

**Minutes of the
Audit & Finance Committee Meeting
Buffalo Urban Development Corporation
95 Perry Street
February 5, 2020
12:00 p.m.**

Call to Order:

Committee Members Present:

Trina Burruss
James Comerford
Janique S. Curry
David J. Nasca
Dennis M. Penman (Committee Chair)

Committee Members Absent:

[None]

Officers Present:

Peter M. Cammarata, President
David A. Stebbins, Executive Vice President
Brandye Merriweather, Vice President
Mollie M. Profic, Treasurer
Kevin J. Zanner, Secretary

Others Present: Arthur Hall, BUDC.

Roll Call - The Secretary called the roll of the members of the Audit & Finance Committee at 12:10 p.m. A quorum of the Committee was present. Ms. Curry joined the meeting during the discussion of item 2.0.

- 1.0 Approval of Minutes of the October 2, 2019 Meeting** – The minutes of the October 2, 2019 meeting of the Audit & Finance Committee were presented. Mr. Comerford made a motion to approve the meeting minutes. The motion was seconded by Mr. Nasca and unanimously carried (4-0-0).
- 2.0 Northland Project Inter-Company Loan/Note Modifications** – Ms. Profic presented her February 5, 2020 memorandum regarding a proposed amendment to the inter-company loan agreement between BUDC and its wholly-owned subsidiary, 683 WTC, LLC, and a proposed amendment to the sub-recipient agreement between BUDC and Buffalo Brownfield Restoration Corporation. Ms. Profic also reviewed the tax credits organizational chart as part of her presentation of this item. The Committee had several questions regarding the tax credits structure and the proposed amendments to the inter-company documents. It was suggested that BUDC executive staff confer with tax credits counsel and Freed Maxick regarding the proposed changes. Mr. Cammarata indicated that the BBRC Board of Directors is scheduled to meet on February 18th. Audit & Finance Committee members were invited to attend the BBRC meeting, as clarification from the auditors and tax credits counsel is expected to be obtained prior to that meeting.
- 3.0 Corporate Line of Credit** – Ms. Profic presented her February 5, 2020 memorandum regarding a proposal to establish two lines of credit for BUDC and 683 Northland LLC with KeyBank. Ms. Profic explained that the timing for reimbursement from grant sources of costs incurred by BUDC for the 612 Northland and 541 E. Delavan projects has resulted in constraints on the BUDC operating cash account. The second line of credit, for 683 Northland LLC, would be used to maintain an interest reserve that was established as part of the KeyBank bridge loan for the 683

Northland project. The Committee discussed the proposal. Mr. Penman commented that staff should report all draws to the BUDC Board of Directors. At the end of the discussion, Mr. Nasca made a motion to authorize staff to negotiate the lines of credit with KeyBank, and to present the proposal to the BUDC Board for approval at the February meeting. The motion was seconded by Ms. Burruss and unanimously carried (5-0-0).

- 4.0 **2019 Audit & Finance Committee Self-Evaluation** – Mr. Cammarata presented the 2019 Audit & Finance Committee self-evaluation. The Committee discussed the self-evaluation and the 2019 activities of the Committee. Ms. Curry made a motion to approve the Committee self-evaluation in the form presented. The motion was seconded by Mr. Comerford and unanimously carried (5-0-0).
- 5.0 **Investment & Deposit Policy – Re-adoption** – Mr. Cammarata presented the BUDC Investment and Deposit Policy. No changes to the policy were proposed. Mr. Comerford made a motion to recommend that the Board of Directors approve the Investment and Deposit Policy as presented. The motion was seconded by Mr. Nasca and unanimously carried (5-0-0).
- 6.0 **Audit & Finance Committee Charter Review** – Mr. Cammarata presented the Audit & Finance Committee Charter. No changes to the charter were proposed. Mr. Nasca made a motion to approve the charter in the form presented. The motion was seconded by Mr. Comerford and unanimously carried (5-0-0).
- 7.0 **2019 Property Report** – Mr. Cammarata presented the BUDC property report for the year ending December 31, 2019. The sole change to the report from the prior year is the inclusion of the 714 Northland property, which was purchased in 2019. The property report will be submitted to the Authorities Budget Office as part of the BUDC annual report.
- 8.0 **Buffalo Brownfields Redevelopment Fund (BBRF) Update** – Ms. Profic reviewed with the Committee a written summary of recent activity for the Buffalo Brownfields Redevelopment Fund. The balance of uncommitted funds (net of borrowings) is \$1,819,280.00.
- 9.0 **Regionally Significant Project (RSP) Fund Update** – Ms. Profic reviewed with the Committee a written summary of revenues and expenditures for the Regionally Significant Project Fund. The balance of uncommitted funds in the RSP Fund as of December 31, 2019 is \$41.00.
- 10.0 **Adjournment** – There being no further business to come before the Committee, upon motion made by Mr. Nasca, seconded by Ms. Burruss and unanimously carried, the February 5, 2020 meeting of the Audit & Finance Committee was adjourned at 1:15 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary