



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

March 18, 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 March 18, 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, 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. Chairman Paris is not on the call today, so Mr. Barney will act as Chairman for today's meeting.

APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Mr. Cleaver seconds the motion. There is no discussion of the agenda. Motion carries 6-0.

APPROVAL OF MINUTES – February 2021

Mr. Cleaver makes a motion to accept the minutes. Mr. Sample seconds the motion. There is no further discussion on the minutes. Motion carries 6-0.

DIRECTOR'S COMMENTS

There are no comments at this time.

COMMENTS BY THE CHAIR

Mr. Paris is not on the call for comments.

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. Cleaver: As Treasurer, I will turn this time over to Dr. Wood for the Treasurer's Report. I reviewed the budget and the Treasurer's Report with him.

Dr. Wood: We reviewed the finances, and I will answer any questions you may have about that, but there is also a draft budget, and this is the first time as a Board to view this draft budget. The Treasurer and I have gone over it; the staff and I have gone over it. This draft is on the Board Effect site and we will have our first discussion of it under New Business and that will give you an opportunity to initially ask questions. Of course, you have an entire 30 days until the next Board meeting to ask the staff any questions that you want about the draft budget.

At this time, let's focus on the finances like the Profit & Loss and the other documents – are there any questions for me?

Mr. Cleaver: The report looked good to me and I have no problem with it.

Mr. DiPaolo makes a motion to approve the Treasurer's Report. Mr. Sample seconds the motion. There are no questions or further discussion of the Treasurer's Report. Motion carries 6-0.

- b. Strategic Planning Committee: There was no meeting held so there is nothing to report.
- c. Update from County Council: Mr. Anderson is not present to give an update.
- d. Update from County Executive's Office: Mr. Lee: Good morning, everyone. I want to give you an update as far as the American Rescue Plan Act of 2021, which President Biden signed into law on March 11, 2021. I want to give you some highlights as it pertains to state and local governments. As you know, it was a 1.9 trillion-dollar bill; it has a lot of aspects to it for education credits, the family credit for children, there is the stimulus portion that is the checks that go to individuals, there's unemployment, money in there for testing and vaccines – there is just a lot to it. But \$362 billion was approved for state and local governments; of that, \$130.2 billion will be divided between cities and counties. The cities will use the Community Development Block Grant formula; counties will use the population formula. Erie County has

nearly \$53 million coming into the County. The way it's going to be done, first of all you have until December 21, 2024 to use the money, but the first tranche which will be about \$26 million for the County of Erie will be released within 60 days of the enactment of the Act. So, within 60 days of March 11, we will receive the first half of that amount of money. The second half is not to be released no earlier than 12 months after the first amount.

One of the things we are trying to do here at the County is get a better understanding, and as you can imagine this is a lot of money coming into the County, to identify how we can utilize this money effectively. From what we understand, and we will be getting more information on this, there's just not a lot of strings attached to this money, which makes it, at least from my perspective, makes it a little more dangerous because you will be able to utilize this money for things that you will not be able to sustain in the future. That's one of the things that we're going to work very diligently to prevent.

I'm going to pause there and take any questions that you may have as it pertains to this money coming to the County of Erie.

Dr. Wood: Mr. Lee, I don't have a question, but I do have one comment to let the Board know that, I know the County Executive is having a call, a zoom meeting at 3:00pm today with various members of the community and I have been invited to attend. I plan on attending and participating and seeing what the committee has to say.

Mr. Lee: Thank you, Dr. Wood. A little about the meeting, the purpose of this meeting is to make sure that we invest in the future from a collective standpoint. Again, the City of Erie will be receiving about \$79 million of their own money; some of the other municipalities like Millcreek and some of the others will receive a certain amount of money. We just want to make sure that everyone understands the big picture of what the County wants to do, what the City would like to do, maybe what Millcreek would like to do, and see if there is a way to strategize and collaborate on some of these projects.

Broadband, for example. The City has committed money to work and establish the broadband so that it is offered effectively within the City of Erie. The County is committed to that outside the City of Erie. If the City is going to do the city, then the County is going to do all the areas outside of the City. We know that the digital divide continues to be an issue, not only locally in our community, but nationally. I was just reading a report that said that right now only 65% nationally have effective high-speed internet in the rural areas, which is an issue. This will be the purpose of the meeting; it will not go longer than one hour. Dr. Wood and myself will be able to give an update perhaps at the next meeting.

Moving on, the Summer Jobs Program is in full effect as far as GECAC. I am going to be talking with Mr. Jones to provide him some thoughts from my perspective on how we can improve the program this year. They will be doing things mostly remote like they did last year. Last year, as I had mentioned, we had about 90 students; in prior years we had about 160-170 students. We will probably be doing more than 90 students, but it will probably not be the 160 or more. Last year we had 32 employers; previous years we had nearly 60 employers. Again, we don't know if we will hit the mark of 60; it will probably be a little less but we are going to try and improve from last year. With this pandemic, we have learned to navigate. This has become part of our life experience and we don't want to leave our youth out of this. GECAC will begin their recruitment and offering sessions to the employers and employees at the latter part of next month. Are there any questions about the Summer Jobs Program?

