



## **Erie County Gaming Revenue Authority**

### **Minutes of the Board of Directors' Meeting**

January 21, 2021

This meeting is held via Zoom due to Governor Wolf's orders to stay at home during the time of this COVID-19 crisis.

#### **CALL TO ORDER**

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on January 21, 2021 via Zoom with a link that was provided to all Board members by the Executive Director. An agenda containing the Zoom link to this meeting was posted on the ECGRA website and at 5240 Knowledge Parkway, Erie, PA 16510. 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. Barney, Mr. Cleaver, Mr. DiPaolo, Ms. Hess, Ms. Loll, Mr. Paris, and Mr. Sample. Mr. Lee, Mr. Wachter, and Dr. Wood are also present. It is mentioned that Ms. Loll's computer does not have audio or video options and will be participating in the meeting via the chat function in zoom to discuss or ask anything as well as to cast her votes for motions.

#### **REASSIGNMENT OF OFFICERS**

Dr. Wood: Tim, we have a vacancy for the position of Vice-Chair. What is the normal procedure?

Mr. Wachter: We should consider filling the Vice-Chair's spot now using the same procedure that we would use to fill them when we reorganize; so, you would take any nominations. When we are done taking the nominations, we would take a motion to close the nominations. Following that, we would vote on the nominations in the order that it was received and stop at such point that the first nominee receives the majority vote.

Mr. Sample: I make the motion to have Dale Barney become the Vice-Chair. I don't know if this would require two motions, but I would then make the motion to have Whitey Cleaver go in as Treasurer to fill Dale's vacancy. I don't know if that should be one or two motions.

Mr. Wachter: You can offer that as a slate, if you like.

Mr. Sample: I will offer that as a slate.

Mr. DiPaolo: I second that motion.

Mr. Paris: Is there any discussion on that or are there any other nominations?

Mr. Cleaver: I have a comment to make, if I may. I don't have a problem taking the Treasurer's position, but in my experience – and I have all the respect in the world for Dale and the way he has done it – but I feel that the Treasurer's Report should be presented by the Executive Director and I'm sure there are other things for the Treasurer to do, but who knows better the Treasurer's Report than the CEO? If there are any questions, it could be directed to him; that's what happens anyhow. I did that with the Parking Authority for 40 years and it worked out well. I don't know if we can do that or not at this point.

Mr. Paris: I don't think there is a problem with that.

Mr. Wachter: There is no problem with that.

Mr. Sample: It would streamline the process.

Mr. Paris: When I was Treasurer, I would offer a little bit of information, but Perry did most of the work anyway.

Mr. Barney: That's so true because I have to meet with Perry anyway for him to brief me on the report.

Mr. Cleaver: I take my hat off to Dale for what he has done, but I think that would make it easier and move things along quicker. If there are any questions, fine, just throw them at the guy who's dealing with the numbers every day.

Mr. Sample: Why don't we deal with the slate of officers and then if we need to, we can deal with the obligations of the Treasurer afterwards.

Mr. Cleaver: Sounds good.

Mr. Paris: Are there any other nominations? Hearing none, we need a motion to close the nominations.

Mr. Sample moves to close nominations. Mr. DiPaolo seconds the motion. Motion carries 7-0.

Mr. Paris: Now we will vote on the nomination of Dale as the Vice-Chair and Whitey as the Treasurer.

The full Board is in favor of the nominations as presented and the motion carries 7-0.

Mr. Sample: Tim, do we even need to deal with the responsibilities of the Treasurer, or should we assume that is the way we're going to handle things from now on?

Mr. Wachter: The manner in which the Treasurer has the report presented, whether he or she presents it themselves, is up to the Treasurer. So, if Whitey would like Perry to do that, that is fine, and it does not require any action by the Board.

#### APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Ms. Hess seconds the motion. There is no discussion of the agenda. Motion carries 7-0.

#### APPROVAL OF MINUTES – December 2020

Mr. Cleaver makes a motion to accept the minutes. Mr. Sample seconds the motion. There is no further discussion on the minutes. Motion carries 7-0.

#### DIRECTOR'S COMMENTS

Mr. Cleaver: Mr. Chairman, didn't we get a new Board Member? Is Carol Loll present?

Ms. Loll: Hello everyone.

#### COMMENTS BY THE CHAIR

Mr. Paris: I was getting to that introduction in my comments. I want to welcome Carol to the Board and thank you for agreeing to serve. I look forward to the months ahead in Board meetings with you.

Ms. Loll: Thank you for the introduction.

