



Thursday, March 28, 2019
Innovation Zone Conference Room
GGLDC Audit & Finance Committee Meeting
3:00 p.m.

MINUTES

ATTENDANCE

Committee Members: T. Felton, T. Bender, D. Cunningham
Staff: L. Farrell, M. Masse, E. Richardson, S. Hyde, J. Krencik, P. Kennett, C. Suozzi
Guests: M. Gray (GCEDC Board Member), A. Young (GCEDC Board Member),
D. Brownell (Mostert, Manzanero & Scott)
Absent: P. Battaglia

1. CALL TO ORDER / ENTER PUBLIC SESSION

1. Call to Order – Enter Public Session – D. Cunningham called the meeting to order at 3:24 p.m. in the GCEDC conference room.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business – Nothing at this time.

2b. Minutes: February 8, 2019

T. Felton made a motion to approve the February 8, 2019 Meeting Minutes as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Absent
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. 12/31/18 Audit – David Brownell of Mostert, Manzanero & Scott, LLP reviewed the audit with the committee and answered questions in regard to the audit. The management letter states that no material deficiencies in internal controls were identified during the audit. It is their opinion that the audited financial statements present fairly, in all material respects, the financial position of the GGLDC as of December 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

New this year was an audit of our investments. The Authorities Budget Office (ABO) issued guidance in 2018 specifically on Public Authority Investment Reports. The report that is included in the financial statements, along with the investment report that the Board will review satisfies the ABO requirements.

The GGLDC may potentially be subject to a Single Audit for 12/31/18 activity related to the HP Hood OCR Grant. The audit firm will look into the requirements related to this transaction and will determine whether or not a Single Audit is necessary. If so, the due date for this additional report is not until September. L. Farrell will report back to the Committee when a conclusion is reached.

T. Bender made a motion to recommend approval of the 12/31/2018 Audit as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Absent
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

3b. Allowance for Doubtful Accounts – L. Farrell reviewed an analysis of allowance for doubtful accounts with the Committee. She informed the Committee that she felt like the allowance was at a reasonable amount but asked if the Committee wanted to make any adjustments.

The Committee agreed that it was a good number for now. The allowance will remain at \$149,438 at 12/31/18, and going forward, to be allocated across funds as necessary.

3c. Investment Report – The Investment Report summarizes the GGLDC's bank balances and interest income at 12/31/18. The report will be submitted into PARIS and posted on the website.

T. Felton made a motion to recommend approval of the Investment Report as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Absent
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

3d. Procurement Report – Public authorities are required to report all procurement transactions active during the reporting period that have an actual or estimated value of \$5,000 or more. This report will be submitted into the PARIS system and posted on the website.

T. Bender made a motion to recommend approval of the Procurement Report as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Absent
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

3e. SPDES Discharge Permit Application – M. Masse notified the Committee that the GGLDC will be applying for a SPDES permit for the Onsite Sanitary Sewer at the STAMP site. The GGLDC will be the applicant as they are allowed to transfer the permit to another entity if/when a corporation is set up.

3f. ESD \$2M Incentive Proposal – BETP- The GGLDC received the Incentive Proposal (IP) that lists out the terms and conditions of the \$2 million recently awarded for the Corfu WWTF upgrade. Highlights of the IP are as follows:

1. The grant is to be funded in three draws based on job creation requirements and capital investment. ESD is looking into modifying this section.
2. There is a clawback provision on the grant related to job creation. ESD is looking into removing this item.
3. There is a 30% MWBE goal, we have requested this be significantly reduced or removed.
4. There is a “Good faith efforts” for a new 6% goal to use NYS Certified Service-Disabled Veteran owned Business Enterprises (SDVOB).
5. There is a 1% commitment fee (ESD is looking into waiving this fee).

M. Masse shared that he got word from ESD that they are unable to waive the 1% fee, but still has not heard back on our concerns regarding the clawback provision or the MWBE goals. The Incentive Proposal for the Town of Alabama had no job requirements or clawbacks, so it seems to be possible to remove it.

The Committee felt comfortable approving the IP with modifications to remove the clawback language and include that the MWBE goals be 30% of labor costs only.

T. Felton made a motion to recommend approval of the ESD \$2M Incentive Proposal for BETP with modification to the proposal by removing the clawback provision and the MWBE goals relating strictly to labor costs; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Absent
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

3g. Workforce Development Fund – The GGLDC plans to receive \$50,000 from the 2018-19 Pearl Solar Project, with 50% being committed to assist in workforce development. The Workforce Development Fund (WDF) will support the following activities:

1. Edge Factor roll out plan -The Edge Factor platform is an annual membership-based program and will cost \$1,000 per school building. Our agency assisted the roll out of the program with the support of

the Genesee Valley Educational Partnership (GVEP)/Business Education Alliance (BEA). Our recommendation would be to utilize a portion of the WDF to support the first-year membership (\$500 per school building). The balance of the membership fee would come from the participating school and is “coverable” or “aid-able” by State education. Currently, we have 15 school buildings signed up in the GVEP region for a 3-year contract including Batavia CTE, Batavia Middle School, and Batavia High School, Byron-Bergen, Elba, Pembroke and Notre Dame.

2. Mechatronics training – The plan is to utilize a portion of these funds to support specific mechatronics training, equipment and programming.

3. Support STEM/Skilled Trade activities – This includes variety of STEM activities including training room/ meeting expense, marketing material.

T. Felton suggested making sure proper documentation is in place, showing that each school participating will only receive 1 year of their membership fee paid.

T. Felton made a motion to approve the Workforce Development Fund activities and expenditures as presented as this is unbudgeted activity; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Absent
T. Bender - Yes
D. Cunningham - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business T. Felton made a motion to adjourn at approximately 3:59 p.m. seconded by T. Bender and passed unanimously.