Mr. Barney: Gary, what's the starting wage this year going forward?

Mr. Lee: Good question. Right now, I'm looking at the budget and I'm looking at the dollar amounts. As many of you know, we paid \$7.25 which is the minimum wage in years past, but last year we bumped it up to \$8.25 due to the pandemic and due to the fact that we weren't going to have as many students participating. I'm going to be looking at that and our hope is that we are able to do that \$8.25 because these are still very challenging times. We have not made a final decision. Again, I am reviewing the budget very closely to make sure that if that is something we would like to entertain, we have the money without going back to Council or ECGRA to request additional funds. Stay tuned for that one, Dale.

Mr. Barney: Thank you.

Mr. Lee: Lastly, I would like to make a request. Dr. Wood, I would like to request at our next meeting if we could have Bridgeway Capital, the representative for Erie County, come in and provide us an update. I think it would be very helpful to the Board to get an update on some of the initiatives that they are working on in Erie County and what they plan to do as far as in the future. I know that we had invested some money with them, and I think it would be good to just get an update as to where that stands; I think it would be extremely helpful. Thank you.

Dr. Wood: April may not be the best time to have Bridgeway come in; I don't know if you have a timing issue. May might actually be better because we are working on a special report with Bridgeway Capital on the funds that we are going to release to the community; I'd like to kind of bring them in and be able to release it all at the same time, if that's okay. Unless there is a pressing reason for April?

Mr. Lee: The reason I requested April is the sooner, the better. In my opinion, Bridgeway Capital has always done outstanding work and it's just been a while since they have been before us. In fact, I haven't had the opportunity to meet the new representative; I know who she is, but I have not had the opportunity to meet her and hear directly what their vision for Erie County is moving forward. If May works better, Dr. Wood, I am fine with that. It's just the sooner, the better because there are a lot of great things happening in the region and I just want to make sure that this Board is linked into it and hearing about it first-hand. Thank you.

Dr. Wood: Great.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Good morning, everyone. There is an Executive Director's Report in your packet – it's got the various media clippings of ECGRA in the news for the stuff that we funded. There are also the agendas for the COVID Task Force which continues to meet every Wednesday and has been doing a great job of listening sessions, for lack of a better term, to better engage the impact of COVID across the community. That pretty much is all that is in there, so I would like to go on to the next document.

Next you will see the Notes on the Crisis Report. This is a special report that I've been working on for the Board and I think it will be a nice archival document; it goes back and traces the work that ECGRA did in the early days of the pandemic. It has been exactly one year since we launched the Erie County COVID-19 Response Fund; this Board approved \$2.35 million for it. The creation of the Fund got national attention by Drexel University whose Metro Finance Lab, at the time, called it one of the first funds in the country to be created to respond. You can see the quote there from Bruce Katz. Bruce says, "American communities without a public agency like ECGRA, built to connect and invest at all levels of a community, are at a distinct disadvantage in a post-COVID world. ECGRA was built

to move swiftly and with public accountability allowing Erie County to get ahead in the crisis, which saved many local organizations from closing their doors to the residents they serve.”

There is some summary data in here, there are some nice quotes, like that one from Dr. Katz, there's a total of \$708,000 given through what we called the Immediate Human Relief Fund, it shows the nonprofit and small business loans that conceded, and then a timeline and a description of the 44 grants that we did. If you remember back in those days, we were getting on zoom calls and we were approving these things on a weekly basis through our process and then reaffirming them at our Board with the process that Tim gave us. This is a nice document to be able to give to policymakers, especially County Council who believed in us and supplemented what we were doing with another \$250,000.

That document is in there for your review. If you have any questions, don't hesitate to reach out. Like I said, from a historical standpoint, it's a nice piece to have that shows the role that we played during the crisis and, of course, documents it in a way that is accessible to the public policymaker.

Are there any questions of the Executive Director's Report that I can answer?

Ms. Hess: I don't have a question, but I just wanted to say that that is a really great document that really highlights everything that was done last year. Kudos to you.

Dr. Wood: Thank you, Ms. Hess. And kudos to the Board and the staff for the time it took. I remember that we were working seven days a week at that point to process these grants as they were coming in a rolling basis. It was exciting, and I know in talking to the staff, it made us feel like we were making a difference. We couldn't have done it without the Board and the support of County Council; that was so incredible at the time how everybody really came together.