Mr. Paris: I also wanted to send condolences to Dale; I know he had a brother who passed away a few weeks ago and I just wanted to say that we were thinking of him during that time.

Mr. Barney: Thank you.

#### PUBLIC COMMENT

There is no public on the call for comments.

#### PRESENTATIONS

There are no presentations at this time.

## COMMITTEE REPORTS

- a. Treasurer's Report: Mr. Barney: I will be presenting the report today, but this will be my last time. I will make this quick and painless. Everyone has a copy of the report or has had the opportunity to review it. We will start with the Profit & Loss page. As you can see, we had interest coming in from our savings, Bridgeway Capital, and eCAT but there is nothing out of the ordinary there. Moving down under expenses, you see the basic ones for facilities, administration, and payroll but nothing stands out. As we move farther down, we get into Grants and you see the \$167,976 – and as you know you will see it again later in the reports since we do it twice – but that amount indicates the 13 Community Centers that all drew down their funds. You will also see the payment for Special Events, which was the St. Joseph Church, the Mission Main Street payment, which was Waterford Borough, the Anchor Building payment was to Grace Church and that should be noted that that is the final drawdown from a 2018 grant.

The next page is the Balance Sheet which shows nothing out of the ordinary. The Reserve for Uncollectable Notes hasn't changed and nothing else jumps out at me. The next page is the Statement of Cash Flow and I am going to recommend that we get rid of this report. It is just there, but the Net Income is always negative.

The next page is the Budget vs. Actual and we start with Parker Philips under Professional Services, Legal Services with Knox Law, and your payroll shows there. Then you'll see the rent. Next under Books, Subscriptions shows the Erie Times, the Copier Lease is self-explanatory, the Office Supplies you will see on Tammi's Visa, the Bank Fees is so we can do electronic transfers, the Phone/IT and Insurance are basic. Then we get down to the bottom that shows Retirement – that is going away next month because we started the employees with PMRS and the first month will be January. You will see an amount there in February and I wanted to bring that up so you wouldn't be shocked; Perry says that next month it will be higher than what the retirement is because of the new plan and the structure that the employees are going under with the PMRS.

The following page is the Schedule of Grant Reserve which shows the Committed and Uncommitted Funds and those have stayed the same. Then you will see the third quarter gaming revenue came in and you can see the year-to-date total. When you move down and look under the Grants/Settlements for December you won't see anything listed under December until we get to the third page of this report where you will see the 13 Community Centers that received funding. You will see there is a total of \$308,540 and that is not for the Community Centers, but it is for the Community Centers and the Arts and Culture Grants from earlier this year. The Community Centers received the \$167,976 as reported earlier but the \$308,540 is for all the entities listed there.

The bottom of that page shows the payment to St. Joseph Church that I mentioned earlier, and the next page shows the payments for the Anchor Building and Mission Main Street that I talked about earlier. At the bottom of this page you will see Summer Jobs & More payment and that is for the 2020 Summer Jobs even though we are in the 2021 year. It should be noted that they utilize the County's funds before they come to ECGRA. And with the COVID and the decrease in the number of people that they serviced last year it may seem like they are not utilizing our funds, but we do have it there for them.

The next page shows that the Grace Church drawdown shows that since that was their last payment, they have nothing remaining. Waterford Borough's amount was their second drawdown, so they still have one more left. The next page indicates the Summer Jobs which I just spoke about.

The last report is the Check Detail and it just shows what we disbursed on what I have already spoken on; if there are any questions on the Check Detail, just bring it up.

Mr. Cleaver: I have a question. On that Parker Philips, we got billed \$3,000. Perry, what did we get for that \$3,000 this past month? Did we do anything?

Dr. Wood: Parker Philips continues to maintain our social media presence, website updates, and the short list goes on.

Mr. Cleaver: I thought she did the advertising and I haven't seen much in the paper and I didn't know how we paid them. So, that amount is automatic at \$3,000 a month?

Dr. Wood: Yes, it's basically a retainer.

Mr. Barney: Are there any other questions pertaining to the Check Detail?

Mr. DiPaolo: One question, Dale. In regards to Whitey's question on that Parker Philips, how long is that contract for?

Dr. Wood: There is no contract length; it's month-to-month.

Mr. DiPaolo: So, they are there forever, or do we vote on that again at some point?

Mr. Cleaver: Let me interject here. Perry, I thought that we put together a contract for her.

Dr. Wood: We do have a contract, but Tammi, do you remember if it has an expiration date on it? I think that the expiration is based on the fee schedule, but it's like most Professional Services contracts where we can choose to end those at any time.

