

**Olean Local Development Corporation  
101 East State Street  
Olean, NY 14760**

Olean Local Development Corporation Meeting Minutes

Thursday, March 18, 2021  
8:30 a.m.  
Zoom

Attendance:	Members:	Mayor Aiello JR Bennion John Crawford Keri Kerper Rick Moore Colleen Taggerty Meme Yanetsko
	Other(s):	Kathleen Monroe Bob Clark, Olean Times Herald

**1. Roll Call**

Colleen Taggerty called the meeting to order at 8:30 a.m. and requested the roll call show all members present except David Carucci, Bob Ring and Fred Saradin.

**2. Reading and approval of the December 17, 2020 Audit Committee, Finance Committee, Governance Committee & Special meeting minutes**

A motion was made by JR Bennion, seconded by Meme Yanetsko to approve the December 17, 2020 Audit, Finance & Governance Committee minutes. Voice vote, ayes all. Motion carried.

A motion was made by Keri Kerper, seconded by David Carucci to approve the December 17, 2020 meeting minutes. Voice vote, ayes all. Motion carried.

**3. Elections**

**i. Election of Officers**

A motion was made by JR Bennion, seconded by Keri Kerper to cast a single ballot to elect the following Officers to the Corporation: President: Colleen Taggerty, Vice President: JR Bennion, Secretary: Rick Moore and Treasurer: David Carucci. Voice vote, ayes all. Motion carried.

## **ii. Audit, Finance & Governance Committee Members**

Ms. Kerper explained that the change in Common Council President has created a vacancy on the Audit, Finance and Governance Committees.

After brief discussion, a motion was made by Keri Kerper, seconded by Rick Moore to appoint John Crawford to the Audit, Finance and Governance Committees. Voice vote, ayes all. Motion carried.

Ms. Kerper advised the Audit, Finance & Governance full committees would hold a meeting prior to the Fiscal Year End to remain in compliance with the Authorities Budget Office

## **iii. Ethics Officer**

Ms. Kerper explained that Nick DiCerbo, Jr. has been appointed the acting City Court Judge leaving the position of OLDC Ethics Officer vacant.

After brief discussion, a motion was made by Rick Moore, seconded by Keri Kerper to appoint Jack Hart the Ethics Officer. Voice vote, ayes all. Motion carried.

## **4. Bills and Communications**

Ms. Kerper referred to the Buffamante Whipple Buttafaro (BWB) invoice received for fiscal year ending 5/31/2020 audit services performed and the invoice for services to assist the City Auditor with the reinstatement of the OLDC's tax-exempt status. She explained the \$1,000 for audit services is available in restricted funds and the \$1,000 invoice for the completion of the Form 1023 would need to be paid from a different source.

Mayor Aiello suggested the organization request an itemized statement of the tax-exempt status services performed by BWB.

Ms. Taggerty expressed concern regarding the spending authorization and the shortage of funds to pay the invoice for BWB to assist in the reinstatement of the tax-exempt status.

Ms. Kerper advised that in September 2018, the OLDC received \$4,000 in restricted funding for audit services for the fiscal years 2017-2018, 2018-2019, 2019-2020 and 2020-2021. She explained there should currently be \$2,000 in restricted funding remaining, and the account is short \$14.60. Ms. Kerper advised the OLDC would begin receiving repayments from the HK Olean Hotel, LLC project in July 2021, which would increase the balance in the Community Bank checking account.

Mr. Saradin entered the meeting at 8:50 a.m. and explained the total current assets balance is due to the fees incurred from electronic tax filings creating a decrease in the cash balance. He explained that a paper copy of the tax filing may be sent to the IRS resulting in no fees; however, he suggested the OLDC file electronically to ensure accuracy and acceptance.

Ms. Taggerty advised the Board would like to request an itemized invoice to authorize payment, and Mr. Saradin indicated he would reach out to BWB for an itemized invoice and potential cost reduction.

A motion to authorize payment to BWB for the 2019-2020 audit services performed in the amount of \$1,000 was made by Keri Kerper, seconded by Rick Moore. Voice vote, ayes all. Motion carried.

## **5. Report from the Treasurer**

The Board reviewed the March 18, 2021 Report from the Treasurer.

A motion to accept the Treasurer's Report was made by Keri Kerper, seconded by Meme Yanetsko. Voice vote, ayes all. Motion carried.

## **6. Report of Committees**

There was no business at this time.

## **7. Unfinished Business**

### **i. HK Olean Hotel, LLC Project**

Ms. Kerper advised that after a delay resulting from the COVID-19 pandemic, construction is nearing completion with an anticipated completion date of April 2021.

