.

Sample: We’ve just got to get them in the door to explain that to them. And a lot of them are just gun shy. (Another commercial is played at this point.)

Lee: Matt, my questions is this: what is the capacity level as far as the numbers for the overall programs?

Pundt: Right now we can take up to 250 students in the different programs. There’s no reason why if the enrollment would get that high that we couldn’t add a second teacher onto each program at a different night. We could grow. What’s really nice is the community has this asset at Central Tech that the federal government has given us through Perkins funding. That gives up approximately, it used to be up to \$500,000 year. Now it’s down to \$380,000, but we use that to invest in equipment. In the last six months, if you’d come into our machine shop now, it has tremendously changed. It’s full of CNC operating machines and all new equipment. The Tech After Hours component of it doesn’t have to invest in that part, so now something that sat idle in the evenings and on the weekends is now available.

Wood: Clearly you’ve hinted that the target audience is economically disadvantaged. That’s typically what you end up with. We made a \$400,000 investment in Tech After Hours, one of the largest investments we’ve ever made as an ECGRA board. That’s over a three-year period. If I estimate that you’re going to serve maybe 90 people – let’s estimate 30 a year for the next three years...

Pundt: Target goal by December is to have 100.

Wood: So that’s between \$4,000 and \$5,000 a person. So just to put that in perspective, most programs, workforce programs that serve economically disadvantaged folks, it’s closer to the \$10,000 to \$15,000 range per person.

Pundt: Really \$25,000 to \$30,000 for the private schools.

Wood: If you look at Summer Jobs, that’s \$2,300 per person for a six-week program. This is a nine-month program, or six-nine months, that basically gets you industry credentials to move on to a life-sustaining wage and career. So, to put it in perspective, the cost benefit, an incredibly affordable program. What that does not take into account is how it changes the life trajectory of the person involved in the program. We obviously heard that some folks didn’t improve their life-trajectory, and that’s not going to happen with everybody, but those who are willing, clearly you’re helping them get their first career.

Sample: But it’s everyone who falls behind them too. Like Matt said, “He’s doing it for his son. His son is going to have a better opinion of himself.”

Wood: There you go. It’s a waterfall effect.

Pundt: We can provide the program, the structure, and the support, but unless the individual is dedicated enough to complete it, they’re not going to complete it. We’ll sit with them, we’ll talk to them, we’ll help work through their problems with them to allow them to stay and complete. But ultimately it’s

their choice. So that's where the success is. But the motivation is there by several people and that's proven in the statistics so far.

Domino: Do you have a screening process before they enter the school?

Pundt: We have an interview process. So, when they come in we sit and talk with them and find out their desires and stuff. We don't limit anybody based on capacity. We find their weaknesses and put them on an individual learning plan. So, like for example, machine technology has a heavy level of mathematics in it. We do that tape test right up front that tells us the grade level that you're sitting at. It's not a pass or fail test. It's an assessment that tells us where you're at, and we try and begin at that point. So, if someone comes in with low math skills, we try to help them with their math skills.

Domino: What about a psychological profile?

Pundt: We do not, but that usually weeds itself out in the pressure of the program. For example, the one individual that got arrested down in Florida – glad to have her down in Florida.

Paris: What are your projections for funding for the next two years?

Pundt: The goal is that it becomes self-sustaining, because this grant was to help us get it up and running and in place, and then the other funds would start paying for tuition, because our initial start-up costs were covered. As we build, we'll get to the point – I think we're at the 50% mark right now – of it becoming self-sustainable. We hope it will just continue on, and we won't have to come back to anybody for any additional funding, and that this funding will be in place and sustain itself. That was really important to me in designing the process. You guys give grants, and to me it has to be an investment for the future. It has to be able to continue on by itself, instead of coming back and asking for more money. Don't anticipate us coming back to anybody for more. It doesn't mean I won't seek out grant opportunities. I got your wonderful grant, but I still took a moment and applied for the Gene Haas Grant, and it took me an hour's worth of work to get \$30,000, and maybe a little socializing with the foundation person.

Lee: What percentage are from the City of Erie, and then outside the City of Erie?

Pundt: 90% from the City of Erie, the other 10% from outside the city limits for this past year. Now coming up September 6, the balance is like 60% city, 40% county.

Barney: How often do you run your commercials?

Pundt: I've run them once for a two-week period. It's a costly investment, and the more I spend on that...we want to try and hit local television stations, because we started off with cable. The newspaper ad really didn't do us that much, but I think I might throw the newspaper ad in the classified section where people that are looking for jobs and realize they are having trouble getting a job, it's in there, and that's cheaper to do it that way. I have posters at community centers. Word of mouth is doing really good, and CareerLink is doing fantastic for us.

Sample: Are you set up as a 501c3?

Pundt: No. We're Erie Public School District. Any donations to it are tax deductible.

Sample: I want to go to some of these people and say, "Why don't you donate the advertising?"

