

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

DATE AND PLACE: March 25, 2026, at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: Dr. LaVonne Ansari, Rev. Mark Blue, Grace Bogdanove, Hon. Joseph Emminger, Dottie Gallagher, Gregory Inglut, Tyra Johnson, Hon. Shawn Lavin, Brenda McDuffie, Glenn Nellis, Hon. Brian Nowak, Hon. Mark Poloncarz, Hon. Sean Ryan, Kenneth Schoetz and Hon. Taisha St. Jean Tard

EXCUSED: Hon. Joel Feroleto and Lorry Goldhawk

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Beth O’Keefe, Vice President of Operations; Jerry Manhard, Chief Lending Officer; Grant Lesswing, Director of Business Development; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Brian Krygier, Director of Information Technology; Noah Cliff, Business Development Officer; Atiqa Abidi, Accounting Manager; Soma Hawramee, Compliance Portfolio Manager; Michelle Moore, Compliance Associate; Talia Johnson-Huff, Project Manager, Robbie Ann McPherson, Director, Marketing & Communications and Robert Murray, Esq., General Counsel/Harris Beach Murtha

GUESTS: Zaque Evans and Daniel Castle on behalf of Erie County; Thomas Baines on behalf of the City of Buffalo; Michael Szukala on behalf of Finance & Audit Committee; Allison DeHoney on behalf of the Governance Committee

There being a quorum present at 12:56 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 October 22, 2025, meeting of the members, were presented. Mr. Poloncarz moved, and Ms. Gallagher 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 February financial reports. The balance sheet shows that the RDC finished the month with total assets of \$23.8M, consisting of cash and loans receivable. Liabilities reflect amounts due to ECIDA for estimated 2025 costs (paid in March). Fund balance is \$23.4M. The February income statement reflects \$48,000 of loan interest income, and \$32,000 of expenses. After non-operating revenue of \$16,000, there was net income of \$31,000 in February. The year-to-date income statement shows operating revenue of \$98,000, \$57,000 of operating expenses, and \$33,000 of non-operating revenue, combining for net income of \$73,427 so far in 2025. Ms. McDuffie directed that the report be received and filed.

Financial & Audit Committee Update. Ms. Profic reviewed her memo summarizing the joint Finance & Audit Committee meeting held on March 12. Our auditors from Lumsden McCormick presented draft 2025 audited financial statements. The three main points of the presentation were an unmodified (clean) opinion on the financial statements, there were no difficulties in performing the audits or disagreements with management, and there were no material weaknesses or significant deficiencies noted (no management letter comments). The Committee also reviewed and recommend the items listed under #2-#3 for approval: 2025 Public Authorities Report and 2025 Investment Reports. They reviewed and recommended changes to the Fee Structure Policy and re-adopted the Investment & Deposit Policy. The Committee also approved the Finance & Audit Committee Self-Evaluation and reviewed Management's Assessment of the Effectiveness of Internal Controls and Corporate Credit Card usage.

Ms. Profic also reviewed the Committee's Self-Evaluation. Each year the Committee completes a self-evaluation, as required by the Committee Charter. Essentially, did the Committee fulfill its duties per the Committee Charter? Comments in the rightmost column give some detail of the Committee activity throughout the year. In 2025, the Committee officially convened a total of 5 times and fulfilled its duties as documented.

Audited Financial Statements. Ms. Profic reviewed the draft 2025 audited financial statements, required communications, and management letter. Lumsden's required communications with those charged with governance, which documents the auditors' responsibility related to the financial statement audit, there were no changes to the planned scope and timing, a summary of accounting estimates made within the financials, and no difficulties or disagreements with management. Ms. Profic mentioned an unmodified opinion was issued on the statements. The most significant estimate for RDC is the allowance for uncollectible loans. The management letter noting no significant deficiencies or material weaknesses. The Representation Letter will be signed once the audit is approved by the board.

As a special-purpose government engaged in business-type activities, the RDC's financial statements are prepared based on Governmental Accounting Standards and include a Management's Discussion and Analysis, which provides a condensed overview of the statements. The balance sheets show total assets of \$23.6M as of December 31, 2025, an increase of \$393,000 (2%) from 2024. Loans receivable increased \$281,000 due to \$3.9M of new loans closed in 2025 combined with principal repayments and a small increase to the allowance for

