



MEETING OF THE BOARD OF DIRECTORS

In Person

Erie Center for Arts & Technology

650 East Avenue; Erie, PA 16503

July 18, 2024

ZOOM Meeting Information:
not available due to off-site location

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES – June 2024
5. DIRECTOR’S COMMENTS
6. COMMENTS BY CHAIRMAN
7. PUBLIC COMMENT
8. PRESENTATION
9. COMMITTEE REPORTS
 - a. Treasurer’s Report
 - b. Strategic Planning Committee
 - c. Update from County Council
 - d. Update from County Executive’s Office
10. REPORT OF THE EXECUTIVE DIRECTOR
11. SOLICITOR’S REPORT
12. OLD BUSINESS
 - a. Fly Erie Fund

13. NEW BUSINESS

- a. Resolution Number 17, 2024 – Resolution to accept the 2023-24 Audited Financial Statements
- b. Resolution Number 18, 2024 – Resolution to enter into agreement with MCIC for the Grow Erie Project
- c. Resolution Number 19, 2024 – Resolution to Adopt an Investment Policy

ADJOURNMENT

Next Regularly Scheduled Board Meeting of ECGRA

Date: Thursday, August 15, 2024
Time: 8:30 a.m. – BOARD Meeting
Location: TBD
ZOOM meeting – details to follow



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

June 20, 2024

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on June 20, 2024 in the Board 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 at 8:29 am.

ROLL CALL

Ms. Amatangelo, Mr. Barney, Mr. Cleaver, Ms. Hess, Mr. Louis, Mr. Oberlander, and Mr. Winschel are present in person. Councilman Copeland, Mr. Wachter and Dr. Wood are present in person. Councilman Bayle is present via zoom.

Mr. Cleaver: I'm going to make a quick comment here. We lost Carol for one reason or the other; she resigned. So, we picked ourselves up Mark Louis. Welcome aboard, Mark and we look forward to you being a part of the organization.

Mr. Louis: Thank you very much.

APPROVAL OF THE AGENDA

Ms. Amatangelo makes a motion to approve the agenda. Mr. Winschel seconds the motion. There is no discussion of the agenda. Motion carries 7-0.

APPROVAL OF MINUTES – May 2024

Mr. Barney makes a motion to approve the minutes as presented. Mr. Oberlander seconds the motion. There is no discussion on the minutes. Motion carries 7-0.

DIRECTOR'S COMMENTS

There are no comments by the Board of Directors.

COMMENTS BY THE CHAIR

Mr. Cleaver: I already said that I wish Carol success down the road. She spent a lot of time on County Council and when she was here, she was quite interested in the operation. And again, we welcome Mark to the Board.

PUBLIC COMMENT

There is no one from the public present.

PRESENTATIONS

- a. Michelle Bryan, Laurel Prokopchak – Maher Duessel

Dr. Wood: I'll turn it over to Maher Duessel. So just a quick reminder here about how the audit works. Every year we're audited; this is part of the documents when we were created by county government. We turn the audit into County Council, the County Executive, the Controller's office, to go on file. The audit, of course, is done by Maher Duessel and this is the first draft. So, this is only a draft that you're looking at – the first time that the Board has had an opportunity to review it. So, Maher Duessel will give the presentation, you can ask any questions you want. And I want to remind you that you can follow up with questions to the staff, or you can follow up directly with Maher Duessel and we'll provide you with that contact information. We want both avenues to be available to you, no matter what questions you have. That being said, Michelle, I'll turn it over to you.

Ms. Bryan: Thank you very much. Good morning. My name is Michelle Bryan, and I serve as the audit partner for Maher Duessel. With me today is Laurel, who is the in-charge on the audit engagement. Just a little bit about the firm - we've been auditing your organization for a couple of years now. Maher Duessel is based in Pennsylvania, we have six offices throughout the state of Pennsylvania, including one in Erie. We audit exclusively nonprofit and government organizations, so we audit a lot of governmental organizations like you and various other authorities for the organization. We're a little different than a traditional accounting firm. We don't have a tax practice, so we audit only governments and nonprofits. You're kind of at the heart of what we do. So, with that in mind, if you have questions on best practices or questions about other organizations and how they are treating things, we're happy to give you references to other clients as well as give you insights into the industry.

So, I'm going to walk us through a few documents today that are the deliverables as part of the audit process. The document that Laurel has up in front of you is a Communication with Those Charged with Governance. This is required communication under the auditing standards, and it starts out by indicating our responsibility under auditing standards, Generally Accepted Accounting Principles (GAAP) in the United States of America, is to issue an opinion on the financial statements. Your audit is issued also in accordance with government auditing standards and uniform guidance. So, what that means is we did both a Financial Statement Audit as well as a Compliance Audit, because the organization received over \$750,000 in federal funding. So, the funding that your organization is receiving that's federal is those ARPA funds that came from the County a few years back that the organization is continuing to spend down. So each year, the organization spends a chunk of those ARPA funds, and the

funds that are spent go on a Schedule of Expenditures of Federal Awards, and as long as that amount is over \$750,000 the federal government requires you to have a Compliance Audit as well as a Financial Statement Audit, so you are kind of receiving both, and that's what the wording means, "in accordance with government auditing standards and uniform guidance"; that is specific to the federal funds being received by the organization.

Our responsibility is to issue an opinion on the Financial Statements. They are Management's Financial Statements, and management is responsible for the significant accounting policies within the document themselves. There was no new accounting standard adopted in the current year, so the information that you're going to see in Note 2 to the financial statements is really consistent with the prior year. The only reason the organization would have new accounting policies updated is usually a result of new government accounting standards that would be required to be adopted. So, the only new accounting standard in the current year that you're required to adopt related to subscription-based IT arrangements, and you guys don't have any of those, so there really is no changes to your statement. Subscription-based IT arrangements, that would be if you had some type of agreement for a long-term IT arrangement, if you had subscriptions to software, anything that you had committed to, essentially a lease over software, accounting standards now require for governments to record those on their Balance Sheet, just like you record a lease of property. That was the new standard in the year, and you did not have anything that fell into that bucket that required it to be reported.

Your statements do include estimates, the most sensitive estimates within your statement are in regards to the Allowance for Uncollectible Notes Receivable. That is an estimate really based on management's collectability analysis of those Receivables going forward. The disclosures in your Statements are considered neutral, consistent and clear. The most significant disclosures in regards to the Irrevocable Gifts from the Erie Community Foundation, as well as the Notes Receivable Note. I'll go over both of those in the Statements themselves, but those are the most significant disclosures that we point out within this letter.

We had no difficulties in performing the audit. This is our typical timing for presenting the audit, which is always a good indicator for the Board that we were able to come in and receive the information that a timely manner in order to do the auditing procedures that we need in order to be here today to present you with draft financial statements. There were no corrected or uncorrected misstatements to point out as part of the audit process, so this means that the information that you're receiving throughout the year is accurate and you do not need the auditors to come in and make significant adjustments at year end to adjust your books and records. There was no disagreements with management regarding these drafts or any accounting or auditing matters. We will obtain a management representation letter, so as Perry had mentioned, these reports that you're looking at today are in a draft format. Before we issue them in a final format, we obtain a letter from management that indicates that they responded fully to all of our inquiries and provided us all information requested as part of the audit process. There was no consultations with any other independent accountants, and no matters regarding our retention discussed as part of the audit process.

In the Other Matters section, there is a couple items. The first discusses management's election to omit the Management Discussion Analysis from your statements. The Management Discussion Analysis is really it's supplemental information to your statements that includes more plain language in plain English of interpretation of the report. It is something that's prepared by management and included with the drafts. I have a lot of clients who admit this, the only users of your financial statements really are the County itself, and it's something that neither the County nor the Authority has ever elected to really be included within your report. There is also supplementary information included in your audit report. As I had mentioned,

you do have that single audit in the current year in accordance with uniform guidance, and as part of that, you have a supplementary schedule called the Schedule of Expenditures of Federal Awards and that was all the federal dollars received by the organization.

There is a management letter that does include an Other Matter comment that we'll discuss at the at the end of the presentation, but it is an Other Matter comment to point out. If it was a significant deficiency or a material weakness, which are higher levels of comments that can be given as part of the audit process, they would be required to be included within the Financial Statements themselves. So this is something that we consider an Other Matter comment, which is really a best practice, really an area for improvement for the organization, not something that we consider a significant deficiency in the internal controls of the organization.

We're going to move on to the Statements themselves. Feel free to ask questions throughout, or I'm happy to take them at the end, really whatever you guys are comfortable with. Beyond the Table of Contents is the Independent Auditor's Report; this is an unmodified opinion which is the highest level of assurance you can receive as part of the audit, and really the type of opinion you would be wanting to see as a Board. It goes through basically the basis of the opinion, as well as the responsibilities of management and the responsibilities of the auditor are as well detailed out within the opinion. There's additional paragraphs at the bottom that do indicate the responsibility for required supplementary information, supplementary information, and it does indicate that our report is being issued in accordance with government auditing standards.

Beyond the Opinion is your Statement of Net Position or your Balance Sheet for the organization. At the end of March 31, you will see a total asset sitting just above \$25 million, really pretty consistent from year to year on what you would have seen on the prior statements. There were no new Notes Receivable issued during the current year, so that \$6 million is pretty consistent, as well as the cash received and being held on the Balance Sheet is pretty consistent from year to year. On the Liability section, the Unearned Revenue line item, that's where you're going to see a fluctuation from the prior year. That amount really went down in the current year by about \$1.3 million and that represents the unearned ARPA funds, meaning those are monies that you have received for ARPA that you haven't yet dispersed or spent. So as those monies are spent, that balance will continue to go down. So during the current year, you did spend about 1.3 of those ARPA funds, so that Unearned Revenue went down by that \$1.3 million. Total Restricted Net Position sitting there at year end of about \$24 million. On the Statement of Revenues, Expenses and Changes in Net Position, or your Income Statement, you will see that you had a total operating revenue of about \$7.7 million; that does include the gaming revenues received during the year, as well as those governmental grants that I had mentioned, those being the ARPA funds that were received and spent - not received in the current year, but were spent in the current year and brought into revenue. You also do have interest income on the Notes Receivable during the year as well. Again, the Notes Receivable income and the gaming revenue pretty consistent from year over year. Really, your ARPA funds, you spent about \$2.3 in 2023 and you spent about \$1.5 in 2024, so down a little bit a year over year. But that's just as those monies are wrapping up, you're going to see that governmental grant item decrease, and then eventually just go away as those funds are spent.

On the Operating Expense side, the largest expense by far is the grants awarded. So that does include both the ARPA grants as well as the gaming revenue grants that were given out during the year. And then you have your various other operating expenses. Total Other Operating Expenses is about \$553,000; it was about \$515 in the prior year, with really the most notable fluctuation being an increase in your Professional Fees line item. Interest

Income on the non-operating side, at about \$540,000; that is up in the current year, as expected, with rising interest rates, you're going to see increases in the amounts that you're receiving for interest income.

Your next statement is your Statement of Cash Flows. The Statement of Cash Flows just really shows that you had a positive change in operating income of about \$1.8 million and how that equates into the cash that you're holding. So, the cash for your organization is up about \$903,000 for the year, and you can see that about \$363,000 of that was provided by operating activities and about \$540,000 of that was provided from investing activities or the interest income that you're receiving on the deposits held.

The next probably 10 pages is the Notes to the Financial Statements. The first Note is just an overview of the organization. And then Footnote 2 gets into the summary of significant accounting policies. So, this is where I had indicated there were no new policies. So much of this information you're going to see is exactly the same as the prior year, as it's really describing the policies of the organization that aren't going to change, unless there's required adoptions of new GASB standards, or if the organization would undertake a new activity, then you would see changes in that Footnote 2. We get into Footnote 3 and beyond, and that gives you more detailed information about many of the Balance Sheet accounts. Footnote 3 talks about cash and cash equivalents held as well as the FDIC insurance that's being held on the deposits of the organization. Footnote 4 talks about the Irrevocable Gift from the Erie Community to the Erie Community Foundation. This information is still highlighted just to point out that we are still waiting on information from the Erie Community Foundation. There seems to be an issue with their system and being able to get the information from them regarding the monies that are held on behalf of the Authority. So, we will continue to follow up with them and get that information updated before a final report is issued. But this basically indicates that you guys do have a Gift Agreement with the Community Foundation. Those assets are under the control of the Community Foundation, so they're not on the books and records of the Authority, but those monies are held in the name of the Authority Fund at the Erie Community Foundation.

Footnote 5 goes through each of the Notes Receivable that have been issued by the Authority. There were no new Notes really issued in the current year, and really no repayments of any significant Notes during the year; a few small payoffs and a few required payments, but you will see the majority of these Notes are long term, many of which don't expire for several years. The second Note there, you will see you did have the small one with the Corry Industrial Benefit Association for \$50,000 that was paid off fully in 2024 so that's really the only fluctuation in the Notes portfolio as a whole is the payoff of that one Note. So the Note Receivable footnote will give you additional information on the terms of each of those Notes and whether they're interest only, whether interest is being collected. There is details of each of those agreements in Footnote 5 and is indicating that this information is very much going to look like the prior year, because other than that Corry Industrial Benefit Association, there really was minimal changes to the Notes Receivable portfolio being held by the Authority.

So the last Footnote here talks about the pension plan, which is administered by PMRS, which is a statewide organization, and that's just really the eligibility of members of the Authority to participate in that retirement plan and contributions that are made to that plan on behalf of the Authority employees. Beyond the Footnotes we get into that supplementary information, as I had discussed. This is the Schedule of Expenditures of Federal Awards, and you will see that you are recording about \$1.5 million of those ARPA funds as revenue in the current year, of which about \$1.2 of it is passed on to subrecipients. That means that those are subawards that are being made by the Authority for various purposes and awards that the

Authority is responsible for monitoring the use in compliance with the ARPA rules and regulations.

Laurel, if you want to skip down clear to the Summary of Significant Accounting Policies. The next few opinions are really outlined in a chart format that I'm going to go over but there are two separate reports included here. One is a report on Government Auditing Standards, and the other is a report on Compliance over the Federal major program. So, as you can see really in point number two, it indicates that there's no material weaknesses or significant deficiencies being reported as part of the audit process. There's no matters of non-compliance noted, and there's no material weaknesses or significant deficiencies over the internal controls over your federal awards. So that indicates that there's no issues being reported in this audit related to the single audit or the government auditing standards that I need to bring to your attention.

The major program that was tested as part of this is the 21-0-27 which is the COVID 19 Coronavirus State and Local Fiscal Recovery Funds, or the ARPA funds that the organization has received. The auditee did not qualify as a low-risk auditee. You'll note that in number nine that the requirements under uniform guidance indicate that you have to have two previous single audits completed in order to be eligible to be a low-risk auditee. So you're not a low risk auditee because of anything you've done, it's just the fact that you haven't been required to have single audits completed in the prior two years that you do not qualify as a low risk auditee under the regulations. All that really means is that we as auditors are required to test a larger percentage of your federal awards, but since you guys only have one program, we test 100% of your federal awards, so it really has no impact on the testing that we're required to do either. This just indicates that you did not have a prior single audit. It was not applicable.

Any questions on the statements before I move into the management letter?

Mr. Wachter: Michelle, one question. So just for some of our newer members who may not understand the allowance for Uncollectible Notes, is it correct to state that the 1.5 million or so that we have reserved in in there for uncollectible notes is not a prediction on our part that we have \$1.5 million worth of bad debt. Rather, it is a reserve indicating that is a percentage of our overall debt portfolio that should it go bad, we would have that money available to go back into our general fund. Correct?

Ms. Bryan: That is correct. It's an estimate and that's why I pointed out in the Significant Communication letter. It is an estimate; it's purely based on management's assumptions of what possibly could go bad in a portfolio over a period of time. It's not based on any facts and circumstances of any of the individual loans. It's done as a percentage base of the portfolio as a whole. So that percentage is really reviewed every year by management to say, has there been any facts and circumstances that would really cause us to need to increase or decrease that original assessment. That allowance is established when the loan is issued. So really, it's issued based on an estimate of what could go wrong in the portfolio based on history, prior write offs, things of that nature. So really, there was no change in the allowance percentage determined by management and audited as part of the audit process. So, nothing arose in the current year that caused management to need to change that determination of what that allowance percentage should be. So yes, no indicators in the current portfolio of any matters that would require you to write off any of the loans or to increase that percentage.

