



**Buffalo and Erie County Regional Development Corporation  
Meeting of the Board of Directors**

**September 28, 2022 @ 12:00 p.m.**

**701 Ellicott Street, Center of Excellence in Bioinformatics and Life Sciences (CBLS)  
The Event Space/Conference Room B2-205, located on the 2nd floor, Buffalo, New York 14203**

- 1.0 Call to Order**
- 2.0 Approval of Minutes**
  - 2.1 Minutes of the July 27, 2022 Meeting of the Board of Directors (Action Item) (Pages 2-3)
- 3.0 Reports / Action Items / Information Item(s):**
  - 3.1 Financial Report (Informational) (Pages 4-7)
  - 3.2 Finance & Audit Committee Update
    - a) 2023 Budget Timetable (Informational) (Page 8)
    - b) Review of 2023 Proposed Budget (Informational) (Pages 9-12)
    - c) Professional Auditing Services Recommendation (Action Item) (Pages 13-16)
  - 3.3 Loan Status Report (Informational) (Page 17)
- 4.0 Management Team Report:**
  - 4.1
- 5.0 Adjournment- Next Meeting October 26, 2022**

**MINUTES OF THE  
MEETING OF THE BOARD OF DIRECTORS  
OF THE  
BUFFALO AND ERIE COUNTY REGIONAL  
DEVELOPMENT CORPORATION  
(RDC)**

- MEETING:** July 27, 2022
- LIVE STREAMED:** This meeting is being live-streamed and made accessible on the Erie County Industrial Development Agency website at [www.ecidany.com](http://www.ecidany.com).
- PRESENT:** Denise Abbott, Hon. Diane Benczkowski, Rev. Mark E. Blue, Hon. Joseph Emminger, Hon. Howard Johnson, Tyra Johnson, Hon. Brian Kulpa, Richard Lipsitz, Brenda W. McDuffie, Hon. Glenn R. Nellis, Hon. Mark C. Poloncarz and Kenneth A. Schoetz
- EXCUSED:** Hon. Bryon W. Brown, James Doherty, Dottie Gallagher, Michael P. Hughes, Denise McCowan, Hon. Darius G. Pridgen and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer/Assistant Secretary; Atiqa Abidi, Assistant Treasurer; Gerald Manhard, Chief Lending Officer/Assistant Secretary; Grant Lesswing, Director of Business Development; Andrew Federick, Business Development Officer; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; Robbie Ann McPherson, Director of Marketing & Communications, Sean Fallon, Project Manager; Pat Smith, Senior Bookkeeper; Lori Szewczyk, Director of Grants; Laurie Hendrix, Administrative Coordinator; and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Zachary Evans, Erie County; Lisa Hicks and Alex Carducci on behalf of the City of Buffalo; Robert Johnson on behalf of Johnson’s Tap House and Steven Rizzo on behalf of Upstate Steel

There being a quorum present at 12:50 p.m., the meeting of the Buffalo and Erie County Regional Development Corporation (the “RDC”), was called to order by Chair McDuffie.

**MINUTES**

The minutes of the April 27, 2022 meeting of the members were presented. Mr. Johnson moved and Ms. Johnson seconded, to approve of the minutes. Ms. McDuffie called for the vote, and the minutes were then unanimously approved.

## REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the June 2022 financial report. The balance sheet shows the RDC finished the month with total assets of \$22.0M, consisting mainly of cash and loans receivable. Liabilities reflect amounts due to ECIDA for 2022 costs and net assets are \$21.8M. The June income statement shows \$46,000 of revenue, mostly loan interest income, and \$24,000 of expenses. On June 30<sup>th</sup>, the provision for loan losses was reduced by \$3,000 to reflect payments made on loans that are partially reserved. As a reminder, the portfolio is reviewed internally each quarter, and these adjustments may be temporary. The year-to-date income statement shows revenues of \$279,000 and \$204,000 of expenses, for net income of \$75,000 through the first half of the year. Ms. McDuffie directed that the report be received and filed.

Loan Status Report. Mr. Manhard provided this report to members. Ms. McDuffie directed that the report be received and filed.

### Approval of the following Loan Cases:

A. Johnson's Taphouse Inc., 4040 Lake Shore Blvd., Hamburg, New York. \$600,000 120-month Term Loan, Secured and Guaranteed. Mr. Manhard reviewed this proposed \$600,000 loan request, proceeds of which will purchase equipment. Mr. Emminger advised that the RDC Loan Committee approved the loan request. General discussion ensued.

