

**REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM
JULY 23, 2020**

Virtual Meeting via GoToMeeting
Bethlehem, PA 18018

MINUTES

The Board of the Redevelopment Authority of the City of Bethlehem met for a regular meeting on Thursday, July 23, 2020 at 5:00 P.M. via GoToMeeting. The place, the hour and the date duly noted for the holding of this meeting was publicized.

Vice-Chairman Earl Bethel called the meeting to order and the following members were present:

Lea B. Grigsby
Tracy Oscavich
Christopher Spadoni

The Vice-Chairman called a quorum present.

Also present were: Michael E. Riskin, Esq., Solicitor
 Heather M. Bambu-Weiss, Board Secretary

Guest present was : Jennifer CruverKibi, CPA / Maher Duessel, CPAs

RDA Board Member, Ronald Heckman contacted the RDA office prior to the meeting and indicated he was unable to participate in the virtual meeting. RDA Executive Director, Tony Hanna, was unable to attend the meeting due to an unexpected personal conflict with the meeting.

APPROVAL OF MINUTES

Ms. Oscavich made a motion to approve the minutes of the June 25, 2020 regular meeting of the Redevelopment Authority. The minutes were emailed earlier to each member of the Board. As there were no changes notes, Ms. Grigsby seconded the motion. The motion carried unanimously and the minutes of the June 25, 2020 regular meeting of the Redevelopment Authority were approved.

APPROVAL OF CASH REPORTS

Ms. Grigsby made a motion to approve the cash reports for the month ended April 30, 2020. These cash reports were emailed earlier to each member of the Board. As there were no errors or changes reported, Mr. Spadoni seconded the motion. The motion carried unanimously and the cash reports for the month ended April 30, 2020 were approved.

COURTESY OF THE FLOOR

Due the Covid-19 situation, the RDA meeting was conducted virtually via GoToMeeting. To provide an opportunity for guests to share any thoughts about the RDA agenda items, or other Authority business, the virtual meeting information was posted on the RDA website on July 21, 2020 and included instructions to contact the RDA office if any members of the community had any thoughts about RDA business to share with the RDA Board during this meeting. In addition, the details of participating in the virtual meeting were provided via postings at the public doors to Town Hall and on the RDA website on June 23, 2020. The RDA phone line was available and monitored during the meeting by the Administrative Coordinator. No phone calls were received during meeting. In addition, no messages to be shared at the meeting were provided to the RDA prior to or during the meeting.

RDA AUDIT – FISCAL PERIOD ENDED JUNE 30, 2019

Mr. Bethel turned the meeting over to Ms. CruverKibi to discuss the RDA audit for the fiscal period ended June 30, 2019. Ms. CruverKibi introduced herself to the Board and indicated that she and Maher Duessel conducted the audit for the RDA fiscal period ended June 30, 2019. Ms. CruverKibi highlighted the following items from the RDA audit:

- 1) The historical financial details included in this audit are unaudited and the financial statements are considered materially correct.
- 2) The RDA assets decreased by approximately \$187,000 when compared to the prior audit period but noted that the sale of the Bethlehem Armory was completed prior to the end of the year, resulting in a cash increase for the RDA.
- 3) The RDA liabilities decreased by \$5.1million primarily due to debt principal payments made during the fiscal period being audited.
- 4) The RDA revenues increased during this fiscal period when compared with the prior audited fiscal period. This increase was identified to be primarily due to an increase in TIF collections revenue. The interim payments received from the taxing bodies for the Five 10 Flats parcel was noted as an additional reason for this increase in revenues.
- 5) The RDA expenditures decreased by approximately \$396,000 during this fiscal period when compared to the prior audited fiscal period.

Ms. CruverKibi highlighted some of the notes contained in the financial statements and other documents including new accounting standards that will be implemented in the near future. She noted that the implementation deadlines for these standards have been extended for a year due to the Covid-19 situation. She also indicated a willingness to assist the RDA with research and implementation of these new standards.

