



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

December 10, 2020

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 December 10, 2020 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. Bagnoni, Mr. Barney, Mr. Cleaver, Ms. Hess, and Mr. Paris. Mr. Lee, Mr. Wachter, and Dr. Wood are also present.

APPROVAL OF THE AGENDA

Mr. Cleaver makes a motion to approve the agenda as presented. Mr. Barney seconds the motion. There is no discussion of the agenda. Motion carries 5-0.

APPROVAL OF MINUTES – November 2020

Mr. Barney makes a motion to accept the minutes. Mr. Cleaver seconds the motion. There is no further discussion on the minutes. Motion carries 5-0.

DIRECTOR'S COMMENTS

There are no comments by any member of the ECGRA Board at this time.

COMMENTS BY THE CHAIR

Mr. Paris: I just want to thank you all for being here. I am not sure if everybody knows this, but today is Mr. Bagnoni's last meeting with us. It has been good being with you, Dave, and thank you for serving on the Board of ECGRA with us. We all appreciate your service.

Mr. Bagnoni: Thank you, Mike.

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: It's only been a few weeks since we last met, so Perry could you cover the highlights?

Dr. Wood: I can do that. Because of the holiday, we moved the meeting up a week so there is not a lot to go over. The third quarter gaming revenue did come in in November for \$1.3 million, bringing our total so far to \$3.1; that does not include the "true up" that comes in in February for the fourth quarter. The municipal payments were payed out at the appropriate levels, there were a couple of Special Events grants that moved forward that were disbursed, there were two Mission Main Street payments made – one to Edinboro and one to Impact Corry, and the first payment toward the 2020 Summer Jobs Program was made. That is your P & L in a nutshell.

There's nothing new to report on the Balance Sheet since there have been no new Notes Receivable but you will see at the top the checking, savings, committed, and restricted funds but none of the numbers under Notes Receivable have changed.

Statement of Cash Flow shows the usual. There are a few expenses on the Budget vs. Actual such as the Erie Times News, the annual Chamber Membership, and other subscriptions. The copier lease, bank fees, etc. are all pretty standard. There has been no outreach and advertising done, but the phone/IT, insurance, and salaries and wages remain the same.

Moving on to the Schedule of Grant Reserve you can see how the third quarter gaming revenue came in in November and then the disbursements of \$521,000 which are represented when you flip over to the next page and you can see the detail on those. Those disbursements are the settlement payments, the two Special Events grants, the Mission Main Street drawdowns, and then the last page shows the first Summer Jobs payment.

The next page shows where we are at with drawdowns so you can see that Edinboro's drawdown of \$119,000 in November means that they only have \$34,000 remaining. The way Tom has set it up in compliance is that the last drawdown basically requires the close-out report in order to finalize; the Impact Corry drawdown of \$59,000 shows that they have

\$28,000 remaining. The last page shows the first payment of Summer Jobs 2020 and that we barely dipped into those funds and their remaining balance will be processed until the next year's program begins.

The next report is the Check Detail where you will see the payments to the settlement municipalities, the payments to Edinboro and Impact Corry, Summer Jobs, our legal bill, our telecommunications bills, the rent, the copier lease, and the two Special Events along with payroll. The next page is Tammi's Visa bill which shows office supplies like planners, binders, and dividers, the Erie Regional Chamber membership is there, and the newspaper subscriptions.

That concludes the Treasurer's Report unless there are any questions.

Mr. Cleaver makes a motion to approve the Treasurer's Report as presented. Ms. Hess seconds the motion. There are no questions or further discussion of the Treasurer's Report. Motion carries 5-0.

- b. Strategic Planning Committee: There was no meeting held so there is nothing to report.
- c. Update from County Council: Mr. Horton is not on the call so there is no report from him at this time.
- d. Update from County Executive's Office: Mr. Lee: Good morning, everyone. Thank you, Chairman Paris. First of all, David Bagnoni, thank you so much for your service; we appreciate all the time you have invested in the Board. We all know that these are not paid positions and it takes away from your personal time as well as your professional time, so we thank you for your service over the years.

Mr. Bagnoni: Thank you, Gary.

Mr. Lee: You're welcome. I will be brief this morning, but I just wanted to give everyone an update on the Summer JAMS Request for Proposal. That went out the week of November 23rd; the ending date for submittals is December 18th which is a week from tomorrow. We are hoping for some successful proposers to submit their particular proposals. As you are aware, GECAC has done it for the last six years and we believe they have done a very good job, but we are excited to see who else may be interested in this particular program.