Mr. Emminger moved and Ms. Benczkowski seconded to approve of the loan as proposed. Ms. McDuffie called for the vote and the requested loan was unanimously approved.

B. Upstate Steel, 3360 Walden Avenue, Depew, New York. \$750,000 120-month Term Loan, Secured and Guaranteed. Mr. Manhard reviewed this \$750,000 loan request, proceeds of which will assist with business acquisition. Mr. Emminger advised that the RDC Loan Committee approved the loan request. General discussion ensued.

Ms. Benczkowski moved and Ms. Abbott seconded to approve of the loan as proposed. Ms. McDuffie called for the vote and the requested loan was unanimously approved.

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 1:07 p.m.

Dated: July 27, 2022

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Elizabeth A. O'Keefe, Secretary

**Regional Development Corporation**

**Financial Statements**

As of August 31, 2022

**REGIONAL DEVELOPMENT CORPORATION ("RDC")**

**Balance Sheet**

August 31, 2022

	August 2022	July 2022	December 2021
<b>ASSETS:</b>			
Restricted Cash**	\$ 5,937,321	\$ 5,746,015	\$ 7,790,415
Accounts Receivable	189,522	180,632	10,168
Direct Loans *	16,691,119	16,839,837	14,748,199
50/50 Bank Participation Loans *	78,681	82,955	112,852
Reserve for Loan losses	(640,252)	(640,252)	(610,903)
Total Loan Assets, net	<u>16,129,548</u>	<u>16,282,540</u>	<u>14,250,149</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 22,256,390</b></u>	<u><b>\$ 22,209,187</b></u>	<u><b>\$ 22,050,732</b></u>
 <b>LIABILITIES &amp; NET ASSETS</b>			
Accounts Payable	\$ -	\$ -	\$ 133
Due to ECIDA	207,717	181,581	297,384
Total Liabilities	<u>207,717</u>	<u>181,581</u>	<u>297,518</u>
Restricted Fund Balance	<u>22,048,674</u>	<u>22,027,607</u>	<u>21,753,214</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u><b>\$ 22,256,390</b></u>	<u><b>\$ 22,209,187</b></u>	<u><b>\$ 22,050,732</b></u>

<b>* Loan Portfolio Summary:</b>	August 2022	July 2022	December 2021
# of Legacy RLF Loans	34	34	32
# of CARES Act RLF Loans	30	30	30
# of 50/50 Bank Participation Loans	1	1	1
	<u>65</u>	<u>65</u>	<u>63</u>

\*\* Cash is invested in interest bearing accounts at M&T Bank. The maximum FDIC insured amount is \$250,000, with the remainder collateralized with government obligations by the financial institution.

**REGIONAL DEVELOPMENT CORPORATION ("RDC")**  
**Income Statement**  
 Month of August 2022

	Actual vs. Budget		
	Actual	Budget	Variance
<b>REVENUES:</b>			
Interest Income - Loans	\$ 46,945	\$ 47,083	\$ (138)
Interest Income - Cash & Inv.	675	42	634
Administrative Fees	-	1,250	(1,250)
Grant Income - CARES Act RLF	-	8,591	(8,591)
Other Income	188	417	(229)
Total Revenues	<u>47,808</u>	<u>57,383</u>	<u>(9,575)</u>
<b>EXPENSES:</b>			
Management Fee - ECIDA*	23,800	23,800	-
Rent & Facilities Expenses	2,100	2,083	17
Professional Services	529	3,333	(2,804)
General Office Expenses	236	142	94
Other Expenses	75	1,815	(1,739)
Total Expenses	<u>26,740</u>	<u>31,173</u>	<u>(4,433)</u>
<b>NET INCOME/(LOSS):</b>	<u>\$ 21,067</u>	<u>\$ 26,210</u>	<u>\$ (5,143)</u>

\* Represents an allocation of salary and benefit costs from the ECIDA based on time charged to RDC. The amount booked reflects 2022 budgeted figures.

