



## **Erie County Gaming Revenue Authority**

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

**September 20, 2018**

#### **CALL TO ORDER**

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on September 20, 2018 in the Jordan Room; 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. DiPaolo, Mr. Logue, Mr. Paris, Mr. Peters, and Mr. Sample. Mr. Lee, Mr. Wachter, and Dr. Wood are also present.

#### **APPROVAL OF THE AGENDA**

Mr. Sample makes a motion to approve the agenda as presented. Mr. Barney seconds the motion. Motion carries 7-0.

#### **APPROVAL OF MINUTES** – August 2018

Mr. Barney makes a motion to approve the minutes as presented. Mr. Bagnoni seconds the motion. Motion carries 7-0.

#### **DIRECTOR'S COMMENTS**

Mr. DiPaolo: Mr. Chairman, I have some comments, but I will hold that until we get to the end.

#### **COMMENTS BY THE CHAIR**

Mr. Paris: I would just like to say a few things. We had a grant review process last week and I'd like to thank Perry and the staff for doing a great job in putting that together. We had a lot of grants to go over, but I just wanted to say that they're doing a great job and I really appreciate the work they put in to the grants that have been given out.

#### **PUBLIC COMMENT**

There is no public comment.

## PRESENTATIONS

- a. Erie School District/Community Schools – Bea Habursky, Daria Devlin, and Meghan Easter

Ms. Devlin: Good morning. I'm Daria Devlin; I've been in front of you before. I am the Coordinator of Grants & Community Relations for Erie's Public Schools. With me this morning is Bea Habursky, our Assistant Superintendent and Meghan Easter, the Community School Director at Pfeiffer-Burleigh Elementary School. I'm going to start the presentation this morning and then kick it to both of them and then we can address any specific comments you want to make. We want to thank you for having us and also for your part in the grant that allowed this project to move forward.

I'm here today to give you an update on the Community Schools Project; the Pilot that took place in Erie's Public Schools. Again, your grant funds helped get that off the ground. And I just want to remind you that this project started in 2016. I actually took today's presentation from the grant presentation that we gave back in 2016 and it had listed these community challenges and I was struck by the fact that most of these things are still around here in 2018. So, it's not like they have gone away. These are the things we were facing then that we are still facing now and is part of the reason that we came to look at this as a possible project for Community Schools.

All of you are certainly familiar with these. Of course, educational achievement and attainment is a huge challenge and Mrs. Habursky is going to talk a little bit more about the District and what we're doing about that.

The Pilot began in 2016; our main partner in this is United Way of Erie County. United Way did not join us today for the presentation, but we don't want to miss the opportunity to say that they are our main partner in this work. They brought the project to us back in 2015 and have worked very closely with us to get this Pilot off the ground.

These are the five pilot schools that have the Community Schools model, Edison Elementary, McKinley Elementary, Strong Vincent Middle School, East Middle School, and Pfeiffer-Burleigh Elementary School. You will recall that we had a major reconfiguration last year so, actually this Pilot began at Emerson-Gridley which then closed, so the Pilot moved to Strong Vincent. We have had some transition, but we've been able to keep the model intact.

The way the model works is that each school has a corporate partner; that's really a funding partner. The funding partner provides the salary for the bottom row, which is the CSD (Community School Director). The Community School Director is the key of this project; it's an actual person – Meghan is here today from Pfeiffer-Burleigh representing that school – it's a person in the building who is just there to develop partnerships and bring resources into the school. One of the things we like the most about this when we initially looked at it was it takes the pressure off the Principal. The Principal is then freed up to do the instructional leadership, the teaching and learning that they need to do, but they have someone in the building who can be in charge of food banks and distribution of resources and mental health resources. That corporate partner's funds to fund the salary of the Community Schools Director is certainly key.

You can look and see that these are obviously our main employers here in Erie and we are very lucky to have them as our key partners early on. Each school then has a lead partner; the lead partner is typically a nonprofit that is tasked with bringing in resources to the school and leveraging relationships. If you look at that line, you'll see that most of our major nonprofits, we have a really nice mix of some mental and behavioral health in Safe Harbor and Family Services and Achievement Center, along with two of our major universities. Meghan can talk a little about what Family Services brings to Pfeiffer-Burleigh, but it's important to note

that our partners play an important role. I have listed the principals; they were updated with our reconfiguration. The bottom list is the five Community Schools Directors we have in the buildings.

So, we came to this plan back in 2015-2016 because we knew as a district that we were struggling, and we knew that the community was struggling to bring resources into our students. Since then, the district has really engaged in its own work to increase that level of educational achievement. Of course, you all were instrumental in that as you helped us with our own strategic plan.

Just to give you a little update on the plan and how that work is happening in the Community Schools, I'd like to introduce Mrs. Habursky to speak a little bit about these main goals that the district is now focusing on.

Mrs. Habursky: I want to begin by thanking you all for giving us the opportunity to do that; to have the strategic plan. We brought in Mutiu Fagbyi from California. He came in and worked with us last year on actually looking at our needs, looking at our data, and analyzing it. We had over 120 of our stakeholders at meetings that really started to dig deeper into our work. Just this past week, he was back, and he was working with all 16 of our schools to really look at our plans and where we are moving.

These are our game-changers; this is our hope for the future of Erie's Public Schools which is:

1. When you look at our data, seven out of 20 of our students currently are reading or passing our PSSA and our Keystones in ELA. Our goal is to get 18 out of 20 students passing that.
2. 95% attendance – our hope is that 90% of our students (18 out of 20 students) are actually going to be in school every single day. We do have a truancy issue right now and we're working toward really trying to get our students to come to school.
3. Model civic responsibility – we would like 100% of our students from pre-K to 12 to actually participate in real life community projects. That's the future of Erie City. That's the future of our hope in giving our students that opportunity.
4. So, to achieve the proficiency in the Core, we're talking Language Arts and Math, we want to double the rate for proficiency in ELA and then we want to triple the rate for Math in grades 3 – 8.
5. Also, we have a disproportionality in our discipline at this time. We looked at all of our data for discipline regarding suspensions and expulsions; currently we are really taking this on. Our behavior incidences with black African-American males we're really looking at. What are we doing in the classroom, how are we supporting our students, and how are we going to make some changes in our instruction.
6. The last one is a diploma in every hand so that we would get a 100% graduation rate.

When you look at those, they are high and very exciting. It's going to take a lot of work, it's going to take a lot of planning, and we're taking it for our first piece, and Daria will be sharing that information, what this year will look like. Again, this is a five-year plan.

I can't thank you enough for believing in us and giving us the opportunity to go through this with someone as experienced as Mutiu Fagbyi. He really has done a wonderful job at getting us all to collaborate and work together.

Ms. Devlin: I think it's important to note, and you all have copies of the plan, as Bea has mentioned we have a lot of work to do, but the great thing about our plan is it calls out specific strategies and Community Schools is called out in the plan as a strategy to help us reach these goals. Everything is really coming together, I would even argue the thing that you

supported us with, it's all coming together and focused to reach these important educational goals that we are working towards as a community.

