

**Minutes of the Meeting
of the
Audit & Finance Committee
of
Buffalo Urban Development Corporation**

**95 Perry Street
Buffalo, New York
December 14, 2023
12:00 p.m.**

Call to Order:

Committee Members Present:

Catherine Amdur
Janique S. Curry
David J. Nasca

Committee Members Absent:

Trina Burruss
Dennis M. Penman (Committee Chair)

Officers Present:

Brandye Merriweather, President
Rebecca Gandour, Executive Vice President
Mollie Profic, Treasurer
Kevin J. Zanner, Secretary
Atiqa Abidi, Assistant Treasurer

Others Present: Barbara Danner, Freed Maxick CPAs (via Zoom); Alexis M. Florczak, Hurwitz Fine P.C.; and Caroline Mazzone, Freed Maxick CPAs.

Roll Call – The meeting was called to order at 12:08 p.m. by Mr. Nasca. A quorum of the Committee was not present. Agenda items 2, 9 and 3 were presented first as informational items. Ms. Amdur joined the meeting during the presentation of item 9, and Ms. Curry joined the meeting during the presentation of item 3, at which time a quorum was present.

- 1.0 Approval of Minutes of the October 12, 2023 Meeting** – The minutes of the October 12, 2023 meeting of the Audit & Finance Committee were presented. Ms. Amdur made a motion to approve the meeting minutes. The motion was seconded by Ms. Curry and unanimously carried (3-0-0).
- 2.0 2023 Audit Engagement Letters** – Ms. Profic reported that staff had received audit engagement letters from Freed Maxick, and she referred the Committee to the Freed Maxick required communications letters dated November 8, 2023, copies of which were included in the Committee meeting packet.
- 3.0 2023 Audit Plan Discussion** – Ms. Profic introduced Barbara Danner and Caroline Mazzone from Freed Maxick to present the 2023 Audit Plan. Ms. Danner and Ms. Mazzone provided an overview of the audit scope, deliverables and timeline for completion of the audit process. They reviewed the respective expectations and responsibilities of the Freed Maxick audit team and BUDC. Also reviewed were 2024 developments potentially impacting BUDC operations and financial reporting. The Committee discussed several aspects of the audit process with Ms. Danner and Ms. Mazzone, including potential audit risk areas and the audit strategy for identified risks.

- 4.0 683 Northland Avenue – Extension of the KeyBank Line of Credit** – Ms. Gandour presented her December 14, 2023 memorandum regarding a proposed extension of the 683 Northland LLC line of credit with KeyBank. In response to questions from the Committee, Ms. Gandour noted that KeyBank offered to extend the line of credit at an administrative level for a maximum of ninety days. A further extension may be needed depending on the timing of ESD's disbursement to BUDC of the RECAP grant award, a portion of which will be utilized to repay the outstanding \$600,000 balance on the line of credit. At the conclusion of the discussion, Mr. Nasca made a motion to recommend that the BUDC Board of Directors: (i) approve a ninety (90) day extension of the term for the KeyBank line of credit; and (ii) authorize the President or Executive Vice President to execute and deliver such agreements and documents and to take such actions on behalf of 683 Northland LLC, BUDC and 683 WTC, LLC as may be reasonably necessary or appropriate to implement this action. The motion was seconded by Ms. Amdur and unanimously carried (3-0-0).
- 5.0 683 Northland Project – Inter-Company Transactions** – Ms. Profic presented her December 14, 2023 memorandum regarding proposed modifications to the inter-company transactions for Phase II of the 683 Northland project. Ms. Profic explained that these modifications are necessary in order to facilitate the repayment of the 683 Northland LLC line of credit with the RECAP grant funding being made available to BUDC. Following a discussion regarding the proposed modifications, Ms. Amdur made a motion to recommend that the BUDC Board of Directors: (i) approve an amendment to the Phase II Subrecipient Agreement between BUDC and BBRC to increase the grant to BBRC by an amount not-to-exceed \$30,000.00; (ii) approve an amendment to the Phase II Promissory Note to increase the principal balance of the note by the not-to-exceed amount of \$570,000.00; and (iii) authorize the President or Executive Vice President of BUDC to execute the amendments and such other documents on behalf of BUDC and 683 WTC, LLC, and to take such other actions as are necessary and appropriate to implement this authorization. The motion was seconded by Ms. Curry and unanimously carried (3-0-0).
- 6.0 Loan from BBRC to BBRC Land Company I, LLC** – Ms. Profic reported that the BBRC Board of Directors approved an amendment to the Phase II subrecipient agreement between BUDC and BBRC to increase the grant to BBRC by an amount not to exceed \$30,000.00 and to amend its promissory note by the same not to exceed amount.
- 7.0 2024 Cammarata Consulting, LLC Agreement** – Ms. Gandour presented her December 14, 2023 memorandum regarding a proposed consulting agreement with Cammarata Consulting, LLC. Mr. Nasca made a motion to approve BUDC entering into a consulting agreement with Cammarata Consulting, LLC at an hourly rate of \$100.00 per hour, with total payments not to exceed \$15,000 and to authorize the President or Executive Vice President to execute the consulting agreement and take such actions as may be necessary to implement this action. The motion was seconded by Ms. Curry and unanimously carried (3-0-0).
- 8.0 2024 Bisonwing Planning and Development, LLC Agreement** – Ms. Gandour presented December 14, 2023 memorandum regarding a proposed consulting agreement with Bisonwing Planning and Development, LLC. Mr. Nasca made a motion to approve BUDC entering into a consulting agreement with Bisonwing Planning and Development, LLC at an hourly rate of \$100.00 per hour, with total payments not to exceed \$15,000 and to authorize the President or Executive Vice President to execute the consulting agreement and take such actions as may be necessary to implement this action. The motion was seconded by Ms. Curry and unanimously carried (3-0-0).
- 9.0 Miscellaneous Funding Source Update** – Ms. Merriweather presented an update regarding miscellaneous funding sources. BUDC staff recently met with the City staff regarding the \$1.2 million in American Rescue Plan funding. The City is prepared to move forward with providing funding to BUDC. BUDC anticipates submitting an invoice to the City this week for the full \$1.2 million tranche of funding. In response to a question from Mr. Nasca, Ms. Merriweather noted that

approximately \$300,000 of the funding will be used for Covid-19 cost recovery. The remaining funding will be allocated to Race for Place programming and administrative expenses incurred by BUDC for program delivery. Ms. Gandour also reported that BUDC staff has established the Imprest account for the ESD RECAP grant funding.

- 10.0 Adjournment** – There being no further business to come before the Committee, the December 14, 2023 meeting of the Audit & Finance Committee was adjourned at 1:10 p.m.

Respectfully submitted,



Kevin J. Zanner
Secretary