Mr. Wachter: I appreciate that. And just to clarify the one comment you made. In the creation of the fund, it was not necessarily based upon our past history with an indication as to what may have to be written off, because the Gaming Authority has never written off any loans.

Every loan has been collectible thus far up to this moment. And that ties into the comment you have in Note 5, with respect to Bridgeway Capital. You have a comment in there; in the last line of that comment, it says something to the extent of, I'm not on the page right now, but something to the extent of, subsequent to the end of the fiscal year, if you go up, yeah, in the third, fourth paragraph in March of 2020, yeah, last sentence of that one – “subsequent to year end, the Board approved of a partial forgiveness of the loan and conversion to a grant.” That language is forecasting what may occur today in one of the resolutions. So what you're going to see is a resolution that's before you where \$37,000 of loans from Bridgeway Capital that were made as part of the emergency coronavirus funds have been determined to be uncollectible. And we'll get into a presentation about that later, but we worked that into the grant agreement. These were issued before PPP, these were issued as a first government response to coronavirus, to small businesses and nonprofits. We anticipated there be potentially a significant number of failures. This money was sent out in order to help these people survive the pandemic. But instead, you know, we're looking at 6% of that loan potentially being uncollectible, which is why we're suggesting it be converted to a grant as per our grant agreement with Bridgeway Capital. And that represents, 0.05% of our entire loan portfolio that has ever gone bad. So I just want to kind of tie all that together, because we're going to be having that conversation in a few minutes when we get there in the meeting,

Ms. Bryan: Correct, and that wording is pending Board approval. You are correct. We had that discussion with Perry regarding that grant. So, if it does not get approved, it certainly would get updated within the draft that you're looking at.

The last document we have is the Management Letter, which does just include one comment on best practices for the organization, and it just in regards to your subrecipient monitoring documentation. This is kind of an evolving process for the Authority as you are monitoring these ARPA awards, and just the monitoring procedures required under the Uniform Guidance require a Risk Assessment be performed of the organizations that the grants are given to. Then really the procedures that are done for monitoring the subs is based upon management's risk assessment. So, if you have an organization you consider riskier, you would do more procedures, if you have an organization that's less risky, you would do less procedures. So, management has documented a formal Risk Assessment policy that is required under the Uniform Guidance, and we just recommend that as these grants, the sub awards, that as they are given, continue to really conclude that management continue to refine what the procedures are that are being done for the various risk levels that have been determined by the organization. So, I really think the monitoring is just the preliminary procedures have been done, you've done the notification of awards, you've done the actual monitoring risk assessment to determine which of the organizations are more risky versus less risky. And really that's been based on a questionnaire that's been completed internally of: How familiar are we the organization? Have we dealt with them before? Has there been changes in internal controls? And now you're moving into the second stage of the monitoring as the grants wrapping up. So that's really determining how much information you need to get back to feel confident that they spent the money in accordance with the requirements of the ARPA award. So just really to continue to refine that sub recipient monitoring process as you're entering that second stage of monitoring as these grants start to wrap up.

So, any questions, comments on anything I've gone over today, the audit procedures done, or where we go from here?

Dr. Wachter: Again, I've got one more. I wanted to point out for the Board and for the record that throughout the reports, it is indicated on both the regular financial audit as well as the

Federal Audit – the audit of the Federal funds - that there's been no deficiencies in internal controls found regarding the accounting practices of the Gaming Authority, which is what you want to see and additionally, under the federal audit letter specifically indicates that the Gaming Authority has complied within all material respects with the federal compliance obligations. So we are on track with respect to procedures for both the federal money as well as all of the other gaming funds that are managed by the Authority.

Mr. Winschel: Tim, I have one question on that. So this document, the public record, so anyone, a private citizen or any elected official, could come in and review this?

Mr. Wachter: Under the Gaming Authority's policy of radical transparency in posting everything to the website I would assume that once this is approved, Perry, it's going to go up on the site?

Dr. Wood: It'll be on the Financial Disclosure page on the website.

Mr. Winschel: Great. So for anyone out there it can be reviewed. Okay. Thanks.

Ms. Bryan: Great. Well, thank you all for your time today. I'm always happy to talk to the Board at any point in time if you have questions or comments throughout the year. I know what you guys do for the organization is very important, and I'm happy to answer any questions that may arise throughout the year. So, if you do have questions, feel free to reach out to me. I'm happy to take those calls.

Dr. Wood: Michelle, thank you for your time; we appreciate it. You too, Laurel. And I just want to remind the Board, if you have any questions, you can ask the staff, or if you want to go directly to Maher Duessel, that channel is open to you as well. This draft will sit as a draft for the next 30 days and seeing no significant changes or suggestions, we will move towards a formal resolution at our next Board meeting. If passed, it will be an official document of the organization, and it will go out to the various Erie County agencies. Any questions about the process?

Mr. Cleaver: I have a question. Are they aware of the fact that we are to be audited by the State and are they going to be a part of that?

Ms. Bryan: That is not a process that we will be a part of; it is something that we are aware of. That is something that has been very public in the papers and that is part of the audit process is that we do review any articles that have been published, so we are well aware of the situation. AG audits usually don't involve the external audits although I do believe they probably will review copies of the documents that we have issued. So, I do believe that they will review ours.

I guess to speak to that, typically when the Auditor General comes in and audits an organization, they probably will look at a large amount of transactions. The audit that we do today we issue on not absolute assurance but we give reasonable assurance so this audit and no other audit you're ever going to get is 100% tested transactions. So, I will not tell you that we have looked at every transaction the organization has issued; no audit does that. We issue a reasonable assurance as part of our audit process, but they probably will pull more transactions. I just want to point that out to the organization because it's just a different level

of scoping on what they are doing and what you receive as part of an independent auditor process.

Mr. Cleaver: Thank you.

Ms. Hess: Have you heard anything more about that, Perry?

Dr. Wood: We have not heard in any kind of formal communication from the Auditor General's office.

Mr. Cleaver: Are there any other questions?

Ms. Bryan: Great. Thank you for your time. Have a good day.

Dr. Wood: Thank you.

COMMITTEE REPORTS

a. Treasurer's Report

Ms. Amatangelo: Thank you, Mr. Cleaver. So just a few quick things – I'm going to jump right to the Budget vs. Actual. In reviewing the expenses so far, everything was on par with where the budget is. However, I did ask about our first line item there which is the Accounting Fees, because that did reach 80% of the budget, and that expense was for the actual audit. So, that was an easy answer. Moving onto the Schedule of Grants, I did want to point out that for May our gaming revenue was \$277,740 and some change and then in May we were able to disburse over \$417,000 back out into the community and then for April and May it was over \$1.7 million back out into the community. If anybody is curious about the details of that, whether you're on the Board or in the public, that is online and there is a detailed list of how much went to whom and when.

Moving on, I just want to point out on the Transaction List Detail, if you're curious about our expenses, what dates and to whom it's all listed there and is also available to the public online. Very briefly, our Visa statement and Amazon – really not much. A couple postage expenses, there was some grant review expenses in there, and our Amazon receipts show some Office Supplies – post-its and coffee. At this time, those were the only questions I had. If anybody else has questions, I'd be happy to take those or defer to the staff. Otherwise, I think we're all set.

Mr. Winschel: I have a couple questions. I know, Perry, a few months ago Bob brought up about the banking relationships and I know that (inaudible) no one has really approached that. So, I guess the follow-up of the last couple months looking at the interest income, right? So, we've got \$17,500,000 in Erie Bank and the interest is around 3.08%. In fact, the audit just confirmed that the interest amount on the interest income for last year was \$540,000, on roughly the same balance is approximately the same as the 3.08% so we haven't really seen that. I guess that most of the Board's I affiliate with or most of the financial advisors I know that advise nonprofits have money market funds that are over 5% and I think with the relationship we have with the fund balances, we could be getting more than that. I just don't understand for last year why we haven't been proactively looking, I know they're not calling on us, but I

think as a Board we should be proactive. I mean, you think of the difference on 2% on \$17 million, that's roughly \$30,000 a month, which would cover all our expenses for salaries and rent; those represent about 30% of our overall expense, budget for the year. So, I just think we're missing an opportunity. And on top of that, Erie Bank charges us \$35 a month for a service charge and I think with our monthly balances we should be able to get that waived. I guess any one of us that serves on other Boards, and Bob would agree, that \$30,000 a month is quite a banner; that's \$350,000 for a lot of other grants we could be giving for really doing nothing other than just shopping our rates. I'm not saying we need to do it every month, but those rates are usually updated pretty fresh on that. So, I guess I'd just like to talk about that a little bit, or maybe between now and next month maybe under Old Business I could bring it up again just to make sure. I mean, that's a lot of money just sitting there, and I know we're criticized for it just sitting there but if it could be sitting there for valid reasons, we should be making it work as hard as possible. To walk away from 2% of that money is just – that's an awful lot of money each month for a whole year. I don't know if anyone else has a take on this.

Mr. Wachter: I'll just note from the legal side, we are limited in the investments we are allowed to make.

Mr. Winschel: I understand.

Mr. Wachter: I know you understand that, but there are some funds that exist that would be qualified investments for the Gaming Authority, and I would be happy to work with whomever it is that would be selected to do some active cash management in order to make sure that those investments are appropriate. Why are we limited? These are public funds – they are not allowed to go into the risk pool of the stock market. They need to be more in the guaranteed investments – bonds, cash, T-bills, things like that. There are things we can do that could be more aggressive . . .

Mr. Winschel: Most money market funds are backed by treasuries and things like that. Plus they're collateralized.

Mr. Wachter: Yep.

Mr. Winschel: But just for a period of time . . . I mean every month we delay costs us \$30,000 a year, I mean a month.

Mr. Wachter: I'm not disagreeing whatsoever; I'm just pointing out . . . I'd like to be involved in that process to make sure that we have compliant investments.

Mr. Winschel: Yep, I understand.

Dr. Wood: Okay, so let's talk about this from a Board process standpoint since we really haven't. We basically have had the Erie Bank account since the beginning of the organization; we've never changed it. A couple weeks ago Gary pointed this out - he connected us with First National Bank (FNB). It's true that we could be getting 5% interest rates just on the checking and savings account, so we did have an initial conversation with them. So, I guess my question to you guys is – Do you want to form a Board committee to look at this? Would you like the staff to go out and ask banks? Should we just go with First National Bank

because it's a better offer? Or should we put out feelers to other banks as well and be competitive in that process?

Mr. Barney: Is it all or nothing, or are you talking just about the amount that we legally can move?

Mr. Wachter: You can have 27 different banks, you can have two banks, you can have one bank. For me, from a legal perspective, it's what the money is invested in and it has to be in a collateralized account because as you saw in that credit risk portion in the audit report, we are well above the FDIC insurance amounts and so we have to have it collateralized with other collateral owned by the bank in order to protect our funds since they are public funds. So, as long as you meet those requirements . . .

Ms. Hess: I don't think it would be necessary for any of the Board members to be on that to form a subcommittee. I think that's something you and the staff could look into and bring it back and move forward.

Mr. Winschel: I think if you're going out and checking them all, because there's a competitive nature out there. Plus, for even the whole relationship with the checking account, I mean they're charging us \$35 a month; I know it's not a lot, but the point is we have \$17 million with them and they're charging us a \$35 service fee. I think that we can take a look. I know that changing banking relations is a lot of work - I understand that. But I think it's due diligence to say at least once a year or once every other year, especially with the money market rates where they're at now, I think you can . . . and some of that money, maybe you can get higher rates. I'm not saying lock it in for years but for three months or for six months you can lock those rates in because maybe a year from now those rates do start to fall so we don't want to be exposed with those. But just see what the options are.

Dr. Wood: I think it's a great suggestion. So, why don't we do that. We'll reach out to the various local institutions and then why don't we have Gary and Angie take a look at what the staff finds just to give it the thumbs up. Tim, let me ask you this question. There's the practical standpoint from managing all this, so we have it all at one bank, it's convenient, the online banking is there; so there's a convenience standpoint. But then there's the process of, let's say we find institution "x" and it's a better deal and we look at moving it all there, does that take Board approval to do that?

Mr. Wachter: You're going to need Board approval in order to open up a new depository. So, you're going to agree that this is the new bank you're going to go to, "These are the terms, this is how we're going to put this in". So, yes, ultimately there will be a Board vote associated with that. I would note that as you're poking around at all the banks, you should probably talk to Erie Bank too and maybe they can sharpen the pencil if they know that you're . . .

Mr. Oberlander: I agree with that because that's another point if you're going to shop all around and they've been whacking us with 3% with a collateralized account for 5.1%, I mean, we just show them the hand then yeah, they're going to sharpen it when you say, "Hey, they've got 5.1%"; they're going to sharpen it instantly. I still think we should move forward. I don't think we need a motion to do that or what not to go forward for next meeting and have something legitimized so we can vote on it. Like you said, we're losing \$30,000 a month. I brought that up a couple of months ago, but it almost seemed like we needed a motion to get

that process going. So, do we need a motion to say, “Hey, let’s go ahead and do what we’ve been talking about for this week, for this coming month so we can vote on it next month”?

Mr. Wachter: I think from the Sunshine Law perspective, we’re unable to add additional agenda items on after the agenda has gone live, so we can’t take a motion. But this is all part of our audit discussion. I would say it’s sufficient that the message is heard and that there will be proposals before the Board at the next meeting.

Mr. Winschel: I think that’s fair.

Mr. Barney: Yeah.

Mr. Wachter: I think you’ll have the same effect.

Mr. Cleaver: It was like this with the Parking Authority. Every six months they would look into every bank in town to find out the best rate and then move on from there. I mean, it was a pain in the butt, but we would flip flop the money back and forth in the best interest of the Authority. I think it’s a great idea that we stay on it, whether it’s three months or six months. Just my comment.

Is there any more discussion? I guess what we’re going to do is just have the staff go ahead and see what you can come up with and report back at the next meeting?

Dr. Wood: So just to be clear, we’re going to ask about banking charges, banking accounts, and we’re going to ask about money markets.

Mr. Winschel: Yeah, I would just ask about taking a look at the balance and what could you provide for us because you know what your liquidity needs are on that and so it’s all immediate liquidity or whether you can go three months or six months what’s the rate, and I think you’re going to see that they’ll come back with 5% or something like that.

Mr. Barney: If we go back to Erie Bank and they say they can match it or they give us a better deal, are we going to move anyway? What’s the incentive?

Mr. Winschel: I don’t think you go back to see if they match it. You go out and say, “Hey, we’re shopping and what’s your best . . . “

Mr. Barney: Asking for their best . . .

Mr. Winschel: . . . and we have some fees and we’re considering that so what’s your best effort and at the end of the day, it’s just like going out for a project – you line them up, here they are.

Mr. Cleaver: Any more discussion?

Ms. Hess: I have a question not related to this. Where are we at with the Youth Leadership Institute? How are they doing?

Dr. Wood: They’re on time as far as their payback goes.

Ms. Hess makes a motion to accept the Treasurer's Report. Mr. Oberlander seconds the motion. There is no further discussion on the Treasurer's Report. Motion carries 7-0.

b. Strategic Planning Committee

Dr. Wood: There were two Strategic Planning meetings since the last Board meeting – one in May and one in June to look at some projects and see some presentations. We have action on the agenda today for three resolutions that were reviewed. The first is a Municipal Collaboration grant which is Resolution 13. Resolution 14 for six Renaissance Block grants and Resolution 16 which is debt forgiveness for the COVID Emergency Loan Funds that we discussed earlier. There was consensus among those present at the committee meeting – by the way, Mark, everyone is invited to those committee meetings and that is where all the grant reviews are done – so, the debt forgiveness resolution has not been seen yet but that was recommended along with those other grants.

c. Update from County Council

Mr. Cleaver: We have a Councilman sitting at the table and I believe Councilman Bayle is on the Zoom. Do you have anything for the good of the order?

Mr. Bayle: Nothing today sir, thank you.

Mr. Cleaver: Councilman Copeland?