I think there is sometimes confusion about this, but Community Schools are not a program; it's not something you put into a school and walk away. Community Schools are a strategy; they are a strategy for organizing resources of the community around student success. As we just mentioned with those really high-level goals, we are going to need to get organized and make sure that our resources are all moving in the right direction; Community Schools is helping us do that.

Since the time that we received the grant this is just a little update. Again, we hired five Community Schools Directors – one in each of those five pilot schools. They were hired in January 2017. Their first task was to survey all of the stakeholders in the building to find out what those people needed; that was students, that was parents, it was staff. They were finding out what the priorities were and what they felt they needed in the school to be successful. That was really the bulk of their work for about the first six to eight months. They then took that data to create a school action plan; each building has an action plan that now coincides with our strategic plan to say, "How are we going to bring these things in?"

Partnership agreements were then put into place so that we no longer work with partners in kind of a willy-nilly atmosphere; we have a partnership agreement in place with our partners that says, "Here's what they are going to provide and here's what we provide. We will give access to our schools between certain hours, here's the funding that we provide and the funding that they are bringing in." So, we have very tight agreements with our partners now which is really helping us move forward.

Specifically, we have partnerships with the five neighborhood centers. That was really contingent in our grant that we worked closely with those groups, and we have. We have also expanded that to include other partners. We have really good partners in the YMCA, Penn State Behrend, Second Harvest Food Bank, Sisters of Saint Joseph; we're plugging all those groups into our school student plans. And then of course, we have really strong backbone support from United Way.

We get questions sometimes about United Way's role and if they are providing direct funding to us. They are not; they are actual partners. They are collecting data, they are providing professional development, they are supporting our Community School Directors when the district really can't do those kinds of things. They are providing what we call backbone support for this project and providing that sustainability so hopefully we can expand.

Meghan, I would like you to share your experience at Pfeiffer and the kind of the things you are working on.

Ms. Easter: Good morning. I apologize I am a little under the weather so if I sound froggy, that's why. I believe all of you had received this handout that explains the priority needs and the timeline of events were for last year. Like Daria had mentioned even this past year, we re-surveyed and we reestablished feedback from our stakeholders. I had focus groups with students and parents; we met with community partners and asked, "How can we continue to support one another, and what are some areas we can use for growth as well?"

So, it's constantly looking at the data and shifting how we can get better, how we can better support the needs. Even with the programs and partnerships that we're bringing in, we're constantly identifying new gaps and how we can support things differently.

Just a few comments on what we were able to accomplish last year. In Quarter one, we really knew that students coming to school with clean uniforms and feeling prepared to come to school was an issue, so we established a uniform pantry that is all donation-based. We established partnerships whether it was with local private schools that were getting rid of

their uniforms, we were able to establish partnerships with St. Paul's Cathedral Episcopal Church – they donate brand new uniform shirts to us, Erie Insurance has supported us with Spirit Wear t-shirts so students can come to school every day prepared and ready to learn.

Some other things that we were able to do is we have our partnership with Second Harvest Food Bank to establish connections with a pantry across the street so twice a week our families are able to access that. We have a backpack program at the school; we were able to expand that from just second and third grade students to school-wide. That's 150 kids that can be serviced each year through that program. We have a hygiene supply closet so families are able to access items such as deodorant, or underwear for their kids, or laundry soap. We do have a laundromat in the basement of the school so that if students come in and their clothes are dirty, we are able to get them brand new clothes and wash their clothes and send them home with them. Those are just a few of the items that I take care of.

In Quarter two, we really looked at establishing better internal mechanisms for truancy and chronic absenteeism. I worked with one of our interventionist here to develop a chronic absenteeism strategy for this school year. I'm also one of the key stakeholders working with our administration to help meet with our parents to discuss some of the barriers for their students coming to school and how we can identify those and tackle that.

We also were able to start out with a pretty comprehensive summer programming in our partnership with the YMCA. Our first year we were able to service 60 kids; this past year we were able to service 120 kids coming to school Monday through Friday from 8:00am to 2:30pm. Those are some of the things the partnerships were able to develop.

As Daria had mentioned, it's not just about building relationships with community partners but it's really about building relationships within. So, how do we help better support our parents who are working two to three jobs to support their kids. Being available extended hours has been huge. My office is right in the front office so if parents come in with questions and need support, I'm right there to intervene. Our principal, Karin Ryan, has been able to introduce me to families so that she's not dealing with them in the social works needs and I'm able to pick up there and then she's able to take off and work with her teachers a little more often.

This school year we're really focusing on building up what we call Parent Action Teams so that will be a big focus of how we cannot just build relationships with our families but have them be a key stakeholder in making decisions at the school level; getting them involved, getting them into the school to volunteer for different committees.

Some things that we we're focused on this year with the data we were able to collect was how do we better support our parents and adults to be more sustainable and getting them access to job opportunities and to career-building opportunities, better supporting our pre-K programs and bring in things to have for when our students are going to kindergarten to help them be more successful. We're developing partnerships with PNC Bank right now as well as the Erie Playhouse to better support our pre-K program.

I want to talk a little about our expanded day programs and supporting our clubs; we have a Green Team that we are establishing and continuing to support, we're bringing in a STEM program to support our Gearing Up After School Program where the students are building furniture and donating it back to the community. So, we have some really exciting things that we have going. And we're constantly looking at the data and how we can provide support. It is definitely data-driven.

Ms. Devlin: Thank you, Meghan. When you refer back to the things that Mrs. Habursky talked about, we need to focus on some major challenges and if we can remove these barriers, like dirty clothes, like kids that are hungry, like parents that are stressed, we know that that's just

going to get our kids better prepared to deal with that kind of reading and math work that has to happen throughout the day.

The last thing Meghan talked about is really some of the priority needs. I just want to say that grant funds got this off the ground and the grant funds were specifically used to fund these items:

- Data collection – a data person at Erie’s Public Schools to help collect and align the data that the directors need access to (and we haven’t always been good about that) so we have a person that is grant-funded to help us get that off the ground.
- Professional development – many of us have traveled twice to Allentown/Bethlehem; Allentown is our model for this work and we were able to go down twice thanks to grant funds to see it in action and bring back some best practices.
- Furniture & technology – as Meghan had mentioned, each school has a physical space for this work and for these meetings and so setting up those spaces required grant funds.
- Also, some funds for out of school time coordinators. They are working on the weekend, summer, and after school stuff that Meghan had mentioned.
- We also want you to know that we are leveraging that for additional funds. In July, we applied for a grant with the US Department of Education to expand our program. It just so happened that Mrs. DeVoss was here during that time, so we were able to hand her the application. But, your grant funds are being leveraged to help us apply for other things. We may or may not be successful, but we are working to expand.

That’s all we have. I want to thank you again. If you have any questions for any of us, please feel free.

