



GGLDC Audit & Finance Committee Meeting

Tuesday, October 1, 2019

Andrews Conference Room

8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: T. Felton, D. Cunningham, P. Battaglia
Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, C. Suozzi
Guests:
Absent: T. Bender

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 9:40 a.m. in the GCEDC Andrews Conference Room.

2. CHAIRMAN'S REPORT & ACTIVITIES

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

2b. Minutes: September 3, 2019

P. Battaglia made a motion to approve the September 3, 2019 Meeting Minutes as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

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

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. August 2019 Financial Statements – L. Farrell reviewed the August 2019 financial statements, noting that all activity was normal operating activity.

P. Battaglia made a motion to recommend approval of the August 2019 Financial Statements as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

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

The item was approved as presented.

3b. Budget Timeline – The 2020 Budget must be approved and entered into the NYS Public Authorities Reporting Information System (PARIS) online by November 1, 2019. The next board meeting is scheduled to take place on October 31, 2019. If there will not be a quorum, the meeting date should be moved up so that this deadline can be met.

3c. GGLDC 2020 Budget Assumptions – L. Farrell presented the draft cash budget to the Committee for review. The following was noted:

Operations:

Line 4 - \$254K OCR loan repayments including First Wave, Freightliner, HP Hood and the Chamber Loans

Line 7 - \$10K from OCR as reimbursement for grant consulting services

Line 28 - D&O insurance anticipated 6% increase

Line 32 - \$300K Economic Development Support Grant for 2020

Line 33 - WFD professional services contract for \$30K

Line 35 - \$18K Professional services includes tax return prep, audit services, and year-end consulting services

Line 36 - \$1,967 ABC Grant Balance

Gateway II:

Line 5 – Gateway GS Ground Lease

BETP:

Line 10 - \$93K CBA funds will be received annually until 2027

Med & Tech Park:

Line 5 - YSG pays \$25K upon commencement of construction and 3 quarters of rent from YSG is estimated at \$9K

Med Tech Centre:

Line 5- CAM charges will increase for 2020

- Higher expenses than last year.

- \$18K for restriping and paving the parking lot.

- Repairs are also needed for the roof. Currently staff is waiting on quotes. If the roof repairs are covered under warranty, the GCEDC staff will proceed with restriping and paving the parking lot. If the roof repairs are not covered under warranty, the roof repairs may take precedence over parking lot work in 2020.

Approximately \$1K has been included for each park for miscellaneous site maintenance that may come up.

L. Farrell asked the Committee members to contact her if they have any other suggestions or questions regarding the drafted budget. The next time the committee meets and reviews the budget again, they will be asked to recommend it to the full board for approval. Any changes made to the budget assumptions will be reviewed in detail at that time.

3d. Auditor Selection – L. Farrell discussed with the Committee about whether or not to go out to bid for auditing services this year. It is required that Public Authorities change audit partners every five years. The auditing firm does not need to change, only the audit partner. David Brownell with Mostert, Manzanero & Scott, LLC has been the engagement partner on the GGLDC’s audit for the last two years.

The Committee recommended that L. Farrell obtain an engagement letter from Mostert, Manzanero & Scott, LLC for auditing fees. As long as there is not a significant increase in fees, the GGLDC will continue to use this firm for 2019 services.

3e. Insurance Renewal – In December of 2017 the GGLDC Board asked that Joe Teresi (Tompkins Insurance Broker) go out to bid for the Agency’s 2018 insurance renewal. At that time Joe Teresi explored other markets but was unable to find another carrier that was able to meet the GGLDC’s needs at an affordable rate. Eleven insurance companies were reached out to and Selective was the only one to submit a proposal.

L. Farrell reached out to Joe Teresi to see what his thoughts were on going out to bid for the agency’s 2020 insurance needs. Joe said that Tompkins would go out to bid on the GGLDC’s behalf, but he did not believe that the market had changed much since we last went out to bid. There is only a limited number of insurance companies interested in the type of business that the GGLDC has. He believes that Selective is still the best carrier for the GGLDC. Some carriers that might entertain an LDC would not be interested in these exposures or lack the capacity to match Selective’s program. Selective is competitive, familiar with insuring municipalities, and the Agency’s endeavors of acting as a real estate developer at other parks all make Selective the most logical and best choice for insurance needs.

The Committee agreed not to go out to bid this year and will request a renewal from Selective Insurance.

3f. Land Lease Rates – M. Masse presented the land lease rates to the Committee and asked if there were any recommendations for 2019. The Committee was reminded that the GGLDC saves money by not having to pay for bush hogging and that farming also helps to eliminate the progression of wetlands.

The Committee asked M. Masse to reach out to C. Yunker for his opinion on the rates and if they were still fair market rate. Rates or any changes required in order to align with the fair market rate will be shared at the GGLDC Board Meeting on October 3, 2019 for voting.

P. Battaglia made a motion to approve the land lease rates pending input from C. Yunker; the motion was seconded by T. Felton. Roll call resulted as follows:

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

The item was approved as presented.

3g. Chamber Loan Update – All loans are current, excluding the Caccamise loan and the loan that has been passed on to a collections firm. Staff will meet with Caccamise again in November to discuss potential payment arrangements. It was noted that a 1099 must be given for loan forgiveness.

4. ADJOURNMENT

As there was no further business P. Battaglia made a motion to adjourn at approximately 10:05 seconded by T. Felton and passed unanimously.