

CHEEKTOWAGA ECONOMIC DEVELOPMENT CORPORATION

Board of Directors Meeting
October 27, 2021 - 6:00 p.m.
Alexander Community Center Conference Room
275 Alexander Avenue
Cheektowaga, New York 14211

Board of Directors in Attendance

Kristina Groff	James Antkowiak
Derek Johnson	Robert Lowery
David Tytka	Paul Gilden
Edward Halady	Denis Serugendo
Richard Willis (appointed during meeting)	

Not in Attendance

Cheryl Moore (excused)

Resource Personnel in Attendance

Michael Thomas, H. Sicherman & Company
Amy Vigneron, Attorney at Law, Cohen & Lombardo P.C.
Rachel Straker, Director of Community Development
Jerome Gabryszak, Community Development Aide

President Kristina Groff called the meeting to order at 6:05 p.m. It was noted that a quorum was present.

Appointment of New Director

Kristina stated that there was a new candidate, Richard Willis, for the Board of Directors. Richard worked for the Cheektowaga Community Development Office as a housing rehabilitation specialist and more recently as Director of Community Development until his retirement in 2019. He is well versed in Community Development regulations and the operation of the Economic Development Corporation. Following a brief discussion, the following motion was made.

Motion by: Edward Halady

Seconded by: Paul Gilden

Motion: To appoint Richard Willis to the Board of Directors, effective immediately, for a term expiring at the time of appointment of Board of Directors positions at the annual meeting in 2024.

Vote: Ayes 8 Nays 0 Abstain 0

Minutes of July 28, 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: Paul Gilden

Seconded by: Derek Johnson

Motion: To accept the minutes as presented.

Vote: Ayes 9 Nays 0 Abstain 0

Quarterly Financial Report

Treasurer Denis Serugendo presented the quarterly financial report for the period ending September 30, 2021 (attached). A typographical error with respect to the Gordon Companies loan was noted and will be corrected. Following presentation of the quarterly financial report, a discussion ensued regarding the loan to Gordon Companies, Inc. This will be reported on under new business.

Motion by: Richard Willis
Seconded by: James Antkowiak
Motion: To accept the quarterly financial report with the recommended correction.
Vote: Ayes 9 Nays 0 Abstain 0

Job Creation Status Report

It was reported that no new jobs have yet been created in connection with the Gordon Company Loan.

Committee Reports

Marketing/Website Committee

Kristina reported that a Request for Proposals for website development was issued to nine companies. 3 Proposals were received, however one has since been withdrawn. The three proposals are:

Bean Media Productions-\$7,920.00;
Boyer Group-\$7,500.00 plus \$75/hour for content updates;
Nightowl Labs-\$3,000 plus \$360.00 annual website hosting.

All three proposals were provided to Board members prior to the meeting. Kristina stated all three companies are qualified to provide the desired product. After discussion, Board members felt that given the cost differential, Nightowl Labs was the best choice. The following motion was made.

Motion by: Edward Halady
Seconded by: Derek Johnson
Motion: To award the contract for website development to Nightowl Labs at the proposed cost of \$3,000.00 plus \$360.00 annual website hosting fee.
Vote: Ayes 9 Nays 0 Abstain 0

NYS Comptroller's Office Audit Update

Response & Corrective Action Plan Timeline

The response to the draft NYS audit report was sent to the state on October 22. The corrective action plan is due 90 days from the date of the final state report. Kristina noted that one of the state's main issues was the extent to which the Corporation collateralized loans. The response to the state discussed this issue in detail and explained why it is not possible to fully collateralize a loan. Kristina stated that corrective actions have already been implemented. For example, the Corporation now holds quarterly Board meetings and is initiating greater communication with the Board. Denis stated that the state recommends Board members should be more engaged with Corporation matters. In the future, inquiries about Corporation matters should be directed to Kristina.

Policies & Procedures for Adoption

Internal Operating Procedures

A narrative outlining internal control procedures pertaining to handling the receipt of funds, recording of loan payments, deposit of funds, review of invoices and issuance of payments. After a brief discussion, the following motion was made.

Motion by: Paul Gilden
Seconded by: Robert Lowery
Motion: To adopt the draft internal controls procedures narrative as presented.
Vote: Ayes 9 Nays 0 Abstain 0

Governance Committee Charter

Kristina stated that the governance committee charter had been previously adopted by the Board in February, 2013. A copy of the charter was provided to Directors prior to the meeting. The following motion was made.

Motion by: Robert Lowery
Seconded by: Paul Gilden
Motion: To approve the Governance Committee Charter previously adopted by the Board of Directors in February of 2013.
Vote: Ayes 9 Nays 0 Abstain 0

Audit Committee Charter

The draft Audit Committee Charter was provided to Directors prior to the meeting. No one had any comments or suggestions. The following motion was made.

