

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

Olean Local Development Corporation Meeting Minutes

Thursday, November 16, 2021
8:30 a.m.
Zoom

Attendance:	Members:	Mayor Aiello JR Bennion Keri Kerper Bob Ring Colleen Taggerty Meme Yanetsko (via Zoom)
	Other(s):	Kathleen Monroe Justin Isaman, BWB (via Zoom) Bob Clark, Olean Times Herald (via Zoom)

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, John Crawford, Jack Hart and Fred Saradin.

2. Reading and approval of the June 17, 2021 meeting minutes

A motion was made by Keri Kerper, seconded by JR Bennion to approve the June 17, 2021 meeting minutes. Voice vote, ayes all. Motion carried.

3. Elections

Ms. Kerper advised Rick Moore has submitted his resignation from the Board due to health concerns. She explained Mr. Moore's resignation resulted in the vacancy of the Secretary position.

A motion to accept the resignation of Rick Moore was made by Keri Kerper, seconded by Meme Yantesko. Voice vote, ayes all. Motion carried.

A motion was made by Keri Kerper, seconded by JR Bennion to elect Meme Yanetsko Secretary of the Corporation: Voice vote, ayes all. Motion carried.

Ms. Kerper advised the Audit Committee and Finance Committee have repeatedly failed to meet the quorum requirement and suggested the Board appoint replacement members to the committees.

After brief discussion, a motion was made by Keri Kerper, seconded by Bob Ring to appoint Audit Committee members: JR Bennion (Chairman), Colleen Taggerty and Bob Ring; Finance Committee members: JR Bennion (Chairman), Colleen Taggerty and Bob Ring. Voice vote, ayes all. Motion carried.

4. Bills and Communications

Ms. Kerper referred to the Buffamante Whipple Buttafaro (BWB) invoice received for services to assist the City Auditor with the reinstatement of the OLDC's tax-exempt status. She explained an itemized invoice for the services was provided and a voucher prepared.

After brief discussion, a motion to authorize payment to BWB for services performed to assist the City Auditor with the reinstatement of the OLDC's tax-exempt status in the amount of \$1,000 from unrestricted funds was made by Keri Kerper, seconded by Bob Ring. Voice vote, ayes all. Motion carried.

5. Report from the Treasurer

The Board reviewed the October 31, 2021 Report from the Treasurer.

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

Mayor Aiello advised the City Auditor will be retiring next month, and a new City Auditor will be taking his place on the Board.

i. Fiscal Year End Audit Presentation

Mr. Isaman referred to page one of the Independent Auditor's report for the fiscal year ending May 31, 2021 and explained BWB completed the audit with a clean unmodified opinion.

Mr. Isaman outlined the OLDC's financial position and cash flow. He explained there is a \$1,000 balance in net assets with donor restriction for audit services and \$200,701 without donor restriction along with \$4,846 in expenses. Mr. Isaman indicated there has been an increase in activity during the time period due to HK Olean Hotel loan repayments.

Mr. Isaman noted the OLDC received notification that the IRS approved the request for tax-exempt status reinstatement under Revenue Procedure effective January 26, 2021.

Mr. Isaman advised that note four to the financial statements state that during the fiscal year ending May 31, 2019, the OLDC received \$4,000 as a committed donation for audit services

from Program Income received by the City due to a change in NYS Office of Community Renewal guidelines, and there is a \$1,000 remaining unspent balance as of May 31, 2021.

Mr. Isaman explained the fifth note to the financial statements Grant Award refers to the \$416,000 grant awarded from the NYS Office of Community Renewal to assist HK Olean Hotel, LLC with furnishings and fixtures. He noted the grant was divided into a \$200,000 deferred loan, \$16,000 in costs incurred for grant administration services and \$200,000 as a note receivable. Mr. Isaman advised the loan repayments began in July 2021.

Mr. Isaman referred to the Management Letter and suggested the implementation of a process to assure bank reconciliations are being performed in a timely fashion due to an increase in banking activity.

Mr. Isaman completed the audit presentation, and members thanked him for the services performed.

A motion was made by Keri Kerper, seconded by JR Bennion to accept and approve the Fiscal Year End 2021 audit, as presented. Voice vote, ayes all. Motion carried.

A motion to authorize payment to BWB for the 2020-2021 audit services performed in the amount of \$1,000 from restricted funds was made by JR Bennion, seconded by Keri Kerper. Voice vote, ayes all. Motion carried.

Mr. Bennion asked whether the 2020-2021 audit services were the third renewal of the RFP, and Ms. Kerper advised it was the fourth and final and Community Development would be preparing a new RFP for audit services for release this Winter.

