



**Tuesday, October 24, 2017**  
**GGLDC – Andrews Conference Room**  
**Audit & Finance Committee Meeting**  
**8:30 a.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: T. Felton, P. Battaglia, D. Cunningham, T. Bender  
Staff: L. Farrell, M. Masse, S. Hyde, E. Richardson, P. Kennett  
Guests: M. Gray (GCEDC Board Member)

**1. CALL TO ORDER / ENTER PUBLIC SESSION**

**1. Call to Order – Enter Public Session** - T. Felton called the meeting to order at 10:10 a.m. in the Andrews Conference Room.

**2. CHAIRMAN'S REPORT & ACTIVITIES**

**2a. Agenda Additions / Other Business** – T. Felton appointed T. Bender to the Audit & Finance Committee.

**2b. Minutes: September 5, 2017 –**

**D. Cunningham made a motion to accept the September 5, 2017 Meeting Minutes as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:**

**3a. September 2017 Financial Statements** - L. Farrell presented the September Financial Statements to the Committee and noted the following:

- Accounts payable decreased due to the quarterly payment of the Economic Development Program Support Grant and the MedTech Centre Property Management to the GCEDC.
- Unrestricted Cash consists mostly of MedTech Centre funds.
- Most expenses are within budget; expenses that are not within budgeted amounts are directly related to grant revenues.

**P. Battaglia made a motion to recommend approval of the September 2017 Financial Statements as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3b. Strategic Investments Analysis** – L. Farrell presented the Strategic Investment Analysis and noted the following:

- GGLDC operational costs and site infrastructure maintenance for the parks was increased from \$80,000 to \$85,000 for 2017 after reviewing actual expenses (includes fire district fees, audit fees, site maintenance, insurance, unreimbursable H. Sicherman services etc. These costs were also increased by \$5,000 for each year from 2018 – 2021.
- HP Hood OCR Loan repayments are noted at the bottom as an opportunity.
- It was noted that all items in red are not yet approved by the Board.

**3c. GGLDC 2018 Budget** – L. Farrell presented both the cash and accrual basis budgets to the Committee for review and approval. The following was noted:

- As of 12/31/17 it is anticipated to have almost \$2M in the bank, of which approximately \$220K are unrestricted MedTech Centre funds.
- Professional Services total \$25K of which \$10K will be reimbursed by OCR grants and \$15K is unreimbursable.
- \$205K Empire Pipeline CBA is used to pay debt service on the Ag Park Bond through 2020, when the funds will be redirected to support STAMP Infrastructure.
- BETP will receive \$93K CBA funds related to Darien Lake annually until 2027.
- Some of the CBA restricted cash will be used to fund a \$352K expense toward offsite sewer and wastewater treatment facility upgrades in the Village of Corfu that will benefit the BETP and its tenants.
- GAB, LLC is expected to receive Alpina's final land sale installment payment of \$120K.
- Insurance expenses are estimated to increase by 5%.
- \$10K is included for a path / driveway to the back parcel of the Buffalo East Tech Park.
- \$5K is included to upgrade the lighting for the main entrance sign at the Genesee Agri Business Park.
- \$300,000 Economic Development Program Support Grant to the GCEDC.

**P. Battaglia made a motion to recommend approval of the GGLDC 2018 Budget as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3d. GGLDC 1+3 Budget** – L. Farrell presented the 1+3 budget to the Committee for review. It was noted that most line items show a 3% increase year over year unless highlighted. The highlighted line items are those that could be estimated more accurately based upon additional information that is available.

This is simply a forecast and not a formal approval of the budgets for years 2019-2021. This information will be entered into PARIS (Public Authorities Reporting Information System).

L. Farrell noted that depreciation will change to \$196,000 for each year through 2021.

**P. Battaglia made a motion to recommend approval of the GGLDC 1+3 Budget as presented with the noted change to depreciation; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3e. Economic Development Program Support Grant** – The GGLDC has included \$300,000 per year through 2020 as a placeholder on the Strategic Investment Funds Analysis that is reviewed quarterly by the Audit & Finance Committee. The funds will be committed from the strategic investment funds and is included within the GGLDC budget.

L. Farrell asked the committee to recommend approval of the 2018 Economic Development Program Support Grant to the GCEDC.

**P. Battaglia made a motion to recommend approval of the 2018 Economic Development Program Support Grant as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3f. Auditor Selection** – L. Farrell reminded the Committee that the auditor engagement partner with Mostert, Manzanero & Scott LLP has been rotated every five years and we would have had one more year with the current partner before we would have to switch partners again. The partner that we have been using has retired, but they do have someone who can fill the position. The advantage of using them is that they are familiar with what we do and how we do it. They have also been able to continually meet the tight reporting deadlines that are imposed on our entity.

L. Farrell presented an engagement letter from Mostert, Manzanero & Scott, LLC for \$11,200, this is \$200 more than last year (about 2% increase).

L. Farrell recommended staying with the current auditor for at least one more year, at which time we could go out to bid for these services.

**P. Battaglia made a motion to recommend approval of Mostert, Manzanero & Scott as the auditors for the 2017 audit as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3g. Commercial Cleaning Services Contract:** At the end of 2015, the Audit & Finance Committee reviewed and recommended to the full board a contract with Commercial Cleaning Services of WNY for 2016 cleaning services at a cost not to exceed \$12,000 for the year. At that time, five companies were asked to provide quotes, of which three were returned. Two companies were very close in price and Commercial Cleaning Services provides an additional service of auto scrubbing the floors.

L. Farrell asked the Committee to recommend approval to continue this contract for 2018 cleaning services.

**P. Battaglia made a motion to recommend approval of the 2018 Commercial Cleaning Services Contract as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3h. 2017 H. Sicherman Contract Amendment –** Currently the GGLDC has an approved contract with H. Sicherman for professional grant services totaling \$25K, of which \$10K will be reimbursed by OCR grants and \$15K is allowed to be unreimbursable. Any professional services provided by H. Sicherman prior to OCR approval is not reimbursable under an OCR grant. The GGLDC has started to request that companies looking for assistance with OCR grants help pay for these expenses. We currently have two companies, Resurgence and Freightliner, that have each agreed to pay up to \$7,500 towards the unreimbursable grant consulting services (\$15,000). Given the activity with OCR grants, H. Sicherman has predicted that consulting services will be approximately \$43,000 for 2017, of which \$20,000 is anticipated to be unreimbursable and \$23,000 is anticipated to be reimbursable.

L. Farrell asked the board to recommend approval of increasing the total contract with H. Sicherman to \$43,000, of which up to \$20K could be unreimbursable.

**P. Battaglia made a motion to recommend approval of the increase to the 2017 H. Sicherman Contract as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

T. Felton - Yes

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

**The item was approved as presented.**

**3i. 2018 Genesee County Mowing Contract** – The GGLDC received a proposal for mowing of the storm water ponds and vacant land at Gateway II, MedTech Centre, and Ag Park for 2018. The proposal amount is from the same vendor as last year and the price has been increased from \$10,400 to \$11,050 and included in the 2018 GGLDC budget as presented to the Committee.

**P. Battaglia made a motion to recommend approval of the 2018 Genesee County Mowing Contract as presented; the motion was seconded by D. Cunningham. Roll call resulted as follows:**

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

**The item was approved as presented.**

#### **4. ADJOURNMENT**

As there was no further business, D. Cunningham made a motion to adjourn at approximately 11:30 a.m., seconded by P. Battaglia and passed unanimously.