Dr. Wood: Thank you so much for being here with us this morning. Great presentation! This is one of the larger grants we have done, so thanks for coming in and reporting out on it.

I just want to point out a couple of things for the Board. One is this presentation kind of mixed two different grants that we had done – one was done, I believe in 2016, and that was for Community Schools, and the second is the strategic plan a year later that we were happy to participate in as well.

What you said is that Community Schools are a strategy and I think that is key and I want to reinforce that with the Board. I think a lot of times people think that public education can solve all the problems of society; there is a lot of expectation that is lumped onto public education. These Community Schools as a strategy in essence says, “We’re all in this together” and these schools are used as community centers.

This is a national best practice and I think that is something that the Board needs to know. When I read about it, they talk about schools as being community centers, as in centrifugal forces for improvement in the neighborhoods that they surround and that they service. In many ways, this is kind of an interesting comprehensive strategy to help complement what we’re already doing to help neighborhoods. This targets youth and their families in these neighborhoods.

Thank you for being here.

Mr. Lee: Thank you for coming. We appreciate the update. I just have a couple of questions. The one under Experience Proportional Discipline, can you give us an update on the strategy that you’re implementing to drop that number down?

Mrs. Habursky: First of all, we have the Gold Team which is a team of community members, teachers, and administrators who are working on that goal. They have some pieces in place

that they would like to do and then each building is going to do it. So, they have each taken their data and they would say, "At my building this is what's happening" and then looking at it. We're using a variety of key tasks that they will do over this school year. One of them is our administrators are going to be looking at a book, For White Folks Who Teach in the Hood by Christopher Emdin. In January, we are going to be reading the book as the administrators that will then work on it in the classrooms.

The other thing is that we're talking a lot about engaging the students. We have a lot of teacher-directed-to-the-students - that type of instruction. We are working on changing the practice to really work on getting students engaged, involved in their own education, and looking at what are we doing and some of the strategies we can do to increase student engagement and students to worry about their own education.

Each building is doing that piece and the team that is working on it, the Gold Team, is also doing that. And if anyone from this Board would be interested in being on any of the Gold Teams, we always need people who are willing to step up, meet with the group, and give additional ideas. But, we're looking at a practice in the classrooms first. We also are looking at, by building, our hope is that we can reduce that disproportionality by 50% the first year, and then again the second year, third year, fourth year, and then hopefully we will have a proportionate amount of discipline.

Mr. Lee: Thank you.

Ms. Devlin: I just want to add too, Gary, I think one of the first things that Ken's team had to do was show that there was disproportionality. Some schools were already aware of it, they were looking at it; others were not. So, even on Monday when all the schools were together, that first ask was, "Let's bring up our numbers and if the percentage of African-American or non-white students is, let's say 60, but that's 80% of our disciplinary, then that's disproportionate." I think we're just starting at that level and then working on the strategies that we mentioned.

Mr. Lee: The last question that I have is I know that you have an inclusion and diversity individual that is leading that particular effort. Can you give us an update on how that's coming along?

Mrs. Habursky: Absolutely. Ken Nixon is our diversity person, so he has a diversity team that is working on a variety of things. He is working on recruitment to get African-American teachers; we have a disproportionality in our employment as well. He actually went out to Thiel this week to talk to the education department and see if there are any recruits that would be able to come to Erie. They are working on that piece.

They are working on some mentoring, they are working on some peer mediation to really do some inclusion from our own students. We have a program that is one of the magnets that we have in our high school where there are students that are interested in education because there is a shortage, not only in Pennsylvania and Erie, but there is a shortage across the board in teachers nationally. Not only diversity, but just teachers in general now.

Some of the things that he and the team, it's not just him alone but he is our champion in moving in that direction. That's the one side. The other side is he is leading the charge of Goal Four which is that disproportionality.

Mr. Lee: Do you know if Ken and his team will be visiting any historically black colleges and universities?

Mrs. Habursky: They absolutely will be.

Mr. Lee: Great. Thank you.

Ms. Devlin: It is interesting because he said that he found, at Slippery Rock, they had a higher percentage of minority teaching candidates than even some of those. He was very surprised to find that. But he said in some cases they're closer to home than we realize so I think he is being really broad in that approach.

Mr. Barney: Just to piggy-back on that. I have four nieces and nephews that are teachers, but they happen to teach in Georgia, in Tennessee, because they couldn't get a job opportunity here. You don't have to go all the way down there to bring up qualified educators.

Ms. Easter: I'm on the Equity Inclusion Team and I also have worked with Ken on Goal Four and I can speak on behalf of Pfeiffer-Burleigh School. We have taken a look at examining bias, but we're also trained in restorative practices this summer so we're really looking at that being the model we're using to build better relationships and to understand culture better and to take into consideration perspectives of behavior and how it's different depending on where you're sitting and what you're doing. That is something that we're doing at the school level, but I think it's an ongoing conversation.

It's interesting because we did reach out to prominently and historically black colleges and the education department is very slim. I think we're looking more at where are the education programs coming from and how they can bring and encourage some of those students to come here. It's not just about bringing them here; it's about how we get them to stay too. How can we make our community a space that they want to come to and stay long-term?

Mr. Lee: Thank you.

Dr. Wood: I just want to applaud you for using disproportionality as a methodology for your process. I had never heard the term used in public dialogue here in Erie until you brought in that consultant for your strategic plan. What's great about it is it is objective; it's very by the numbers. It attacks racial disparity by the numbers and gives you a way to accurately measure progress and improvement.

Board Members thank the presenters.

## COMMITTEE REPORTS

- a. Treasurer's Report – Mr. Barney: Hopefully everyone has had a chance to review the Treasurer's Report. We'll start with the Profit & Loss statement. If you notice under Gaming Revenue, there is a substantial amount there of \$1,317,000 and you may be wondering how come it's so much. Well, the State has changed what they are disbursing quarterly now. So, we won't get as drastic of an amount in the fourth quarter because it will have been distributed. They have started that process.



If you look down farther, 70120 – Summer Jobs Program, you'll notice there that it is their first drawdown. That took place in August so that's why that's there. Pilot Programs shows \$15,000; that was the Summer Youth Service Program. That was a first-time payment. I just wanted to bring out some of the first timers in case you're wondering when it surfaced or why. Under that, you've got the Shaping Tomorrow – that shows \$100,000 which is for the Innovation District, that was a draw down for that.

If you turn to the next page, the Balance Sheet. Basically under the Committed Funds, that's the only thing, there still has been no draw down on the \$2.3 million. Statement of Cash Flows on the next page is basically the same. Nothing out of the ordinary there. If I shoot by something and there are any questions, feel free to stop me and ask what it is and I will try to answer you or consult with someone that may be able to answer that question.