The terms of the Request for Proposal is predicated on two years with an additional two years for renewal. This past year, as many of you know, we had half the number of students; it was very successful with about 90 students because of the COVID-19 pandemic but in prior years we had about 150-160 students. We will have to wait and see the what the summer will bring as we get closer to that time next year.

Again, we are excited. The timeline for review of the Request for Proposals will be the month of January spent reviewing it and we of course will be looking for input from ECGRA through Dr. Wood and the Erie Community Foundation and the County of Erie. Are there any questions about the Request for Proposal?

Dr. Wood: I just have one question; I was not able to make the informational session for those interested in applying for the RFP. Did anyone besides GECAC attend it?

Mr. Lee: Thank you, Dr. Wood, for the question. In the Request for Proposal, we had put in it that it was not a mandatory meeting but if they had any questions, we would be available last

Friday at 10:00am. We got no requests for that particular meeting, so therefore there was no meeting last Friday.

Dr. Wood: Thank you.

Mr. Lee: You're welcome. If there are no other questions, that concludes my report.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Good morning everyone. I do want to start off by saying that I sincerely and deeply appreciate the service of Mr. David Bagnoni. He came to us several years ago now and has been a diligent and integral part of the Board. He does everything that we need a good Board member to do - he attends meetings, he asks questions, he reads the grants, reviews the finances. I just want to tell you, Mr. Bagnoni, that we appreciate your time. I have appreciated the many interactions we have had over the years and I just want to take this opportunity to say thank you for your service to the community and your service here at ECGRA.

Mr. Bagnoni: Thank you, Perry. I appreciate it.

Dr. Wood: I will be brief on the Director's Report here. We do have reports coming in on Professional Services, there is a memo from Mr. Wachter about Mr. DiPaolo's potential and declared conflict of interest because he serves on the Eagle's Nest Leadership Corporation advisory group so you will see that there and it is also attached to the minutes for last month. You will also see a bunch of media clippings here about things that have been covered in the last three weeks.

I did want to bring to your attention that I have been a part of an Erie Funders Collaborative that meets occasionally, and it is mostly informal discussions. We had extensive talks this time about COVID and COVID funding and where we need to go. I think what's great about this medium is that we had Highmark there, UPMC Foundation, United Way, Erie Insurance community relations, and of course the Erie Community Foundation. One of the things that was discussed extensively was the special program for health care system partners.

I don't know if I've talked to the Board too much on this topic but this is something that I think Melissa Lyon did a great job in setting up. It came out of a community forum that ECGRA sponsored with the minority community. We kept hearing that the minority community had concerns and we were seeing reports from other cities that basically COVID was spreading at an alarming rate in the minority community so we organized a forum with Melissa Lyon as our main guest speaker to have the Health Department talk to the minority community for ECGRA to use it as a listening session to see where we were at.

At the time, we were deeply involved in the COVID Relief Fund and what came of it was a special partnering program where each hospital partners with one of the community centers - the JFK Center, the Booker T. Washington Center, the MLK Center, and the Quality of Life Learning Center - each one partnering with a different health care system. That health care system provided training and resources available to each one to do walk-in testing on a daily basis.

I think this is a huge win. My hat goes off to the Health Department for helping to make it happen. It was one of the two things that the minority community leaders were telling us that they needed. I think this could go a long way in helping those communities flatten the curve. My hat really goes off to them. In the future we will be talking with them about sustaining the funding through that particular operation. There are no particular requests at this time; it is still in the formulation stages.

I am going to end my report there by saying there are two things that we need you to vote on on today's agenda - one is Resolution 23 and the other is the meeting schedule for 2021. The meeting schedule is consistent with what we've done every year by meeting on the third Thursday with the

exception of December due to the holidays. Tammi has prepared that, and we look for approval today under New Business and then we can go ahead and publish our entire year's schedule.

Resolution Number 23 is the release of funds from the Erie Community Foundation Endowment. Just to give you a brief background on that. Several years ago, Tim and I went to the Lead Assets with the approval of the Board and negotiated a Memorandum of Understanding of how the relationship would work between ECGRA and the Lead Assets when it came to the release of these funds. That was signed into a formal resolution by this Board of Directors. It was put in to play and it has been seamless for the last three years.

