

**MINUTES OF THE MEETING OF THE  
MEMBERS AND THE BOARD OF DIRECTORS OF THE  
BUFFALO AND ERIE COUNTY REGIONAL  
DEVELOPMENT CORPORATION  
(RDC)**

**DATE AND PLACE:** September 28, 2022, at 701 Ellicott Street, Center of Excellence in Bioinformatics and Life Sciences (CBLS), in the Event Space/Conference Room B2-205 on the second floor, Buffalo, New York 14203.

**PRESENT:** Denise Abbott, Rev. Mark E. Blue, Hon. Joseph Emminger, Hon. Howard Johnson, Tyra Johnson, Richard Lipsitz, Jr., Denise McCowan, Brenda W. McDuffie, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen and Kenneth A. Schoetz

**EXCUSED:** Hon. Diane Benczkowski, Hon. Bryon W. Brown, James Doherty, Dottie Gallagher, Michael P. Hughes, Hon. Brian Kulpa, Hon. Glenn R. Nellis and Paul Vukelic

**OTHERS PRESENT:** John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; Gerald Manhard; Chief Lending Officer/Secretary; Grant Lesswing; Director of Business Development; Andrew Federick, Business Development Officer; Soma Hawramee, Compliance Portfolio Manager, Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Robbie Ann McPherson, Director of Marketing & Communications; Laurie Hendrix, Administrative Coordinator and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC

**GUESTS:** Zachary Evans, Thomas Baines and Maria Whyte, Erie County; Alex Carducci on behalf of the City of Buffalo; Brandye Merriweather on behalf of BUDC; James Fink on behalf of Business First and J. Dale Shoemaker on behalf of Investigative Post

There being a quorum present at 1:01 p.m., the meeting of the Buffalo and Erie County Regional Development Corporation (the “RDC”), was called to order by Chair McDuffie.

**MINUTES**

The minutes of the July 27, 2022 meeting of the members were presented. Mr. Blue moved and Ms. Abbott seconded, to approve of the minutes. Ms. McDuffie called for the vote, and the minutes were then unanimously approved.

## REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the August 2022 financial report. The balance sheet shows the RDC finished the month with total assets just under \$22.3M, consisting mainly of cash and loans receivable. Liabilities reflect amounts due to ECIDA for 2022 costs and net assets are \$22.0M. The August income statement shows \$48,000 of revenue, mainly loan interest income, and \$27,000 of expenses, resulting in net income of \$21,000 for the month. The year-to-date income statement shows revenues of \$555,000 and \$259,000 of expenses, for net income of \$295,000 through August. Of this revenue, \$194,000 is the last of the CARES Act grant income, which will be used for the ongoing administrative costs of that loan portfolio. Ms. McDuffie directed that the report be received and filed.

Finance and Audit Committee Update: Ms. Profic advised that the Committee meeting scheduled for September 23 did not have a quorum present. The members that were present reviewed the process and memo regarding the RFP for Independent Audit Services. A meeting has been scheduled for October 17 so the Committee may formally recommend the draft budgets.

At this point in time, Mr. Schoetz left the meeting.

A. 2023 Budget Timetable and 2023 Proposed Budget. Ms. Profic reviewed the 2023 proposed RDC budget review process. She advised that the Finance and Audit Committee will meet again in October for a final review and recommendation of the draft budgets. Two educational Q&A sessions for Board meetings have been scheduled for October 6 and October 7. The budget will be presented for formal approval at the next meeting. Budgets must be submitted to the ABO by November 1.

B. Professional Auditing Services Recommendation. Ms. Profic summarized the recent Professional Auditing Services RFP process. The ECIDA's professional services RFP process requires proposals for this service to be solicited at least every five years. In July, the ECIDA issued a joint RFP for the Agency and its affiliates (RDC, ILDC) and Western Region Corporation. The RFP requested services for three years plus two additional one year extensions, however the engagement may be terminated at any time. Four proposals were received and evaluated by an internal review committee. After evaluation and follow-up, Lumsden McCormick is recommended as the top-rated firm. They have vast experience auditing similar clients (and RDC from 2012-2016) and a robust government services practice. They are located in the historic Cyclorama building in downtown Buffalo and are involved in a program whose goal is to expose minority students to accounting careers. Ms. Profic reviewed their proposed fees. On September 23, members of the Finance & Audit Committee that were present reviewed and concurred with the staff recommendation. Ms. Profic is requesting that the Board approve Lumsden McCormick to provide professional auditing services for the 2022-2024 audits, with an option of contracting for the 2025-2026 audits.

Mr. Poloncarz moved and Mr. Blue seconded to approve Lumsden McCormick to provide professional auditing services for the 2022-2024 audits, with an option of contracting for the 2025-2026 audits. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE BUFFALO AND ERIE COUNTY REGIONAL  
DEVELOPMENT CORPORATION (“RDC”) TO ENTER INTO A CONTRACT  
WITH LUMSDEN MCCORMICK, LLP TO PROVIDE PROFESSIONAL  
AUDITING SERVICES TO THE RDC

Loan Status Report. Mr. Manhard provided this report to members. Ms. McDuffie directed that the report be received and filed.

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 1:11 p.m.

Dated: September 28, 2022

  
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Elizabeth A. O'Keefe, Secretary