Pundt: You can run it through Erie's Public Schools Foundation, anything like that, but also donations directly to the school. We make a letter and they're tapped right up. We get a lot of businesses supporting us with donations of extra materials and stuff like that. I don't know if the TV stations would pick up like that. I will say we've had good coverage from the newspaper, and things like that, on the program that got it out there. We have great partnerships with businesses in town that are telling us what their needs are and what their expectations are. It's just that we have to reach the target audience that wants to do something. Sometimes it takes a little swift kick to get people moving

and rolling in a program, but once they do, it goes well. I'm pleased with the startup results. I hope it continues at this pace and grows even further.

Sample: Thank you very much for your time, Matthew. Thank you for your dedication.

COMMITTEE REPORTS

- a. Treasurer's Report. Wood: If you take a look at the Profit and Loss Statement you'll see that the second quarter of revenue came in from the state - \$300,000. You'll see three mission-related investments also came in July. You'll also see that we recognized revenue from The Erie Community Foundation from the endowment for the Lead Assets, in order to disperse the funds, which, of course, were then combined with our contingency fund. If you take a look at the Balance Sheet you won't see anything unusual between Uncommitted and Committed funds. You will see the Notes Receivable still on the books. Just one note on the CIBA Note Receivable. That \$50,000 loan, we have been in communication with the folks from the Corry Industrial Benefit Association, and a certain amount of those dollars were made in loans, but the program has, we've decided at this point not to continue the program, because it's inefficient and has not been widely utilized as much as we'd hoped for. So, I'll get a kind of debriefing to you when we get that check back, and kind of an idea of how we can improve on that in the future. Statement of Cash Flows – nothing unusual. Budget vs. Actual – you'll see in the majority of categories for being the first quarter of our fiscal year, April, May, June, that we are on target in most categories. We're a little bit over in Postage, but if there are any questions there, I'd be more than happy to answer them as well. You'll see the Schedule of Grant Reserves. You'll see what we've done this month, and I'll certainly answer more of those questions if you'd like, but also talk about some of those in the Executive Director's Report. And then, finally, the Check Detail Report, which is available for your perusal. Any questions about the treasurer's report? (No questions.)
- b. Regional Assets Committee. Wood: The Community Assets funds are currently, Tom, when are they due? Maggio: By midnight tonight. Wood: Community Assets funds are due midnight tonight. That's the current round of funding that we're engaged in. And then Mission Main Street will be for the final quarter of the year. So if anyone has any recommendations for Tom for the community advisory panel, we do have the ability to take on two members from the community at large to help us review grants. Please don't hesitate to step forward and give him some name recommendations.
- c. Strategic Planning Committee: Wood: Has not met. I don't have anything to report. I have asked the members of the Strategic Planning Committee to review our impact investment statement and to take a look at how our MRIs have performed over the last year, and Ignite Erie in general.
- d. Update from County Council: No update.
- e. Update from County Executive's Office. Lee: I just want to give an update on the Summer Jobs Program. We're very pleased with how the transition has gone with bringing GECAC on as the administrator of the program. There were 170 students enrolled in the program. The breakdown is about 65% came from the City of Erie, and about 35% outside the City of Erie. Our goal is to do 50-50, but that's going to take time, because we're going to need to get employers from outside the City of Erie interested as well. The number of employers that we have is the same as last year – 42 employers in both private and public organizations. We are extremely pleased with companies like Erie Insurance stepping up. They made a very nice commitment, not only to pay for their students that were going through the program, which was over \$13,000, but also to do a promotional video. Terry Cavanaugh committed to doing that,

which, we found the cost to be about \$10,000. And we're going to be able to use that to promote the program. In addition to that, Gannon University invested \$5,000 in the program, which is really good, National Fuel, \$1,000. We already have organizations that are looking to commit next year, and we hope to grow that number again, to work constantly and increase the private perspective. The one thing that I like about what Matt was saying is two things. Number one, it provides hope; number two, it's getting results. And we feel the same with our program. It's not only providing hope, it's getting results. Industrial Sales Manufacturing, they were a part of the program, they have hired one employee full time, and we're going to be out there doing a press release on that on Monday. Because, at the end of the day, it really is about creating opportunities for these young men and young women. And, if you can get one person out of there, that's a start. As it goes on, to get other individuals. But here is a gentleman that was hired that was not going to be going for additional education whether going to college or technical school, was not going to be going into the armed services. He was able to find full-time employment. So that's a great success story. Where we're going for next year, we plan to get the RFP out earlier, that's one. Two, we're looking at multiple years, because we don't want to be set up with this every year. It's a grooming process, and Perry can attest to it, he said in a committee, as well as Mike Batchelor and George Espy and myself. So, we're looking at a multi-year contract. We're just really, really excited. GECAC was able to get WIA funds to service some additional students that missed the criteria of the WIA Act. So, it's just been a great, great time. Thank you.

Wood: Gary, are we looking at a three-year contract?