Mr. Sample: So, unless someone questions that, we would continue, but if someone on the Board did question that, we could open it for discussion, correct?

Mr. Cleaver: I thought she put together a contract for us from year to year.

Mr. Barney: We opened it up for discussion when Whitey inquired what we were getting for the services.

Dr. Wood: I don't have it in front of me. Tammi, do you?

Ms. Michali: I do. There is a contract and the one I have in front of me is from August 1, 2020 through July 31, 2021.

Mr. Cleaver: That's what I thought.

Mr. Barney: Dom, are you good with that?

Mr. DiPaolo: Yes. So, in July we will have to renew that then.

Mr. Barney: Yes.

Mr. DiPaolo: Very good. Thank you.

Mr. Barney: The last thing we have before us is the Visa credit card. The first page shows the Times News subscription, postage, and Phone/IT charges; nothing out of the ordinary there. The next page shows the purchase of a desk calendar for office supplies.

Basically, that concludes my report as the Treasurer for the last time. I appreciate the opportunity you guys allowed me to serve. Thank you.

Mr. DiPaolo: Good job, Dale.

Ms. Loll: Thank you for serving.

Dr. Wood: Thank you, Mr. Barney.

Mr. Cleaver makes a motion to approve the Treasurer's Report as presented. Mr. DiPaolo seconds the motion. There are no questions or further discussion of the Treasurer's Report. Motion carries 7-0.

- b. Strategic Planning Committee: There was no meeting held so there is nothing to report.
- c. Update from County Council: Dr. Wood: We actually received word that Chairman Anderson is appointed to the ECGRA Board.

Mr. Paris: That's what I thought. I don't see him on the call to give an update.

- d. Update from County Executive's Office: Mr. Lee: Good morning, everyone and Happy New Year. Thank you, Mr. Chairman. Welcome, Ms. Loll. I look forward to working with you, although of course I did work with you in the last six years in the capacity of County Council and the Administration and I know you will add quality and value to our process here at ECGRA. So, again, welcome to the team.

Ms. Loll: Thank you.

Mr. Lee: I'm going to be brief. I have a couple of updates. One, as many of you know, the County Executive has announced that she will not be seeking a third term so that means we have 11 months, 10 days, 16 hours, 10 minutes, and 32 seconds but who's keeping track! We are going to continue to make sure that we provide the utmost level of quality and value to the citizens here in Erie County until we leave office. Don't expect anything to change; if anything, we really want to pick it up a level before we move onto our next assignments.

The Request for Proposal for the Summer Jobs Program came in on December 18<sup>th</sup>; I shared a copy with Dr. Wood so that he would be able to provide feedback. I have taken a look at it and extended the opportunity to the Erie Community Foundation, although they decided to forego being part of the review committee, which is fine. The Administration is looking to make the award within the first two weeks of February, before February 12<sup>th</sup>. We are finalizing some questions and concerns that we have with GECAC.

The main concern that I have is from a cost perspective, they are going up 13% which is about \$45,000. We need to find out what's all involved in that; we can't really decipher based on the contract information or on the Request for Proposal information that they

submitted. But you can believe that we will be straight there to make sure that it is clear and that everything makes sense.

I am very happy to say that since I have been involved with the program over the last seven years, we have not had to come to County Council or ECGRA to ask for an increase of any sort in the budgeted amount. We just want to make sure that we continue to monitor the cost to make sure that we are receiving the value we should receive from the program. Are there any questions about the Summer Jobs contract?

Mr. Sample: Gary, is their compensation based upon the level of participants or is it a flat fee?

Mr. Lee: It is based upon level of participants, but there are flat fees based upon what you need to get you there. What I mean by that is that you are going to have the same number of hours put into orientation, whether you're talking 100 students or 150, you're going to have the same number as far as facilitating with the companies and organizations. So, there is a certain amount that is a base amount and you just kind of build from there. But to go back to the initial answer for your question Dave, yes, it is based on the number of students.

Mr. Sample: What number of students is their RFP based off of?

Mr. Lee: It's based off of 150, 175, and 200. Now, we have gone back and asked them to provide us with a number for 100 students, and the reason for that is that no one knows how this pandemic is going to go and where we're going to be this summer. But if it's like it was last year, we had approximately 90 students participate in the program, where typically we have about 160 students.

Mr. Sample: I realize there is a constant start-up cost, but their compensation last year was then based off of 160 when they had 90?

Mr. Lee: Absolutely not. We went back and required them to pro-rate it based on the number of students; so, it was substantially lower since they only addressed the 90 students as opposed to the 160.

