

ANIZDA Board Meeting Minutes
September 2, 2020
Virtual Public Meeting Held via Videoconference

Attendees: Adrian Shanker, Sy Traub, Esq., David Mickenberg, Pedro Torres, Greg Dudkin, John Stanley, Esq., and Nelson Diaz

Board Staff: Jerry Frank (Solicitor), Steve Bamford (Executive Director), and Michelle Reid (Executive Assistant)

Members of the media and public were present.

1. **The meeting was called to order by Sy Traub, Chairperson, at 5:00 p.m.** A quorum was met. S. Traub asked the Executive Director to make some introductory remarks. S. Bamford stated:

In accordance with Act 15 of 2020, and the declaration of a disaster emergency by the Governor and to protect the public from the spread of COVID-19, the Allentown Neighborhood Improvement Zone Development Authority (ANIZDA) Board of Directors is holding this previously scheduled regular public meeting virtually via Zoom video conferencing.

Instructions and the link to attend this meeting were posted on the ANIZDA website at www.allentownniz.com as were the meeting agenda and draft resolutions. The meeting notice was also published in the Morning Call.

Members of the public who are attending this virtual meeting may provide written comment on matters before the board using the Zoom chat function throughout the meeting. Depending on the device you are using, the chat icon may appear at the top, bottom, or side of your screen. Board Chair Sy Traub will request and pause for public comment before each vote on matters before the board this evening. Comments received will be read aloud by staff. We ask that any member of the public submitting comment also provide their first and last name so that it may be reflected in the meeting minutes.

We are fortunate to have videoconferencing technology available to us during these challenging times and are appreciative of everyone's flexibility and understanding.

2. **Approval of August 5, 2020 Meeting Minutes** – A motion to approve the August 5th meeting minutes was made by G. Dudkin, seconded by D. Mickenberg, and unanimously approved.

3. **Public Comment on all Matters to be Acted Upon** – Members of the public were present, but comments were deferred until matters were to be acted upon.

4. **Reappointment of Four Score LLC as Allocation Accountant to perform compliance, reporting, outreach, allocation, and consulting services – Resolution R2020-226**

- a. At the last board meeting, S. Bamford had described in detail the services provided by Four Score LLC and had recommended reappointment for a 3-year term. After some discussion, the board decided to table the resolution until today's meeting.
- b. Currently, ANIZDA is under contract with Four Score LLC to serve as ANIZDA's Allocation Accountant providing compliance, reporting and allocation services. The contract expires November 1, 2020. The resolution under consideration would extend the arrangement for another three years at a cost of \$216,000 per year.
- c. S. Bamford explained Deana Zosky, CPA, the principal of Four Score LLC, has a unique skill set and knowledge base having worked with the NIZ since shortly after program inception. The firm also provides similar services to the Lancaster CRIZ and a new authority in Horsham. S. Bamford stated that the compliance function is critically important to the success of the program. Each year Deana physically visits every building within the NIZ to ensure the master listing of Qualified Businesses is current and accurate. Four Score also maintains and updates the reporting packet materials that Qualified Businesses use to prepare their state and local reports each year and assists businesses that need help with filing by the deadline, at no cost to the businesses. After the state certifies NIZ revenues each year, Four Score serves as ANIZDA's Allocation Accountant to allocate the revenue in accordance with the NIZ Act, the Escrow Agreement between ANIZDA and Bank of NY Mellon, and the Funding Agreements between ANIZDA and developers. The allocation process includes the issuance of the Accountant's Allocation Report each year. Four Score LLC also provides assistance throughout the year with baseline calculations and analytics as needed.
- d. N. Diaz moved to approve Resolution R2020-226 and G. Dudkin seconded the motion. Public comment received from Jacqui Pratt through the chat function was read aloud to the board. The motion was unanimously approved.

5. **Reappointment of Concannon Miller & Co., P.C. for accounting and bookkeeping services - R2020-227**

- a. Concannon Miller has been providing accounting and bookkeeping services to ANIZDA since 2018. The contract expires at year end. The outsourced accounting and bookkeeping functions include cash management, payroll, accounts payable, accounts receivable, general ledger, monthly and year-end financial statements. In addition,

Concannon Miller maintains depreciation schedules, assists with budget preparation as well as preparation of work papers and schedules for the annual audit. The firm has proposed a 3-year term with no increase over the current monthly fee of \$4,786 for year 1 and a 1% increase in each of years 2 and 3.