uncollectible loans. Current liabilities reflect mostly amounts due to ECIDA. Net position is grouped into Restricted (CARES Act RLF) and Unrestricted (Legacy RLF), reflective of the Federal and Non-Federal nature of the two Revolving Loan Funds. The statements of revenues, expenses, and changes in net position (income statements) detail the \$379,000 increase in net position for the year. Operating revenues of \$585,000 were up from \$581,000 in 2024, due to an increase in commitment fees combined with a decrease in interest collected on loans. Operating expenses decreased from \$520,000 in 2024 to \$415,000 in 2025, due to a decrease in the provision for uncollectible loans. At the end of 2025, RDC added \$28,000 to the allowance for uncollectible loans, compared to \$161,000 the previous year. Under non-operating revenues, \$209,000 of bank interest income was recognized, up 12% from 2024. Cash flow statements detail the changes in cash balances from year to year and the \$131,000 increase in cash. The remainder of the financials are the notes, supplementary information, and the Schedule of Expenditures of Federal Awards. The CARES Act RLF requires a single audit. Ms. Profic was pleased to report there were no findings or questioned costs noted from the Single Audit. These drafts were reviewed and discussed in detail with the Finance & Audit Committee on March 12, and they recommended approval to the Board. We will continue to work with Lumsden McCormick to file IRS Form 990 and the Data Collection Form related to the single audit.

Mr. Emminger moved and Mr. Nowak seconded to approve of the audited financial statements. Ms. McDuffie called for the vote and the audited financial statements were unanimously approved.

2025 Investment Report. Ms. Profic stated this report is required by Public Authorities Law and includes RDC's investment guidelines, the results of our annual audit of these guidelines, and detail of investment income and fees for the year. \$209,000 of interest income was earned on these accounts during 2025 [compared to \$187,000 in 2024], and no fees were paid. This report was reviewed by the Finance & Audit Committee at their March 12 meeting and recommended to the Board for approval.

Ms. Gallagher moved and Mr. Schoetz seconded to approve of the 2025 Investment Report. Ms. McDuffie then called for the vote and the 2025 Investment Report was unanimously approved.

Governance Committee Update: Ms. O'Keefe provided the Board members with an update on the most recent Governance Committee meeting.

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

ANNUAL REPORTS & POLICIES

2025 Mission Statement, Performance Measures and Results. Ms. O'Keefe reviewed the 2025 Mission Statement, Performance Measures and Results. This statement and measures were reviewed by the Governance Committee at their meeting on March 18th and has been recommended to the Board for approval.

2026 Mission Statement and Performance Measures. Ms. O'Keefe reviewed the 2026 Mission Statement and Performance Measures. This statement and performance measures were

reviewed by the Governance Committee at their meeting on March 18th and has been recommended to the Board for approval.

2025 Public Authorities Report. Ms. Profic reviewed the 2025 Public Authorities Report. As a Public Authority of the State of New York, ECIDA and its affiliates are required to comply with the NYS Public Authorities Law and submit a comprehensive annual report including information on several topics. Several of the items are covered by other documents, like the operations and accomplishments and financial statements, which are noted throughout the document. Many of the items included are standard from year to year and are also approved or re-adopted by the Board annually. A section of the Report was updated for 2025 to update the progress at ILDC-owned properties, RDC's lending activity, and overall ECIDA project activity. Attachments include the Mission Statement & Performance Measurements, outstanding bond information, salary & benefit information, projects undertaken by each entity, our Property Report, Board Member attendance, and the Procurement Reports for each entity. Once approved, certification will be signed and the report will be posted to our website. This report was reviewed by the Finance & Audit Committee at their meeting on March 12 and Governance Committee at their meeting on March 18 and has been recommended to the Board for approval.

Ms. St. Jean Tard moved and Mr. Blue seconded to approve of the 2025 Mission Statement, Performance Measures and Results, the 2026 Mission Statement and Performance Measures and the 2025 Public Authorities Report. Ms. McDuffie called for the vote and the resolution was unanimously approved.

RE-ADOPT POLICIES AND CHARTERS

Required Re-Adoptions. The following policies are required to be re-adopted annually: the Investment and Deposit Policy, Procurement Policy, and Property Disposition Guidelines. Each year Harris Beach Murtha reviews all of our policies for pertinent updates, and there were no required or recommended updates. These three policies were reviewed with either the Governance or Finance & Audit Committee and recommended to the Board for approval.

Ms. Gallagher moved and Mr. Blue seconded to approve of the re-adoption of the Investment and Deposit Policy, Procurement Policy, and Property Disposition Guidelines. Ms. McDuffie called for the vote and the resolution was unanimously approved.

Mr. Emminger thanked staff for all their efforts and thanked the Chair for her leadership.

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 1:08 p.m.

Dated: March 25, 2026



Carrie Hocieniec, Assistant Secretary