Now, I'm on the Budget vs. Actual. There are a few things I'd like to bring to your attention. The Accounting Fees – that's the last payment on our audit that occurred. Then under there, 62120 Government Relations Services – that's the Ridge Policy. You may say, "Wow. Did they increase their price?" No. That's a double payment because their statement request didn't get in on time last month. If you go down farther, you'll see the exact opposite occurring. 62890 Rent – it says zero. Their request didn't get in on time, so it will be double the next time because we'll have to pay two months' worth.

There is nothing out of the ordinary underneath there. Just so no one thinks we're hiding anything, under Outreach, that amount there for the month of August, I was informed that there is a video for Renaissance Block that we're going to do a before and after so that will be part of there. Then there are a few other expenses.

Moving right along, Schedule of Grant Reserve. You got your Uncommitted Funds and Savings \$6.3 million and then you've got Committed at \$2.3 million. Nothing has changed there. If you look farther down at the \$1.693 for the fourth quarter gaming revenue, that has to wait for 12 months to elapse. On the back there is nothing out of the ordinary. Where we see municipalities and you see the amount that we paid them; well, no one called us and told us that we made a mistake and we gave them too much. That amount has increased due to us receiving a larger portion this quarter for the gaming revenue and because what they receive is a percentage, their amount increased.

Small Business Financing, it indicates the Innovation District where they drew down \$100,000. I went over the statements of the credit cards and didn't see anything out of the ordinary. If anyone has, please feel free to speak.

Mr. DiPaolo: Mr. Barney, I have a question in regards to that. What does O.S. stand for? On the Visa credit cards, it has after a couple of these entries, O.S.

Mr. Barney: I see. This is Tammi's credit card. \$3.48 from Country Fair and Shred-It USA. I'm not sure what that is.

Ms. Michali: Those are Office Supplies.

Mr. DiPaolo: That's what I thought it was, Office Supplies. And we have four entries at Country Fair. What type of office supplies do we get there?

Ms. Michali: That is the coffee creamer. I purchase that at the beginning of the week and it lasts for the week.

Mr. DiPaolo: And that is under office supplies?

Ms. Michali: Yes.

Mr. DiPaolo: Okay. Another question that I have in regards to the Check Detail report for August. We have \$9,509.46 for the Ridge Policy Group. I thought we only paid them \$4,000 a month.

Mr. Barney: As I indicated, that is for two months. Their statement didn't come in in time for us to pay, so that is two months.

Mr. DiPaolo: Ok. Very good. That's the only questions I had. Thank you.

Mr. Barney: Thank you. Does anyone else have any questions?

Dr. Wood: Can I just clarify a couple of things? I put this document in front of you; it's the revenue dashboard. The revenue dashboard, I think, has always been helpful in showing us from a cash flow perspective how the gaming revenue comes in. You're going to see under the second quarter of 2018, as Mr. Barney had mentioned, a drastic difference. Typically, we would receive somewhere around \$200,000 - \$300,000; instead we received \$1.3 million. I thought that was worth going into a little bit more detail.

The bottom right chart on that dashboard, typically we called it the hockey stick chart, because revenue would flow in the first three quarters of the year in very small amounts and then would spike in the fourth quarter with what the Commonwealth's Department of Revenue would call the "true up" at the end of the year. That is when a larger amount of cash is transferred in order to make up for a percentage that every casino is required to pay. With having over ten years of financial data under their belt, they decided to change the process for distribution of gaming revenue.

I got a letter from Mr. Sparber explaining how that would happen and I think that there are just a few things to point out for your information.

1. The land bank is going to be paid off in the first two quarters of the year. So, a smaller amount in the first quarter and then a larger amount in the second quarter. That will get the full million dollars that they are owed out of the way.
2. Also, Summit Township as the host municipality paid in the first quarter; half of its budget is paid with gaming revenue.

Those two things immediately come off the top.

You're going to see a new spike in revenue in the second and third and fourth quarter which will eventually be aggregated to about \$4.5 million. Does anyone have any questions as to why that is different?

Mr. Sample makes a motion to accept the Treasurer's Report as presented. Mr. Peters seconds the motion. Motion carries 7-0.

- b. Strategic Planning Committee: Mr. Paris: This was for the grant review. We met on Thursday of last week and went over the grant reviews. The majority of the grants that we recommended for funding. There were a few that we kicked out. We will be passing that resolution, hopefully, later on today.

Dr. Wood: I can go over more detail on that in my Executive Director's Report if you guys don't mind.

- c. Update from County Council: Dr. Foust is not present.
- d. Update from County Executive's Office: Mr. Lee: Thank you, Mr. Chairman. There are just a couple of updates. I want to start with the Summer JAMS Program. This past summer was a great success. We had 169 students sign up for the program; 161 completed the program, which is a 92% completion rate which falls right in line with what we've been able to do over the previous year. We had a total of 48 employers that participated in the program; as far as for nonprofits, it broke down to about 67% and 33% for-profit businesses. Our goal is to try and get a few more for-profit organizations and companies involved and we'll get there.

One thing I have to note is that even with the nonprofits, they are running as a business when you're talking about Gannon University, you talk about the school district, you talk about some of the other employers that are a part of this program, and their set-up is just like a for-profit set-up. The reason I point that out is that we really want the young men and women to gain experience on what it is to be part of a professional organization.

GECAC will be working with Keystone to provide us a final report that we receive each year. The feedback that I received from them is that the report should be completed sometime in November. We're looking to really strategize and do some things a little bit differently this coming year because we just have more time. We're excited; we feel like the program continues to add a lot of value for the entire county.

Secondly, the Community College initiative. I had the opportunity to speak to Mike Potts down in the Department of Education yesterday along with my finance team and a few of the representatives from Erie via a conference call. The big areas that we are working towards and the big item that we are working towards is a financial section of the business plan. The feedback we received from Mike yesterday is:

1. The number of students that are in the projections which is a total of 769 for the first year is a little assertive. They would like us to revisit those numbers and maybe in the ballpark of anywhere between 400-500 students for the first year.
2. The number of programs that we are rolling out that would be Associate Degrees; in the five-year roll-out we have a total of 30 programs but half of those programs, 15, are in year one. They wanted us to revisit that to see if we could maybe scale that down to a number between eight and ten. And we are going to be doing that.
3. The third aspect that they wanted us to take a look at is the investment by the State. We had the State down for \$2.9 million; they really wanted that to be ? going forward – that or less.

The financial team is taking a look at that. I asked Mr. Potts to provide his recommendations and his questions in writing, so he is doing that. Once we receive it, we're going to get the team together and move towards addressing those particular items. Are there any questions?

Mr. Sample: I just wanted to point out that in my business we have employed two people from the Summer JAMS and we employed them with the intention of keeping them on. Both have been able to continue on on a limited basis because their activity was sports, but the interaction from the people at GECAC was great, all of the processes we were very pleased with, and I know that we put a concerted effort in Corry to get the word out. There was one young lady I talked to the other day and she wants to get started even earlier next year with the school system, so we can get more kids involved.