- b. S. Bamford indicated that he is drafting a Request For Proposals for audit services to be provided by a different accounting firm. Therefore, continuity with bookkeeping and accounting services is important as there is the potential to transition to a new provider of audit services.
- c. After opportunities for comment from the public present, a motion to approve Resolution R2020-227 made by J. Stanley, seconded by P. Torres, was unanimously approved.


6. **Executive Directors Report**

- a. S. Bamford reported that financing for Brewers Hill Development is expected to close later in September.
- b. Improvements have been completed to the ANIZDA website intended to make it easier to find information about public meetings, agendas, and resolutions.

The meeting was adjourned at 5:23 pm.

Next ANIZDA Board Meeting: Wednesday, October 7, 2020 at 5:00 pm.

Respectfully Submitted,



Secretary

ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE
DEVELOPMENT AUTHORITY

RESOLUTION NO. R-2020-226

BE IT RESOLVED, that the Allentown Neighborhood Improvement Zone Development Authority (the "Authority") hereby authorizes its Executive Director, with advice from the Authority Chairperson and counsel, on behalf of the Authority, to extend, negotiate, secure and enter into an Agreement (the "Agreement") with FourScore LLC ("FourScore") incorporating the terms of the proposal set forth as Exhibit A attached hereto,

- (i) to provide services required as the Allocation Accountant for the Authority
- (ii) to perform the full complement of compliance, reporting, outreach, allocation and consulting services function required under the NIZ Act as it may be amended from time to time,
- (iii) on condition that Deana Zosky, CPA, remains a licensed CPA and continues to be fully engaged as the principal performing the services for Four Score

for a period of three (3) years commencing as of Nov. 1, 2020, at a fixed compensation of Two Hundred Sixteen Thousand and 00/100 (\$216,000.00) per year with allowance for additional compensation (a) for additional services to the Authority as set forth in the Agreement and (b) for Authority requests to assist prospective Developers in NIZ tax modeling and other related services, with the Developer reimbursing ANIZDA for the additional services provided to the Developer.

END OF RESOLUTION

FourScore LLC

**Prepared for: The Allentown Neighborhood Improvement
Zone Development Authority**

Prepared by: FourScore LLC

July 1, 2020

INTRODUCTION

The Allentown Neighborhood Improvement Zone Development Authority (the Authority) would like continued assistance with their Neighborhood Improvement Zone (NIZ) implementation and related compliance and other processes to ensure a successful program.

Below is our proposal to continue to provide those services along with other services that may be needed by the Authority. Four Score LLC has been a key strategic partner with the Authority and is grateful for the opportunity to be considered for this important role.

CONSULTING SERVICES

The Authority would like to have the following scope of services provided by Four Score LLC. Scope includes:

1. Provide client with a full complement of compliance, reporting, and outreach services to ensure efficient and effective execution of the NIZ including:
 - Management of the monthly and annual Master Business Listing in collaboration with the Authority.
 - Assistance in creating processes to adhere to NIZ guidelines and legislation (including legislative changes) and materials that the Authority can provide to community for explanation of the NIZ and its community benefits.
 - Assistance in calculation of baseline and other legislative calculation requirements.
 - Creation and maintenance of reporting packet and other reporting and compliance materials to ensure maximization of reporting.
 - Collaboration with taxing and other government bodies to ensure reporting guidance aligned with certification process.

Proposal price for the scope of services item 2-5 will be billed at an hourly billing rate of \$225 per hour. Proposal Price related to licensing as per item 3 is determined based on licensing agreement between the parties.

Invoices for scope of service items 2-5 will be provided to the client on a monthly basis and are due upon receipt. Hourly rate will be billed in 15 minute increments. Detailed time sheets will be provided to the client upon request.

Any out of the area travel required as a result of client scope of services will be billed at actual cost for meals, lodging, mileage, etc. with receipts available upon request.

