

**MINUTES OF THE
BOARD OF DIRECTORS
OF THE
BUFFALO AND ERIE COUNTY
INDUSTRIAL LAND DEVELOPMENT CORPORATION
(ILDC)**

DATE AND PLACE: March 30, 2016, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203

PRESENT: Richard Lipsitz, Jr., John Mills, Hon. Edward A. Rath, III and Maria Whyte

EXCUSED: Hon. Byron W. Brown, John Mudie and Hon. Mark C. Poloncarz,

OTHERS PRESENT: Steve Weathers, Chief Executive Officer; John C. Cappellino, Executive Vice President; Andrew Schoeppich, Treasurer; Karen M. Fiala, Assistant Treasurer; Mollie Profic, Assistant Treasurer; and Robert G. Murray, Secretary

There being a quorum present at 10:47 a.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order by Mr. Lipsitz who presided over the meeting in the absence of Chair Poloncarz.

MINUTES

Upon motion made by Mr. Mills and seconded by Mr. Rath, the February 24, 2016 minutes of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation meeting were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

Financial Report. Ms. Profic presented the ILDC February 2016 financial report, noting that the monthly income statement shows very little activity and on a year-to-date basis, the income statement shows a year-to-date net loss of \$160. Mr. Lipsitz directed that the report be received and filed.

Finance and Audit Committee Update. Ms. Profic updated members on the March 18, 2016 meeting of the Finance and Audit Committee whereat Lumsden & McCormick presented the draft 2015 ILDC Audited Financial Statements. Ms. Profic noted that the auditors expressed an unmodified opinion on the financial statements and there were no proposed audit adjustments, and no management letter recommendations. Ms. Profic commented that the Committee reviewed the 2015 Public Authorities Report, the 2015 Investment Report, the Finance and Audit Committee Charter and the Corporate Credit Card Policy, all of which were approved and

recommended for ILDC Board approval. The Committee prepared its self-evaluation indicating that the Committee has satisfied the duties with which it is charged. Mr. Lipsitz directed that the report be received and filed.

2015 Audited Financial Statements. Ms. Profic reviewed the draft ILDC 2015 Audited Financial Statements noting that the top line of the income statement shows administrative fee revenue from tax-exempt bond issuances of \$1.8 million that was passed through to the ECIDA. Without much additional revenue, Ms. Profic noted that the ILDC recognized a net loss of \$18,000 on the year. Ms. Profic confirmed that there were no audit findings or management letter comments and in addition, internal controls were reviewed and no recommendations for improvement were made. Finally, Ms. Profic noted that an unmodified opinion was issued on the financial statements. Upon motion made by Mr. Rath and seconded by Ms. Whyte, the 2015 draft ILDC Audited Financial Statements were unanimously approved.

Governance Committee Update. Ms. Boudreau updated members on the most recent ECIDA, RDC and ILDC Governance Committee whereat the Committee members reviewed the results of the 2015 Performance measures, the mission statement and 2016 performance measures, the 2015 PAAA annual report, the 2015 Board of Directors self-evaluation, the 2015 Governance Committee's self-evaluation, as well as the various policies, charters and guidelines that the Agency will be asked to approve later today. Ms. Boudreau further reported that no company was in violation of the Agency's local labor policy during 2015 based upon the Agency's review and compliance monitoring of projects subject to the local labor policy.

There being no further questions or comments, Mr. Lipsitz directed that the report be received and filed.

REVIEW AND ADOPTION OF POLICIES, REPORTS AND COMMITTEE CHARTERS

2015 & 2016 Mission Statement, Performance Measures and Results. Mr. Schoeppich reviewed the 2015 Mission Statement, Performance Measures and Results. With respect to the 2016 Mission Statement and Performance Measures, Mr. Schoeppich noted that metrics to measure whether the objectives have been met have been inserted into the performance goals to allow the ILDC to measure its performance. Upon motion made by Mr. Lipsitz and seconded by Ms. Whyte, the 2015 & 2016 Mission Statement, Performance Measures and Results were unanimously approved.

2015 Public Authorities Report. Mr. Schoeppich then presented the 2015 Public Authorities Report. Upon motion made by Mr. Lipsitz and seconded by Ms. Whyte, the 2015 Public Authorities Report was unanimously approved.

2015 Investment Report. Mr. Schoeppich presented the 2015 Investment Report. Mr. Rath requested that the Agency attempt to obtain a higher interest bearing account. Ms. Profic reviewed the report and upon motion made by Mr. Lipsitz and seconded by Mr. Rath, the 2015 Investment Report was unanimously approved.

Code of Ethics. Mr. Murray reviewed proposed changes to the ECIDA, RDC and ILDC Code of Ethics noting that changes were made to make the Code of Ethics more consistent with

the New York State Authorities Budget Office model Conflict of Interest Policy. Mr. Murray commented that the recommendations of the New York State Authorities Budget Office, which are not already contained in the ECIDA's existing Code of Ethics, will be inserted and include requirements that members explain the circumstances that constitute a conflict of interest or the appearance of a conflict of interest, and that the policy contain a description of the penalties for failing to comply with the Conflict of Interest policy. Mr. Murray also noted that the proposed Code of Ethics clarifies that certain actions are not prohibited by the standards of conduct so long as such actions do not constitute a prohibitive conflict of interest pursuant to the General Municipal Law, clarifies the procedures for identifying and disclosing conflicts of interest, and clarifies the powers and duties of the Ethics officer.

Upon motion made by Ms. Whyte and seconded by Mr. Rath, the Code of Ethics, as amended, was unanimously approved.

Re-adopt Policies & Charters. Ms. Boudreau reviewed the following policies, charters, and guidelines, noting that no changes have been made over the prior year and stated that the Board needs to approve the following:

1. Investment & Deposit Policy
2. Finance & Audit Committee Charter
3. Governance Committee Charter
4. Whistleblower Policy
5. Procurement Policy
6. Property Disposition Guidelines
7. Property Acquisition Policy
8. Defense & Indemnification Policy
9. Board Member Compensation, Reimbursement & Attendance Policy
10. Employee Compensation Program
11. Travel, Conferences, Meals & Entertainment Policy
12. Statement of Duties & Responsibilities of the Board of Directors
13. Statement of the Competencies & Personal Attributes Required of Board Members
14. Corporate Credit Card Policy

Mr. Lipsitz moved and Ms. Whyte seconded, to approve of the aforementioned policies, charters and guidelines. Mr. Lipsitz called for the vote and the aforementioned policies, charters and guidelines were unanimously approved.

ADJOURNMENT

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 11:03 a.m.

Dated: March 30, 2016

Robert G. Murray, Secretary