

**MINUTES OF A MEETING OF THE  
FINANCE & AUDIT COMMITTEES OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)  
THE BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION (RDC)  
AND THE  
BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (ILDC)**

**MEETING:** June 18, 2014 and June 26, 2014, at the Erie County Industrial Development Agency, 95 Perry Street, Suite 403, Buffalo, New York 14203

**PRESENT:** Raymond L. Carr, James F. Doherty, Chris T. Johnston and Brenda W. McDuffie

**ABSENT:** William Witzleben

**GUESTS:** Lenora Leisure, Erie County Government Technical Assistance Center (“GTAC”) and Mike O’Connor, Niagara County Procurement Technical Assistance Center (“PTAC”)

Also present at the meeting were Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Andrew Schoeppich, Treasurer; Theresa Carpenter, Assistant Treasurer; Karen M. Fiala, Assistant Treasurer; Dawn Boudreau, Compliance Officer; and Robert G. Murray, Assistant Secretary.

On June 18, 2014, in the absence of a quorum, with only Ms. McDuffie, and Mr. Carr present, and in the absence of Chair Chris Johnston, the meeting was called to order by Ms. McDuffie. It was noted that, in the absence of a quorum, no official action could be undertaken.

**REVOLVING LOAN FUND COMPLIANCE REVIEW PROPOSAL**

Mr. Schoeppich reviewed the Revolving Loan Fund portfolio review proposal as submitted by Harris Beach in response to the RDC request to undertake said review for the benefit of the RDC. Mr. Schoeppich noted that results of this review will assist the RDC in undertaking its normal operations and will better allow the RDC to make certain required annual certifications regarding its revolving loan fund portfolio. Mr. Schoeppich reminded members that this is being presented as an informational item only and no further action is required.

**APPROVAL OF LUMSDEN & MCCORMICK TO PERFORM NON-AUDIT SERVICES**

Mr. Weathers reviewed the proposed engagement of Brisbane Consulting Group, a division of Lumsden & McCormick, LLP to undertake forensic accounting services with respect to certain M&T and RDC co-lending and participation loans made and/or originated by Mick Whipple from M&T Bank. General discussion ensued, and Ms. McDuffie suggested that the engagement include a fee cap not to exceed \$5000.

## **ERIE COUNTY GTAC PROPOSED FUNDING**

Mr. Schoeppich introduced Ms. Leisure and Mr. O'Connor and then reviewed the proposed extension of the original six month Erie County GTAC pilot program originally anticipated to conclude on June 30, 2014 and proposed to be extended to December 31, 2014. Specifically, Mr. Schoeppich confirmed that the request before the Committee is to extend the Erie County GTAC business plan through December 31, 2014 and authorize the expenditure of funds already approved for this item in the 2014 budget to be expended in this extended time period.

Ms. McDuffie then suspended the meeting at 8:50 a.m. in recognition that a quorum was not present to undertake any of the business as so presented to the Committee today.

On June 26, 2014, at 10:00 a.m., the members of the Finance & Audit Committee reconvened, and Mr. Johnston lifted the meeting suspension and, there being a quorum present, called the meeting to order. Mr. Johnston noted that Mr. Carr, Ms. McDuffie and Mr. Doherty were also present and a quorum was now established.

## **MINUTES**

The March 11, 2014 minutes of the joint meeting of the Finance & Audit Committee for the ECIDA, RDC and ILDC were presented. Upon motion made by Ms. McDuffie, and seconded by Mr. Doherty, the approval of the minutes was unanimously carried.

## **APPROVAL OF LUMSDEN & MCCORMICK TO PERFORM NON-AUDIT SERVICES**

Mr. Weathers again reviewed the proposed engagement of Brisbane Consulting Group, a division of Lumsden & McCormick, LLP to undertake forensic accounting services with respect to certain M&T and RDC co-lending and participation loans made and/or originated by Mick Whipple from M&T Bank.

Mr. Doherty disclosed that his son-in-law is an officer associated with M&T Bank. Mr. Murray confirmed that Mr. Doherty's relationship to an M&T Bank officer does not give rise to a financial interest in the transaction and therefore will not affect his duties or his ability to act with respect to this matter.

Mr. Johnston suggested that a fee cap be inserted into the proposal. Mr. Weathers suggested that an initial fee cap be established at \$2,500 and authority be given to RDC staff to spend an additional \$7,500, such that a cap of \$10,000 would be in place, above and beyond which additional authority would need to be obtained to undertake any additional work so required. Mr. Johnston moved and Ms. McDuffie seconded to approve of the engagement of Brisbane Consulting Group provided the \$10,000 fee cap was inserted as a condition of engagement. The matter was unanimously approved.

## **REVOLVING LOAN FUND COMPLIANCE REVIEW PROPOSAL**

Mr. Schoeppich again reviewed the Revolving Loan Fund portfolio review proposal as submitted by Harris Beach in response to the RDC request to undertake said review for the benefit of the RDC. Mr. Schoeppich reminded members that this is being presented as an informational item only and no further action is required.

### **ERIE COUNTY GTAC PROPOSED FUNDING**

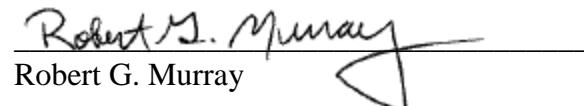
Mr. Johnston described the proposed extension of the original six month pilot period established to originally conclude on June 30, 2014, and now proposed to be extended to December 31, 2014 with no additional expenditure of any funds such that the request before the Committee is to extend the Erie County GTAC business plan through December 31, 2014 and authorize the expenditure of funds already approved for this item in the 2014 budget.

Mr. Schoeppich noted that the Agency approved this request, subject to Finance and Audit Committee approval, at its June 18, 2014 meeting, and that no additional funding request is before the Committee or the Agency at this point in time.

Upon motion made by Mr. Doherty and seconded by Ms. McDuffie, the extension of the Erie County GTAC Business Plan was unanimously approved.

There being no further business to discuss, upon motion made by Mr. Carr and seconded by Mr. Doherty, the meeting was adjourned at 10:30 a.m.

Dated: June 18 & 26, 2014

  
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Robert G. Murray