Mr. Lee: Wonderful. Thanks for that feedback.

Mr. Paris: As for the Community College, did they say why they want those numbers decreased? The number of students and programs.

Mr. Lee: They said that during their study and taking a look at start-ups of Community Colleges, and by the way there are not many Community Colleges that are starting up around the country, they went to the State of New York and they realized with the numbers that they had projected, ours was a way more aggressive goal than from a national trend. Secondly, last time they approved a Community College was 25 years ago, back in 1993, in Cambria County. They took a look at their financial projections and their financial projections for the first year was only 200+ students and what they actually had enrolled once they got the Community College up and running was about 57 students. Their requesting that we go back and take a look at those numbers because they felt it was too aggressive based upon past history as it pertains to the start-up of a Community College.

Mr. Paris: And is that the same with the amount of degrees that were being presented?

Mr. Lee: That is correct. The roll-out of the degrees, again, they're just looking at the aspect of trying to make this a very workable plan. They just thought 15 was just too assertive for year one. But we're encouraged by the talks.

Mr. Paris: Thanks, Gary.

Dr. Wood: Mr. Lee, I just want to comment that I think Summer Jobs and Community College are two great examples of how ECGRA and community government have worked together collaboratively and effectively. Summer Jobs is now in its fifth year and it keeps growing incrementally. As you mentioned, having Keystone Research I think is absolutely key because we're tracking that progress on multiple levels through surveying.

Community College, we're actually sitting on most of the cash right now in order to help that get up and running. But the third program that we're going to be embarking on together is Choose Erie. I've had a sit down already with the CEO of the Erie Regional Chamber, the new guy who just started on Monday, James Grunke, and I think that's going to be another great partnership that we have with Erie County government.

Mr. Lee: I would concur.

## REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: I'm just going to talk for a minute about the County ordinance that was proposed this week and then I'll talk about the Community Assets resolution. On Thursday, September 13, County Council had a finance committee meeting to discuss the first reading of an ordinance that would place new obligations on recipients of Restricted Gaming Funds. It included provisions that would require four things:

1. For ECGRA to submit a grant application to County Council
2. A new contracting process with the County Finance Department
3. Additional ineligible grant uses
4. New reporting requirements

Mr. Paris, Attorney Wachter, and I attended the meeting to provide feedback on the proposed ordinance. Our intent was to share information with Council concerning both the PA Gaming Legislation and the Settlement Agreement. Atty. Wachter gave members of Council a concise overview of both the law and the agreement. Subsequently, the County Solicitor issued an

opinion consistent with Atty. Wachter's interpretation of both the Gaming Law and the Settlement Agreement.

Then on Wednesday, September 19, Mr. Bagnoni and I sat down with Mrs. Loll and Mr. Anderson to discuss the ordinance in more detail. After reviewing the ordinance details, we found that the County's grant-making process is based on ECGRA's grant-making process. I guess imitation is the best form of flattery.

The biggest difference was that the County had added additional ineligible expenses to their application, which is what I've handed to you – a brief summary of the differences here. Where you see a green check mark, the applications are identical; where you see a red X, there are differences.

In the spirit of cooperation, I think it makes sense for ECGRA to expand its scope of ineligible expenses to include those on the County's list. Mr. Anderson acknowledged that the ordinance was a work in progress and encouraged ECGRA to continue to dialogue with Council. In further researching the ordinance, it is stated that Restricted Funds recipients would not be able to spend gaming funds on real estate and capital expenditures over \$1,000. If this were enacted, and ECGRA voluntarily followed it, then we would need to curtail or eliminate all together the following grant programs: Anchor Building, Community Assets, Mission Main Street, Multi-Municipal Collaboration, Renaissance Block, and Special Events. Since these programs are at the core of what we do as an Authority, I'm hoping that future drafts will reflect that reality.

I'll pause there for questions.

Mr. Wachter: Is it then the intention of Mr. Anderson and Mrs. Loll under this discussion that you had that ECGRA will not have to apply to the County for these funds but that ECGRA would consider to adopt some of the additional restrictions on the utilization of the grant monies by the ultimate recipients?

Dr. Wood: Their intent aside, I think it's in the spirit of cooperation that we do adopt these things in our grant guidelines whether it's passed in an ordinance or not.

Mr. Wachter: So, they didn't issue any decision or opinion related to whether they were going to continue to move forward with the ordinance?

Dr. Wood: I don't want to put words in their mouth. I think it would be sufficed to say that it was a draft ordinance and that they anticipated changes.

Mr. Wachter: More than likely, we will look forward to some amendments?

Dr. Wood: I would think so, based on feedback, yes.

Mr. Lee: Mr. Wood, I have a question. If ECGRA were to adopt the language to prohibit these types of events, how would that be monitored and who would be responsible for doing that?

Dr. Wood: That's a great question. Next time we pass a set of grant guidelines, we would simply add these to the ineligible expense category in the grant guidelines. It would be monitored through the current process we have in place which is:

1. It is acknowledged in the grant-making process that these are ineligible expenses
2. There is a budget provided by the grant applicant, in which if any of these were put in the budget, they would be rejected
3. As part of the close-out report, when they submit detailed financials as to what they spent ECGRA's grant funds on, if any of these were in the list of expenses, they would not be reimbursable.

Mr. Lee: Based on your initial review of the items that are not to be included, where do you see from a historical perspective some big concerns perhaps coming from some of the organizations?

Dr. Wood: Big concerns how?

Mr. Lee: As far as if we've maybe been putting money towards awards, or we may have been putting money towards . . .

Dr. Wood: . . . meals or flowers, or something like that?

Mr. Lee: Yes. And if you can't answer that, I'm just asking from a review of the items you see, where do you think there may become a concern to some of the grant recipients?

Dr. Wood: I guess what I would say is that nothing on here is controversial if we add it to the ineligible expense list. We ask nonprofits to provide us with their Board insurance, for example, because it is a best practice of nonprofits. The only problematic things on this list are:

1. Real estate – it could be problematic for the land bank, not for us, because those are both Restricted Funds. We already have the acquisition of real estate on our ineligible list, especially for Multi-Municipal.
2. Capital expenditures over \$1,000 for the reasons I mentioned. Let's take Mission Main Street as an example. The overwhelming majority of it is capital expenses because façade improvements are the main use of Mission Main Street funds. That would eliminate six different programs that we have.

Mr. Lee: Thank you.

Mr. Wachter: Mr. Wood, if I may just put a finer point on what you just said with respect to the land bank because I believe this organization is generally in support of the concept and always has been. That same ordinance amendment would require the land bank to apply to County for the funding and that that land bank then would be unable, under the terms of that, to use it for the purchase of real estate for capital improvements which would eviscerate the whole purpose of the land bank. So, that would go to Mr. Wood's point that the discussion with Mrs. Loll and Mr. Anderson that it was clear that some edits may be required regarding the language.