Mr. Copeland: No, I'm just enjoying listening to the business.

d. Update from County Executive's Office

Mr. Sinnott is not present to give a report today.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: If you take a look in your Executive Director's report, you'll see the May 15th Strategic Planning meeting I was referring to where we saw the Erie Center for Arts & Technology which we acted upon at the May Board meeting. Let's talk about the Bridgeway stuff next. Tim kind of teed it up very nicely, taking us back to May 2020. The COVID pandemic just hit and the Governor has not quite announced a shut down in the state of Pennsylvania. Immediately ECGRA starts talking about what role we can play in this pandemic as an economic driver in our community. Before the next Board meeting hit, the Governor shuts down the state of Pennsylvania. The zoom technology is immediately adopted. In fact, the Governor puts out a memo saying that all public entities can now meet over zoom and that is in accordance with the Sunshine Law as part of the emergency act. We start meeting on zoom as a Board and we come up with a plan to address immediate human needs. Those involve grants right off the bat to food pantries, grants dealing with homelessness because social distancing became a thing, and then thirdly was daycares. The daycare industry immediately collapsed overnight, which meant that emergency responders and essential workers needed somewhere to send their kids in order to go to work and so we began working with the YMCA on that concept. We worked with the food pantry, we worked with the County on homelessness, and we worked with the YMCA on daycare.

Then immediately following, we looked at how we could help small businesses. As Tim mentioned, this was before PPP was even talked about. So, we approached those in our loan portfolio and Bridgeway Capital was willing to do something about it. If you look at the Balance Sheet of ECGRA it's very strong; it's about \$7.7 million in loans that have gone out. Bridgeway Capital is part of that loan portfolio, and we approached them and asked, "What can we do to stabilize small businesses?" They said, "We'd love to be a part of it but we don't know what this environment looks like; this is a very unstable environment." Like I said, this was before PPP. So, they adopted an approach for small business and for nonprofits – loan funds for both. It was about \$1.6 million that we approved; they only ever drew down \$620,000 because that was part of the deal – they were only to draw down as they found those to grant money to. As a result, clause #6 of the contract was different from every other contract we've done with loaning money. In all of our Notes, we don't take any risk; if we're loaning to an agency whose primary mission is to loan out to small business, we take no risk. This was different; COVID was different. Bridgeway said, "You'll have to share the risk. So, if any of these businesses fail, we can't put this amount of money into businesses without you taking on some risk." The Board agreed to take on the risk. That's why this paragraph was inserted into our closing documents. Do you have anything you want to add to that?

Mr. Wachter: This is what Perry and I typically refer to as a groan – this is where a loan gets converted into a grant. What we did is we required them to undergo commercially reasonable collection efforts to try to get the money back and once they're able to certify to us that they're just not bearing any fruit, then we would agree to write off that amount of the loan so that it would come off their books, it would come off our books, and then the practical effect of what that would be is that Reserve for Uncollectable Notes that we were just talking about with the auditor, is going to be reduced by \$37,000 and change. That money goes directly back into our General Fund. It's not going to hit us on our Balance Sheet because we reserved that money in the event that there is any uncollectability. This is the first time that we have ever had to have a discussion with the Gaming Authority over 12 to 15 years regarding writing off bad debt. We've always been able to do a workout before and put people back into compliance. This is a situation where you've got companies that were loaned funds that just don't exist anymore. And quite frankly, it was anticipated that there was going to be a significant, significantly larger amount. And for those who were here at that point, during the conversation we put \$800,000 up on the small business and \$800,000 up on the nonprofit – the conversation is that we might not get any of that back. It's going to be out in the community and try to help the local economy.

Dr. Wood: That was the expectation that we should probably assume that this would be a 100% write off. It was not though. It turns out that it's a \$37,000 write-off and these are the loans that are being written off. There are four different loans that are being written off and you can see that there has been some effort for recovery and one of them is a cement mixing company. But \$37,000 in a \$7.7 million portfolio, of which we keep a reserve of 20%, comes out to a little less than half a percent.

Mr. Wachter: A little less than half a percent of the total portfolio is our loss ratio. Which, Tim Wachter, the individual, views this as not aggressive enough and I think you should be taking more risk, but the Board disagrees and that's okay. If you want to jump start the economy, I think it should be riskier. But you haven't taken that risk.

Dr. Wood: So, Resolution Number 16 will be to forgive this \$37,077.73, convert it from a loan to Bridgeway Capital into a grant – in essence forgiving it and tapping into that Reserve for Uncollectable Fund that we have. We will approve that under New Business. Are there any other questions on Bridgeway?

Next, you'll see we did do a grant announcement – we combined Special Events and Community Assets. We had the event at Asbury Woods – there were a couple of Board members there, both Angie and Gary were there, and then you can see the thank you letters that came in from YMCA, Asbury Woods, the Emergency Management Group. Then there are the articles – there's a

nice article on Summer Jobs in Go Erie and some Corry Journal coverage about Union City Renaissance Block. That's the Director's Report in a nutshell.

The next issue is the issue of reconciliation and I'm just going to tee this up and hand it over to Tim. Tim's got a letter to hand out to you all. If you remember, last summer we had a conversation about reconciliation because we noticed that we weren't 'quite getting enough gaming revenue from the County as a result of a new piece of legislation. The new piece of legislation that was created a few years ago that created the local share component for sports betting, or online gaming or i-gaming. We talked to the Board about it, the Board passed a resolution asking the County for an annual reconciliation process which would take a look at what's been transferred and what's been withheld and make sure that we're all on the same page. We did contact the County Director of Finance; we did not hear back. We did try to work through the liaison channel of the County Executive's office; we have not heard back. So now, Tim's memo is kind of solidifying where we are at with revenue disparities. So, Tim, do you want to take it from here and move into the Solicitor's Report? Unless there are any other questions for me.

Mr. Cleaver: Are there any questions in reference to Perry's report? If not, we'll move on.

SOLICITOR'S REPORT

Mr. Wachter: Thank you very much. As Perry said, we have taken a look at the revenues to try to determine where we should be. This is not the full-blown lecture that I have given in the past regarding Erie County Gaming Revenue Authority Funding, unless you want it – I know it's really interesting. The County adopted a 55% - 45% formula for all the gaming revenue that comes into the County. 55% goes to the County and 45% goes to the Authority. The reason for that is because there is \$1 million of the ECGRA monies that is peeled off and goes to the Land Bank Authority. So, in order to accommodate for that from the County's perspective many, many years ago, the County took 55% of what came in for them, 45% for us; it pretty much came out as a wash because at the end of the day the law says that they get 50% and we get 50% less \$1 million. So, that's how they facilitated the million-dollar transfer. Good?

Then comes along i-gaming – interactive gaming, internet gaming, internet gambling, whatever you want to call it – where there is now a larger chunk of money that's also coming into the dollars that are now gaming dollars and so that larger chunk of money has now thrown off the application of that 55% - 45% split. And so what we had looked at last year was the 2022 dollars and we found that where we should be exactly even with the County but less \$1 million, there was about a \$330,000 difference that the County was getting; 50% of which should have been ours. That is what we had sent to the County and said, "We think you're off by this much and we think we need to do a year-end reconciliation." Then we looked at year 2023, we looked at 2021 – what does it come down to? All that information is in here. You'll see the substance of this particular letter is two pages; there's then Exhibit A, B, and C with respect to the formulas for all the money that came in. In 2023, instead of it just being \$1 million difference it was \$1,344,000. If you take 50% of that, the Gaming Authority was shorted \$172,000. In 2022, as we had discussed, it was \$1,337,000 and you take \$1 million off of that and it's a \$337,000 difference so we were shorted \$168,000. In 2021, it's a \$1,395,000 difference and you take \$1 million off of that, you're looking at \$197,000. What we found is there is an excess of \$1 million more that had gone to the County over that 3-year period. \$1,076,496.48 to be exact, half of which should have gone to the Gaming Authority - \$538,247.74. I also included in this letter for your ease of reference for anybody does want to go through the Erie County Gaming Revenue Authority funding regime, the entirety of the letter from last year, or earlier this year since that's when exactly it came out in January, that's all in there. It's a \$538,000 difference over the course of the last three years and I wanted you to have it as you have directed me to put that together for you.

I will send a copy of this to the Auditor General in anticipation of the audit as well just so they are aware of the work that we are doing in trying to firm up the revenues. The prior January letter was already sent to them in a packet after the one communication we did receive from them many, many moons ago. We're still waiting for formal communication regarding scheduling.

Mr. Winchel: So, you've reached out and haven't heard anything back from the County?

Mr. Wachter: Perry sent a couple emails . . .

Dr. Wood: Yeah, we have no formal response.

Mr. Winschel: So, what's the next steps then?

Mr. Wachter: I think we should send this again to the County and ask for an opportunity for a true up or reconciliation process to be put into place.

Mr. Cleaver: Tim, what happens if they say no?

Mr. Wachter: I mean, do you want to sue the County? We really don't have much option. It's an administrative function. They are required by the law to operate in a certain manner. I just want to put out there, I don't think there's anything nefarious afoot. I think that there was an accounting formula that was put in many years ago, they just continue to flow the accounting formula, and the application of the i-gaming into it throws the formula off but nobody changed the formula. So, nothing nefarious. This letter purposely flows over a couple different Administrations. I don't want anyone to think that we're trying to point fingers at anyone. It's an accounting function that needs to be updated. I hope to have that conversation. You ask, "What happens if they say no?" Our option is to file an Action in Mandamus to get them to do it correctly in a court of common pleas. It's an extreme action; I'm not suggesting we take it. But that's the answer. That's the answer to, "What happens if they say no?"

Mr. Louis: Are you looking to get money back or just to do it now going forward?

Mr. Wachter: That is up to the Board to decide.

Mr. Cleaver: What was that question?

Mr. Winschel: He asked if it should go retroactive or just moving forward.

Mr. Cleaver: Should we just wipe it off as a Board and say, "We're just moving forward?" I'm just asking the question.

Mr. Barney: I'm going to answer it – we may not feel that's enough.

Mr. Cleaver: You may not, that's true.

Ms. Hess: I think the retroactivity is important. That money needs to be in our coffers so we can distribute it to our communities.

Mr. Winschel: Have we spoke to their Solicitor on that?

Dr. Wood: This letter hasn't gone to anyone yet.

Mr. Wachter: It went to you today. If you want me turn it around and zip it off to Solicitor Speros and say, "Here's a heads up of what was presented at the Gaming Authority today. We would have given a copy to Mr. Sinnott, but he wasn't here."

Dr. Wood: Rock, how do you think that we should handle it?

Mr. Copeland: I think that Tim's suggestion that this is not nefarious, it is over multiple Administrations that a friendly request should be more than sufficient at this time.

Mr. Barney: We friendly requested it twice when we talked to them about reconciliation, but . . .

Dr. Wood: It's true, but we didn't have all of our ducks in a row and now it's fully documented at this point.

Mr. Copeland: It's an a-political issue that shouldn't be found to be an attack or anything. We just want to have good accounting practices.

Mr. Wachter: So, what I will do is I will send a copy of the letter, a PDF of the letter over to Attorney Speros who is the County's Solicitor and let him know we would like to have a conversation regarding the year-end reconciliation process.

Dr. Wood: Great. Lawyer to lawyer.

Mr. Cleaver: Does everyone agree on this?

Multiple Board members state their agreement on this action.

Mr. Cleaver: I don't think we need a motion on this?

Mr. Wachter: No sir. In fact, I'll have that done before the meeting is over.

OLD BUSINESS

There is no Old Business to report on.

NEW BUSINESS

- a. Resolution Number 13, 2024 – Resolution to enter into agreement with one (1) entity as the recipient of the 2024 Multi-Municipal Collaboration grant, Round 1

Dr. Wood: As you know, we take Municipal Collaboration grants on a rolling basis and then try to accumulate enough for a grant review. At this point in time in the first half of the year, we only have the Jefferson grant, which was reviewed at the Strategic Planning meeting and was suggested for funding.

Mr. Barney makes a motion to approve the resolution. Ms. Hess seconds the motion. There is no further discussion of the resolution. Motion carries 6-0-1, with Ms. Amatangelo abstaining and submits her Conflict-of-Interest memo, as she is a member of this year's Jefferson cohort.

- b. Resolution Number 14, 2024 – Resolution to enter into agreements with six (6) entities that comprise the recipients of the 2024 Renaissance Block Program

Dr. Wood reads the resolution.

Mr. Barney makes a motion to accept the resolution. Ms. Amatangelo seconds the motion. There is no discussion of the resolution. Motion carries 7-0.

- c. Resolution Number 15, 2024 – Resolution to Adopt the 2023-24 Annual Report

Dr. Wood: Just a reminder to the Board that the Annual Report is not so much a financial summary as it is a programmatic one of how we spent grant funds; it is a sister document to our audit. Once both are approved, they go to the various County agencies within County government to become part of our permanent record for the year. As you can see here, Parker Philips has done a great job of summarizing the information as well as taking testimonials about how the ECGRA staff and the ECGRA organization support the community. There are a lot of great testimonials in there and information on our organization, our process, and the lists of grants themselves. They are summaries of how we spent grant funds in the last fiscal year.

Dr. Wood reads the resolution.

Ms. Hess makes a motion to accept the resolution. Mr. Barney seconds the motion. There is no further discussion on the resolution. Motion carries 7-0.

- d. Resolution Number 16, 2024 – Resolution for Debt Forgiveness for Emergency Loan Funds

Dr. Wood reads the resolution.

Ms. Amatangelo makes a motion to accept the resolution. Mr. Oberlander seconds the motion.

Mr. Cleaver: Just a quick comment – I know we discussed this a couple of weeks ago and referenced it so I think that everyone is aware of what is transpiring, and it just wasn't brought up today.

Mr. Barney: Our balance now will no longer reflect that \$1.5 minus the \$370,000, correct?

Dr. Wood: That's correct. It will go down.

Mr. Barney: Okay.

There is no discussion on the resolution. Motion carries 7-0.

ADJOURNMENT

Mr. Barney moves to adjourn. Mr. Oberlander seconds the motion. Meeting is adjourned at 9:42am.

**Erie County Gaming Revenue Authority
Profit & Loss
June 2024**

	<u>June</u>	<u>YTD</u>	<u>Budget YTD</u>	<u>2024-25 Budget</u>
Ordinary Income/Expense				
Income				
44000 · ARPA Fund				
44800 · Gaming Revenue		277,740.51		
44801 · Interactive Gaming Revenue				
46400 · Other Types of Income				
46410 · Interest Income - Savings	39,438.60	131,408.04		
46422 · Interest Income - BWC - Erie Grow	7,583.33	7,583.33		
46424 · Interest Income - Progress Fund				
46424.5 · Interest Income - 1855 Capital				
46425 · Interest Income - EDF Restruct		3,250.00		
46426 · Interest Income - BWC - Inclusive	6,319.44	6,319.44		
46427 · Interest Income - Blue Highway				
46428 · Interest Income - eCAT		2,556.00		
Total Income	<u>53,341.37</u>	<u>428,857.32</u>		
Expense				
62100 · Contracted Services	5,006.84	21,820.08	17,910.00	71,650.00
62800 · Facilities & Equipment	1,677.50	5,080.49	5,799.00	23,200.00
65000 · Office Administration	1,411.54	3,456.73	4,935.00	19,750.00
65100 · Other Types of Expenses	7,583.43	12,007.59	13,749.00	55,000.00
66000 · Payroll Expenses	24,540.92	75,486.18	72,987.00	291,950.00
67000 · Building a Better Future (ARPA)	309,999.00	409,049.00	217,350.00	869,408.00
7000 · Provision for Uncollect Notes		(1,085.60)		
Total Expense	<u>350,219.23</u>	<u>525,814.47</u>	<u>332,730.00</u>	<u>1,330,958.00</u>
Net Ordinary Income	(296,877.86)	(96,957.15)		
Other Income/Expense				
70000 · Grants / Settlements / MRIs				
70030 · Community Assets	1,445.00	288,633.93		
70050 · Municipal Settlements		69,435.13		
70070 · Special Events	2,700.00	191,715.20		
70090 · Multi-Municipal Collaboration				
70100 · Mission Main Street	125,000.00	1,108,947.18		
70120 · Summer Jobs Program				
70125 · Neighborhoods & Communities MRI				
70130 · Small Business Financing				
70136 · Ignite Erie_Beehive				
70140 · Pilot Projects		75,000.00		
70150 · Shaping Tomorrow				
70170 · Renaissance Block	180,001.00	180,001.00		
70180 · Anchor Building		60,000.00		
70190 · COVID-19 Immediate Human Relief				
Total 70000 · Grants / Settlements	<u>309,146.00</u>	<u>1,973,732.44</u>		
Net Other Income	<u>(309,146.00)</u>	<u>(1,973,732.44)</u>		
Net Income	<u>(606,023.86)</u>	<u>(2,070,689.59)</u>		

