

**The Orleans County Local Development Corporation
Board Meeting**

June 7, 2018

**121 N Main St 2nd Floor Albion NY Board Room
8:30 a.m.**

Draft

Members Present:

Paul Hendel, Chairman
Tom Kuryla, Member
Kathy Blackburn, Member
Michael Bonnewell, Member
Bill Eick, Member
Karen Sawicz, Vice Chairman
Fred Miller, Member
Clark Godshall, Secretary
Jeffrey Martin, Member

Members Absent:

Ed Urbanik, Treasurer
Laura Bentley, Member
Skip Draper, Member

Also Present:

Jim Whipple, CEO/CFO OEDA
Diane Blanchard, OEDA Admin/MAP Manager
Kevin Zanner, Legal Counsel
Joseph Kehm, EFPR Group, LLP

The meeting was called to order by Chairman Paul Hendel at 8:30 a.m.

I. Roll Call

Diane Blanchard called the roll of Board Members. A quorum of the Board was present.

8:30 am—EFPR Group, LLP - Review of Audited Financial Statements

EFPR Group, LLP - Review of 2017 Financial Statements--- Joseph Kehm of EFPR Group, LLP reviewed the audited financial statements and the Independent Auditor's Report for the year ending December 31, 2017. Mr. Kehm informed the Board that EFPR Group is issuing an unmodified (clean) opinion with respect to the financial statements. He also noted that no compliance issues were identified during the audit. A question and answer session followed Mr. Kehm's presentation of the financial statements. With

respect to the monthly internally prepared financial reports, Mr. Kehm indicated that those reports are reliable and sufficient for the Board to make informed financial decisions on behalf of the LDC.

II. Approval of Previous Board Meeting Minutes February 8, 2018

The February 8, 2018 Board meeting minutes were reviewed. A motion was made to accept the meeting minutes as presented, by Fred Miller, seconded by Jeff Martin. Motion Passed.

III. Financials

Consideration of the Acceptance of the 2017 Audited Financial Statements

Motion to accept the 2017 Audited Financial Statements made by Karen Sawicz, seconded by Clark Godshall. Motion Passed.

LDC Account Balance & Financial Statements

Jim Whipple and Diane Blanchard reported on the LDC financials. The GOSC loan fund account as of 05/31/18 has a balance of \$193,508.75, the HUD unrestricted account has a balance of \$4,872.87, the LDC account has a balance of \$38,260.22 and the savings account has a balance of \$108,776.03. Jim discussed the Balance Sheet and Profit & Loss reports.

Motion to accept financial report made by Tom Kuryla, seconded by Kathy Blackburn. Motion Passed.

Consideration of an Engagement Letter with Roush CPA to Provide Accounting Services for the 2018 Fiscal Year - Jim Whipple explained that Roush CPA PC has provided bookkeeping services on an as-needed basis for a number of years, including assistance with transactions, adjustments, bank and loan reconciliations and month end closings. Authorization was requested to retain Roush CPA PC to provide bookkeeping services in accordance with the December 1, 2017 engagement letter.

Motion to accept an engagement letter with Roush CPA to provide accounting services for the 2018 Fiscal Year made by Bill Eick, seconded by Jeff Martin. Motion Passed.

IV. Legal---Nothing reported by Kevin Zanner.

V. Loans/Grants

Executive Session

Motion to go into Executive Session for the discussion of financial and credit matters of a person or corporation and to invite Diane Blanchard, Jim Whipple and Kevin Zanner to be present in Executive Session made by Kathy Blackburn, seconded by Fred Miller. Motion Passed.

Motion to exit Executive Session made by Fred Miller, seconded by Jeff Martin. Motion Passed.

No action was taken during Executive Session or from the discussion in Executive Session.

Loan Aging Report----Diane Blanchard reviewed the loan report with the Board.

VI. Operations Report

Board Report

Diane Blanchard reported the Spring MAP class started on April 3 and ends on June 12. Eleven participants will be graduating on June 12. Potential startup businesses are a café in Lyndonville, a diversity in work place consulting business, towing business, hydroponics supply store, house inspection business for snow birds, a nursery/furniture wedge business, a home flipping business, nutrition meals business, multi-purpose sports training facility, the Wed Shed an existing business and a restoration and preservation of old buildings business. To date 485 participants have gone through the program.

VII. Projects – No report.

VIII Old Business

Conflict of Interest Policy— Jim asked Board members to complete the conflict of interest disclosure form attached as pp. 7 and 8 to the Conflict of Interest Policy.

Update/Discussion-OCR Program Income Claw Back

Jim informed the Board that the Office of Community Renewal (OCR) issued a letter this past March regarding a significant policy change to the Community Development Block Grant (CDBG) program. This letter announced a change in policy regarding the retention of CDBG program income by current and past recipients of CDBG program funding since the start of Program Year 2000. This will impact the LDC loan funds. The County was required to advise the OCR of the amount of program income by May 31, 2018. The County may use program income for CDBG eligible activities with OCR approval if the funds are committed by March 31, 2019. Kevin reported

on different approaches that the Agency is discussing with Harry Sichernan that would permit the Agency to continue operating the LDC loan fund. OCR approval would be needed to close any new loans. Jim discussed with the Board the amounts from the LDC loan funds that were reported as set forth on the program income worksheet included in the meeting agenda packet.

IX. New Business

Ratify the Medina Literacy Zone Partner Agreement---Jim reviewed with the Board the Medina Literacy Zone Partner Agreement which is to promote pathways out of poverty through education, employment and support services for residents of Medina.

Motion to approve the Medina Literacy Zone Partner Agreement made by Kathy Blackburn, seconded by Jeff Martin. The motion carried with eight affirmative votes (8-0-1). Clark Godshall abstained.

Consider 2017 Investment Report----Jim reviewed the 2017 Annual Investment Report with the Board. The New York Public Authorities Law requires public authorities, including local development corporations, to prepare and approve an investment report annually. The law requires the Annual Investment Report to include, a copy of the Investment Policy in force at year end, an explanation of the Policy, results of the Annual Independent Audit, the amount of investment income (which in 2017 was \$1,168.00 interest earned) and a list of total fees paid to any person or firm rendering investment services.

Motion to approve the 2017 Investment Report made by Karen Sawicz, seconded by Clark Godshall. Motion Passed.

2017 PARIS Report Review/Approve----This item was deferred for presentation at the next LDC Board meeting.

X. Motion to Adjourn

Motion to adjourn subject to Chairman's recall made by Kathy Blackburn, seconded by Tom Kuryla. Motion Passed.

Next meeting scheduled for August 2, 2018.

**Respectfully Submitted,
Diane Blanchard**