Mr. Bagnoni: Mr. Anderson specifically stated that they were looking at that specific issue because of the land bank. I think that it is going to be revisited by County Council as far as what they're doing with it, but they weren't definitive when we talked to them.

Dr. Wood: Thank you. The next item on the agenda, you'll see Resolution Number 27, 2018. This is a resolution to pass the 2018 Community Asset funding. A couple of statistics – there were 46 applications received requesting \$948,336. All 46 were deemed eligible. The Committee reviewed all 46; we had a committee meeting to do so. Mr. Sample was not able to make it but he had reviewed the grants prior, Mr. Bagnoni was on the phone, and I believe it was Mr. Barney and Mr. Paris were in attendance of the committee meeting.

The Committee recommended denying three applications fully, partially funding ten, and fully funding 33 applications. We received 14 in the category of Arts, Culture, & Heritage; we received 13 in the Community Center category; and 19 in the Parks, Fields, & Trails category. The funding recommendation of the Committee was \$805,835.98. The Committee's recommendation to the Board was to make that funding based upon the attached Exhibit A to Resolution Number 27. Are there any questions on Community Assets?

I would like to just mention one more thing. I mentioned this to the Committee when we met was this is the first time we have expanded the Community Asset definition. This was a very large round; 46 grant applications in one grant round was very challenging not only for the staff but for members of the Board to find time to review. So, we are going to look at a better division of labor in the future – chopping these since they are in categories already, perhaps having folks apply at different times. Fourteen, thirteen, and nineteen are manageable numbers; 46 was a difficult haul. We'll come back to the Board with a recommendation on how to dice up Community Assets in the future.

Mr. Wachter: Mr. Chair, if I may make a comment for our friend here from the media. As Mr. Wood was going through the list of everybody who participated in the Committee meeting, I could see eyes going around and I don't know if you were counting Board members. For Sunshine purposes, each one of those Committee meetings is open to every member of the Board and they are all advertised in the Erie Times News in the Classified section with the bills paid.

Mr. Paris: Thanks, Tim. Is there anything else, Mr. Wood?

Dr. Wood: No, sir.

### SOLICITOR'S REPORT

Mr. Wachter: A couple of the Ignite Erie fundings, we're getting closer on closing the rest of those. I did send out the final closing packet for Bridgeway today; there are two pieces of information I need from Bridgeway. We're still working on Blue Highway, as it is a unique sort of investment for them. I think everything else, Ben Franklin and the International Institute, those are taken care of. So, those are progressing nicely.

### OLD BUSINESS

Mr. DiPaolo: Mr. Chairman, is there any update with the Ridge Policy Group at all?

Mr. Paris: I think Perry has a little information on that.

Dr. Wood: We have an activity report, which of course is in the Executive Director's Report. If there are any questions on the activity report . . .

Mr. DiPaolo: Ok, how about as far as any money coming in; that's the question.

Dr. Wood: Of course, we have those examples of EDA funding that have been successful through our Entrepreneurship & Innovation approach. We have not had any success with the Blue Zones funding yet, we have not located any neighborhood-based funding. However, we are in talks with the City about Transportation & Planning funding. That will be a little more long-term and will probably take until next year. But in the short-term, we are seeing wins in the Entrepreneurship & Innovation side and we're actually hoping later in October to see some additional wins in that category.

Mr. Bagnoni: How long do we give this, the Ridge Group?

Dr. Wood: That's a great question. How long do you think? Did we discuss a timeline?

Mr. Bagnoni: Yes, we did.

Mr. DiPaolo: We gave them six months.

Mr. Sample: Six months was the time we stated.

Dr. Wood: Let's do a more comprehensive report for next month. How does that sound? We'll analyze it then.

Mr. Sample: We specifically said six months and that was when they came back and interacted with the County. I think that needs to be reviewed.

Mr. Bagnoni: I think it was October that we made that decision; I think it was around there.

Dr. Wood: Great.

Mr. DiPaolo: Mr. Chair, another thing under old business. In regards to our lease, I was able to obtain some different properties that are available and I'd like to have everybody have a copy of each one of those. I called Mr. Lee when I had found out about a couple and he thought it would be a good idea, naturally, to bring it up before the Board to see what the Board would want to do. There they are. I don't know how you want to go about it; if you just want to take a look at them and determine if you think, in fact, we should be interested in some of those or whatever the case may be. Did everybody get a copy?

So, whatever you want to do, there it is there. I know we had talked about it; we had talked about different places. If you want to look these over, Mr. Wood.

Mr. Bagnoni: What's the rent on this one?

Mr. DiPaolo: it's negotiable, evidently.

Mr. Bagnoni: I see they want a deposit of \$1,851.

Mr. DiPaolo: So, whatever you want to do, Mr. Wood, that's why I got those. If you want to report back to everyone or whatever you want to do.

Dr. Wood: This is October and I think our lease expires in April or May.

Mr. DiPaolo: I just wanted to make sure that somebody followed up on that, that's all.

Mr. Peters: If I could share as you are evaluating these, the last one on the list is represented by my company just so everyone is aware – 1250 Tower Lane.

Mr. Bagnoni: The other thing I think we need to consider is, if we do that, how much of the furniture do we have for offices?

Dr. Wood: Are you asking if we own our furniture?

Mr. Bagnoni: Yes.



Dr. Wood: Yes, we own our furniture.

Mr. Paris: But not here.

Dr. Wood: Correct, not in this room. To your point, the lease in this office park allows us to access this room and the other Board room at no cost and to use the technology and the furniture here. I don't know if these other properties have an equivalent, but we can look into it.

Mr. Bagnoni: And if we do, what the cost would be.

### NEW BUSINESS

- a. Resolution Number 27, 2018 – Resolution to enter into an agreement with forty-three (43) Erie County community organizations and municipalities engaged in Arts, Culture, and Heritage; Community Centers; and Parks, Fields, and Trail-based projects.

Dr. Wood reads the Resolution.

Mr. Sample makes a motion to approve Resolution 27. Mr. Bagnoni seconds the motion.

Mr. Paris: Is there any discussion?

Mr. Bagnoni: Can we explain to the rest of the Board what the three were that we did not fund and why?

Dr. Wood: There were three that were not funded. One was McDowell Band Aides, two was Wesleyville Borough, and number three was Perry Square Alliance. The McDowell Band Aides, and help me out here members of the Committee, was because they really should be applying for Special Events funding. We did fund them at a Community Asset level once in the past and that was for a very special event that they had in which they went nationally to some national competition, so we made an exception there. But that will be the feedback provided to McDowell Band Aides is that it would be more appropriate for them to go after Special Events funding for their annual funding activities.

The second was Wesleyville Borough. You'll see here Memorial Park Renovations – Phase One; the application simply was not ready. It was very preliminary; there were no cost estimates attached to it, there was no public involvement, the research was minimal. So, the conversation with them after today if you decide not to fund it will be all of that feedback that I included and then some advice on how to go about collecting information that the Board and staff would want to see for a successful application.

The third was the Perry Square Alliance. I think it was felt that it was for labor; to pay someone to water the plants. Although the improvements at Perry Square are very important to the central business district, the idea that we would pay one year for somebody to water the baskets and plants, it didn't make a lot of sense. It's going to be a reoccurring cost. If they can't afford that kind of ongoing labor, they probably shouldn't have put those improvements in in the first place.

Mr. Paris: Those were the three. Is there any other discussion?

Motion carries 7-0.

Mr. DiPaolo: I thought we were going to do New Business; we skipped it.

Mr. Paris: That was New Business.

Mr. DiPaolo: I have something under New Business.

Mr. Paris: If we're going to do that, we need to amend the agenda.

Mr. Wachter: That would be appropriate.

Mr. Barney makes a motion to amend the agenda. Mr. DiPaolo seconds the motion. Motion carries 7-0.

Mr. DiPaolo: The only thing that I wanted to bring up, and I think it's something that we should think about. Naturally, we have been taking a hit with a lot of the things that have been in the news lately. What the situation with the Jefferson Society, with them not paying their taxes and according to news articles and everything else I pick up on, ECGRA has given them \$530,000 over the past few years. I thought it would be a good idea that if we hold off with giving anything to Jefferson until this is resolved with them.

I think that probably the people would think, "Here they are not paying their taxes. Everybody here pays their taxes," and all of a sudden we're going to give them another \$100,000 like we did before. I think it would be best if we hold off on giving anything to the Jefferson Society until they resolve the problem that they have with their taxes.

I'd like to make a motion to that; that we basically hold off on giving the Jefferson Society any more funds until they rectify their problem with their taxes that they have.

Mr. Logue: I'll second that.

Mr. Wachter: I would like to ask some questions.

Mr. DiPaolo: Sure.

Mr. Wachter: Are there currently any grants or fundings that have been made to the Jefferson that they would be due to draw on that this motion would be in violation of that grant agreement?

Dr. Wood: No.

Mr. Wachter: Are there currently any grant applications that are anticipated in the future that the Jefferson is anticipated to apply for?

Dr. Wood: Yes, I would say Special Events in January.

Mr. Logue: Mr. Solicitor, he could amend his motion to specifically state that, albeit bills would still be in the flux, but any new monies going to Jefferson Society would be held in abates, be abated, until their tax, whatever you want to term it, is rectified. I think he could amend his

motion to include any future payments that are due under any agreements, the umbrella would cover that and therefore, any future payments would be held and abated.

Mr. DiPaolo: I don't think we have any.

Mr. Wachter: I would agree with you except there are no future payments that are due at this time so won't need to do that.

Mr. Logue: It seems like we're not really sure. Mr. Barney wasn't sure with his position on the Board with finances, our Director was (inaudible), but so be it. There was a motion; I already seconded it.

Mr. Peters: I didn't hear that last part, Tony, about Mr. Barney.

Mr. Logue: Well, Mr. Barney wasn't really sure. He said no but he wasn't unequivocal that there was anything still out there or not. I don't know, Dale, what do you think? Is there money owed to them or not?

Mr. Barney: Not to my knowledge.

Dr. Wood: The answer is no, definitively.

Mr. Bagnoni: I have a question about (inaudible) so what are we going to do? How are we going to find out?

Mr. DiPaolo: When they apply for it, if they ever apply for it and that's not resolved, then Perry calls them and tells them that until such time they can't apply for any money.

Mr. Sample: I thought that they were working on it with County government. And they did make the payment through whenever. I would hope that they would pursue a pilot program.

Mr. Wachter: Because of my involvement with the school district, I know where the case is, and I can give you an update as to where things are. The Jefferson did file in the Court of Common Pleas for a tax exemption on their property. That filing was done I believe in 2015. That case has languished; the City is a municipal entity that is involved and has intervened in that particular case. It has been reported in the paper and I can confirm that there have been discussions as to whether the taxing bodies would be willing to enter into a pilot agreement with the Jefferson, rather than pursue that case. Pilot agreements are often used to structure settlements to a tax exemption appeal. That is currently going on.

I have some hesitation with the Gaming Authority taking a position, or really any government body not involved in that tax appeal, taking a position over whether or not the Jefferson could apply for funds when they're pursuing their legal rights in trying to resolve a court case.

Mr. Sample: My feeling is that if they are owed no money now and if they have to go through the application process, if we don't deem them worthy or have the thing, we can deny the application at that time. To me, that would be the easiest way.

Mr. Wachter: Once again, I would caution that whether they're involved in a tax appeal or not is not an item within the guidelines for any grant application that is filed before this Gaming Authority and the Gaming Authority needs to be careful with adding additional requirements for any one special applicant.

Mr. Sample: We're not the tax police.

Mr. Wachter: You're not the Board of Assessment Appeals. That is my concern.

Mr. Logue: Just to distill this down to the basic needs, what we have is this organization that's in a good neighborhood and I imagine the neighbors, I don't know them, but I imagine they're paying their taxes and their sewer and water and garbage bills like this. And they're doing that and they work at GE or LORD or wherever they work at and they see that this organization across the street from them or next door to them is receiving a half a million dollars and is unable to pay their taxes and here's Johnny Lunch Bucket – he's paying his taxes every quarter or whatever it is, and he's saying, "Where is my help? These guys get all this money and they don't pay." Now, that ain't right. As a taxpayer, as a citizen of this county, I'm wondering what the heck is going on?

He's made the motion, I seconded it.

Mr. Paris: I just want to be sure I'm clear on this. Aren't there other nonprofits out there that don't pay their taxes either?

Mr. DiPaolo: There could be. One of the proposals that County Council wants to put in on this ordinance is that, in order to give any type of money to anybody, you have to have your taxes paid up. That's right in there. Mr. Lee, do you know anything about that?

Mr. Lee: I cannot speak on behalf of County Council.

Mr. DiPaolo: Ok but did you hear that? Did you read that? What they proposed, the resolution?

Mr. Lee: I am not aware of it.

Mr. DiPaolo: Ok, because in the resolution it specifically says that in order to give any type of money, that a person or an identity has to have their taxes paid.

Mr. Sample: Is this the draft or the resolution?

Mr. DiPaolo: The resolution that was voted on.

Mr. Sample: I thought they just said that it was a draft now?

Dr. Wood: It is a draft ordinance.

Mr. DiPaolo: Well, they voted on it Tuesday night. For the first reading. So, it's not a draft if it's a resolution that was voted on.

Mr. Bagnoni: Could we pass a resolution the same way? Saying if you're not current on your taxes we won't consider you for grants?

Mr. Sample: I think we're jumping the gun.