**REGIONAL DEVELOPMENT CORPORATION ("RDC")**

**Income Statement**

Year to Date: August 31, 2022

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
<b>REVENUES:</b>						
Interest Income - Loans	\$ 348,538	\$ 376,667	\$ (28,129)	\$ 348,538	\$ 300,867	\$ 47,671
Interest Income - Cash & Inv.	1,584	333	1,251	1,584	2,132	(548)
Administrative Fees	9,500	10,000	(500)	9,500	-	9,500
Grant Income - CARES Act RLF	193,650	68,729	124,921	193,650	4,637,947	(4,444,297)
Other Income	1,656	3,333	(1,677)	1,656	10,855	(9,198)
<b>Total Revenues</b>	<b>554,928</b>	<b>459,062</b>	<b>95,866</b>	<b>554,928</b>	<b>4,951,799</b>	<b>(4,396,872)</b>
<b>EXPENSES:</b>						
Management Fee - ECIDA*	190,400	190,700	(300)	190,400	213,600	(23,200)
Provision for Loan Losses	29,349	125,000	(95,651)	29,349	(38,584)	67,933
Rent & Facilities Expenses	16,800	16,667	133	16,800	16,800	-
Professional Services	19,486	35,334	(15,847)	19,486	41,010	(21,524)
General Office Expenses	2,071	1,133	937	2,071	2,602	(532)
Other Expenses	1,362	14,517	(13,155)	1,362	54,357	(52,995)
<b>Total Expenses</b>	<b>259,468</b>	<b>383,350</b>	<b>(123,882)</b>	<b>259,468</b>	<b>289,785</b>	<b>(30,317)</b>
<b>NET INCOME/(LOSS):</b>	<b>\$ 295,460</b>	<b>\$ 75,712</b>	<b>\$ 219,748</b>	<b>\$ 295,460</b>	<b>\$ 4,662,015</b>	<b>\$(4,366,555)</b>

\* Represents an allocation of salary and benefit costs from the ECIDA based on time charged to RDC. The amount booked reflects 2022 budgeted figures.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)  
 BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)  
 BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP (ILDC)**

**2023 Budget Review Process**

<u>Date</u>	<u>Description</u>	
July-August	Review of draft 2023 budgets by ECIDA management. (a) Prioritize any proposed budget requests for initiatives. (b) Formal budget requests compiled.	✓
August 19	Finance & Audit Committee meeting – initial review of proposed budgets.	✓
September 23	Finance & Audit Committee meeting to discuss any updates/recommend proposed budgets to Boards. (No quorum.)	✓
September 28	Review of 2023 draft budgets at Board meetings.	
October 6 1:00 pm	Board Q&A budget session #1 <u>via Zoom</u> (voluntary).	
October 7 10:00 am	Board Q&A budget session #2 <u>in person</u> (voluntary).	
October 17	Adjustments to budget based on Board feedback (if any) and Finance & Audit Committee recommendation of final budgets.	
October 26	Board meetings – action to approve final 2023 budgets.	
November 1	Deadline for final approved budgets to be submitted to the ABO.	



**Buffalo & Erie County  
Regional Development Corporation  
Proposed 2023 Budget**

# ***Regional Development Corporation (RDC)***

## **2023 Budget + 3 Year Forecast**

The Buffalo and Erie County Regional Development Corporation (“RDC”) operates two revolving loan funds (“RLF”) that provide loans to eligible businesses under each RLF’s lending parameters. One, the Coronavirus Aid, Release, and Economic Security (CARES) Act RLF, has federal restrictions.

### **A. Key Budget Assumptions:**

In 2023, the RDC expects to fund new loans of around \$2 million. This is expected to be offset by approximately \$870,000 in loan repayments to the RLFs. Interest income on loans is expected to be around \$630,000 for 2023, which represents a 20% increase from the \$523,000 projected for 2022. The main driver of this increase is the expiration of a one-year period of no payments for many of the loans funded with CARES Act grant funds and some larger loans closed from the RDC’s legacy RLF.

### **B. Overview of Changes in 2023 Budget:**

The following summarizes the key changes between the 2023 budget and the projected 2022 results:

- The ECIDA Management Fee represents a fee charged by the ECIDA for services that its employees provide to the revolving loan fund, since RDC has no employees of its own. The fee is expected to increase by \$14,000 or 5% in 2023 due to anticipated increases in ECIDA staff salaries and benefits.
- The budgeted amount for the provision for loan losses is \$450,000 for 2023. The provision represents approximately 2.4% of the estimated active loan portfolio balance. The mission of the RDC is to deal primarily with businesses unable to adequately finance operations through normal commercial banking channels. Historically, the loan fund has been a working capital lender, rather than a fixed asset lender, taking junior collateral positions. The CARES Act RLF operates with a higher risk tolerance than our legacy RLF, which will likely result in higher loan losses. Currently, the charge-off rate for loans issued over the past 10 years is approximately 5.6% versus a historical portfolio charge-off rate of approximately 6%.