Erie County Gaming Revenue Authority
Balance Sheet
As of June 30, 2024

	June
ASSETS	
Current Assets	
Checking/Savings	
10000 · ErieBank - Checking	20,800.63
10100 · ErieBank - Savings	
10101 · Committed Funds	1,094,752.51
10102 · Restricted Funds	4,519,805.73
10104 · ARPA Fund	460,358.99
10100 · ErieBank - Savings - Other	10,629,181.54
Total 10100 · ErieBank - Savings	16,704,098.77
Total Checking/Savings	16,724,899.40
Other Current Assets	
12000 · Notes Receivable	
12004 · NR - BWC - Erie Growth	1,000,000.00
12005 · NR - Progress Fund	1,000,000.00
12010 · NR - 1855 Capital	500,000.00
12050 · NR - EDF Restructured	1,300,000.00
12060 · NR - BWC - Inclusive Erie	2,500,000.00
12070 · NR - Blue Highway	250,000.00
12080 · NR - BWC - Resp Fund Sm Bus	520,000.00
12085 · NR - BWC - Resp Fund Nnprofit	100,000.00
12090 · NR - eCAT	500,000.00
12500 · NR - Youth Leadership Institute	104,838.20
12900 · Reserve for Uncollectable Notes	(1,554,967.64)
Total 12000 · Notes Receivable	6,219,870.56
14500 · Prepaid Insurance	12,074.31
Total Other Current Assets	6,231,944.87
Total Current Assets	22,956,844.27
TOTAL ASSETS	22,956,844.27
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
20100* · Deferred Revenue	(4,000,000.00)
20300 · Unearned Revenue	4,869,407.88
Total Current Liabilities	869,407.88
Total Liabilities	869,407.88
Equity	
30000 · Opening Balance Equity	2,927,064.18
32000 · Unrestricted Net Assets	21,231,061.80
Net Income	(2,070,689.59)
Total Equity	22,087,436.39
TOTAL LIABILITIES & EQUITY	22,956,844.27

Erie County Gaming Revenue Authority
Budget vs. Actual
June 2024

Expense	June	YTD	Budget	Over/(Under) Budget	% of Budget
62100 - Contracted Services					
62110 - Accounting Fees	0.00	6,500.00	8,150.00	(1,650.00)	79.75%
62130 - Professional Services	3,000.00	9,000.00	40,000.00	(31,000.00)	22.50%
62140 - Legal Services	777.00	4,368.00	20,000.00	(15,632.00)	21.84%
62145 - Website Design	1,140.00	1,682.56	2,000.00	(317.44)	84.13%
62150 - Payroll Services	89.84	269.52	1,500.00	(1,230.48)	17.97%
Total 62100 - Contracted Services	5,006.84	21,820.08	71,650.00	(49,829.92)	30.45%
62800 - Facilities & Equipment					
62840 - Office Equipment	0.00	47.99	3,000.00	(2,952.01)	1.60%
62890 - Rent	1,677.50	5,032.50	20,200.00	(15,167.50)	24.91%
Total 62800 - Facilities & Equipment	1,677.50	5,080.49	23,200.00	(18,119.51)	21.90%
65000 - Office Administration					
65010 - Books, Subscriptions, Dues	150.99	396.98	3,000.00	(2,603.02)	13.23%
65020 - Postage	0.00	30.03	100.00	(69.97)	30.03%
65040 - Office Supplies	234.60	549.89	2,000.00	(1,450.11)	27.49%
65050 - Cell Phone	0.00	567.99	3,000.00	(2,432.01)	18.93%
65060 - Copier Lease	345.95	1,037.85	4,200.00	(3,162.15)	24.71%
65070 - Copier Printing Costs	0.00	0.00	200.00	(200.00)	0.00%
65080 - Bank Fees	35.00	105.00	500.00	(395.00)	21.00%
65085 - Professional Development	400.00	400.00	3,000.00	(2,600.00)	13.33%
65090 - Meeting Expenses	245.00	368.99	3,500.00	(3,131.01)	10.54%
65095 - Miscellaneous Expense	0.00	0.00	250.00	(250.00)	0.00%
Total 65000 - Office Administration	1,411.54	3,456.73	19,750.00	(16,293.27)	17.50%
65100 - Other Types of Expenses					
65105 - Outreach	2,270.00	2,758.50	5,000.00	(2,241.50)	55.17%
65110 - Advertising	3,079.77	3,159.54	4,000.00	(840.46)	78.99%
65115 - Phone/IT/Fax	949.50	2,826.06	18,000.00	(15,173.94)	15.70%
65120 - Insurance	1,284.16	3,005.88	18,000.00	(14,994.12)	16.70%
65130 - Grant Management Software	0.00	0.00	6,000.00	(6,000.00)	0.00%
65150 - Travel	0.00	257.61	4,000.00	(3,742.39)	6.44%
Total 65100 - Other Types of Expenses	7,583.43	12,007.59	55,000.00	(42,992.41)	21.83%
66000 - Payroll Expenses					
66005 - Salaries & Wages	22,331.93	67,333.31	250,000.00	(182,666.69)	26.93%
66010 - FITW Tax	1,449.39	4,354.87	20,000.00	(15,645.13)	21.77%
66015 - FUTA Tax	0.00	0.00	150.00	(150.00)	0.00%
66020 - PASUI Tax	0.00	0.00	2,000.00	(2,000.00)	0.00%
66700 - PMRS	759.60	3,798.00	19,800.00	(16,002.00)	19.18%
Total 66000 - Payroll Expenses	24,540.92	75,486.18	291,950.00	(216,463.82)	25.86%
67000 - Building a Better Future (ARPA)					
67005 - Contracted Services - ARPA	0.00	5,500.00	11,000.00	(5,500.00)	50.00%
67010 - Subawards - ARPA	309,999.00	403,549.00	858,408.00	(454,859.00)	47.01%
67025 - Indirect Costs - ARPA	0.00	0.00	0.00	0.00	0.00%
67030 - Salaries & Wages - ARPA	0.00	0.00	0.00	0.00	0.00%
Total 67000 - Building a Better Future (ARPA)	309,999.00	409,049.00	869,408.00	(460,359.00)	97.01%
7000 - Provision for Uncollect Notes	0.00	(1,085.60)			
Total Expense	350,219.23	525,814.47	1,330,958.00	(805,143.53)	39.51%

Erie County Gaming Revenue Authority

Schedule of Grant Reserve

as of
June 30, 2024

	<u>June</u>	<u>YTD</u>	<u>Totals/Subtotals</u>
Restricted Uncommitted Funds	4,519,805.73		
Committed Funds	1,094,752.51		
ARPA Funds	460,358.99		
 2024 Restricted Funds: (75% - after settlement payments)			
First Quarter Gaming Revenue		277,740.51	
Second Quarter Gaming Revenue			
Third Quarter Gaming Revenue			
Fourth Quarter Gaming Revenue			277,740.51
 2024 Interactive Gaming Revenue			
FY 2023-2024			0.00
 FY Disbursements:			
First Quarter Disbursements	444,145.00	2,202,281.44	
Second Quarter Disbursements			
Third Quarter Disbursements			
Fourth Quarter Disbursements			2,202,281.44

Disbursements Detail

Grants/Settlements/MRIs

	<u>June</u>	<u>YTD</u>	<u>Subtotal</u>
MUNICIPALITIES			
Settlements			
Summit Township		31,245.83	
Greene Township		7,637.86	
McKean Township		7,637.86	
Millcreek Township		7,637.86	
Waterford Township		7,637.86	
Erie County		7,637.86	
			69,435.13
 Multi-Municipal Collaboration			
			0.00
 AMERICAN RESCUE PLAN ACT			
Community Facilities			
Harvest 912		10,050.00	
Union Township		33,500.00	
			43,550.00
 Erie County Investment Playbook			
			0.00

Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
June 30, 2024

NEIGHBORHOODS & COMMUNITIES

	June	YTD	Subtotal
Anchor Building			
2019 Impact Corry		60,000.00	
2022 East Side Renaissance		50,000.00	
		110,000.00	110,000.00

Mission Main Street			
2019 Borough of Union City		125,000.00	
Borough of North East		125,000.00	
City of Erie		205,000.00	
Downtown Girard		125,000.00	
Fairview Township		175,000.00	
Impact Corry		125,000.00	
SSJ Neighborhood Network		100,000.00	
		980,000.00	980,000.00

Renaissance Block			
Borough of Edinboro	80,000.00	80,000.00	
Borough of North East	80,000.00	80,000.00	
Borough of Union City	100,000.00	100,000.00	
Downtown Girard	80,000.00	80,000.00	
Impact Corry	100,000.00	100,000.00	
		440,000.00	440,000.00

PILOT PROJECT

Erie City Moms		75,000.00	
Nonprofit Partnership		3,947.18	
		78,947.18	78,947.18

QUALITY OF PLACE

Community Assets

Arts, Culture, & Heritage

Albion Area Fair, Inc.	7,000.00
AmeriMasala	10,000.00
Community Resources for Independence	3,138.93
Dafmark Dance Theater	10,000.00
Downtown North East, Inc.	12,000.00
Edinboro University Foundation	5,500.00
Edinboro Arts & Music Fest	13,000.00
Erie Art Company	5,000.00
Erie Arts & Music Festival	12,000.00
Erie Yesterday	14,000.00
Erie's Black Wall Street	12,000.00
Film Society of Northwestern PA	10,000.00
Heberle's Heartstrings	1,500.00

Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
June 30, 2024

Arts, Culture, & Heritage (con.t)

	June	YTD	Subtotal
Hornby School Restoration Society		6,300.00	
Impact Corry		11,000.00	
Lake Erie Fanfare, Inc.		12,000.00	
Messiah Lutheran Church		5,000.00	
Springfield Township	1,445.00	1,445.00	
Triangle DAR		10,000.00	
Veterans Miracle Center Erie		15,000.00	
Waterford Community Fair Association		13,500.00	
Wattsburg Agricultural Society		11,000.00	
WQLN Public Media		13,000.00	
YMCA of Corry		7,000.00	
Young Artists Debut Orchestra		15,000.00	
			235,383.93

Community Centers

Harvest 912		4,950.00	
Union Township		16,500.00	
			21,450.00

Parks, Fields, Trails

Borough of Union City		25,000.00	
Headwaters Natural Resource Center Trust		9,500.00	
			34,500.00

Special Events

Albion Area Fair, Inc.		13,700.25	
Americans for Competitive Enterprise Sys		2,700.00	
AmeriMasala		1,683.00	
Asbury Woods Partnership, Inc.		3,363.73	
Barber National Institute		12,516.08	
Borough of Edinboro		1,507.50	
Borough of Girard		572.93	
Borough of Wesleyville		869.40	
Borough of Union City		207.00	
CAFE		15,000.00	
Crime Victim Center of Erie County, Inc,		3,313.85	
Downtown North East, Inc.		3,044.70	
Edinboro University Foundation		2,553.75	
Edinboro Arts & Music Fest		3,420.00	
Erie Art & Music Festival		5,130.00	
Erie County Bar Association		2,250.00	
Erie Homes for Children and Adults, Inc		3,288.60	
Erie Latino Leadership Association		1,391.18	
Erie Lions Club Save an Eye Game		1,125.00	

Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
June 30, 2024

Special Events (con't)

	<u>June</u>	<u>YTD</u>	<u>Subtotal</u>
Erie Regional Chamber & Growth Partner.		4,500.00	
Erie Roller Derby		364.14	
Erie United Methodist Alliance		3,150.00	
Erie-Western PA Port Authority		5,652.90	
Film Society of Northwestern PA		5,458.50	
Goodell Gardens & Homestead		2,947.50	
Harborcreek Community Engagement Team		936.00	
Harborcreek Township		1,350.00	
Holy Trinity Roman Catholic Church		7,065.00	
Humane Society of NWPA		7,074.00	
Impact Corry		3,472.79	
Jefferson Educational Society of Erie		15,000.00	
Lake Erie Fanfare, Inc.		2,245.50	
Mercy Center for Women		4,059.00	
Orthodox Church of the Nativity	2,700.00	2,700.00	
Presque Isle Light Station		1,011.15	
Presque Isle Partnership		4,990.50	
Saint Patrick Church		7,389.66	
SSJ Neighborhood Network		5,031.16	
Union City Pride		946.13	
Waterford Community Fair Association		8,685.00	
Wattsburg Agricultural Society		12,651.75	
YMCA of Greater Erie		330.75	
Young Artists Debut Orchestra		4,366.80	
			189,015.20

SMALL BUSINESS FINANCING

YOUTH & EDUCATION

Summer Jobs & More

0.00

Total Funds Disbursements	444,145.00	2,202,281.44	2,202,281.44
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Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
June 30, 2024

		<u>June</u>	<u>Amount Remaining</u>	<u>Original Commitment</u>
Committed Funds:				
N&C	Renaissance Block 2018			
	1 Academy Neighborhood Association		11,250.00	22,500.00
	SSJ Neighborhood Network		7,000.00	70,000.00
	2 Bayfront Eastside Taskforce		25,000.00	50,000.00
	ServErie		29,000.00	58,000.00
	Renaissance Block 2022			
	Borough of Edinboro		50,000.00	100,000.00
	Our West Bayfront	50,000.00	0.00	100,000.00
	Renaissance Block 2023			
	Borough of Edinboro		50,000.00	100,000.00
	Borough of Union City		50,000.00	100,000.00
	Anchor Building			
	20 Borough of Union City		15,000.00	64,375.00
	Mission Main Street 2022			
	Downtown North East		87,500.00	175,000.00
	Edinboro Community & Economic Development		62,500.00	125,000.00
	Our West Bayfront		125,000.00	125,000.00
MUN	Multi-Municipal Collaboration			
	21 Borough of North East		50,000.00	100,000.00
SB	Beehive Network			
	Community Enterprise Financing Loan			
	Small Business Ecosystem			
	Impact Corry		87,500.00	175,000.00
PP	Pilot Program			
Y&E	Shaping Tomorrow			
	Summer Jobs 2023		25,002.51	150,000.00
	Summer Jobs 2024		200,000.00	200,000.00
	Empower Erie - Community College		220,000.00	400,000.00
Total Committed Funds		50,000.00	1,094,752.51	2,114,875.00
ARPA Transformative Funds				
	Subawards	309,999.00	454,858.99	3,622,025.00
	Contracted Services	0.00	5,500.00	273,274.00
	Salaries & Wages	0.00	0.00	93,406.00
	Indirect Costs	0.00	0.00	11,295.00
Total ARPA Funds		309,999.00	460,358.99	4,000,000.00

Erie County Gaming Revenue Authority
Transaction List Detail
June 2024

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
06/04/2024	EFT	VISA	2024 May Visa Statement	-2,195.59
06/06/2024	EFT	ECCA, Inc.	05/18/2024 to 05/31/2024 Payroll	-10,016.37
06/06/2024	EFT	Fidelity Investments	05/18/2024 to 05/31/2024 Simple IRA	-250.00
06/10/2024	EFT	Orthodox Church of the Nativity	2024 Special Events	-2,700.00
06/10/2024	EFT	Velocity Network, Inc.	2024 June Phone/IT	-949.50
06/10/2024	EFT	Altair Real Estate	2024 June Rent	-1,677.50
06/10/2024	EFT	Flagship Multimedia, Inc	Erie Reader Ad - City Guide	-3,000.00
06/10/2024	EFT	Highmark Health Insurance	2024 June Health Insurance	-3,635.53
06/10/2024	EFT	Local iQ	Meeting 5/15/24	-79.77
06/17/2024	EFT	ECCA, Inc.	06/01/2024 to 06/14/2024 Payroll	-9,969.26
06/17/2024	EFT	PMRS	Pay Ending 6/14/2024	-759.60
06/17/2024	EFT	Grise Audio Visual Center, Inc	Asbury Woods Press Conference	-245.00
06/17/2024	EFT	Knox McLaughlin Gornall & Sennett	2024 June Legal	-777.00
06/17/2024	EFT	Parker Philips	2024 June Professional Servies	-3,000.00
06/17/2024	EFT	Springfield Township	2024 Community Assets - ACH	-1,445.00
06/17/2024	2945	Pennsylvania State University	ERIE Conference	-2,000.00
06/19/2024	EFT	Our West Bayfront	2022 Renaissance Block BBF - Final Payment	-50,000.00
06/19/2024	EFT	Erie Downtown Partnership	2023 Mission Main Street	-125,000.00
06/19/2024	EFT	Wells Fargo Financial Leasing	2024 June Copier Lease	-345.95
06/26/2024	EFT	Borough of Edinboro	2024 Renaissance Block/BBF	-80,000.00
06/26/2024	EFT	Borough of North East	2024 Renaissance Block/BBF	-80,000.00
06/26/2024	EFT	Borough of Union City	2024 Renaissance Block/BBF	-100,000.00
06/26/2024	EFT	Impact Corry	2024 Renaissance Block/BBF	-100,000.00
06/26/2024	EFT	Downtown Girard	2024 Renaissance Block/BBF	-80,000.00
06/29/2024	EFT	Erie Bank	Security Token Fee	-35.00

ERIEBANK

BL ACCT 00100029-10000000
ERIE COUNTY GAMING
Account Number: ####-####-####-8643
Page 1 of 3



SCORECARD CASHBACK CURRENT BALANCE \$0.00 CASHBACK PAYOUT DATE 05/15/2024

Account Summary

Billing Cycle		05/10/2024
Days In Billing Cycle		31
Previous Balance		\$349.28
Purchases	+	\$2,195.59
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$0.00
Payments	-	\$349.28
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$2,195.59

Credit Summary

Total Credit Line	\$40,000.00
Available Credit Line	\$37,804.41
Available Cash	\$37,804.41
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

Account Inquiries

- Call us at: (866) 317-0355
Lost or Stolen Card: (866) 317-0355
- Go to WWW.MyCardStatement.com
- Write us at PO BOX 30495, TAMPA, FL 33630-3495

Payment Summary

NEW BALANCE	\$2,195.59
MINIMUM PAYMENT	\$2,195.59
PAYMENT DUE DATE	06/04/2024

NOTE: Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement

Corporate Activity

TOTAL CORPORATE ACTIVITY				\$349.28-
Trans Date	Post Date	Reference Number	Transaction Description	Amount
05/03	05/03	1630321465	INTERNET PMT-THANK YOU	\$349.28-

Cardholder Account Summary

TAMMI MICHALI ####-####-####-9468	Payments & Other Credits \$0.00	Purchases & Other Charges \$2,195.59	Cash Advances \$0.00	Total Activity \$2,195.59
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
04/11	04/12	PBUS01	24906414102197727885765	At-A-Glance US 800-6439923 IL	\$51.17 O.S.
04/15	04/16	PBUS01	24137464107600185043513	WB Mason Co 508-588-5167 MA	\$151.96 O.S.
04/22	04/24	PBUS01	24789304114498802030488	GANNETT NEWSPRPR NE 888-8710686 IN	\$11.99 subscript
04/23	04/25	PBUS01	24121574115000114230212	KOLDROCK WATERS, INC. 000-0000000 PA	\$23.00 O.S.