Mr. Sample: Okay. Quite possibly, that may be why they are looking for the increase just because it's tougher to survive on a lower number.

Mr. Lee: Here's the thing. I wanted to compare apples to apples, so when we did the Request for Proposal, we didn't even introduce the 100 students; we based it on the 150. That is what the Request for Proposal was based on four years ago. So, we can compare apples to apples there.

Mr. Sample: I understand, I was just trying to justify the reason for their increase.

Mr. Lee: I'll be honest with you, Dave, based on the information that they provided through the Request for Proposal – and this is why we're requesting a meeting with them – we cannot really decipher the complete \$45,000. They are going to be hiring a project coordinator to work on it for nine months as opposed to six months, but still, we just really want to make sure that we understand what that increase in encompasses.

And just so you know, if they are able to justify it, then we will be fine with it. It's just a matter of us making sure that we are doing our due diligence to make sure that we are comfortable with that increase.

Mr. Barney: Gary, were there any competitors?

Mr. Lee: There was not, Dale. They were the only ones that submitted. Even in doing that, as you know, we still have the option of looking at other avenues if we have to. There have been some things that have kind of been pushed around, but I can say this to you, is that we have been extremely pleased with GECAC based on the success of the program. They have had some changes as far as who has been leading the program, but every time they bring a new person on in leading the program, they actually take it to a higher level. So, we are please with the quality of work with GECAC in this program, we really are. Are there any additional questions?

The last point that I'll make is as many of you know, RACP which stands for the Redevelopment Assistance Capital Program from the State, they awarded the Erie County Community College \$10 million through the application that the County Administration submitted on behalf of the Community College. Just so we are clear, the Administration's role moving forward will simply be from the financial end. We will not be intervening with the Board; that is why they have a Board. We will make sure that the i's are dotted and the t's are crossed as it pertains to the financial matters. This is why we are going to make sure that the processes for the RACP money is done correctly and properly; there are a lot of moving parts to it. We will be hiring an organization to oversee that for the County because you have to submit a business plan and a more detailed application. What we received the \$10 million for was the pre-award part and now we are ready to go into the post-award and after going into the post-award, you go into the reimbursement process. So, there is a lot of different levels with this.

The main thing that I wanted to share with you is that the Community College will have a total budget, once this \$10 million is allocated from the State and we receive it, it will be \$20 million because the County had to match that \$10 million. We matched that based on the money that we get from the gaming funds from the State, which is about \$7 million, and then about \$3 million came from the Erie Community Foundation. They will be well financially situated to really build upon.

In saying that, going back to our role as far as the Administration, we are going to be watching very, very closely because we of course have to be accountable to the State but equally important is we are accountable to the taxpayers. We want to make sure that we be transparent, everything will be available for residents and citizens to review their financial process as we move forward with the Community College. Any questions?

If not, Mr. Chairman, that concludes my update from the County Administration. Thank you.

## REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: I did want to thank Mr. Barney for his service as Treasurer and welcome Ms. Loll to the Board. I look forward to working with you.

Ms. Loll: Thank you.

Dr. Wood: I'm going to let the Executive Director's Report stand for itself this morning. Unfortunately, the flu bug is going around the Wood household and I've had to excuse myself three times during this meeting for that reason. I'm running out of steam here, so if you have any questions please ask them straight away based on the content of the report and I will try to get them answered here.

I hear no questions, so thank you everyone.

### SOLICITOR'S REPORT

Mr. Wachter: I would like to thank the Board for allowing us to do this via Zoom, especially now. I did want to disclose two things, the first of which is my firm has been appointed and I am serving as the Solicitor for the Erie County Community College. Similar to the other clients I have that interact with the Gaming Authority, I stay out of those matters. I don't get involved in award decisions anyway. I just wanted you to be aware of that so you wouldn't be surprised in case you heard it.

Secondly, an item that may be coming down the street in a couple years, I have been appointed to the Statewide Commission on the American Semi Quintcentennial, that is the Commission that is planning the Pennsylvania celebration of the 250<sup>th</sup> anniversary of the founding of our nation. Think of it as the bicentennial here, but it's the 250<sup>th</sup>. I'm sure that the Erie County delegation, which is being run by Ferki Ferati, will be looking for some sort of funding at some point. But I am on a Statewide level, but I wanted you to be aware in case that comes up.

Other than that, I am looking forward to a great 2021 and I appreciate the opportunity to continue to serve you.

### OLD BUSINESS

There is no Old Business to cover at this time.

### NEW BUSINESS

There is no New Business to cover at this time.

Mr. Sample moves to adjourn.