### **C. Summary of Risk Factors Impacting the 2023 Budget:**

The following significant risk factors may influence the 2023 budget:

1. Due to the numerous uncertainties, value of collateral, guarantees, etc., RDC’s actual loan losses may vary significantly from the loan loss amount budgeted.
2. Interest income may vary from the budgeted amount as the budget is based on an estimate of active loans. Due to economic factors and the overall business climate, loans closed could vary significantly from estimates.

**BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION ("RDC")**  
**Proposed Budget for 2023**

	<b>Proposed Budget 2023</b>	<b>Approved Budget 2022</b>	<b>Projected 2022</b>	<b>Actual 2021</b>
<b>REVENUES:</b>				
Interest Income - Loans	\$ 630,000	\$ 565,000	\$ 522,806	\$ 447,255
Interest Income - Cash & Investments	700	500	2,376	2,585
Administrative Fees	15,000	15,000	9,500	0
Grant Income	-	103,093	193,650	5,211,029
Other Income	5,000	5,000	2,485	11,864
<b>Total Revenues</b>	<b>650,700</b>	<b>\$ 688,593</b>	<b>730,817</b>	<b>5,672,733</b>
<b>EXPENSES:</b>				
ECIDA Management Fee*	\$ 286,000	\$ 286,000	\$ 272,000	\$ 268,489
Provision for Loan Losses	450,000	250,000	100,000	429,490
Rent & Facilities Expenses	25,000	25,000	25,000	26,077
Professional Services	56,000	60,050	21,192	43,991
General Office Expenses	3,500	22,000	2,308	3,026
Other Expenses	27,475	22,275	1,656	63,774
<b>Total Expenses</b>	<b>847,975</b>	<b>665,325</b>	<b>422,155</b>	<b>834,847</b>
<b>NET INCOME/(LOSS):</b>	<b>\$ (197,275)</b>	<b>\$ 23,268</b>	<b>\$ 308,661</b>	<b>\$ 4,837,886</b>

\* Represents an allocation of salary and benefit costs from the ECIDA based on staff time charged to the RDC.

	<u>2023 Budget</u>	<u>2022 Budget</u>
Provision for Loan Losses		
Estimated Loan Balance	\$ 18,650,000	\$ 17,108,000
Provision for Loan Losses	\$ 450,000	\$ 250,000
Percentage of Loans	2.4%	1.5%

**BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION ("RDC")**  
**Proposed Budget and Three Year Forecast 2024-2026**

	<b>Proposed Budget 2023</b>	<b>Forecast 2024</b>	<b>Forecast 2025</b>	<b>Forecast 2026</b>
<b>REVENUES:</b>				
Interest Income - Loans	\$ 630,000	\$ 635,000	\$ 640,000	\$ 645,000
Interest Income - Cash & Investments	700	1,000	1,000	1,000
Administrative Fees	15,000	15,000	15,000	15,000
Other Income	5,000	5,000	5,000	5,000
Total Revenues	<u>650,700</u>	<u>656,000</u>	<u>661,000</u>	<u>666,000</u>
<b>EXPENSES:</b>				
ECIDA Management Fee*	\$ 286,000	\$ 330,000	\$ 330,000	\$ 335,000
Provision for Loan Losses	450,000	400,000	400,000	400,000
Rent & Facilities Expenses	25,000	25,000	25,000	25,000
Professional Services	56,000	60,000	60,000	60,000
General Office Expenses	3,500	3,500	3,500	3,500
Marketing & Other Expenses	27,475	5,000	5,000	5,000
Total Expenses	<u>847,975</u>	<u>823,500</u>	<u>823,500</u>	<u>828,500</u>
<b>NET INCOME/(LOSS):</b>	<u>\$ (197,275)</u>	<u>\$ (167,500)</u>	<u>\$ (162,500)</u>	<u>\$ (162,500)</u>

\* Represents an allocation of salary and benefit costs from the ECIDA based on staff time charged to the RDC.



**Item 3.2.c**

**MEMORANDUM**

**TO:** ECIDA, RDC and ILDC Boards of Directors  
**FROM:** Mollie Profic, Treasurer  
**SUBJECT:** Independent Audit Services RFP Recommendation  
**DATE:** September 28, 2022

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The ECIDA's Professional Services Request for Proposals (RFP) Policy requires proposals for Professional Auditing Services to be solicited at least every 5 years. Proposals were last solicited in 2017. On July 25, 2022, the Agency issued an RFP for Professional Auditing Services requesting one CPA firm to jointly audit the Agency and its affiliates and Western Region Corporation ("WRC"). The RFP requested services for three audit years from January 1, 2022 to December 31, 2024, with an option of contracting for an additional two years (2025-2026). The length of the potential contract period coincides with Public Authorities Law which requires rotation of the audit partner every five years.