Ms. CruverKibi also noted that the management letter included a material adjustment due to an interim TIF payment having been received by the RDA after the fiscal period ended. Because the RDA records are maintained on a cash basis of accounting, the funds were not recorded in the RDA financial records until the payment was received. As a result, adjustments were proposed to update accounts receivable, accounts payable, revenue and expense at the end of the fiscal period for the interim payment received July 2019.

Ms. Bambu-Weiss reported that during the time the RDA staff has been working remotely, the transition to a computerized accounting system has been completed and is being used. She noted that there have been some small adjustments necessary as part of this transition and the reporting of the financial information in QuickBooks compared to the manual ledgers. Ms. Bambu-Weiss indicated that despite these minor issues the RDA accounting system for the RDA has been computerized.

Ms. Bambu-Weiss also explained that some modifications to the RDA financial operations became necessary to continue operations during the Covid-19 situation. She provided the Board with some details on modifications made to ensure the RDA continued its financial operations during this time. She also indicated that an addendum to the RDA Accounting Policies and Procedures will be presented to the RDA Board at an upcoming meeting for their review and consideration to address emergency situations, such as Covid-19, and providing guidelines for continuing RDA financial operations when such an emergency is present.

As there were no questions by the RDA Board, the RDA audit Board unanimously approved and accepted the RDA audit as presented and submitted to the RDA. The RDA audit for the fiscal period ended June 30, 2019 was unanimously approved and accepted by the RDA Board.

EXECUTIVE DIRECTOR REPORT

Due to Mr. Hanna inability to participate in the meeting, an Executive Director report was not provided to the RDA Board.

APPROVAL OF INVOICES – JULY 2020

Mr. Bethel stated that the RDA Board has been asked to review and consider for approval the invoices / reimbursements as outlined on the July 2020 invoice summary.

Ms. Bambu-Weiss noted that the project management fees were payments to the RDA for its role as Project Manager for the various TIF site projects. She noted that these fees were held from earlier payment to ensure that funds were available for payment of construction and other professional service costs. She added that these fees are cumulative and have been held from payment until this last year of the TIF. All other costs indicated on this invoice summary are similar to costs indicated on prior invoice summary reports.

Mr. Spadoni made a motion to approve of the payments / invoices as outlined on the July 2020 invoice summary. Ms. Grigsby seconded the motion. The motion was unanimously approved and the following payments were approved:

- 1) \$4,202.06 represents costs associated with On-Going and Maintenance Costs and payment of such costs to be made from the Authority Fund. Of the total invoice amount of \$5,937.06, the RDA General Fund will pay \$1,735.00 of the Simone Collins invoice since those costs pertain to the relocation of the Bethlehem Steel Press artifact and the RDA will be reimbursed for these costs associated by Wind Creek. The balance of \$1,264.94 from this Simone Collins invoice will be paid from Authority Fund monies. The other invoice included from Green Valley Landscaping, Inc. will also be paid from Authority Fund monies.
- 2) \$217,432.44 would be paid to the RDA for its role as Project Manager, as authorized and approved by the RDA Executive Director, pertaining to various projects in the designated Bethlehem Works / TIF District from the Authority Fund account. These costs have accumulated over time and payment is being requested during this last year of the TIF to the RDA for its role as Project Manager.
- 3) \$380.59 represents reimbursement to the RDA from the Administrative Expense Fund account for reimbursement of additional costs from the 2019-2020 TIF Administrative Expense allocation so that allocated amount is fully recovered by RDA for costs pertaining to administrative costs related to the overall Bethlehem Works / TIF District.
- 4) \$17,124.28 represents reimbursement to the RDA from the Administrative Expense Fund for various administrative costs associated with overall / general TIF project work.
- 5) \$7,573.02 represents reimbursement to the RDA from the Authority Fund account for various costs related to the Bethlehem Works / TIF District.

ADJOURNMENT

As there was no further business, Ms. Oscavich made a motion to adjourn the meeting of the RDA. Ms. Grigsby seconded the motion. The motion was unanimously approved and the meeting of the Bethlehem RDA was adjourned at 5:20 P.M.

Submitted by,

Heather M. Bambu-Weiss
Board Secretary