

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

**DATE AND PLACE:** March 21, 2018, at the Erie County Industrial Development Agency, 95 Perry Street, 5<sup>th</sup> Floor ESD Conference Room, Buffalo, New York 14203

**PRESENT:** Rev. Mark E. Blue, Hon. Patrick B. Burke, Hon. Joseph H. Emminger, Tyra Johnson, Hon. Brian J. Kulpa, Richard Lipsitz, Jr., David L. Lowrey, Brenda W. McDuffie, John J. Mudie, Hon. Glenn R. Nellis, Louis Panzica, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, and Sister Denise Roche

**EXCUSED:** Hon. Diane Benczkowski, Hon. Byron W. Brown, James F. Doherty, Dottie Gallagher-Cohen, and Paul V. Vukelic

**OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Mollie Profic, Treasurer; Karen M. Fiala, Assistant Treasurer; Dawn Boudreau, Compliance Officer; Gerald Manhard, Loan Manager and Robert G. Murray, Secretary

**GUESTS:** Maria Whyte, Deputy County Executive; Andrew Federick, Erie County Senior Economic Development Specialist; and Michael Szukala, Chair of the Finance and Audit Committee

There being a quorum present at 10:09 a.m., the meeting of the RDC Board of Directors was called to order by its Chair, Ms. McDuffie.

**MINUTES**

The Minutes of the November 29, 2017, meeting of the Board of Directors of the RDC were presented. Mr. Nellis moved, and Sister Denise seconded, to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

**REPORTS/ACTION ITEMS/INFORMATION ITEMS:**

Financial Report. Ms. Profic provided a report on the February, 2018 financial statements, noting that the RDC finished the month of February with total assets of \$18.7 million and net assets of \$18.3 million. The monthly income statement report shows net income of \$2,700 for February. Revenues were below budget by \$12,000, due to lower than anticipated loan interest income. Total expenses were under budget by \$3,000 because of lower than

expected professional service fees. The year-to-date income statement reflects \$68,000 of revenue and \$63,000 of expenses, both under budget for the year, for net income of \$5,000 through the first two months of the year. Ms. McDuffie directed that the report be received and filed.

Election of Assistant Treasurer. Ms. Profic introduced members to Atiqa Abidi and stated that it is recommended that she be elected as the new Assistant Treasurer of the Agency. Mr. Burke moved and Mr. Blue seconded to appoint Ms. Atiqa Abidi as Assistant Treasurer. Ms. McDuffie called for the vote and Ms. Atiqa Abidi was unanimously appointed to the position of Assistant Treasurer.

Finance and Audit Committee Update. Ms. Profic provided members with an update of the most recently completed Finance and Audit Committee meeting. Ms. Profic also introduced members to Mr. Michael Szukala, Chair of the Finance and Audit Committee. Ms. Profic stated the committee reviewed the Freed Maxick CPAs report including draft 2017 Audited Financial Statements, the 2017 Public Authorities Report, the 2017 Investment Report, the Investment and Deposit Policy, the Finance and Audit Committee Charter, the Corporate Credit Card Policy and the Finance and Audit Committee self-evaluation, all being items discussed and reviewed by the Finance and Audit Committee. Ms. Profic also reviewed the Committee's self-evaluation which resulted in the determination that the Committee appropriately undertook all of its assigned duties for 2017. Ms. McDuffie directed that the report be received and filed.

2017 Audited Financial Statements. Ms. Profic reviewed the draft 2017 Audited Financial Statements. Ms. Profic stated that the auditors issued an unmodified opinion on these statements. The statements of net position were reviewed, noting that there were total assets of \$18.6 million as of December 31, 2017, down slightly from \$18.7 million in 2016. Loans receivable decreased \$907,000 due to payoff and pay down of some large loans during 2017. The statements of revenues, expenses and changes in net position (income statements) detail the decrease in net position for the year. Revenues of \$434,000 were up from \$430,000 in 2016. Operating expenses decreased due to a decrease in the loan loss expense in 2017. Ms. Profic then reviewed the notes and supplementary information including the schedule of expenditures of federal awards. Ms. Profic also reviewed the report to the Board which documents the auditors required communications, a summary of accounting estimates made within the financials, some recently issued accounting standards, and copies of representation letters. Ms. Profic also stated that these drafts were reviewed in detail with the Finance and Audit Committee and stated that she continues to work to file the IRS Form 990 and data collection form. Mr. Nellis moved and Mr. Burke seconded to approve of the 2017 Audited Financial Statements. Ms. McDuffie called for the vote and the 2017 Audited Financial Statements were unanimously approved.

2017 Investment Report. Ms. Profic reviewed the RDC's 2017 Investment Report noting that the number of accounts has decreased since last year as the RDC was able to consolidate funds that had been previously sequestered. Ms. Profic also noted that \$8,000 of investment income was earned from these accounts during 2017, and no fees were paid. Mr. Burke moved and Mr. Mudie seconded to approve of the 2017 Investment Report. Ms. McDuffie called for the vote and the 2017 Investment Report was unanimously approved.

Governance Committee Update and Committee Self-Evaluation. Ms. Boudreau provided members with a review of the most recently completed Governance Committee meeting and discussed the Committee self-evaluation. Mr. Mudie moved and Mr. Nellis seconded to approve of the Governance Committee self-evaluation. Ms. McDuffie called for the vote and the Governance Committee self-evaluation was unanimously approved.

2017 RDC Loan Status Report/2017-2018 RDC Closing Schedule. Mr. Manhard presented this report. Ms. McDuffie directed that the report be received and filed.

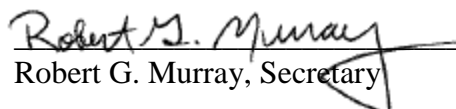
## **REVIEW AND ADOPTION OF POLICIES, REPORTS AND COMMITTEE CHARTERS**

Mr. Weathers recommended that RDC approve Items 1-19 as found on the agenda, noting that these exact same policies and amendments as proposed thereto were just discussed and approved at the Agency's meeting completed immediately prior to the RDC meeting. Mr. Panzica moved and Mr. Poloncarz seconded to approve Items 1-19 as listed on the agenda of the RDC Board meeting. Ms. McDuffie called for the vote the following policies, reports and committee charters were unanimously approved:

- 2017 Mission Statement, Performance Measures and Results
- 2018 Mission Statement, Performance Measures
- 2017 Public Authorities Report
- Procurement Policy
- Professional Services RFP Process
- Investment and Deposit Policy
- Code of Ethics
- Whistleblower Policy and Procedures
- Defense & Indemnification Policy
- Finance & Audit Committee Charter
- Governance Committee Charter
- Property Disposition Guidelines
- Property Acquisition Policy
- Board Member Compensation, Reimbursement & Attendance Policy
- Employee Compensation Program
- Travel, Conferences, Meals & Entertainment Policy
- Statement of Duties & Responsibilities of the Board of Directors
- Statement of the Competencies & Personal Attributes Required by Board Members
- Corporate Credit Card Policy

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 10:18 a.m.

Dated: March 21, 2018

  
Robert G. Murray, Secretary