Mr. Wachter: To do it generally, yes you could. I would just caution that the way that they applied for their tax exemption, if they were to win the case, it would be retroactive to the tax year that they filed it. When you file a tax exemption appeal, you should continue to pay your taxes during the pendency of that appeal; otherwise you'll end up in the situation where they ended up. The appeal lasted longer than the sheriff's sale period and their property went up for judicial sale. So, they came out and paid their year 2016 taxes in order to resolve the sale issue. Both 2017 and 2018 are outstanding. If they get a pilot, it's going to be retroactive to the 2017-18 years. If they win their court case, it will be retroactive to the 2017-18 years.

So, should they pay their taxes? I'm not their attorney but I would advise that they continue to do that so they don't get back into a judicial sale; but there's a legal procedure on the books. I would hate to have a resolution apply to any one individual entity. If you wanted to do it on a broad scale that any entity that is behind on their taxes you shouldn't consider, that's a uniform application of policy which is absolutely fine.

Mr. Bagnoni: I think that's where we should go. Do you want to amend your . . .

Mr. DiPaolo: I will amend it to say that anybody that applies for a grant or anything with ECGRA has to have their taxes paid up.

Mr. Wachter: Delinquent local taxes?

Mr. DiPaolo: Local, federal, personal, everything.

Dr. Wood: A couple of questions as the staff who is going to have to implement this policy. So, I think I heard that you want it applied broadly to every nonprofit, not just the Jefferson.

Mr. DiPaolo: You've got to understand, the only reason I'm bringing it up, everyone laughs at this Board to think we just give money out like it's water. And then all of a sudden, you're giving \$500,000 out to an outfit that doesn't even pay their taxes. And they have a million dollars in the bank. It doesn't make any sense.

Naturally, we want to help different organizations in town; we naturally want to do that. But I think that's a slap in the face to us. That's my opinion.

Mr. Bagnoni: I think amending it to all organizations would be a better position for us to be under. Singling out one person, does that open us to a lawsuit?

Mr. Wachter: Yes.

Mr. Bagnoni: Then I don't want to do that.

Mr. DiPaolo: Ok, that's fine then. I'm glad you brought that up, Mr. Wachter. That's fine.

Dr. Wood: So, before you amend, there are a couple of things to consider. Number one –

Mr. Bagnoni: My question is this, if we do this and pass this ordinance and make this part of the process where they apply for grants, are we going to have somebody assigned to check their taxes?

Mr. Wachter: If I may. I'm trying to think of how the staff is going to check that. Real estate tax is easy to check; you go to the Erie County website, they have a property tax search, you plug in the property address and it tells you if there is delinquent taxes that are owed, then you hit a button and it prints a delinquent tax report. That's easy.

Reaching out to the Pennsylvania Department of Revenue or the IRS to get a determination as to whether a private individual is on delinquent tax, I don't know how to do that. We could look it up.

Mr. Logue: You go down to the Courthouse to the Prothonotary's Office, punch in the Jefferson Society, see if there is any liens or judgements, it will show.

Mr. Wachter: If you're at that point that there are state tax liens, that will show but I'm trying to figure out how we would check before we get to that point; before that lien is filed.

Mr. Sample: Liens and judgments is different than taxes owed. Because you can also owe taxes but haven't filed the liens or the judgements. It's so arbitrary to say that if you owe any taxes, that becomes monumental.

Mr. Peters: I have one question and one comment. If there is a nonprofit similar to the Jefferson and they are in this process of negotiating a pilot or in some form of litigation over whether they do or don't owe taxes, how does that show up on the County website?

Mr. Wachter: Typically, what happens is if you're a nonprofit and you file a tax exemption appeal, you will pay your taxes during the pendency of that appeal and so it will show that the taxes have been paid. Then what happens, if the nonprofit wins, the taxing body as part of the order settling the case or finalizing the case, the taxing body (the school district, the county, and the city or township) would then have to cut a refund back to that entity for the amount of taxes that had been paid since the period of time that they had filed the appeal. So, that wouldn't show up on the County website.

The only reason this one showed is because, for whatever reason, they didn't pay their taxes during the pendency of the appeal, and then a whole other process comes in place which is the sheriff and judicial sale process; where you don't pay in year one, year two you get notices, year three you get sold.

Mr. Peters: My comment is that I'm not conceptually opposed to this idea. What my preference is and has been since I've served on this Board is that we thoroughly analyze how we would implement this and rather than take action sort of because of something that was in the news or something that one individual organization might be going through, that rather than take action, we push that to our Solicitor to say, "What would be an appropriate way to manage through this? Give us some guidance before we take action."

I've served on this group for a very long time and I've been in situations where we sort of made a knee-jerk reaction to something and it creates challenges later. I'd state for the record that I'm not opposed to this concept. I would personally prefer that we ask our Solicitor to put together some guidelines for how we do this prior to taking action.

Mr. Sample: I agree with Chuck.

Mr. Peters: We could put it on the agenda for next month.

Mr. Paris: I agree with Chuck, too. I'm trying to go through how all this would work. If you take the whole 46 applicants and go through each, how many of these 46 applicants pay taxes?

Mr. Wachter: Good question. Just because you're a 501c3 doesn't mean you don't have to pay real estate property taxes.

Mr. Paris: Right, because PACA for instance, pays their taxes.

Mr. Wachter: Because they are taxable.

Mr. Bagnoni: McDowell band applies for a loan and McDowell hasn't paid their taxes, can we automatically exclude them from this? I'm just concerned about liability here.

Mr. Sample: I just think we need more time to review it rather than beat a dead horse.

Mr. Paris: I agree with what you're saying because the Jefferson, it's just one entity and it's one that we know of.

Mr. DiPaolo: Can't we do something that if in fact we want to state that you have to be up to date with all your taxes and have some type of form that they have to sign when they apply?

Mr. Bagnoni: We can put it in the form if that's a motion you want to make.

Mr. DiPaolo: Right, we can do it that way. Look, if he withdraws his second, I'll withdraw the motion. It's a good idea what Chuck said; have them . . .

Mr. Wachter: Can I put something together for you?

Mr. DiPaolo: Absolutely.

Mr. Paris: Here's another thought. Can we have them put the information into their application so we're not the ones looking for it?

Mr. DiPaolo: Exactly. They can let us know whether or not they are paying their taxes.

Mr. Paris: And have proof of that.

Mr. Wachter: Where my head is right now is they could go, as part of the application, print that tax report and include it.

Mr. DiPaolo: Right and if we find out that it's false, they're out.

Mr. Wachter: We can put a certification on the application, an unsworn falsification of authority specifically indicating that they're up to date on all the other taxes as necessary. I can write that up for you.

Mr. Paris: So, how do you want to proceed with your motion?

Mr. DiPaolo: I'll withdraw my motion. Until we determine . . .

Mr. Paris: Then we will do the research on this.

Mr. Barney: And they don't have money coming.

Dr. Wood: No, they do not.

Mr. Wachter: There is nothing on the books.

Mr. DiPaolo: Ok; very good. Like I said, it's nothing against those people. If it was another outfit, I would do the same thing. That's all.

#### ADJOURNMENT

Mr. Peters moves to adjourn.