INDEMNIFICATION

FourScore LLC shall indemnify and hold harmless (including actual reasonable attorney fees) the Authority from any and all damages, expenses or liability resulting from or arising out of, any negligence or misconduct on FourScore LLC's part, arising from this agreement, or any breach or default of this Agreement to the extent caused or occasioned by the acts of FourScore LLC. The Authority shall indemnify and hold harmless (including actual reasonable attorney fees) FourScore LLC from any and all damages, expenses or liability resulting from or arising out of, any negligence or misconduct on the Authority's part, arising from this agreement, or any breach or default of this Agreement to the extent caused or occasioned by the acts of the Authority.

CONTAINMENT OF THE ENTIRE AGREEMENT

This Agreement is an independent document and supersedes any and all other Agreements, either oral or in writing, between the parties hereto.

FOR

FourScore LLC

Deana Zosky, President

July 1, 2020

ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE
DEVELOPMENT AUTHORITY

RESOLUTION R-2020-227

BE IT RESOLVED, that the Allentown Neighborhood Improvement Zone Development Authority (the "Authority") hereby authorizes its Executive Director to negotiate, secure and enter into on behalf of the Authority, a renewal and extension of an engagement agreement with Concannon, Miller & Company, to perform accounting and bookkeeping services for the Authority, for a three year term commencing as of January 1, 2021, in accordance with the terms outlined in the proposal attached hereto dated August 19, 2020.

END OF RESOLUTION

August 19, 2020

Mr. Steven Bamford, Executive Director
Allentown Neighborhood Improvement Zone
Development Authority
5 North Front Street
Allentown, PA 18102

RE: Allentown Neighborhood Improvement Zone Development Authority

Dear Steve:

We are pleased to propose to continue providing ongoing financial accounting and other financial assistance to the Allentown Neighborhood Improvement Zone Development Authority (“ANIZDA”).

PROPOSAL

Concannon Miller & Co., P.C. is uniquely qualified to continue serving ANIZDA in providing outsourced accounting and related services. For the past three years we have approached this role with the philosophy of being “the office next door” to you. We propose continuing these services for an additional three years through December 2023. Our goal is for you to continue to be confident and comfortable having the discussions with our firm that you would envision having with an internal CFO. Additionally, acting as your CFO next door, we will continue to be proactive and come to you with forward thinking advice and input. In our partnering relationship your main point of contact will continue to be Nancy Kahn, CPA, who will manage the relationship and will be intimately knowledgeable of your financial reporting needs and requirements. Nancy will lead an internal team of professionals which will include Lisa Chaiko, who will work daily to ensure you have up-to-date, accurate data and information from which to make strategically sound decisions, both near term and long term.

Our team that will assist Nancy in “the office next door” to you routinely performs the functions that ANIZDA requires throughout the year, including, at a minimum the following:

THE OFFICE NEXT DOOR

Cash Management Services:

Record deposits, transfers, and wires to/from bank and investment accounts
Reconcile bank accounts and investment accounts

Mr. Steven Bamford
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Prepare IRS Form(s) 1099s

Assist, as necessary, in the preparation of the annual Budget in coordination with the Executive Director and the ANIZDA Board

Value Added Services:

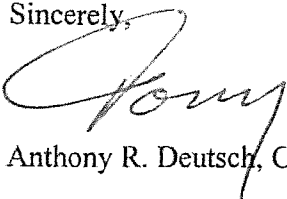
Unlimited phone calls to discuss operations, business matters, financial matters, etc.
Provide reports and presentations, as requested
Store agreements, resolutions, and necessary documents indicating third party activities
On-site or remote service provided once a week, or as needed.
Lean and Six Sigma Process Review* (projects quoted separately) and facilitation to drive internal improvement.

**One of the unique benefits of working with Concannon Miller & Co., P.C. is the Lean and Six Sigma process review and facilitation capabilities we provide. During this type of engagement, we will work with you under ancillary agreements to conduct process reviews that will enhance your administrative efficiencies and propel you forward in your virtual office environment.*

FEES

For the 2021 calendar year of this engagement, we propose no increase over our 2020 monthly fee of \$4,786 for all services to be performed. For 2022 and 2023 we propose a 1% increase over the prior year's fee.

We greatly appreciate the opportunity to continue our partnership with you and to continue participating in ANIZDA's administrative structure. Please feel free to contact me with any questions.

Sincerely,

Anthony R. Deutsch, CPA

Cc: Ted Witman, President
Concannon Miller, & Co, P.C.