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

ERIEBANK
PO BOX 42
CLEARFIELD PA 16830-0042

Account Number
####-####-####-8643

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
05/10/24	\$2,195.59	\$2,195.59	06/04/24

\$

BL ACCT 00100029-10000000
ERIE COUNTY GAMING
5340 FRYLING ROAD
SUITE 201
ERIE PA 16510-4672



MAKE CHECK PAYABLE TO:



VISA
PO BOX 4517
CAROL STREAM IL 60197-4517

17 4335 2636 1000 8643 00219559 00219559 1

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
04/30	05/01	PBUS01	24011344121000036927013	SP KIMKOPY PRINTING 814-4546635 PA	\$270.00 outreach
04/30	05/02	PBUS01	24164074122105441970651	STAPLES 00103556 ERIE PA	\$8.47 o.s.
05/02	05/05	PBUS01	24198804124417953713264	AMERICAN PLANNING A SAN JOSE IL	\$400.00 training
05/07	05/08	PBUS01	24000774128000009840957	EWS CO HTTPSWWW.EPIC PA	\$1,140.00 website
05/08	05/09	PBUS01	24692164129100837351114	Amazon Prime*2K2B19GA3 Amzn.com/bill WA	\$139.00 subscript.

Additional Information About Your Account

MANAGE YOUR CARD ACCOUNT ONLINE. IT'S FREE! IT'S EASY! SIMPLY GO TO WWW.MYCARDSTATEMENT.COM AND ENROLL IN OUR ONLINE SERVICE. YOU CAN REVIEW ACCOUNT INFORMATION, TRACK SPENDING, SET ALERT NOTIFICATIONS, DOWNLOAD FILES, AND MUCH MORE. MANAGING YOUR ACCOUNT IS FAST, SECURE AND EASY WITH MYCARDSTATEMENT. ENROLL TODAY!

ScoreCard CashBack Earnings as of 05/09/2024

SCORECARD	Beginning Balance	Current Earned	CashBack Adjusted	Ending Balance	CashBack Payout Date
	\$0.00	\$0.00	\$0.00	\$0.00	05/15/2024

Finance Charge Summary / Plan Level Information

Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
PBUS01 001	PURCHASE	E	\$0.00	1.02083%(M)	12.2500%(V)	\$0.00	\$0.00	0.0000%	\$2,195.59
Cash									
CBUS01 001	CASH	G	\$0.00	1.02083%(M)	12.2500%(V)	\$0.00	\$0.00	0.0000%	\$0.00
* Periodic Rate (M)=Monthly (D)=Daily							Days In Billing Cycle: 31		
** includes cash advance and foreign currency fees							APR = Annual Percentage Rate		
¹ FCM = Finance Charge Method									
(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.									

Deliver to Tammi
ERIC 16510

All Search Amazon

EN Account & Lists Orders

0

California National Small Business Month

Your Account > Your Orders > Order Summary #D01-9199878-6435447

Amazon.com order number: D01-9199878-6435447
Order Total: \$139.00

Manage Your Digital Items
Kindle, Your Video Library, Prime Photos, Amazon Drive, Music, Apps & Devices,
Manage Your Content And Devices

✓ Digital Order: May 8, 2024

Recipient:	Items Ordered	Price
Tammi Michali	Prime Membership Fee Sold By: Amazon.com Services LLC Qty: 1	\$139.00

Item(s) Subtotal: \$139.00

 Total Before Tax: \$139.00
 Tax Collected: \$0.00

Total for this Order: \$139.00

Payment Information

Need to print an invoice?

Payment method
VISA Visa ending
in 9468

Item(s) Subtotal:	\$139.00
Total Before Tax:	\$139.00
Tax Collected:	\$0.00

Billing address
Perry N. Wood
5340 FRYLING RD
STE 201
ERIE, PA 16510-4672
United States
814-897-2690

Grand Total: \$139.00

Customers who viewed items in your browsing history also viewed



E·C·G·R·A
ERIE COUNTY GAMING REVENUE AUTHORITY

**EXECUTIVE
DIRECTOR'S
REPORT
FOR
JULY
2024**



COUNTY OF ERIE

ERIE COUNTY COUNCIL

MEMORANDUM

To: Brenton Davis, County Executive **BD**
From: Ellen Schauerman
DATE: June 7, 2024
RE: Erie County Gaming Revenue Authority – District 7

I ask for your support for the appointment of Mark B. Louis to the Erie County Gaming Revenue Authority. His resume is attached for your review. Mr. Louis will replace Carol Loll who resigned. This will be his first partial term and will expire on December 31, 2025.

Thank you.

Cc: Perry Wood, Executive Director, Erie County Gaming Revenue Authority
File



COUNTY OF ERIE
COUNTY ADMINISTRATION

Brenton Davis,
County Executive

Douglas R. Smith,
Director of Administration

MEMORANDUM

To: Members of County Council

From: Brenton Davis, County Executive

Date: June 7, 2024

Re: Erie County Gaming Revenue Authority – District 7

Council,

I hereby convey my support for the appointment of Mark B. Louis to the Erie County Gaming Revenue Authority. Mr. Louis will replace Carol Loll who resigned. This will be his first partial appointment representing District 7 and will expire on December 31, 2025.

Thank You

A handwritten signature in blue ink, appearing to read "B. Davis".

Brenton Davis

cc: Perry Wood, Director
File

djk

Approved by Erie County Council, 7-0, June 18, 2024.

May 2024

Meeting with Executive Director
Ongoing Social Media Management
Ongoing Consulting
May Comms

IMPLEMENTED

- 12 total May posts
- 0 total new graphics created in May
- Strategic Marketing Planning with Kate Philips and Executive Director

IN PROGRESS | 2024 Grant Releases and Graphics

- ARPA report
- 2023–2024 Annual Report
- Community Assets – Arts, Culture, Heritage
 - Media advisory and pitching
 - Press Event
 - Press release and distribution
 - Grant recipient graphics
- Special Events
 - Media advisory and pitching
 - Press Event
 - Press release and distribution
 - Grant recipient graphics
- Holiday Graphics
- Economic Impact Report rollout
 - Press release
 - PowerPoint presentation
 - Social media graphics

IN PLANNING

- Parks Fields & Trails 2 year report
- ECGRA Playbook
- Roadshow Tours

MEMORANDUM

TO: Whitey Cleaver
Chairman of the Board
Erie County Gaming Revenue Authority

FROM: Angela Amatangelo
ECGRA Board Director

DATE: June 20, 2024

RE: Conflict of Interest Disclosure

On this date, the Board of Directors of the Erie County Gaming Revenue Authority was presented with Resolution Number 13, 2024, which is a Resolution to fund the 2024 Multi-Municipal Collaboration Grant, Round 1. The grant being considered is to the Jefferson Education Society to run the Civic Leadership Program.

I have applied to participate in the Jefferson Education Society Civil Leadership Program with the 2024 cohort. As such, I have abstained from any deliberation or involvement in the process to determine whether to recommend an award to the Jefferson Education Society, and I abstain from the deliberation, and vote, regarding the approval of the Resolution. Further, I announced my conflict during the meeting and request that this memo be made part of the minutes of the June 20, 2024 meeting of the ECGRA Board of Directors.



Strategic Planning Committee Meeting

Thursday, July 11, 2024
11:00am – 1:00pm
5240 Knowledge Parkway
Erie, PA 16510

Zoom Information:

<https://us02web.zoom.us/j/85939048109>

AGENDA

1. Gannon University First Ascent
 - Dr. Walter Iwanenko, President
 - Erika Ramalho, Director of Government Relations
 - Jim Foote, Co-Founder and CEO, First Ascent Biomedical

2. Grow Erie
 - Tina Mengine, Executive Director, ECRDA
 - James Sherrod, Executive Director, MLK Center

3. Discussion of Investment Policy

4. Good of the Order



**160 East Front Street
Erie, PA 16507
(814) 451-6900
www.erieibrary.org**



July 4, 2024

Mr. Perry Wood, Executive Director
Erie County Gaming Revenue Authority
5340 Fryling Road #201
Erie, Pennsylvania. 16510

Dear Mr. Wood:

On behalf of the Friends of the Erie County Public Library, I would like to thank you for your generous donation of \$250.00 as a sponsor of the Great American Book Sale.

The monies will help to defray the expenses associated with the Book Sale and enable the Friends to help the Erie County Public Library system offer many programs that would not otherwise be possible. We are a 100% volunteer organization that works to support the library in their mission to encourage the lifelong love of learning and education in the form of books, all forms of electronic media, films, music, live performances, classes, and job training certification. Be assured that your sponsorship will support the many programs offered by the library and will touch the lives of many. We are most grateful.

Sincerely,

Benjamin "Hank" Barbour, President
Friends of the Erie County Public Library

Wednesday, July 3, 2024

The Corry Journal • www.thecorryjournal.com

Union City OKs 4 Renaissance Grant applications

BY MARYANN MOOK
Correspondent

Four Union City residents will receive grant funds for improvements to their houses. Union City Borough Council, during its June 25 meeting, approved four applications for Renaissance Grant funds.

The total requested amount is \$17,675.

Six applications were received totaling an amount of \$27,127,65 in grant funding.

There is currently \$18,425.49 in Renaissance Grant funds available. The four applications Council approved total \$17,675, which leaves a balance of \$750.49.

That money will go toward the two remaining applications that total \$9,452.65. Those two grant applications would carry over to the 2024-25 grant and would be approved, Borough Manager Cindy Wells said.

"We will be opening that grant application period

again this year," Wells said.

The \$18,425.49 came from Route 2 of a \$100,000 grant for the 2023-24 grant cycle.

The purpose of the Renaissance Grant Program is to remove housing blight, reverse deterioration, incentivize and spur private investment, make neighborhoods and communities more attractive, increase the market value of homes and improve the municipal tax base.

Renaissance Grant funds are provided by the Erie County Gaming Revenue Authority.

The following types of improvements are permitted: doors and windows visible from the street; roofs, soffits, gutters and downspouts; exterior lighting; porches, stairs and steps; painting, siding and shutters; and chimney and masonry repairs.

Grants are awarded based upon the level of improvements and the vitality and significant impact the project would make to a neighborhood.

RESOLUTION NUMBER 17, 2024

Resolution to accept the 2023-24 audited financial statements

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the Erie County Gaming Revenue Authority Bylaws, resolves to accept the 2023-24 audited financial statements into record as outlined in the attached Exhibit "A".

On the motion of _____, seconded by _____.

This resolution was passed on the 18th day of July 2024 by a vote of _____ - _____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, Erie County Gaming Revenue Authority
July 18, 2024

ATTEST:

Secretary, ECGRA

**Erie County Gaming
Revenue Authority**

Single Audit

Year Ended March 31, 2024
with Independent Auditor's Report

MaherDuessel

Pursuing the profession while promoting the public good©
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ERIE COUNTY GAMING REVENUE AUTHORITY

YEAR ENDED MARCH 31, 2024

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Independent Auditor's Report

**Board of Directors
Erie County Gaming Revenue Authority**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities Erie County Gaming Revenue Authority (Authority), a component unit of the County of Erie, Pennsylvania as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Authority, as of March 31, 2024, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or

historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Maher Duessel

Pittsburgh, Pennsylvania
July 17, 2024

ERIE COUNTY GAMING REVENUE AUTHORITY

STATEMENT OF NET POSITION

MARCH 31, 2024

Assets	
Current assets:	
Cash and cash equivalents	\$ 18,749,537
Prepaid expenses	14,643
Notes receivable	<u>106,647</u>
Total current assets	18,870,827
Noncurrent assets:	
Notes receivable, net	<u>6,133,035</u>
Total Assets	<u><u>\$ 25,003,862</u></u>
Liabilities and Net Position	
Current liabilities:	
Unearned revenue	\$ 869,408
Net Position:	
Restricted - economic development	<u>24,134,454</u>
Total Liabilities and Net Position	<u><u>\$ 25,003,862</u></u>

See accompanying notes to financial statements.

ERIE COUNTY GAMING REVENUE AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED MARCH 31, 2024

Operating Revenues:	
Gaming revenue	\$ 6,048,913
Governmental grants	1,507,692
Recovery of provision for uncollectible notes	3,035
Interest income - note receivable	110,571
Total operating revenues	<u>7,670,211</u>
Operating Expenses:	
Economic Development:	
Grants awarded	5,263,947
Employee costs	332,205
Professional fees	131,375
Office space	17,685
Marketing and communications	8,792
Office expenses	15,639
Data processing	18,459
Insurance	17,003
General and meeting	11,848
Total operating expenses	<u>5,816,953</u>
Operating Income (Loss)	<u>1,853,258</u>
Nonoperating Revenues (Expenses):	
Interest income	<u>540,373</u>
Change in Net Position	2,393,631
Net Position:	
Beginning of year	<u>21,740,823</u>
End of year	<u><u>\$ 24,134,454</u></u>

See accompanying notes to financial statements.

ERIE COUNTY GAMING REVENUE AUTHORITY

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2024

Cash Flows From Operating Activities:

Cash received from gaming revenue	\$ 6,048,913
Cash received from borrowers	110,571
Cash received from recoverability from borrowers	19,812
Cash paid to employees and for employee benefits	(332,205)
Cash paid as grant awards	(5,263,947)
Cash paid for operating expenses	(219,972)
Net cash provided by (used in) operating activities	<u>363,172</u>

Cash Flows From Investing Activities:

Interest income	<u>540,373</u>
-----------------	----------------

Net Increase (Decrease) in Cash and Cash Equivalents 903,545

Cash and Cash Equivalents:

Beginning of year	<u>17,845,992</u>
End of year	<u><u>\$ 18,749,537</u></u>

Reconciliation of Operating Income (Loss) to Net Cash Flows Provided by (Used in) Operating Activities:

Operating income (loss)	\$ 1,853,258
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Recovery of provision for uncollectible notes	(3,035)
Change in operating assets and liabilities:	
Prepaid expenses	829
Notes receivable	19,812
Unearned revenue	(1,507,692)
Total adjustments	<u>(1,490,086)</u>
Net cash provided by (used in) operating activities	<u><u>\$ 363,172</u></u>

See accompanying notes to financial statements.

