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Minutes

Monroe County Industrial Development Corporation

May 9, 2017 Meeting

Board Members in Attendance: H. Abdul-Wahid, J. Barker, D. Brooks, T. Brown, C. Campbell, J. Goodyear, D. Halladay, P. Hin, C. Johnston, E. Krzanowicz, A. Laniak, D. Mendick, J. Morse, P. Pecor, Z. Phillips, L. Ryan, P. Smith, S. Strassenburgh, D. Zorn

Others: Executive Director J. Adair, M. Geise, L. Birr, B. O'Brien, M. Doyle

Also Present: Munesh Patel, Esq., Harris Beach, PLLC

There being a quorum, President Strassenburgh called the meeting to order and opened the public forum at 8:00 a.m. There being no public forum items, the meeting commenced. President Strassenburgh welcomed new Board Member E. Krzanowicz.

Minutes: The draft minutes of the March 8, 2017 Meeting of the Members were presented. On motion made by P. Pecor, seconded by J. Morse, the minutes were unanimously approved.

Loan Proposal: Motion was made to move into Executive Session by H. Abdul-Wahid, seconded by P. Pecor and by unanimous vote of the members, to consider an SBA 504 request previously approved by the Loan Committee and recommended for Board approval. The loan was presented by D. Halladay. Motion was made to move out of Executive Session by C. Campbell, seconded by P. Smith and unanimously approved, whereupon Executive Session was concluded, and the public meeting resumed. Ratification of Loan Committee recommendation and Board approval of the following SBA 504 loan was moved by P. Smith, seconded by P. Hin, all aye with one abstention by D. Brooks, and the following loan was thereby approved by the Board:

Project: Purchase and renovation of building

Total project amount: \$1,500,000; SBA 504 amount: \$616,000

Existing jobs: 29 FTEs; Projected jobs: 9 FTEs

SBA Portfolio Review: L. Birr reviewed the Status of Portfolio – 504 Program report provided in Board Member folders. A review was made of the number and balances of loans as well as status codes detailed on the report. Board Members were next directed to the SBA 504 Loan Portfolio Review by NAICS Codes report provided in their folders, and L. Birr reviewed each category and discussed the significance of portfolio concentrations, noting the manufacturing component at a solid base (32%) of the portfolio.

May 9, 2017

Page 2

MCIDC Portfolio Review: L. Birr reviewed the MCIDC Loan Portfolio, noting the loans which are near the end of term.

SBA SMART Audit Update: L. Birr discussed the completed draft of the MCIDC Loan Policies and Procedures Manual and the Internal Controls Policy. The SBA has received this draft, and we are waiting for their response and suggestions for any modifications. After completion, the documents will be presented for Board approval.

Treasurer's Report: The MCIDC Financial Report was presented by P. Hin. The MCIDC cash flow report shows a positive projected cash balance. The Board discussed economic development methods for use of the MCIDC cash flow.

President's Report: President Strassenburgh asked for a motion to appoint Lydia Birr to the position of CDC Manager for MCIDC, noting that filling the position is a requirement from the SBA. Upon motion by P. Hin, second by A. Laniak, all aye, the motion carried.

IRS Audit of 2010 Bond Issue: M. Geise reported the final disposition of the IRS audit, which began in November 2016. The IRS has determined that no changes are necessary to the status of these bonds, and the audit is complete.

Board Member SBA Training: All present Board Members participated in a training course given by L. Birr. This presentation was designed for understanding of Title 13 CFR Section 120.823, a regulation related to board governance and oversight responsibilities of MCIDC's status as a Certified Development Company. The training also intended to ensure that Board Members remain engaged, involved, and responsible for the actions of MCIDC. L. Birr explained the new regulations in detail, as well as outlined the responsibilities required of CDC Boards, and provided guidance for compliance with SBA's requirements. The training and materials will be provided to Board Members not present at this training.

There being no further business to discuss, upon motion made by P. Smith and seconded by A. Laniak, the meeting of the MCIDC Board was adjourned.

Respectfully submitted,

H. Abdul-Wahid, Secretary