

CHEEKTOWAGA ECONOMIC DEVELOPMENT CORPORATION

Board of Directors Meeting
February 23, 2022 - 6:00 p.m.
Alexander Community Center Conference Room
275 Alexander Avenue
Cheektowaga, New York 14211

Board of Directors in Attendance

Kristina Groff President
Robert Lowery Vice-President'
Edward Halady Secretary
Denis Serugendo Treasurer
David Tytka
Paul Gilden
Richard Willis

Resource Personnel in Attendance

Michael Thomas, H. Sicherman & Company
Richard Coburn, Cheektowaga Supervising Code Enforcement Officer
Rachel Straker, Cheektowaga Director of Community Development
Jerome Gabryszak, CEDC Community Development Aide

President Kristina Groff called the meeting to order at 6:05 p.m. It was noted that a quorum was present. Richard Coburn gave a brief overview of the Town’s master plan and stated it was available for review on the Town of Cheektowaga’s website.

Minutes of October 27, 2021 Board Meeting

As the minutes of the July 28, 2021 Board of Directors meeting had been provided to Board members for their review prior to this meeting, Kristina asked if there were any changes, corrections or additions to the minutes. There being none, the following motion was made.

Motion by: Richard Willis
Seconded by: Paul Gilden
Motion: To approve the minutes as presented.
Vote: Ayes 7 Nays 0 Abstain 0

Treasurer’s Report

Denis Serugendo presented a financial report, which had been provided to the Board prior to the meeting, for the 4th quarter of 2021. The Board briefly discussed the matter of an outstanding loan payment of \$8,390.59 owed by 930 Bailey Avenue, LLC which has been disputed by the company (Chudy Paper Company). A meeting between the former CEDC President and Chudy Paper representatives did not resolve the issue. It was decided to ask CEDC legal counsel for an opinion letter as to the cost feasibility of pursuing the payment through legal means.

Motion by: Paul Gilden
Seconded by: Richard Willis
Motion: To accept the quarterly financial report as presented.
Vote: Ayes 7 Nays 0 Abstain 0

Job Creation Status Report

Michael Thomas of H. Sicherman & Company reported that Hanzlian Sausage, which is projected to create 4.5 Full-Time Equivalent jobs (3 part-time and 3 full-time jobs) within a three-year period ending in August 2023, has created 3 (1.5 FTE) part-time jobs to date. The company has stated that they are waiting for USDA certification that will allow them to increase wholesale sales and hire three full-time individuals.

It was also reported that Gordon Companies has not yet provided any reports regarding new job creation except to say that the company, which has a history of creating many jobs in the Town, is experiencing some difficulty in hiring for new positions. The company has three years from the date of the loan (September 29, 2021) to create the projected 40 full-time and 28 part-time positions.

Rachel Straker pointed out that the Town must report new job creations to the Department of Housing and Urban Development. If no jobs are reported, the activity is flagged for non-activity in the on-line HUD reporting system and the Town is then asked to explain the lack of progress in achieving the project goals. Kristina stated she would reach out to David Gordon about the need for periodic job creation reports. Following the report, a motion was made by Edward Halady and seconded by Paul Gilden to accept the job creation report. It was approved unanimously.

Committee Reports

Budget Committee

Kristina reported that the budget for fiscal year 2022-23, reviewed and recommended by the Budget Committee, was approved unanimously through electronic voting and thanked the Board members for their timely response.

Marketing/Website Development

Kristina provided an update regarding progress in developing the new website. Nightowl is working on creating a landing page. Discussion have focused on the structure of the website and items to be incorporated into new website, including such information as an inventory of properties in the Town that are available for development. The CEDC domain name, www.cheektowagadevelopment.com, is due for renewal in April. Shawn Liegl, who previously worked with the CEDC on its website, advised that the CEDC renew and retain ownership of the domain name. Jerry put Shawn in touch with Nightowl to provide any information they may need to launch the website.

Governance Committee

There has been no formal meeting of the Governance Committee, which consists of Kristina, Ed, Robert, Richard and Amy Vigneron. One topic for review by the committee is the bookkeeping transition from Allen Street Consulting to Kloc and Company. Kloc has been working with EFPR on the transition. One issue that remains to be addressed is ownership of the QuickBooks subscription. The cost would be approximately \$40 per month. Ownership of the subscription would give the Corporation the ability to run reports as needed.

Audit Committee

The committee consists of Jim Antkowiak, Kristina and Amy Vigneron. The corporation has contracted with the EFPR Group for audits for a number of years. Kristina reached out to EFPR regarding a price estimate for the next audit. The cost in previous years has been in the \$4,500 range. EFPR stated that they have kept the price for the CEDC lower than it would ordinarily have been, but given inflationary costs and the amount of extra time they have had to put in to rework some of the bookkeeper's work in order to complete the audit, there would be a price increase of about \$2,000, placing the cost in the \$6,500 range. Given the fact that, in addition to the audit, EFPR also prepares the federal tax return and the New York

State CHAR 500 charitable report, the revised pricing was very reasonable. It was suggested that the CEDC reach out to a similar nonprofit organization to inquire about their audit costs.

Loan Review Committee

No new applications have been received.

Nominating Committee

Traditionally, the nominating committee has been a one-person committee. It would be advantageous to have a more robust nominating process that would present an opportunity to assess what skills need to be represented on the Board such as those of a CPA and a marketing professional.

Other Business

Michael Thomas reported that a \$10,000 grant was given to a massage and skin care company through the Covid Back to Business Program (administered for the Town by H. Sichertman & Company). The recipient has submitted a request for an additional \$10,000 grant which is being evaluated by H. Sichertman.

A loan request was also submitted from a life coach who business was adversely affected by Covid.

Michael also updated the status of Busy Beaver Lawn and Garden's interest in the loan program. The company is interested in moving forward and has provided a list of equipment the company would like to purchase, which would create an estimated 15-18 new jobs. However, more information is needed to establish the parameters of the project in terms of project cost, the amount of funding available, assessment of the number of jobs that would be created and where the jobs would be located. Busy Beaver has a retail outlet in Hamburg and an office located in Cheektowaga.

A final disbursement was made to Gordon Companies, Inc. in January
The mortgage held on Novatech Machining Corp. assets for a loan made in 1996 was discharged. The mortgage had never been discharged following final loan payoff.

It was suggested that Paul Leone be invited to make a presentation to the Board regarding funding programs available through New York State.

The next Board meeting is tentatively set for May 4th.

Kristina mentioned that she would like to incorporate a SWAT (strengths, weaknesses, opportunities, and threats) analysis and strategic planning into the meeting.

Lastly, Kristina announced that Richard Cielinski, a long-time Board members and former Treasurer, passed away in December. Flowers were sent on behalf of Chamber of Commerce and the CEDC. Richard was active in both the CEDC and the Chamber. His family sent a note thanking the CEDC for the flowers.

The meeting was adjourned at 7:28 p.m.

Signature of Secretary