Lee: Yeah, we're looking at a three-year contract.

Barney: With GECAC?

Lee: We're going to put it back out for request for proposal.

Wood: Do we need to do that?

Lee: I'm going to check with our solicitor. That's a very good question. I'm going to check with our solicitor, because the RFP that was put out, I would have to see what the terms were. When we put that out, we were not looking at multi-year. So, I would have to check with them to see what kind of repercussions, or whether we're permitted. If we're permitted, we could, of course, have a discussion to continue, and it would alleviate going through that process again. However, if those were not covered in the terms, then we would have to put it out, because you would have other organizations, other entities, that would like to bid on it.

Barney: Were you happy with them?

Lee: We are. I was getting biweekly updates as far as what they were doing, sitting down with the senior management team. There were some hiccups in the beginning, like anything, but we're extremely pleased with where they are now.

Sample: This was their first year.

Lee: Absolutely. The good part was the project manager, Kevin Arrington, was able to do a tremendous job. He worked with Venango Tech, he was their project manager last year. He was able to come over and be a part of the GECAC team. It made the transition much, much smoother.

Sample: Frankly, Gary, I like the fact that it's based in Erie, and not in Venango.

REPORT OF THE EXECUTIVE DIRECTOR

I did mention to you that we got a new website up and running. I think it's important for you to take a look at it. There are a lot of resources on that website – our annual reports, the money-at-work map, the multiple document vaults that are available for folks to take a look at for full transparency, improvements in our grant application portal, of course a news page that I think is well organized and gives you all the current news and what we've been up to and who we've been funding. What's important to mention there is that it's a user-centric format. We talked to the folks that use our website and said, "How can we improve it?" and then integrated those recommendations into the current format.

If you look at the Executive Director's Report online, you're going to see a little bit of media about ECGRA, so you'll see how we've been in the media. You're also going to see the second quarter settlement statement for your review. Of course those checks were distributed as soon as the \$300,000 came in. You're going to see a grants revenue dashboard, so it kind of gives you an idea of where we are trending as far as revenues go. In the first quarter of the year, we saw this second lowest form of revenue that we've ever seen, but, really, it's only about \$30,000 off of where we were four years ago.

You are going to see in this quarter, the second quarter, the lowest revenue that we've seen. It's about \$300,000. To put it in perspective, in 2013, it was \$374,000. So it's a \$74,000 decrease. Certainly far from the most prosperous times, which would be 2010-2012, prior to Ohio legalizing gaming in which we saw almost twice as much revenue during the second quarter. So that is how revenue is trending. You'll see a couple charts there to explain that.

You'll see a bi-annual reporting from the Enterprise Development Fund. You'll see an update on where Human Services funding, which we collaborate with The Community Foundation, is. You'll see funding descriptions. You'll see the agenda for the Shaping Tomorrow meeting.

The one thing I wanted to bring to your attention is, we collaborated with the Erie County Redevelopment Authority to hire an intern through Penn State Behrend's Economic Research Institute to survey municipalities on where they are at with economic development. It was a project that is being conducted. It is part of Emerge 2040. So us and the Erie County Redevelopment Authority pitched in \$750 each to get this intern out there and to do some surveying of municipalities. The full survey that is going to be conducted is in the Executive Director's packet. The general idea is to find out from the 38 municipalities of Erie County what tax abatements do you currently have in place; could you describe those programs; and could you talk about loan funds, grants program, utility rates, things of those sorts, so that we can get kind of an economic development picture of what these small municipalities are doing. We won't know until we ask. Every day you discover something new that some municipality is doing, and they are doing it in isolation. So what can we learn from that, and then how can we better partner with these 38 municipalities?

I'll just give you one quick example. Without the Mission Main Street program, we wouldn't know that Girard Borough has a revolving loan fund for their downtown businesses. For a municipality that size to have their own revolving loan fund is interesting. And it actually has a really good participation rate and folks are actively engaged in the downtown there.

Then, finally, you'll see just a one-page report from the Metropolitan Policy Program at Brookings which kind of gives us an update on advanced industries – an area that we've been keeping our eye on and is certainly a target audience of our Ignite Erie program. Thank you, Mr. Chairman.

SOLICITOR'S REPORT

No report.

OLD BUSINESS

None.

NEW BUSINESS

Wood: Under new business I would just say really quickly that five RFPs came in for the government relations consulting position. They literally came in yesterday. Most of them came in yesterday. So we're going to be creating a committee. So if you have an interest in the committee, please approach the Chairman about serving on that committee and reviewing these RFPs. You will find these online. The electronic copies are available in a document vault on the SharePoint site, so anytime - even if you're not on the committee - you want to review them, don't hesitate. They are available to you.

Sample: How many of them were based in the Erie area? Not based, but have ties to?

Wood: They all have ties to the Erie area somehow, but none of them are based in Erie.

ADJOURNMENT

Mr. Barney moves to adjourn.