Ms. Kerper advised the cost documentation for the furnishings and fixtures has been received and a reimbursement request for the project was prepared and submitted to the NYS Office of Community Renewal (OCR).

She further advised the funds were received on January 15, 2021 in the amount of \$202,774.50, which were then disbursed to HK Olean, Hotel, LLC.

Ms. Kerper advised the Public Hearing with the Common Council for the project has been scheduled for March 23, 2021. She explained this is the second of two public hearings that are a requirement of the funding in order to remain in compliance.

Ms. Kerper advised a notice was received from the OCR notifying that the grant period would be ending April 12, 2021; however, there are hiring goals associated with the grant. She explained the hotel is planning a soft opening on April 14, 2021, and as a result, a six-month extension was submitted to and granted by the OCR. Ms. Kerper further explained the extension would allow the hotel to meet the hiring goals of 24 permanent full-time positions and 11 permanent part-time positions.

Ms. Kerper advised that once the hotel has met the hiring goals, the second and final disbursement request would be submitted to the OCR and disbursed when received. Ms.

Taggerty inquired what would happen if HK Olean Hotel, LLC did not meet the goals, and Ms. Kerper responded the funds would be held until the goals are met.

**ii. William O. Smith Recreation Center and OATS Advertisement**

Mayor Aiello advised the City Attorney Hart is currently working on advertisement policies.

**iii. Vision**

Ms. Taggerty suggested the Board hold a Strategic Planning Session separate from the Board Meeting to discuss its mission and strategize the direction of the organization.

Mayor Aiello suggested a commitment from Board members to participate, and if necessary arrange a day that is better suited for members. He indicated an evening meeting may be possible that would accommodate everyone's schedule. Ms. Taggerty inquired if there was an attendance section in the By-laws, and Ms. Kerper advised there is nothing in the By-laws; however, a Time and Attendance Policy was adopted on December 19, 2019.

Members agreed to revisit its Vision, Mission Statement and Performance Measurements.

Ms. Kerper advised staff would create a doodle poll and schedule the planning session accordingly.

**8. New Business**

**i. 2021-2022 Budget**

Ms. Kerper referred to the updated 2021 – 2022 proposed Budget prepared on behalf of the OLDC. She advised she reviewed the BWB RFP response fees for engagement section stating the May 31, 2021 fee is \$1,000; however, the out of pocket expenses/fees are based on the current activity of the corporation. Ms. Kerper explained there has not been a lot of activity over the past three audits. She indicated that would change in the proposed budget year with repayments starting in July that may result in an increase in fees due to the increased activity. Therefore, the audit services budget line has been increased from \$1,000 to \$3,000, and the City Revitalization Program has been reduced resulting in the total expenses remaining the same. Ms. Taggerty suggested adding the cost of electronic filing to the expenses. Ms. Kerper advised the City Revitalization Program would be reduced by \$75 and the \$ 75 filing fees would be added to expenses.

A motion to approve the 2021-2022 Budget with modifications discussed was made by Rick Moore, seconded by John Crawford. Voice vote, ayes all. Motion carried.

Ms. Kerper advised she would be preparing an RFP for audit services and releasing it in February 2022.

Ms. Kerper referred to the HK Olean Hotel, LLC amortization scheduled provided to members, and advised it was the basis for the creation of the 2021-2022 budget.

**ii. Tax Exempt Status**

Ms. Kerper advised the OLDC's tax exempt status was reinstated, and a copy of the IRS reinstatement letter was provided in member packets.

Ms. Taggerty inquired about policies and procedures to prevent future issues with IRS tax filings. Mayor Aiello suggested creating a policy outlining the tax filing procedures to ensure IRS accuracy and acceptance. He indicated reminders have been added to the Auditor's calendar. Ms. Taggerty suggested tax filing updates be provided to the Board either through committee agenda or regular meeting agenda.

Mayor Aiello reiterated a detailed invoice would be requested from BWB for assisting with the reinstatement of the OLDC's tax-exempt status.

**9. Executive Session**

There was no business at this time.

**10. Adjournment**

The Olean Local Development Corporation Audit, Finance and Governance Committee meetings have been scheduled for Thursday, June 17, 2021 at 8:15 a.m. The next Olean Local Development Corporation meeting has been scheduled for Thursday, June 17, 2021 at 8:30 a.m. A motion to adjourn was made by Rick Moore, seconded by Meme Yanetsko. Voice vote, ayes all. Motion carried. The meeting ended at approximately 9:15 a.m.