**Request for Proposal Process:**

The RFP was submitted directly to the top ten accounting firms per the 2022 Business First Book of Lists and any firms not on that list that had proposed in 2017. Ads were also placed in the Buffalo News, the Buffalo Criterion, and Challenger Community News stating the Agency issued an RFP for these services. In addition, the RFP was posted on ECIDA's website. The RFP responses were due on August 26. Four proposals were received from local firms.

**Evaluation Process:**

Proposals were evaluated by Mollie Profic, CFO, Atiqa Abidi, Senior Accountant, and Jerry Manhard, Chief Lending Officer and points were assigned based on the following criteria as stated in the RFP:

- 1) Qualifications and experience of the audit firm. (25%)
- 2) Qualifications and experience of the partners and staff proposed for the engagement. (25%)
- 3) All-inclusive cost for the potential five-year engagement. (40%)
- 4) Minority & women ownership, employee development and/or programs (10%)
- 5) Compliance with local, state or federal statutes and regulations

**Results:**

Lumsden McCormick was the top-rated firm. As a firm they have experience auditing similar clients such as Niagara County IDA and its affiliates, Greater Lockport Development Corporation, and Niagara Frontier Transportation Authority. Their government services practice has 30 staff members and 39% of the firm’s partners are female. On the engagement team, both partners and the audit manager have previously served ECIDA and its affiliates. Members of the audit department with expertise in the area prepare and review all information returns (990s). Their tax department is available for assistance on any technical questions. Lumsden McCormick is involved with the Career Opportunities in the Accounting Profession (COAP) Program, a learning program which exposes minority high school and college students to accounting careers, in an effort to grow the presence of historically underrepresented minorities in the profession. The firm is headquartered in downtown Buffalo and is a member of the BDO Alliance USA, a nationwide association that can provide additional resources, if necessary. Their average audit fee over three years for all entities (including single audit costs, if necessary) is \$59,700.

	<b>ECIDA</b>	<b>RDC</b>	<b>ILDC</b>	<b>WRC</b>	<b>Total</b>
2022	\$31,000	\$16,000	\$6,000	\$4,000	\$57,000
2023	32,400	16,900	6,200	4,200	59,700
2024	33,800	17,800	6,400	4,400	62,400
Average	\$32,400	\$16,495	\$6,200	\$4,200	<b>\$59,700</b>

On September 23, 2022 members of the Joint Finance & Audit Committee of ECIDA, RDC, and ILDC reviewed the above and concurred with the staff recommendation. A quorum of the Committee was not present for a vote.

**Recommendation:**

We request that each of the Boards of the ECIDA, RDC, and ILDC approve the selection of Lumsden McCormick, LLP to provide professional auditing services for the 2022-2024 audits with an option of contracting with the firm for the 2025-2026 audits.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
RESOLUTION**

The meeting of the Buffalo and Erie County Regional Development Corporation was convened on Wednesday, September 28, 2022 at 12:00 p.m.

The following resolution was duly offered and seconded, to wit:

**RESOLUTION OF THE BUFFALO AND ERIE COUNTY REGIONAL  
DEVELOPMENT CORPORATION (“RDC”) TO ENTER INTO A CONTRACT  
WITH LUMSDEN MCCORMICK, LLP TO PROVIDE PROFESSIONAL  
AUDITING SERVICES TO THE RDC**

WHEREAS, the RDC was incorporated as an affiliate of the Erie County Industrial Development Agency (the “Agency”) for the purpose of making direct loans to existing and new companies utilizing the resources from various Revolving Loan Funds (the “RDC Legacy Fund”); and

WHEREAS, the RDC, in unison and tandem with its affiliates, the Agency and the Buffalo and Erie County Industrial Land Development Corporation (the “ILDC”), utilized the Agency’s Professional Services Requests for Proposals Process (the “RFP Process”) which requires proposals for Professional Auditing Services to be solicited at least every five years; and

WHEREAS, the RDC, on July 25, 2022, issued a Request for Proposals for Professional Auditing Services (the “Auditing Services RFP”); and