6. Report of Committees

i. Audit, Finance & Governance Committee Annual Reports

Ms. Kerper presented the Audit, Finance and Governance Committees Annual Reports prepared on behalf of the subcommittees and noted the change in audit and finance committee members.

A motion was made by JR Bennion, seconded by Meme Yanetsko to accept the Audit Committee Annual Report with revisions in committee members. Voice vote, ayes all. Motion carried.

A motion was made by JR Bennion, seconded by Meme Yanetsko to accept the Finance Committee Annual Report with revisions in committee members. Voice vote, ayes all. Motion carried.

A motion was made by JR Bennion, seconded by Meme Yanetsko to accept the Governance Committee Annual Report. Voice vote, ayes all. Motion carried.

7. Unfinished Business

i. Policy for Filing Tax Return

Ms. Kerper explained the City Auditor failed to make the previously suggested revisions to the Policy for Filing Tax Return.

Ms. Taggerty suggested removing Paragraphs one and three along with the term electronically. Members agreed and added the filing of the tax forms shall comply with IRS regulations for tax-exempt organizations prior to the deadline set by the IRS.

A motion to accept the Policy for Filing Tax Return with the requested revisions was made by Meme Yanetsko, seconded by Bob Ring. Voice vote, ayes all. Motion carried.

A motion to direct the City Auditor to file the required IRS tax forms was made by Keri Kerper, seconded by JR Bennion. Voice vote, ayes all. Motion carried.

ii. HK Olean Hotel, LLC Project

Ms. Kerper advised the final reimbursement request in the amount of \$4,659.20 in administration costs incurred from H. Sicherman & Company for the project was prepared and submitted to the NYS Office of Community Renewal (OCR).

Ms. Kerper advised the OLDC received \$1,446.72 in accrued interest on the loan along with \$3,505.55 in monthly repayments that began in July 2021.

iii. William O. Smith Recreation center and OATS Advertisement

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

8. New Business

i. OLDC Policies and Statements

Ms. Kerper referred to the Assessment of Effectiveness of Internal Controls Statement for the period ending May 31, 2021 and advised the authority has assessed and documented the adequacy of its internal control structure and policies.

A motion to accept the Assessment of Effectiveness of Internal Controls Statement was made by Meme Yanetsko, seconded by Bob Ring. Voice vote, ayes all. Motion carried.

Ms. Kerper referred to the Annual Report prepared for the fiscal year ending May 31, 2021 and explained the Summary Report would be uploaded into the Authorities Budget Office's (ABO) online system.

A motion to accept the 2021 Annual Report was made by Keri Kerper, seconded by Bob Ring. Voice vote, ayes all. Motion carried.

Ms. Kerper referred to the 2021 Real Property Owned by the OLDC Report and advised the organization does not own any real property.

A motion was made by Keri Kerper, seconded by JR Bennion to accept the Real Property Owned by the OLDC Report. Voice vote, ayes all. Motion carried.

Ms. Kerper presented the Code of Ethics Officer's Report prepared on behalf of the Ethics Officer.

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

Ms. Kerper requested Board members complete the Confidential Evaluation of Board Members and return to staff at their earliest convenience. She explained the Summary Report would be compiled and sent to the ABO for compliance.

ii. Housing Rehabilitation Fund

Ms. Kerper asked whether members had any suggested revisions to the OLDC Exterior Housing Rehabilitation Loan Program Application or Guidelines. There was member discussion regarding including the demolition or replacement of a deck into the list of qualified repairs. Ms. Kerper explained the goal of the program is to perform necessary exterior upgrades to homes and improve neighborhoods. Mr. Ring suggested following up with Code Enforcement to get clarification on the definition of a porch and deck and whether it is required to be attached to a structure.

In response to questions, Ms. Kerper advised a lien would be placed on the property and projects would be prioritized for funding allocations.

Mr. Bennion inquired on whether the interest on the loans would be tied to the prime rate or a flat percentage rate, and Ms. Kerper advised a Flat percentage rate. She suggested 4%, as done previously, during the City of Olean's former Olean Homeownership Assistance Program.

Ms. Kerper noted the OLDC would review the applications along with the City Attorney for approval.

Mr. Ring asked if there were income restrictions on the project, and Ms. Kerper replied there would not be unless the OLDC wishes to make those restrictions.

iii. By-Laws Revision

Members agreed that adopting the Policy for Filing Tax Return eliminated the need for a revision of the By-laws.

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, March 17, 2022 at 8:15 a.m. The next Olean Local Development Corporation meeting has been scheduled for Thursday, March 17, 2022 at 8:30 a.m. A motion to adjourn was made by Keri Kerper, seconded by Bob Ring. Voice vote, ayes all. Motion carried. The meeting ended at approximately 9:25 a.m.