Motion by: Richard Willis
Seconded by: Denis Serugendo
Motion: To approve the draft Audit Committee Charter as presented. There were no questions or comments.
Vote: Ayes 9 Nays 0 Abstain 0

Status Report-Existing Loans & Prospects – M. Thomas-The Harrison Studio

- a) Coffee Shop – H. Sichertman & Company are staying in touch with the prospective applicant.
- b) Housecrafters – The company will be moving to a new location on Union Road. Discussions have been had with the company but they have not been responsive lately
- c) Day Care Facility-Working with the Small Business Development Center. Contact will be maintained.

Legal Update – A. Vigneron; Cohen & Lombardo, P.C.

Amy is researching the open meetings law, effective November 18, recently signed into law by Governor Hochul. Amy is unsure if the Open Meeting Law applies to the CEDC and is specifically researching the requirement that 24-hour notice of a meeting be given to the public, to the extent practicable. Jerry Gabryszak stated there may be reference to this topic in New York State Authority Budget Office guidelines.

Election of Vice President

Kristina noted that the responsibilities of all the elected Offices are outlined in the bylaws. Kristina asked if there were any nominations for the office of Vice-President. Jim Antkowiak nominated Robert Lowery for the position and made the following motion.

Motion by: James Antkowiak
Seconded by: Derek Johnson
Motion: To elect Robert Lowery as Vice President of the Cheektowaga Economic Development Corporation until the election of officers in 2022.
Vote: Ayes 9 Nays 0 Abstain 0

Bookkeeping Services

The following four bookkeeping proposals have been received:

Kloc & Company, CPAs, \$3,000 annually;
Jennifer Schulefand Consulting, LLC, \$125/hour (Projected at 2-3 hours/Mo. - \$3,000-\$4,500 Annually
Brien’s Business Umbrella, \$749 QuickBooks Setup, \$329/Monthly - \$3,948 + \$749 (one-time) – \$4,697
Lynn Niemiec, LNJ Financial, \$175/Monthly - \$2,100 Annually – Proposal Withdrawn

Disclosure: Kristina disclosed that the Cheektowaga Chamber of Commerce, of which she is Director and CEO, employs the services of Kloc and Company.

All proposers were considered qualified and after a brief discussion focused mainly on cost, the following motion was made.

Motion by: James Antkowiak
Seconded by: Paul Gilden
Motion: To accept the proposal of Kloc and Company, located at 2560 Walden Avenue, Suite 105, Cheektowaga, New York, to provide bookkeeping services for the Corporation for the 2021-22 fiscal year, renewable for an additional year at the option of the Corporation.
Vote: Ayes 8 Nays 0 Abstain 1 (Kristina Groff)

Association Memberships

Kristina Groff reported that the CEDC has not renewed its membership in the Cheektowaga Chamber of Commerce. Kristina, Chamber President & CEO, stated the Chamber has developed tier membership categories. Noting her position with the Chamber, she asked the Corporation to consider membership at the Chamber of Commerce Catalyst tier for which the annual membership fee is \$550 after which the following motion was made.

Motion by: James Antkowiak
Seconded by: Paul Gilden
Motion: To renew the Corporation’s annual membership in the Cheektowaga Chamber of Commerce at the Catalyst tier at the cost of \$550.00
Vote: Ayes 8 Nays 0 Abstain 1 (Kristina Groff)

Kristina also suggested that the Corporation consider membership in the International Economic Development Council and the New York State Economic Development Council.

New Business

Kristina announced that the annual Chamber of Commerce Awards Reception will be held on November 10th at Calspan on Genesee Street in the Town. Tours of Calspan will also be available.

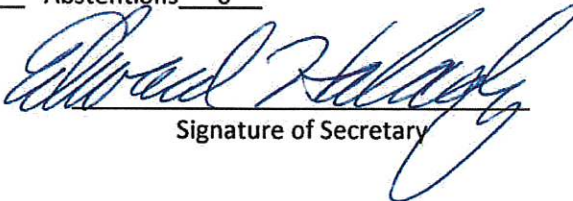
Kristina also noted that the Cares Act (Coronavirus Aid, Relief, and Economic Security Act), signed into law in 2020, has provided Community Development Block Grant funds to New York State for economic development projects for which the CEDC would be eligible. The Town would need to apply for funding on behalf of the CEDC. Kristina will send a letter to Rachel Straker, CDBG Director, the Town Supervisor and the Town Board, requesting the Town apply on behalf of the CEDC. The Town could apply for up to \$500,000.

Gordon Companies

Amy reported that approximately \$191,000 has been disbursed to Gordon Companies, Inc. David Gordon has requested a distribution of the remaining loan funds. When documentation for additional expenses satisfactory to the CEDC is received, a loan closing can be scheduled. It was also noted that David Gordon is closing his store on Union Road at William Street.

Adjourn

Motion by: Derek Johnson
Seconded by: James Antkowiak
Motion: To adjourn the meeting of the Board of Directors (7:50 p.m.)
Vote: Ayes 9 Nays 0 Abstentions 0



Signature of Secretary