Basically what the idea is is that in the November time frame I have a discussion with the Erie Community Foundation about what the recommended release amount is, which is based upon an average of several quarters and how the market is doing and then internal policy at the Erie Community Foundation. Their recommended release for the endowment was \$505,216; I get that formal recommendation and then I take that to the Lead Assets. The Lead Assets have a special advisory committee that then meets; it consists of their Executive Director and the Board Chair of each of those nine organizations. They sit down and have a discussion about the distribution formula. They have every right to propose a change in the distribution formula by contacting us because that is the way we set it up, and then they come back to us with a consistent list of recommendations that they have all agreed upon on how the \$505,216 should be distributed.

The Memorandum of Understanding gives them the option every year to change the formula, but they have consistently stayed with the formula that we designed here at ECGRA at the beginning of the agreement and (inaudible) more importantly, they are coming to consensus. You will see the attachment to Resolution Number 23 that shows the distribution amount based upon the distribution formula that we created here at ECGRA. I'll pause for any questions.

Hearing none, that concludes my report. Thank you, Mr. Chairman.

SOLICITOR'S REPORT

Mr. Wachter has nothing to report at this time.

OLD BUSINESS

Mr. Cleaver: Mike, I just have a question. We said earlier that Mr. Bagnoni is being replaced. For the record, who is the new Board member, do we have a new Board member? I gather we do if they're bouncing him out.

Mr. Paris: We do. Perry, do you want to share that with us?

Dr. Wood: Yes. I did have occasion to talk to some folks about the new Board member and Mr. Bagnoni was one of those folks who had a conversation with Councilperson Shauerman and she is interested in appointing Carol Loll to be the new member of the Board. Carol Loll is a former member of County Council and actually held that seat that Ms. Shauerman currently holds. If her appointment goes through in December, she will be a new member at our January Board meeting.

This creates, and this may be in part what Mr. Cleaver was alluding to, there will be a vacancy in the Vice-Chair position so the Board will have to have a public discussion about who may be interested in moving to the Vice-Chair position.

Mr. Cleaver: We have our elections in April, correct?

Dr. Wood: Yes sir. The reorganization for officers every year is in April. So, I would imagine whoever is interested in being Vice-Chair in January, it would be nice if they were interested in also being Vice-Chair in April; I think that would make sense.

Mr. Cleaver: So, we would just keep everything status quo until April?

Dr. Wood: Tim, tell me if I am wrong, but the vacancy doesn't occur technically until January, so I think in January you would ask the Board to elect a new Vice-Chair.

Mr. Wachter: Correct.

Dr. Wood: I know I had talked to several of you about it. Mr. Barney expressed some interest in being Vice-Chair, Mr. DiPaolo is not interested in being an officer in my discussions with him, Mike of course is going to step down as Chair in April. So, that leaves Ms. Hess, who I imagine is very busy; I can only imagine what it's like running a whole school district right now, so that leaves Mr. Cleaver and Mr. Barney. And I know from talking to you Whitey, you expressed some interest in maybe being the Treasurer if there was an opening there. So, if Mr. Barney moved over to Vice-Chair, then the Treasurer position would be open.

Mr. Cleaver: What do we do about a Chair, then?

Dr. Wood: Mike will be the Chair until April.

Mr. Cleaver: Okay, so you're not going that far ahead. I see what you're saying.

Mr. Paris: We would just be replacing the Vice-Chair position.

Mr. Cleaver: Just for three months, right?

Dr. Wood: Just for three months. I think the idea was that if Mr. Barney was interested in being Chair, it would make sense to be the Vice-Chair. That was the extent of the conversation.

Mr. Cleaver: Well, we could still operate until the next election, right? We don't have to do anything in January, do we? We could just leave it as is since Mike is still going to be Chairman; we just wouldn't have a Vice-Chair temporarily.

Mr. Paris: The only problem with that is if for some reason I am unable to perform my tasks, the Vice-Chair would have to step up to do that. That's the only reason for that.

NEW BUSINESS

- a. Resolution Number 23, 2020 – Resolution to direct the Erie Community Foundation to release funds in the amount of \$502,216 to the Erie County Lead Assets

Dr. Wood reads the resolution, along with noting the disbursement amounts on the attachment.

Mr. Cleaver makes a motion to accept the resolution. Mr. Barney seconds the motion. There is no further discussion of the resolution. Motion carries 5-0.

b. Meeting Schedule for 2021

Mr. Cleaver makes a motion to accept the schedule as presented. Ms. Hess seconds the motion. There is no further discussion of the meeting schedule. Motion carries 5-0.

Mr. Barney moves to adjourn.