WHEREAS, the Auditing Services RFP was mailed to the top ten accounting firms per the 2022 Buffalo Business First Book of Lists, ads were placed in the Buffalo News, the Buffalo Criterion and Challenger Community News stating that the Agency issued the Auditing Services RFP, and the Auditing Services RFP was posted on Agency’s website, with responses due by August 26, 2022; and

WHEREAS, four (4) proposals were timely received from local firms; and

WHEREAS, an internal RDC staff committee reviewed and scored the Auditing Services RFP responses in accordance with certain scoring criteria evaluating: (i) the qualifications and experience of the respondents, (ii) the qualifications and experience of the respondent’s partners and staff proposed for the engagement, (iii) the all-inclusive cost figure for the potential five-year engagement, (iv) minority and women ownership, employee development and/or programs related thereto, and (v) compliance with local, State or Federal statutes and regulations; and

WHEREAS, the internal RDC staff committee has unanimously recommended that Lumsden McCormick, LLP (“Lumsden McCormick”) be selected to provide professional auditing services to the Agency; and

WHEREAS, the RDC desires to adopt a resolution which will provide the necessary authority for the RDC to enter into an engagement with Lumsden McCormick.

NOW, THEREFORE, BE IT RESOLVED BY THE BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION, AS FOLLOWS:

Section 1. The RDC hereby confirms that it is authorized to select a professional auditing services firm to provide auditing services to the RDC consistent with the RFP Policy.

Section 2. Effective with the adoption of this resolution, the RDC hereby finds, in comparison to the other Auditing Services RFP respondents, that Lumsden McCormick has significant auditing experience auditing similarly situated IDAs, has a large government services practice group consisting of over 30 staff members, with 39% of the firm's partners being female, is involved with the Career Opportunities in the Accounting Profession (COAP) Program, a learning program which exposes minority high school and college students to accounting careers in an effort to grow the presence of historically underrepresented minorities in the profession, has significant government and not-for-profit audit experience, a tax department which is available for assistance on any technical questions, and is a member of BDO Alliance USA, a nationwide association, providing Lumsden McCormick with additional access to resources and knowledge to assist the RDC.

Section 3. The RDC hereby selects Lumsden McCormick to provide professional auditing services for the 2022, 2023 and 2024 fiscal years, and hereby directs the RDC's Finance and Audit Committee to review Lumsden McCormick's 2022, 2023 and 2024 performance and fees and further resolves and confirms that based upon the RDC's Finance and Audit Committee's satisfactory review of same, and upon the approval of the RDC's Finance and Audit Committee, that Lumsden McCormick continue to be retained to provide auditing services for the 2025 and 2026 fiscal years.

Section 4. The officers, employees and agents of the RDC are hereby authorized and directed for and in the name and on behalf of the RDC to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the RDC with all of the terms, covenants and provisions of the documents executed for and on behalf of the RDC.

Section 5. Any and all actions heretofore taken or authorized by the RDC and/or its officers, employees and agents with respect to this resolution are hereby ratified, approved and confirmed in all aspects.

Section 6. This Resolution shall take effect immediately.

ADOPTED: September 28, 2022





**Loan Status Report  
July 2022 – September 2022**

<u>RDC Loans Approved Since Last Meeting</u>	<u>Municipality</u>	<u>Amount</u>
ABM Holdings 1 LLC dba Midland Machinery Co.	Lancaster	\$475,000
<u>RDC Loans Closed Since Last Meeting</u>	<u>Municipality</u>	<u>Amount</u>
(None)		
<u>Loans in Closing Process</u>	<u>Municipality</u>	<u>Amount</u>
Johnson's Taphouse (brewery)	Hamburg	\$ 600,000
Upstate Steel Supply (construction materials)	Lancaster	\$ 750,000
<b>Total:</b>		<b>\$1,350,000</b>

<u>Loans in the Pipeline</u>	<u>Municipality</u>	<u>Amount</u>
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<u>2022 - Loans Closed</u>	<u>YTD Loan Total</u>	<u>Jobs to be Created</u>	<u>Retained Jobs</u>	<u>Dollars Leveraged</u>
3	\$2,300,000	19	48	\$12,220,000
MWBE Loans – 1				

**Loan Portfolio Performance**

**Past Due Loans:**

<u>Loan</u>	<u>Balance</u>	<u>Amount Past Due</u>	<u>Days Past Due</u>	<u>Comments</u>
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**Portfolio Delinquency Rate** (Past Due Outstanding Loan Balance divided by Portfolio Balance):

\$0 / \$16,770,115    0% Delinquency Rate (64 Loans)

**RDC Funds Available to Lend:**            \$4,453,652