Mr. Lee: Dr. Wood, I have one question. First of all, I would definitely concur with Ms. Hess that this report is very good and great information to get out to the community at large. Does ECGRA plan to do any future work with Dr. Katz and his organization, the Nowak Metro Finance Lab at Drexel University?

Dr. Wood: What do you mean by future work?

Mr. Lee: We have had the opportunity to tap into Dr. Katz and work with him on various initiatives; he was instrumental, at least from the Administration's standpoint, giving us feedback for the Community College for example. So, my question is, based on some of the initiatives that we may be taking on in the future, or even the current initiatives that we have, will we be seeking feedback or working collaboratively with him in the future on any projects or initiatives?

Dr. Wood: On a personal level, I have always considered Bruce a great advisor and even to some extent a mentor. I do know that he will be in Erie so I imagine that we will be working with him on some level. Erie Insurance has brought him in as a consultant for some of the projects that they are working on. I can't think of a specific ECGRA initiative right now where we would tap into him as a consultant. It would be more like we would be working with him as someone else's consultant.

Mr. Lee: Sounds great. Thank you.

SOLICITOR'S REPORT

Mr. Wachter has nothing to report at this time.

OLD BUSINESS

There is no Old Business to cover at this time.

NEW BUSINESS

a. Discussion of the Draft Budget

Mr. Barney: Has everyone had the opportunity to review the Draft Budget?

Mr. Cleaver: I reviewed this draft with Perry yesterday item for item and I was very well satisfied with it. I had a few comments, he answered my questions, so I wanted to let the Board know that I went through this item by item and comparison by comparison and I was well satisfied. I had a couple questions; one thing that caught my eye at the bottom was the PMRS – there was an increase of roughly \$10,000 if you look at it. That was explained to me. Perry, do you want to go over that? Maybe I'm the only dummy that didn't know what it meant.

Dr. Wood: PMRS is the Pennsylvania Municipal Retirement System was created by the State Legislature to have a public option retirement system for authorities, school districts, counties, and other government entities across the Commonwealth. It is managed by that entity created by the Legislature. That line item is going from \$6,000 to \$17,500 – that's just a shift from the IRA plan that we've had for the last 10 years to this PMRS plan.

Mr. Cleaver: There was one other item, I believe, that the employees took the \$3,000 that was offered by the Board instead of going into a hospitalization plan, am I right?

Dr. Wood: That is correct. We did our homework and we're ready to launch the organization's health care plan in April.

Mr. Cleaver: Thank you. That's all I had on that.

Mr. Barney: Are there any questions of Whitey or Perry on the Draft Budget?

Dr. Wood: Once again, this is only a draft; you won't be asked to vote on this until the April Board meeting. So, if you have any questions, don't hesitate to reach out to the staff and we can have a discussion about it. Thank you for your time.

b. Resolution Number 1, 2021 – Resolution to enter into agreements with 23 Erie County Special Events grant applicants, whose events take place between January 1, 2021 and December 31, 2021

Mr. Cleaver: I had looked over this list and talked to Tom because I was concerned because everyone got what they requested with the exception of the Wattsburg Fair and the Erie Downtown Partnership. I received an email from Tom in reference to why that number was lower than what they anticipated. Everybody else received what they requested, so I just wanted to make a note of that that those two agencies were lower, but I did receive the reasons for them to be lower.

Mr. Barney: I didn't receive the reasons so I would like to hear from Tom. I noticed those two were reduced and wondered what the particular reason was. I was unable to get a hold of Tom so I would like for him to tell the Board.

Mr. Maggio: When we get these applications, I go through them twice. I read their budgets, I look at their 990 filings, I look at their previous budgets, their previous 990 filings to make sure that everything that they've applied for is eligible. Occasionally we catch things ahead of time, go back to the applicant and have them refine or change their budgets to remove things that are not eligible. I actually did that with a few of them this year. The ones I caught late were the Erie County Fair (Wattsburg Agricultural Fair Association) and the Erie Downtown Partnership.

With Erie Downtown Partnership, they included things that were not eligible like operations and capital expenses. I did talk to Emily at Erie Downtown Partnership and told her what was not going to be eligible, and she was okay with that. So, we reduced it accordingly.

With Wattsburg, they receive – I can't remember the exact figure – but I believe it's around \$120,000 from the State which goes toward a harness-racing purse and then they turn around and give the purse away (the winnings for the horse race). So, that's not eligible because that's an outside grant. To give them a grant on money they receive is not acceptable. That was the reason their request was reduced by a couple thousand dollars. Everybody else's budgets were fine and acceptable.

Mr. Barney: Thanks, Tom. Does anybody else have any questions?

Dr. Wood reads the resolution.

Mr. Sample makes a motion to accept the resolution. Mr. DiPaolo seconds the motion. There is no further discussion of the resolution. Motion carries 6-0.

ADJOURNMENT

Mr. Sample moves to adjourn.