



**Tuesday, May 2, 2017**  
**GCEDC – Andrews Conference Room**  
**Audit & Finance Committee Meeting**  
**3:00 p.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: P. Battaglia, M. Gray, P. Zelifff

Staff: L. Farrell, M. Masse, P. Kennett, S. Hyde

Guests: H. Upton (GGLDC Board Member), T. Felton (GGLDC Board Member)

Absent: M. Davis

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

P. Zelifff called the meeting to order at 3:04 p.m. in the Andrews Conference Room.

**1a. Executive Session** – P. Zelifff made a motion to enter into the executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 3:04 p.m., for the following reasons:

1. To discuss 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.
2. The proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

The motion was seconded by P. Battaglia and approved by all members present.

**1b. Re-Enter Public Session** - P. Zelifff made a motion to enter back into public session at 3:14 p.m., seconded by P. Battaglia and approved by all members present.

**2. Chairman’s Report & Activities:**

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

**2b. March 30, 2017 Meeting Minutes** –

**P. Zelifff made a motion to approve the March 30, 2017 Meeting Minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

P. Zelifff	- Yes
P. Battaglia	- Yes
M. Gray	- Yes
M. Davis	- Absent

The item was approved as presented.

**3. Discussions / Official Recommendations of the Committee:**

**3a. \$33M STAMP Grant Draw Review YTD** – L. Farrell reviewed the \$33 million STAMP grant draws with the Committee. Currently there is a delay on the reimbursement for line of credit interest included in draw #3 and draw #4. She will be reviewing the backup documentation and spreadsheets with ESD this week and hopes that once this happens the funds will be released.

**3b. 1<sup>st</sup> Quarter 2017 Financial Statements** – L. Farrell presented the 1<sup>st</sup> Quarter Financial Statements to the Committee and noted the following:

- There have been no projects that have closed in 2017, resulting in no fee revenue yet this year.
- Unearned Revenue includes the Empire Pipeline Inc. project participation fee that was collected in December 2016, but will not be earned until the company receives approval from FERC (Federal Energy Regulatory Commission).
- Real Estate Development and Management grants receivable (\$331,800) includes an ESD grant for the Leroy land purchase, looking to submit the reimbursement request soon.
- STAMP grant receivable includes expenses related to the \$33M ESD STAMP grant for engineering, environmental, legal, etc.
- The line of credit with Key Bank is related to the STAMP grant receivable with ESD.
- Received the PIF payment that is dedicated to support development at the GVAB (pays annual principal and interest on a GGLDC bond).
- Received the Empire Pipeline Community Benefit Agreement payment for the Village of Bergen waste water treatment plant expansion.
- 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 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 \$5,568 that is offset by amounts received from attendees, recorded as miscellaneous income.
- RLF #1 has 3 active loans. The loan receivable from Savage IO remains in collections.
- RLF #2 has 1 active loan.
- The expenses in STAMP that are unbudgeted correspond with unbudgeted grant income.
- STAMP Land Acquisition Interest is capitalized and the expense will be reimbursed by the ESD \$33M Grant.
- The GAIN! Loan fund has two active loans.
- All expenditures are in line with the budget except where noted.

**P. Battaglia made a motion to recommend approval of the 1<sup>st</sup> Quarter 2017 Financial Statements; the motion was seconded by P. Zelif. Roll call resulted as follows:**

P. Zelif	- Yes
P. Battaglia	- Yes
M. Gray	- Yes
M. Davis	- Absent

**The item was approved as presented.**

**3c. Public Work Enforcement Fund** – IDAs throughout the state, as well as state agencies and public benefit corporations, were sent letters informing them of their responsibility to pay into the Public Work Enforcement Fund any time the agency/public benefit corporation enters into a public work contracts. For IDAs, this would occur on projects for which the IDA is the beneficial owner (Railroad, spec building, industrial park). The amount to be paid is 1/10<sup>th</sup> of 1 percent of the value of the contract.

While the cover letter from the Department Of Labor (DOL) refers to public work contracts, the signature page, which DOL asks Executive Directors to sign stating they will pay into the fund, refers to "...all...contracts let by the agency/public authority..."

Brian McMahon discussed this flaw in the signature page language with the Director of DOL's Public Work Division. He was not aware of the oversight. He indicated that IDA Executive Directors could, instead of signing and returning the signature page, send a separate letter stating you received the initial letter and agree to pay into the fund any time the IDA enters into a public work contract.

L. Farrell informed the board that a letter of affirmation was mailed back to the NYS DOL on April 28, 2017.

**3d. Mowing Contract for Corporate Parks** – M. Masse reviewed bids received for mowing at the parks with the Committee. It was recommended that S&S Trucking be awarded the contracts for mowing STAMP properties as the lowest responsive, responsible bidder for a price not to exceed \$4,380 and McKenzie Landscaping be awarded the contract for mowing Gateway I and AppleTree Acres as the lowest responsive, responsible bidder for a price not to exceed \$455.

**P. Battaglia made a motion to recommend approval of Mowing Contract for Corporate Parks not to exceed \$4,835; the motion was seconded by P. Zelif. Roll call resulted as follows:**

P. Zelif	- Yes
P. Battaglia	- Yes
M. Gray	- Yes
M. Davis	- Absent

**The item was approved as presented.**

#### **4. ADJOURNMENT**

As there was no further business, P. Battaglia made a motion to adjourn at 3:54 p.m., seconded by P. Zelif and passed unanimously.