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

1. General Information

The Erie County Gaming Revenue Authority (Authority) was established in February 2008. The Authority was formed pursuant to the provisions of the Economic Development Financing Law, the Pennsylvania Race Horse Development and Gaming Act, and the Home Rule Charter of the County of Erie (County). The purpose of the Authority is to administer municipal grants and otherwise perform the functions of the County's Economic Development Authority.

The Authority's Board of Directors (Board) consists of nine Board members. Two of the members are ex-officio, non-voting members, namely, the Chairman of County Council or designee, and the County Executive or designee. The remaining members consist of one resident from each of the seven districts within the County who shall be appointed by the County Executive with the consent of County Council.

Under the guidelines for determining the definition of the reporting entity, the Authority has been determined to be includable as a component of the County, the primary government. These financial statements reflect only that portion of the activities and transactions which are attributable to the Authority. The accounts and operations of the County are addressed in separate general purpose financial statements.

The Authority is dependent on gaming revenues generated from the Presque Isle Downs and Casino and federal grant funds. These revenues are passed on to the Authority from the County as restricted funds.

2. Summary of Significant Accounting Policies

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Authority is considered a special purpose government entity operating a single government program. Non-operating revenue and expenses consist of those revenues and expenses that are related to the financing and investing type of activities.

Net Position

The Authority only reports restricted net position which represents constraints placed on net position used through external restrictions, reduced by liabilities related to those assets. The Authority's net position is restricted for economic development grants and loans. Of the total restricted net position, approximately \$4.5 million represents notes receivable (net) from various borrowers as described in Note 6, and approximately \$1.2 million represents grant funding committed via award agreements but not yet spent. The remaining funds are restricted by the County for economic development.

The Authority's policy is to use funds in the order of the most restricted to the least restrictive.

Cash and Cash Equivalents

Cash and cash equivalents are cash on hand, as well as demand deposits in checking and savings accounts at a local financial institution.

Notes Receivable

As described in Note 6, the Authority has issued various economic development related notes. Notes receivable are written off when they are determined to be uncollectible. It is the Authority's policy to provide for future losses on notes based on an evaluation of the current portfolio, current economic conditions, and such other factors which, in the Authority's judgement, may impact collectability for specific notes. While management uses available information to recognize losses on notes receivable, future additions to the allowance may be necessary based on changes in economic conditions. The allowance for uncollectable notes totaled \$1,536,965 as of March 31, 2024. As of March 31, 2024, none of the notes receivable are in default.

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

From time to time, the Authority awards convertible loans to organizations (“Awardee”) which are required to loan those funds to third parties (“Recipient”). If the Recipient defaults on the loans to the Awardee, the Authority’s loan to the Awardee converts to a grant. If the Recipient pays the loan back to the Awardee, the Authority will continue to receive its payments from the Awardee. Based on the convertible nature of these provisions, the Authority recognizes these awards as grants, since the likelihood of receiving funds cannot be determined, nor can they be quantified, at the time the grants are awarded.

Unearned Revenue

The Authority received grant funding from the American Rescue Plan Act of 2021 (ARPA) in the amount of \$4,000,000 during the 2022 fiscal year and an additional \$737,500 of ARPA funds were received during the fiscal year 2023 related to a Beehive Grant. During the year ended March 31, 2024, the Authority spent \$1,507,692 of these amounts, with the cumulative spending of such grant funding through March 31, 2024 totaling \$3,868,092. Amounts received prior to incurring qualifying expenditures are reported as unearned revenue as of March 31, 2024. Unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting.

Risk Management

The Authority is exposed to various risks of loss related to torts (mitigated through the Pennsylvania Political Subdivision Tort Claims Act), theft of, damage to and destruction of assets; error and omission, and natural disasters for which the Authority carries commercial insurance. There have been no significant changes in insurance coverage since the prior year.

The Authority receives federal and state funding that may be subject to audit from funding agencies. Applicable laws and regulations are complex and subject to interpretation and as a result an audit could lead to disallowed costs. The Authority management believes that audits of existing programs will not result in any significant liabilities to the Authority.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

Adopted Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements were adopted for the year ended March 31, 2024: Statement Nos. 94 (Public-Private and Public-Public Partnerships), and 96 (Information Technology Arrangements). These statements had no significant impact on the Authority's financial statements for the year ended March 31, 2024.

Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 100 (Accounting Changes and Error Corrections), 101 (Compensated Absences), 102 (Certain Risk Disclosures), and 103 (Financial Reporting Model Improvements). Management has not yet determined the impact of these statements on the financial statements.

3. Cash and Cash Equivalents

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk. As of March 31, 2024, \$18,499,537 of the Authority's bank balance of \$18,749,537 was collateralized with securities held by the pledging financial institution and \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC). These deposits include amounts with a book balance as of March 31, 2024 of \$18,749,537, which are reported as cash and cash equivalents in the statement of net position.

4. Irrevocable Gifts to Erie Community Foundation

The Authority has entered into an irrevocable gift agreement with the Erie Community Foundation (ECF). This fund is under the control of the ECF and subject to their policies and, as such, is not recorded on the books of the Authority.

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

5. Notes Receivable

On September 13, 2012 and August 13, 2013, the Authority entered into loan agreements with the Enterprise Development Fund of Erie County, Inc. (Fund) for \$500,000 and \$800,000, respectively. The purpose of the loan was to provide loans to various entities in the County area to create and retain jobs. In March 2018, the loans were restructured and combined into one loan agreement. The loan agreement requires quarterly interest-only payments at a rate of 1% per annum, until March 31, 2028. The loan has an outstanding principal balance of \$1,300,000 as of March 31, 2024. The Authority was notified in 2016 that an entity related to the Fund, The Greater Erie Industrial Development Corporation (GEIDC), filed for Chapter 7 bankruptcy. The management of the Fund was transferred to another entity in Erie and has been stabilized. The bankruptcy of GEIDC has not impacted the collectability of the loan. The Fund is current on the quarterly interest-only payments.

In September 2014, the Authority entered into a loan agreement with the Corry Industrial Benefit Association (CIBA) for \$50,000. The purpose of the loan was to provide loans to low-income individuals for energy efficient improvements for their homes. Payments are due to the Authority when CIBA has issued a loan to an individual and CIBA receives principal payments. The loan has been paid in full as of March 31, 2024.

In January 2016, the Authority entered into a loan agreement with Bridgeway Capital for \$1,000,000. The purpose of the loan was to create the Erie Growth Fund. The loan requires interest-only quarterly payments at a rate of 3% per annum. The entire principal is due January 2026. The loan has an outstanding principal balance of \$1,000,000 as of March 31, 2024.

In April 2017, the Authority entered into a loan agreement with The Progress Fund for \$1,000,000. The purpose of the loan was to provide capital to rural businesses that create jobs and invest in Erie County. The loan requires interest-only quarterly payments at a rate of 2% per annum. The entire principal is due January 2026. The loan has an outstanding principal balance of \$1,000,000 as of March 31, 2024.

In December 2017, the Authority entered into a loan agreement with 1855 Capital Fund for \$500,000. The purpose of the loan was to provide capital to technology-based businesses that create jobs and invest in Erie County. Minimum Interest, as that term is defined in the loan agreement, is due to ECGRA semiannually. Outstanding Minimum Interest, Fixed Interest, Participating Interest, and Principal are due on the Maturity Date, as that term is

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

defined in the loan agreement. The entire principal is due December 2027. The loan has an outstanding principal balance of \$500,000 as of March 31, 2024.

In September 2018, the Authority entered into a loan agreement with Bridgeway Capital for \$2,500,000. The purpose of the loan was to create the Erie Inclusive Fund. The loan requires interest-only quarterly payments at a rate of 1% per annum. The entire principal is due December 2028. The loan has an outstanding principal balance of \$2,500,000 as of March 31, 2024.

In January 2019, the Authority entered into a loan agreement with Blue Highway Capital for \$250,000. The purpose of the loan was to provide capital to rural businesses throughout Erie County. Minimum Interest, as that term is defined in the loan agreement, is due to ECGRA semiannually. Outstanding Minimum Interest, Fixed Interest, Participating Interest, and Principal are due on the Maturity Date, as that term is defined in the loan agreement. The entire principal is due in January of 2029, unless extensions are exercised. The loan has an outstanding principal balance of \$250,000 as of March 31, 2024.

In March 2020, the Authority entered into a loan agreement with Bridgeway Capital to develop two separate coronavirus COVID-19 emergency loan funds, one to provide loans to small businesses within Erie County that have demonstrated actual negative economic impact due to effects of coronavirus COVID-19 in the amount of \$520,000, and one to provide loans to small Erie County nonprofit organizations for the purpose of providing the nonprofit organization with resources to aid in their mission based on local response to the pandemic in the amount of \$100,000. The loan bears zero interest. The entire outstanding balance is due in October of 2026, unless the forgiveness clause is exercised. The loan has an outstanding principal balance of \$620,000 as of March 31, 2024. Subsequent to year-end, the Board approved of a partial forgiveness of the loan and conversion to grant.

In August 2020, the Authority entered into a loan agreement with Erie Center for Arts & Technology for \$500,000. The purpose of the loan was to rehabilitate Wayne School building in support of workforce development, educational, and healthcare programming anchoring a distressed neighborhood. Minimum Interest, as that term is defined in the loan agreement, is due to the Authority quarterly. Outstanding Minimum Interest, Fixed Interest, Participating Interest, and Principal are due on the Maturity Date, as that term is defined in the loan agreement. The entire principal is due in August of 2027, unless extensions are exercised. The loan has an outstanding principal balance of \$500,000 as of March 31, 2024.

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

In January 2022, the Authority entered into a loan agreement with Youth Leadership Institute of Erie for \$188,000. The purpose of the loan was to create the Community Enterprise Financing Loan as a funding stream to make mission-related investments within Erie County for the purpose of assisting established community-based entrepreneurs that do not have access to available bank financing to provide upfront and startup capital to fund startup costs related to the receipt of a grant or service contract to provide a community enriching program. The Authority has designed this program as a means for gap financing, as banks often require collateral to make lines of credit available, leaving small budget or undercapitalized organizations no alternatives but to use high-interest loans. This is a zero-percent interest rate loan with an original maturity date of February of 2023. Subsequent to the original maturity date, the Authority and the Youth Leadership Institute of Erie agreed to extend the maturity date until approximately June 2025. The loan has an outstanding principal balance of \$106,647 as of March 31, 2024.

6. Cash Benefit Plan

The Authority established a defined contribution Benefit Plan (Plan), which is administered by PMRS, on January 1, 2021. All employees of the Authority are required to participate in the Plan. Members are eligible for retirement at 65 years of age or early retirement at 60 years of age with the benefit being actuarially reduced for each year or partial year prior to the attainment of age 65. The Authority contributes 8% of each member's compensation. Contributions made from April 1, 2023 through March 31, 2024 by the Authority were \$19,950.

SUPPLEMENTARY INFORMATION

Erie County Gaming Revenue Authority

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2024

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of the Treasury:</u>				
Passed through the County of Erie:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	n/a	\$ 1,507,692	\$ 1,236,584
Total U.S. Department of the Treasury			1,507,692	1,236,584
Total Expenditures of Federal Awards			\$ 1,507,692	\$ 1,236,584

See accompanying notes to schedule of expenditures of federal awards

ERIE COUNTY GAMING REVENUE AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the Erie County Gaming Revenue Authority (Authority), under programs of the federal government for the year ended March 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position or changes in net position of the Authority.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Authority has elected to not use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Erie County Gaming
Revenue Authority**

Independent Auditor's Reports
Required by
the Uniform Guidance

Year Ended March 31, 2024

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

**Board of Directors
Erie County Gaming Revenue Authority**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Erie County Gaming Revenue Authority (Authority), as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated July 17, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board of Directors
Erie County Gaming Revenue Authority
Independent Auditor's Report on Internal Control over Financial Reporting
And on Compliance and Other Matters

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mahe Duessel

Pittsburgh, Pennsylvania
July 17, 2024

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

**Board of Directors
Erie County Gaming Revenue Authority**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Erie County Gaming Revenue Authority (Authority), compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority’s major federal programs for the year ended March 31, 2024. The Authority’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

Board of Directors
Erie County Gaming Revenue Authority
Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mahe Duessel

Pittsburgh, Pennsylvania
July 17, 2024

ERIE COUNTY GAMING REVENUE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2024

I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with the Generally Accepted Accounting Principles

2. Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiencies identified that are not considered to be material weakness(es)?
 yes none reported

3. Noncompliance material to financial statements noted? yes no

4. Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiencies identified that are not considered to be material weakness(es)?
 yes none reported

5. Type of auditor's report issued on compliance for major programs: Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? yes no

7. Major Programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

21.027

COVID-19: Coronavirus State and Local Fiscal Recovery Funds

8. Dollar threshold used to distinguish between type A and type B programs: \$750,000

9. Auditee qualified as low-risk auditee? yes no

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

No matters were reported.

III. Findings and question costs for federal awards

No matters were reported.

ERIE COUNTY GAMING REVENUE AUTHORITY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

NOT APPLICABLE

RESOLUTION NUMBER 18, 2024

Resolution to enter into an agreement with the Minority Community Investment Coalition (MCIC) for the Grow Erie Project for a \$250,000 Transformative Grant

Whereas, ECGRA established the Transformative Grant Program as a funding stream to make both grants and MRIs within Erie County to support geographic areas and populations that have faced long-term economic challenges, disinvestment, and poverty; and

Whereas, ECGRA's mission of economic and community development recognizes the importance of supporting projects that lead to the employment of targeted groups such as the economically disadvantaged, and

Whereas, the Minority Community Investment Coalition (MCIC), in cooperation with Grow Erie, has demonstrated and agrees to the following:

1. focus on low-income, BIPOC communities, gain access to land for development activities, neighborhoods improvement, reinvest in vulnerable areas for equity in economic development, and
2. reduce health disparities, reduce hunger, promote COVID activities, youth mental/physical health through arts and athletics for equity in health, and
3. create safe spaces, reduce blight, provide access to land for neighborhood residents, improve social capital, promoting resident self-determination for community involvement, and
4. neighborhood resident groups, businesses, and service providers, project partners, elected officials for collaboration, and

Whereas, in accordance with ECGRA's impact investment policy and by the recommendation of the strategic planning committee, ECGRA seeks to award a grant to the Minority Community Investment Coalition for the Grow Erie Project;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the ECGRA Bylaws, awards a transformational grant to the MCIC in the amount of \$250,000.

On the motion of _____, seconded by _____.

