



**Tuesday May 1, 2018,
GCEDC – Andrews Conference Room
Audit & Finance Committee Meeting
8:30 a.m.**

MINUTES

ATTENDANCE

Committee Members: T. Bender, M. Gray, P. Battaglia
Staff: L. Farrell, M. Masse, E. Richardson, P. Kennett, C. Suozzi, S. Hyde
Guests: T. Felton (GGLDC Board Member)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:30 a.m. in the Andrews Conference Room.

1a. Executive Session:

P. Battaglia made a motion to enter executive session at 8:30 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by T. Bender and approved by all members present:

1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

1b. Re-Enter Public Session – P. Battaglia made a motion to enter back into public session at 8:55 a.m., seconded by T. Bender and approved by all members present.

2. CHAIRMAN'S REPORT & ACTIVITIES:

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

2b. Meeting Minutes – March 29, 2018

P. Battaglia made a motion to approve the March 29th, 2018 meeting minutes as presented, the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. Food Processing Training Agreement with Cornell – GCEDC obtained a \$100k National Fuel Gas grant to assist training for food processing workforce in Genesee County from the Mueller Quaker Dairy Project, of which \$50k has been utilized. We are seeking to use the remaining \$50k from the National Fuel Gas grant to assist in workforce training with three dairy plants to include HP Hood (Batavia), OATKA Milk Products (Batavia), and Yancey's Fancy (Corfu). Cornell will provide the training needed by the companies. These courses will teach participants technical and product-specific information, ultimately contributing to the production of safe, high quality dairy products in Genesee County.

The three dairy processing plants will receive Dairy Foods Extension trainings from the certificate program on-site at their facility for up to 30 employees per session. A total of up to 150 employees will be trained using the remainder of these Funds.

C. Suozzi asked that the Committee recommend to the full board approval for \$50,000 from the National Fuel Gas grant to be disbursed to Cornell for workforce training for up to 150 employees of HP Hood, OATKA and Yancey's Fancy.

T. Bender made a motion to recommend approval of \$50,000 National Fuel Gas grant to be disbursed to Cornell for workforce training as presented, the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes

The item was approved as presented.

C. Suozzi left the meeting at 9:06 a.m.

3b. \$33M STAMP Grant Draw Review YTD - L. Farrell reminded the Committee that the imprest account has been set up and on January 12, 2018 Empire State Development (ESD) deposited \$15,100,934 into the account. The first two Grant Utilization Request Forms (GURF) have been submitted and authorization has been received to release those funds. GURF #3 for approximately \$609,470.41 is currently in process. L. Farrell had recommended that the Committee give it a little bit of time before considering the reduction of, or the elimination of, the Key Bank Line of Credit. Although the GCEDC is charged an undrawn fee, the timing of the GURF approvals may make it necessary to leave the Key Bank Line of Credit open for at least a short time period. L. Farrell will continue to monitor the process.

3c. 1st Quarter 2018 Financial Statements – L. Farrell presented the 1st Quarter Financial Statements to the Committee and noted the following:

- Empire State Development (ESD) has deposited \$15.1M into an imprest account related to the \$33M grant in January 2018. Expenditures out of this account will be preauthorized by ESD.
- OCR is implementing new CDBG Program Income rules. They want to ensure that funds are being used to their full potential. Most of the funds CDBG that the GCEDC holds have been defederalized. The balance of the funds (approximately \$200,000) has been committed to Yancey's Fancy. If

Yancey's Fancy decides not to move forward with the loan, then the GCEDC could decide to use the funds for infrastructure construction at one of the Parks, or another qualifying Economic Development Project.

- Restricted cash received from the Town of Pembroke has been decreasing as funds are being used to pay qualifying expenditures to Clark Patterson Lee (wastewater treatment facility expansion).
- Real Estate Development & Management grants receivable is comprised of approximately \$310K ESD land grant and the balance is a National Grid grant related to the Leroy Food and Tech Park.
- STAMP Accounts Payable consists of mostly ESD grant expenditures.
- Current Accounts Receivable in Operations consists of Rochester Gas and Electric (\$20K), HP Hood (\$279.6K) origination fee installments, the Economic Development Program Support Grant (\$75K) and the MedTech Center Property Management fee (\$20K).
- Interest earned on the imprest account will be returned to ESD, as required.
- Origination fees have been collected from ADVJ and Triple O Mechanical.
- RLF #1 Professional Services includes legal fees related to collections of the Savage IO loan.
- Cost of Sales expense is related to the Coach Tony's (ADVJ) land sale.
- Received the Empire Pipeline Community Benefit Agreement payment that is dedicated to support development at the GVAB (pays annual principal and interest on a GGLDC bond).
- Received the CBA payment for the Village of Bergen waste water treatment plant expansion.
- Received PIF payments dedicated to the infrastructure fund to assist with the Town of Pembroke and Village of Corfu Sewer Infrastructure.
- The HSA benefit is high for the quarter due to a majority of the employer contribution being paid at the beginning of the year.
- A majority of the unemployment insurance and workers compensation insurance is paid at the beginning of the year.
- Long term disability is paid in full for the year.
- Property insurance is paid in advance and should be within budget on a consolidated basis by year end.
- Dues and Subscriptions are over budget due to half of the membership dues to Greater Rochester Enterprise (\$25K), Invest Buffalo Niagara (\$12.5K) being paid at the beginning of the year.
- Conference and meetings includes annual meeting expense of \$5,660 that is offset by amounts received from attendees, recorded as miscellaneous income.
- RLF #1 has 2 active loans.
- RLF #2 has 1 active loan.
- The expenses in STAMP that are unbudgeted correspond with unbudgeted grant income.
- The GAIN! Loan fund has 4 active loans.
- All expenditures are in line with the budget except where noted.

T. Bender made a motion to recommend approval to the full Board of the 1st Quarter Financial Statements as presented, the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
 M. Gray - Yes
 T. Bender - Yes

The item was approved as presented.

3d. LeRoy Inter-Municipal Agreement (IMA) – In connection with the potential tenant at the Leroy Food & Technology Park, the GCEDC is seeking assistance from the Town of LeRoy in the amount of \$50,000. The Inter-Municipal Agreement defines the use of those funds. The Town of LeRoy has already approved the IMA.

M. Masse asked the Committee to recommend to the full board approval of the IMA.

T. Bender made a motion to recommend to the full Board approval of the Leroy Inter-Municipal Agreement as presented, the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, T. Bender made a motion to adjourn at 9:28 a.m., seconded by P. Battaglia and passed unanimously.