This resolution was passed on 18th day of July, 2024 by a vote of ____ - ____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, Erie County Gaming Revenue Authority

July 18, 2024

ATTEST:

Secretary, ECGRA



GROW ERIE

Urban Agriculture at Savocchio Opportunity Park

The GROW ERIE TEAM

- **Leadership**

Management oversight, community engagement, stakeholder collaboration, marketing, neighborhood reinvestment, equitable development

- **Support**

Real estate development, fiscal management, grant writing, project management and evaluation, public relations and investor relations

- **Expertise**

Proforma business development, facility design/ Integration, hydroponic systems, greenhouse equipment, construction and project management, bidding & subcontractor selection, nutrient production and integration



The Grow Erie Team Members



- **MCIC:** Shantel Hilliard (BTW Center), Gary Horton (UECDC), James Sherrod (MLK Center)
- **ECRDA:** Tina Mengine (CEO), Dr. Amy Cuzzola-Kern (Special Project Manager for SOP)
- **INTAG:** Allen Tait (President), Paul Nickerson (VP Applied Sciences), Dr. David Foster (Horticulture)

TABLE 1: GROW ERIE TARGET AREA, DEMOGRAPHICS BY CENSUS TRACT (CENSUS REPORTER 2022*)

Census Tract	Population	BIPOC Population	Foreign-born population	Poverty Rate	Children in Poverty	Per Capita Income	Median HH Income	Home Ownership	Median Value of Owner-Occupied Units	Bachelor's Degree or Higher
<i>City of Erie</i>	94, 013 ¹	35% ²	8.7% ²	23% ²	36% ²	\$24,129 ²	\$43,186 ²	45% ²	\$95,900 ²	23% ²
3	3,282	31%	6%	32%	49%	\$18,766	\$36,452	27%	\$77,700	20%
4	2,085	54%	7%	21%	33%	\$21,360	\$39,514	36%	\$44,100	24%
5	3,253	54%	3%	33%	58%	\$14,509	\$31,296	37%	\$48,800	12%
6	3,210	46%	7%	22%	36%	\$27,304	\$42,824	43%	\$92,300	24%
7	2,056	46%	11%	26%	36%	\$18,879	\$30,521	44%	\$41,700	13%
8	1,930	53%	6%	52%	88%	\$14,155	\$21,157	33%	\$21,157	12%
9 ³	4,359	22%	8%	35%	55%	\$22,127	\$21,430	25%	\$98,450	22%
12	3,026	46%	8%	43%	59%	\$13,939	\$22,295	32%	\$70,400	13%
13	1,741	59%	9%	51%	69%	\$11,576	\$22,964	22%	\$22,964	9%
14	2,749	47%	9%	66%	91%	\$13,153	\$17,679	23%	\$56,300	5%
15	2,909	78%	14%	37%	43%	\$11,037	\$25,313	31%	\$47,200	16%
16	4,329	42%	11%	31%	58%	\$21,433	\$36,089	24%	\$72,400	14%
17	2,713	51%	7%	17%	16%	\$19,722	\$47,826	48%	\$49,600	6%
18	1,991	66%	4%	35%	40%	\$12,851	\$25,330	35%	\$37,200	12%
<i>Target Area</i>	39,633 ⁴	50% ⁵	8% ⁵	36% ⁵	52% ⁵	\$17,201 ⁵	\$30,049 ⁵	33% ⁵	\$55,734 ⁵	14% ⁵

*Census Reporter. (2022). 2021 Census Data. Retrieved from <https://censusreporter.org>

¹ Total (sum), City of Erie population

² Average (mean), City of Erie

³ Total (sum) and Average (mean) for CT 9.01 and 9.02

⁴ Total (sum), Grow Erie Target Area

⁵ Average (mean), Grow Erie Target Area

TABLE 2: GROW ERIE TARGET AREA, FOOD DESERT ANALYSIS¹

Census Tract	Population	BIPOC Population	Poverty Rate	Median HH Income	>1 mile to nearest supermarket	Low income	HH without vehicles > 1/2 mile to supermarket
3	3,282	31%	32%	\$36,452	yes	yes	25.3%
4	2,085	54%	21%	\$39,514	yes	yes	31.6%
5	3,253	54%	33%	\$31,296	yes	yes	22.1%
6	3,210	46%	22%	\$42,824	yes	yes	17.2%
7	2,056	46%	26%	\$30,521	yes	yes	40.0%
8	1,930	53%	52%	\$21,157	yes	yes	47.6%
9	4,359	22%	35%	\$21,430	yes	yes	22.4%
12	3,026	46%	43%	\$22,295	yes	yes	37.3%
13	1,741	59%	51%	\$22,964	yes	yes	33.7%
14	2,749	47%	66%	\$17,679	yes	yes	42.5%
15*	2,909	78%	37%	\$25,313	no	yes	10.3%
16	4,329	42%	31%	\$36,089	yes	yes	6.3%
17*	2,713	51%	17%	\$47,826	no	yes	24.9%
18	1,991	66%	3%	\$25,330	yes	yes	28.4%
Target Area	39,633	50%	36%	\$30,049	yes	yes	27.8%

¹ Economic Research Services (ERS), U.S. Department of Agriculture (USDA). [Food Access Research Atlas](https://www.ers.usda.gov/data-products/food-access-research-atlas/), <https://www.ers.usda.gov/data-products/food-access-research-atlas/> (Last updated 4/27/21)

Grow Erie Evolution

Grow Erie evolved within the context of MCIC's mission to promote EQUITY, COMMUNITY INVOLVEMENT, and COLLABORATION

- ❖ EQUITY in economic development

 - focus on low-income, BIPOC communities, gain access to land for development activities, neighborhood improvement, reinvest in vulnerable areas

- ❖ EQUITY in health

 - Reduce health disparities, reduce hunger, promote COVID activities (education, testing, vaccination), youth mental/physical development through arts and athletics

- ❖ COMMUNITY INVOLVEMENT

 - create safe spaces, reduce blight, provide access to land for neighborhood residents (urban farming, murals), improve social capital (neighborhoods, families, individuals), promoting resident self-determination

- ❖ COLLABORATION

 - Neighborhood resident groups, businesses, and service providers, project partners, elected officials

MCIC Community Partners, Stakeholders and Investors*

PA Department of Community & Economic Development*

PA Department of Agriculture*

Erie Community Foundation*

Infinite Erie*

Diverse Erie*

Curtze Food Service*

UPMC Health Plan*

Highmark/First Priority*

ERIE Bank*

First National Bank*

Marquette Savings Bank*

Northwest Bank*

Erie County*

Mayor Joe Schember & City of Erie*

City of Erie Department of Economic & Community
Development*

Lake Erie College of Osteopathic Medicine (LECOM)

Greater Erie Economic Development Corporation

School District of the City of Erie

Congressman Mike Kelly

Pennsylvania Department of Environmental Protection

Knox Law Firm

Environmental Remediation & Recovery

Attorney Matthew Wolford, Esq.

Mayor Joyce Savocchio

Housing Authority of the City of Erie

Sr. Michele Schroeck & House of Mercy

Eastside Grassroots Coalition

Parker Philips

Erie Regional Chamber & Growth Partnership

Attorney John Melaragno, Esq.

Debra Smith

Scott Turner

Solar Revolutions

Veronica Rexford, UECD

Abigail Lechner, Human Capital Associates

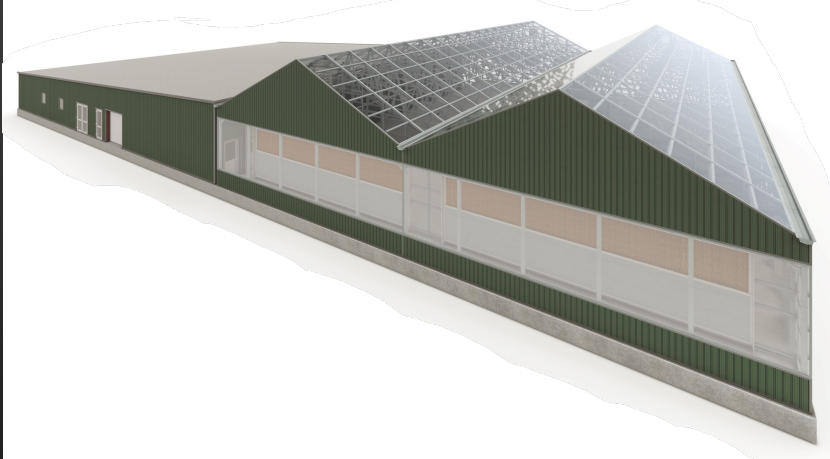
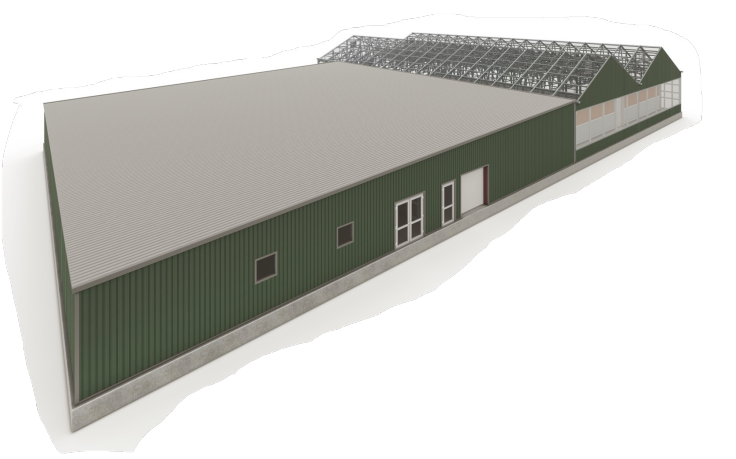
Grow Erie Project Scaling

- ❖ MCIC worked with Cornell University Engineers Without Borders (2018-2019)
 - ❖ Surveyed local residents
 - ❖ Helped to identify potential facility size scenarios,
 - ❖ Provided various pricing options to install hydro/aquaponics
 - ❖ Facilitated introduction between MCIC & INTAG
- ❖ MCIC working with INTAG to balance (2020-present)
 - ❖ Resources (funding, capacity, expertise) with
 - ❖ Facility feasibility (size, offtake, economies of scale, buyers)
 - ❖ Funding * Size * Profitability
 - ❖ Able to identify the working capital needed to create income (estimated at 8-9 months)
 - ❖ Acceptable income as a social enterprise providing community benefit

Grow Erie Project Team

Name	Credentials	Experience	Role
Tina Mengine	BS (Business): La Roche University; Leadership Certificates from U.S. Army War College and Cornell University	Over 25 years of management experience in economic development (ECRDA, Regional Director of Governor's Action Team, PA DCED), politics (Chief of Staff, Erie Mayor and U.S. House of Representatives), Higher Education (PennWest) and marketing (Bluestocking Consulting, Impact Advertising)	ECRDA-CEO; MANAGEMENT; real estate development, investor relations, advocacy, stakeholder engagement; staff management
Dr. Amy Cuzzola-Kern	BA (political science): University of Michigan MPIA; University of Pittsburgh (public policy), MSW (social work): Columbia University, PhD (social welfare policy): Case Western Reserve University	Over 25 years of experience in nonprofit management (HANDS, Inc., YWCA of Erie), philanthropy (VP Programs, Erie Community Foundation), politics (District Director, U.S. House of Representatives), consulting (SafeNet, Erie Art Museum, Eastside Grassroots Coalition, MCIC), and higher education (adjunct teaching at Gannon University, Mercyhurst University, and Case Western Reserve University)	ECRDA-Project Consultant; SUPPORT; project management, grant writing, evaluation, internal team communications; stakeholder engagement
Meghan Sleezer	BA (Psychology, Exercise Science): Skidmore College; MSA (Sport Administration): Canisius College; Licensed PA Real Estate Professional	Over a decade of experience in administration, management, and compliance. Licensed Pennsylvania Real Estate Professional with a focus on Commercial Real Estate and real estate development.	ECRDA – Compliance Officer; SUPPORT; grant management, evaluation, and reporting
Shantel Hilliard	BA (Business Management): Mercyhurst University; M.Ed. (Educational Leadership): Gannon University; MBA: University of Phoenix	Over 20 years of management experience in nonprofit neighborhood centers (Booker T. Washington) where he is currently Executive Director. He has been a part-time faculty instructor at Mercyhurst University and Erie Business Center. He is involved in volunteer leadership at Erie Rise and the Erie Water Authority.	MCIC-Founder, President; LEADERSHIP, management oversight, community engagement, collaboration, equitable development, neighborhood reinvestment
Gary Horton	BA (Political Science): Cheyney University of Pennsylvania	Mr. Horton has worked in Erie for almost 50 years advocating for improved housing, education, equity in employment and environmental justice. He has held multiple management positions including his current ED role at Urban Erie CDC, formerly as assistant to the Erie Mayor Joyce Savocchio and at the Greater Erie Community Action Committee. He is the current president of NAACP (Erie Chapter) and former school board director for the Erie City School District).	MCIC-Founder, Secretary; LEADERSHIP, management oversight, community engagement, collaboration, equitable development, neighborhood reinvestment
James Sherrrod	BA (Education): Mercyhurst University	Over 25 years of nonprofit management experience at Martin Luther King Center, where he is currently director, and BTW Center (previous ED) and direct clinical practice at Family Services of NW PA, and Perseus House. He is a strong advocate for health equity and youth development.	MCIC-Founder, Vice President; LEADERSHIP, management oversight, community engagement, collaboration, equitable development, neighborhood reinvestment
Chris Nguyen	BA (Biology): Johns Hopkins University	Over 25 years of experience funning early-stage technology companies. Mission-oriented investor focused on climate medical, education, and agriculture sectors.	Chairman/CEO INTAG; Strategy, Controlled Environment Agriculture industry trends
Allen Tait	BA (Economics): Bethany College; MS (Corporate Finance) Wisconsin School of Business	Senior business leader with extensive experience in operational and financial transformations, as well as corporate strategy development and execution. Has shown successful leadership in start-up situations, jumpstarting underperforming companies, and integrating merging organizations. Strong financial engineering skills coupled with the ability to create and implement operational strategies.	President, INTAG; proforma business development, project accounts and evaluation, bidding and subcontractor selection
Paul Nickerson	BS (Plant science): Messiah University	Agriculture, controlled environment growing expert with over 100 projects in implementation from small, school-based farms to entry-level commercial farms	VP, Applied Sciences; INTAG; facility design, operations management; Staff oversight
Krilen Ramandaidu	MSc (Agrobiology): University of British Columbia; MBA: St. Mary's College	Over 10 years of experience within the controlled environment/hydroponics space. Expert in the development in the deployment of state-of-the-art hydroponic, vertical farming systems and has authored multiple research and popular publications. Led the operational teams establishing and operating multiple CEA facilities including two that were established by McCain Foods.	Applied Scientist; INTAG; operations management, equipment maintenance, agriculture science and growing management
Paul Eyking	BA (business): St. Francis Xavier University	Mr. Eyking is a leader in urban/vertical farming techniques. Mr. Eyking developed the growing systems used by TrueLeaf Farms. TrueLeaf is the vertical farming arm of McCain Foods, one of the largest food companies in North America.	Consultant, INTAG; Operations management for commercial and community facilities

GROW ERIE – COMMERCIAL FACILITY RENDERING



GROW ERIE

Urban Agriculture at Savocchio Opportunity Park



Erie Hi-Tech Farm



GROW ERIE

Urban Agriculture at Savocchio Opportunity Park

HIGH TECH FARM FOR ORGANIC PRODUCE



- 10,000 SF gutter-connected greenhouse
- Engineered heavy structure
- Two 5,000 SF floatbeds
- 225 tray array for micro greens
- Products for wholesale to CA Curtze include: leafy greens, micro-greens, live herbs (e.g. basil) and potted herbs - now sourced primarily in CA & MX

GROW ERIE – COMMERCIAL STARTUP

EMPLOYMENT PROJECTIONS

# OF POSITIONS	JOB TITLE	SALARY
1	FACILITIES GENERAL MANAGER	\$80,000
1	ASSISTANT MANAGER	\$70,000
5	HYDROPONIC STAFF	\$45,000

- ❖ 7 INITIAL FULL-TIME EMPLOYEES
- ❖ MANAGER AVERAGE SALARY: \$75,000
- ❖ SUPPORT STAFF AVERAGE SALARY: \$45,000
- ❖ TRAINING & SUPPORT PROVIDED BY INTAG

GROW ERIE – COMMUNITY GREENHOUSE



- 2,500+ square foot polycarbonate greenhouse containing variety of raised beds for local residents and community groups
- Cultivation will include herbs, greens, vegetables
- Climate-controlled for year-round crop production
- Resident-led and managed
- Provide for family consumption, distribution at MCIC programs and food pantries as well as neighborhood farmers' markets

GROW ERIE – COMMUNITY GREENHOUSE



- ***Fully funded (100%): \$590,000 (CDBG/HUD)***
- With additional support from the City of Erie, \$225,000 in donated Hydroponic Growing Equipment including:
 - Vertical growing towers,
 - Lighting and electrical equipment and fixtures,
 - Growing supplies
- Project Construction: Summer 2024

Grow Erie Costs

- Total Commercial: \$4,698,311
 - \$1,894,039: Commercial Greenhouse, , Commercial Headhouse, Bioreactor, Aquaculture Equipment, INTAG Horticulture nutrient production system, Design, Project Management, Cultivation Systems, Microgreen Equipment, Delivery, Installation
 - \$1,979,292: Multi-Prime Construction Package, Utility Service, Agency Review Fees, Storage Container Rental, PCE Engineering Service Fees
 - \$825,000: Site Preparation, Permits, Erie Water Works, Stormwater Cleanout, Foundation

Grow Erie: Funding Secured

Grow Erie, Funding Stack (Updated April, 2024)		
Funding Secured - Commercial Facility	Amount	Status
City of Erie, ARPA	\$ 1,000,000	Secured, In hand
Erie County, ARPA	\$ 500,000	Secured, In hand
Erie Community Foundation/Infinite Erie	\$ 500,000	Secured, In hand
Diverse Erie	\$ 250,000	Secured, In hand
City of Erie Brownsfields Program via ECRDA	\$ 250,000	Approved
PA Department of Agriculture	\$ 50,000	Secured, In hand
PA DCED/NAP-SPP	\$ 273,750	Approved: Commitments from: UPMC Health Plan, Curtze, Highmark, First National Bank, ERIE Bank, Marquette Savings, Northwest Bank
Commodore Fund Grant, City of Erie	\$ 10,000	Approved, for pending permits
Subtotal, Funding Approved - Commercial	\$ 2,833,750	
Funding Secured - Community Greenhouse		
City of Erie DECD, CDBG - HUD	\$ 260,000	Approved
Federal Appropriations	\$ 330,000	Approved: submitted by Senator Casey to HUD Economic Development Initiatives
Subtotal, Community Greenhouse	\$ 590,000	
<i>Other Funding</i>		
City of Erie Patient Loan*	\$ 250,000	No payments for 24 months; 1% Interest Rate after 2 years; will make loan
TOTAL FUNDING	\$ 3,673,750	
Total Project Cost	\$ 5,073,116	Commercial Facility + Community Greenhouse
Current Funding Need	\$ 1,399,366	

Grow Erie (Commercial): 2nd Round Funding

- **Goal: \$1.8- \$2 million Prospects**
 - USDA – Urban Agriculture and Innovative Production (UAIP),
submitted April 2024, status=pending
 - PA Department of Agriculture - *prospecting*
 - PA DCED Neighborhood Assistance Project (SPP) - *seeking commitments, submission by June 28, 2024*
 - Greater Erie Economic Development Corporation - *application due August 1, 2024 (maximum \$50,000)*
 - Emerging Erie Fund - *application due May 31, 2024 (maximum \$75,000)*
 - Erie County Gaming Revenue Authority – *currently pending, due to schedule a presentation to ECGRA Board of Directors*

Grow Erie: Financial Summary

Key Considerations:

- Initial greenhouse revenue in month 2
- Break-even by month 9
- Full capacity (100%) efficiency by month 15
- Assumes full production offtake at wholesale prices (opportunity for direct retail sales)
- Self -Sustaining Social Enterprise after year 1

Annual Profit Estimates:

- Baseline (80%): \$225,000
- Upside (100%): \$575,000
- with \$100,000 additional Microgreen Equipment and necessary Capital Expenditures: \$400,000 (baseline) - \$750,000 (upside)

Profits will be used to service Grow Erie debt, MCIC programs, and future projects in health equity, affordable housing and homeownership, economic development, and neighborhood reinvestment

Thank You!!!



RESOLUTION NUMBER 19, 2024

**Resolution to Adopt an Investment Policy for the
Erie County Gaming Revenue Authority**

NOW THEREFORE, LET IT BE RESOLVED that the Board of Directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the Erie County Gaming Revenue Authority ByLaws, resolves to adopt a formal Investment Policy for the organization that will Maximize return on investments as outlined in the attached Exhibit "A".

On the motion of _____, seconded by
_____.

This resolution was passed on the 18th day of July, 2024 by a vote of ____ - ____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, ECGRA

Attest:

Perry N. Wood

Secretary, ECGRA

I. PURPOSE

It shall be the policy of the Board to optimize its return on funds available for investment through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investments consistent with the following principles:

Legality - All investments shall be made in accordance with applicable laws of Pennsylvania, including, but not limited to, the Economic Development Financing Law, 73 P.S. §380.

Safety – Preservation of principal shall be of highest priority. Preservation of principal in the portfolio of investments shall be ensured by diversification and other means of minimizing credit risk, including avoidance of concentration of credit risk, market risk and interest rate risk, and by thoroughly investigating and reviewing the performance of all investment providers and professionals.

Liquidity - Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated. A fiscal year operations anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities consistent with anticipated cash demands.

Yield - Investments shall be made with the objective of attaining a market-average rate of return throughout the budgetary and economic cycles, taking into account investment risk constraints and liquidity needs.

II. AUTHORITY

The Executive Director and Treasurer Director shall implement the Authority's investment program in accordance with this policy, applicable laws and the annual investment plan approved by the Board, if any. [Footnotes 1 and 2].

III. DEFINITIONS

Act 10 Permissible Investments – Any type of investment permitted under Act 10 of March 25, 2016, (53 P.S. Sec. 5406, 5410.1).

Economic Development Financing Law Permissible Investments – Any investment permitted under Section 380 of the Economic Development Financing Law. 73 PS §380.

Short-term – Any period thirteen (13) months or less.

Long-term – Any period exceeding forty-eight (48) months.

Mid-range – Any period between short-term and long-term.

Bankers' acceptances – Bankers' acceptances generally are created based on a letter of credit issued in a foreign trade transaction. Bankers' acceptances are short-term, non-interest-bearing notes sold at a discount and redeemed by the accepting banks at maturity for face value.

Collateral – Security pledged by a financial institution to a governmental entity for its deposit. [Footnote 3].

Commercial paper – An unsecured promissory note issued primarily by corporations for a specific amount and maturing on a specific day. The maximum maturity for commercial paper is 270 days, but most is sold with maturities of up to thirty (30) days. Almost all commercial paper is rated as to credit risk by rating services.

Concentration of credit risk – The risk of loss attributed to the magnitude of a government's investment in a single issuer, pool, institution, or instrument.

Counterparty – Another party to a transaction. In the case of deposits and investments made by governmental entities, a counterparty could be the issuer of a security, a financial institution holding a deposit, a broker-dealer selling securities, or a third party holding securities or collateral.

Credit risk – The risk that a counterparty to an investment transaction will not fulfill its obligations. Overall credit risk can be associated with the issuer of a security, with a financial institution holding deposits, or with a party holding securities or collateral. Credit risk exposure can be affected by a concentration of deposits or investments in any one (1) investment type or with any one (1) counterparty.

Custodial credit risk – The custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Foreign currency risk – The risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. Investments depending on substantial overseas activities or markets may present related foreign currency risk.

Interest rate risk – The risk that changes in interest rates will adversely affect the fair value of an investment.

Issuer – The entity that has the authority to distribute a security or other investment. A bond issuer is the entity that is legally obligated to make principal and interest payments to bond holders. In the case of mutual funds, external investment pools, and other pooled investments, issuer refers to the entity invested in, not the investment company-manager or pool sponsor.

Investment plan – The Authority’s specifically enumerated investment strategy approved annually by the Board.

Local Government Investment Pool (LGIP) – An investment trust or pool organized by groups of political subdivisions or municipal authorities pursuant to the Intergovernmental Cooperation Law, 53 Pa. C.S.A. Sec. 2301 et seq., for the purpose of investing funds of such political subdivisions or municipal authorities for their exclusive benefit and in accordance with the laws governing their permissible investments. LGIPs include, but are not limited to, the Pennsylvania Local Government Investment Trust (PLGIT), and for purposes of this policy, the PA INVEST program operated by the Pennsylvania Treasury Department. [Footnote 4].

Market risk – The risk that the market value of an investment, collateral protecting a deposit, or securities underlying a repurchase agreement will decline. Market risk is affected by the length to maturity of a security, the need to liquidate a security before maturity, the extent that collateral exceeds the amount invested, and the frequency at which the amount of collateral is adjusted for changing market values.

Repurchase agreement –

1. An agreement in which a governmental entity (buyer-lender) transfers cash to a broker-dealer or financial institution (seller-borrower); the broker-dealer or financial institution transfers securities to the entity and promises to repay the cash plus interest in exchange for the same securities.

2. A generic term for an agreement in which a governmental entity (buyer-lender) transfers cash to a broker-dealer or financial institution (seller-borrower); the broker-dealer or financial institution transfers securities to the entity and promises to repay the cash plus interest in exchange for the same securities (as in definition (a) above) or for different securities.

Weighted average maturity – A weighted average maturity measure expresses investment time horizons—the time when investments become due and payable—in years or months, weighted to reflect the dollar size of individual investments within an investment type.

IV. DELEGATION OF RESPONSIBILITY

The Executive Director and Treasurer shall implement the Authority’s investment program in accordance with this policy, related procedures, applicable laws and the annual investment plan approved by the Board.

The Executive Director and Treasurer shall prepare, for approval of the Board, an annual investment plan for all general and segregated/designated funds of the Authority (i.e., general, capital reserve, etc.), taking into account the anticipated liquidity needs of each fund.

The plan may provide for moneys from more than one (1) fund under Authority control for the purchase of any single investment, provided that each of the funds combined for the purpose shall be accounted for separately in all respects and that the earnings from the investment are

separately and individually computed and recorded, and credited to the accounts from which the investment was purchased.

The annual investment plan shall be submitted to the Board for review and approval no later than sixty (60) days after adoption of the annual budget.

The Executive Director and Treasurer shall report monthly to the Board the following: [Footnote 5].

1. Amount of funds invested.
2. Interest earned and received to date.
3. Types and amounts of each investment and the interest rate on each.
4. Names of the institutions where investments are placed.
5. The means by which any deposits exceeding insurance limits are collateralized.
6. Other information required by the Board.

The Board directs the Executive Director and Treasurer and/or their designee to develop measures for:

1. Evaluating and mitigating the risks associated with each investment;
2. Investigating, selecting and evaluating the performance of investment advisors and investment professionals;
3. Specifying standards for audits of investment transactions; and
4. Determining the qualifications, training, standards and disclosures required for Authority employees performing functions relating to the Authority's investment program.

V. GUIDELINES

Investments permitted by this policy are those defined in law and enumerated in this policy that are appropriately collateralized in accordance with this policy and applicable laws. [Footnote 3].

Economic Development Financing Law Permissible Investments

1. Deposits in accounts with banks or trust companies or under savings contracts in savings associations, in one or more special accounts.

Act 10 Permissible Investments

1. Obligations, participations or other instruments of any Federal agency, instrumentality or United States government-sponsored enterprise, including those issued or fully guaranteed as the principal and interest by Federal agencies, instrumentalities or United States government-sponsored enterprises, if the debt obligations are rated at least “A” or its equivalent by at least two nationally recognized statistical ratings organizations.

2. Repurchase agreements with respect to United States Treasury bills or obligations, participations or other instruments of or guaranteed by the United States or any Federal agency, instrumentality or United States government-sponsored enterprise.

3. Negotiable certificates of deposit or other evidences of deposit, with a remaining maturity of three years or less, issued by a nationally or State-chartered bank, a Federal or State savings and loan association or a State-licensed branch of a foreign bank. For obligations with a maturity of one year or less, the debt obligations of the issuing institution or its parent must be rated in the top short-term rating category by at least two nationally recognized statistical ratings organizations. For obligations with a maturity in excess of one year, the senior debt obligations of the issuing institution or its parent must be rated at least “A” or its equivalent by at least two nationally recognized statistical ratings organizations.

4. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, if the bankers' acceptances do not exceed 180 days' maturity and the accepting bank is rated in the top short-term category by at least two nationally recognized statistical ratings organizations.

5. Commercial paper issued by corporations or other business entities organized in accordance with Federal or State law, with a maturity not to exceed 270 days, if the issuing corporation or business entity is rated in the top short-term category by at least two nationally recognized statistical ratings organizations.

6. Shares of an investment company registered under the Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. § 80a-1 et seq.) whose shares are registered under the Securities Act of 1933 (48 Stat. 74, 15 U.S.C. § 77a et seq.), if all of the following conditions are met:

(a) The investments of the company are the authorized investments under this subsection.

(b) The investment company is managed in accordance with 17 CFR 270.2a-7 (relating to money market funds).

(c) The investment company is rated in the highest category by a nationally recognized rating agency.

7. Savings or demand deposits placed in accordance with the following conditions:

(a) The money is initially deposited and invested through a federally insured institution having a place of business in this Commonwealth, which is selected by the public corporation or municipal authority.

(b) The selected institution arranges for the redeposit of the money in savings or demand deposits in one or more financial institutions insured by the Federal Deposit Insurance Corporation, for the account of the public corporation or municipal authority.

(c) The full amount of principal and any accrued interest of each such deposit is insured by the Federal Deposit Insurance Corporation.

(d) On the same date that the money is redeposited pursuant to paragraph (ii), the selected institution receives an amount of deposits from customers of other financial institutions equal to or greater than the amount of money initially invested through the selected institution by the public corporation or municipal authority.

Management of Investments and Collateral

All securities or other investments in which the Authority invests or that collateralize Authority investments shall be managed as provided in this policy and in the investment plan annually approved by the Board.

The plan shall require that securities purchased as investments be purchased in the name of the Authority and held in custody for the benefit of the Authority as provided in the investment plan and authorized custodian agreements. The plan may make exceptions to such requirements for investments in LGIPs as defined in this policy, or for the purchase of shares of an investment company.

If, after purchase, the rating of any instrument is reduced and no longer in compliance with Board policy, the individual responsible for Authority investments shall replace the investment immediately upon receipt of notice of the rating change and notify the Board of the rating change, action taken and replacement investment.

The foregoing rating change related requirement(s) do(es) not apply to investments in LGIPs as defined in this policy.

For purposes of interest rate disclosure in the annual financial report, the method of determining interest rate risk shall be based on weighted average maturity.

Foreign Currency and Related Risk

Authority funds shall not be invested in foreign currency. To the extent other permissible investments are exposed to related foreign currency risk, they shall be disclosed as required by GASB Statement 40.

Protection of Savings Accounts, Time Deposits, Share Accounts or Other Depository Balances in Excess of FDIC Insurance Limits

When cash is deposited in any savings account, time deposit, share account or other authorized depository account other than a Local Government Investment Pool (LGIP), if the cash balance exceeds FDIC insurance limits, all funds shall be collateralized in one or more of the following ways: [Footnote 5].

1. An Irrevocable Letter of Credit (LOC) issued by a Federal Home Loan Bank (FHLB).
2. Tri-Party Collateral in the name of the Authority consisting of the following underlying securities only:
 - a. U.S. Treasury Securities.
 - b. Obligations, participations or other instruments of any federal agency, instrumentality or U.S. government-sponsored enterprise if the debt obligations are rated at least "A" or its equivalent by at least two (2) nationally recognized statistical ratings organizations.
3. Assets pledged as collateral in accordance with the act of August 6, 1971, (P.L. 281, No.72), 72 P.S. Sec. 3836-1 et seq. (relating to pledges of assets to secure deposits of public funds, whether or not pooled). [Footnote 5].

It shall be the responsibility of the Executive Director and Treasurer to verify with the depository the value of the collateral instrument(s) based on the instrument being "marked to market." This valuation shall occur at least monthly.

Following a review of valuation, the Executive Director and Treasurer may request an additional review by the Authority's investment advisors or financial consultant, and shall require additional collateral if the existing collateral has declined in value and exposes the Authority to potential loss of principal. The status of the valuation review and any additional collateral shall be included in the periodic reports to the Board regarding the investment program.

Reporting Requirement for Local Government Investment Pools (LGIPs)

Local Government Investment Pools (LGIPs) pool the resources of participating government entities and invest in various securities as permitted under state law, so that participating governments can benefit from economies of scale, professional fund management and other advantages.

Recognizing that LGIPs invest directly in permissible securities on behalf of the participating government entities, which in turn have proportional ownership rights in those securities, Authority investments in a LGIP shall not be subject to the collateral requirements of this policy, provided that the LGIP:

1. Makes available to participants daily and monthly statements, and other information from which the status of the investments can be verified; and
2. Provides an audited annual financial report to each participating government entity.

Audit

The Board directs that all investment records be subject to annual audit by the Authority's independent auditors.

The audit shall include but not be limited to independent verification of amounts and records of all transactions, as deemed necessary by the independent auditors.

Conflict of Interest Avoidance and Disclosure

The Executive Director and Treasurer and any other employee performing functions related to the investment program shall disclose in writing to the Board any material conflict of interest or material potential conflict of interest which exists because of personal relationships or personal business activity between the Executive Director and Treasurer or other employees and any depository institution, broker, dealer, investment advisor, or other investment provider or professional serving the Authority. The Executive Director and Treasurer or other employees shall refrain from any personal business activity that could impair ability to make impartial decisions in managing the annual investment plan. [Footnote 6].

All depository institutions, repurchase agreement providers, brokers, and investment advisors and managers shall disclose in writing to the Authority: (1) any fees or other compensation paid to or received from a third party with respect to any Authority investment; and (2) any ownership of or by a parent corporation which owns any other depository institution, broker, dealer, investment advisor, or other investment provider or professional which does business with the Authority.

All investment advisors shall verify in writing that they have received and reviewed a copy of this Board policy and agree to comply with this policy and all applicable laws related to Authority investments.

FOOTNOTES:

1. 53 P.S. 5406

2. 53 P.S. 5410.1

3. 72 P.S. 3836-1 et seq

4. 53 Pa. C.S.A. 2301 et seq

5. 72 P.S. 3836-1 et seq