



Wednesday, December 02, 2015
GCEDC- Andrews Conference Room
Audit & Finance Committee Meeting
1:00 p.m.

MINUTES

ATTENDANCE

Committee Members: C. Yunker, P. Battaglia, P. Zeliff
Staff: L. Farrell, M. Masse, P. Kennett
Guests: T. Felton, J. Teresi (Tompkins Insurance Agency)
Absent: M. Gray

1. CALL TO ORDER / ENTER PUBLIC SESSION

C. Yunker called the meeting to order at 1:05 p.m. in the Andrews Conference Room.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE COMMITTEE:

3a. Insurance Presentation: Teresi, Tompkins Ins. – Joe Teresi reviewed the insurance policy that covers multiple entities, including the Genesee Gateway Local Development Corporation (GGLDC), the Genesee Valley Agri-Business LLC (GVAB) and the Genesee County Funding Corp. (GCFC). The GGLDC and GCEDC committee members were both in attendance for the presentation.

He noted that the GGLDC board has discussed having an insurance appraisal done on the building in 2016 to ensure that the building has sufficient coverage and that it is covered at replacement value. He talked about Terrorism coverage and noted that it was very unlikely to be used in Genesee County. The committee questioned the necessity of it and it was determined that the Terrorism portion should be removed from the policy.

J. Teresi explained to the committee that the STAMP houses are vacant which changes how the insurance company treats them as far as coverage goes. Vandalism and any freezing of pipes or leaks related to the building being empty will not be covered. Also in the case of a total loss only actual cash value will be paid instead of replacement value. This should not be an issue as long as the structures are torn down, as is the plan. But all structures that are not torn down by October 2016 (renewal) will be charged an additional vacancy surcharge (unless occupied) and will have minimal coverage. This is something that we wanted to make sure the committee was aware of as currently only a couple of the dwellings are categorized in this way. This should not pose a problem, but J. Teresi wanted the committee to understand that these dwellings do not carry the same insurance coverages when vacant.

P. Battaglia asked if it made sense to start scrapping out anything of value from the homes before anything happens. M. Masse explained that NYS requires that the houses be left as they are for now and that we cannot do anything to them without prior approval.

J. Teresi commented that the buildings are planned to be demolished in 2016, but if that does not happen then it may be advantageous to rent them out.

J. Teresi discussed a new Cyber Policy that he felt might be advantageous for the GCEDC. Tompkins is offering an informational seminar regarding the new coverage in 2016.

C. Yunker recommended that staff attend the seminar to find out more information about Cyber insurance and he asked staff to talk to other IDA's to see if they have this coverage before bringing it back to the committee for consideration.

3b. 2016 Insurance Renewal - The committee asked J. Teresi to look into higher deductibles for the Erie & Niagara Insurance Policy and bring back the new policy rates for the committee to review. Currently there is a \$2,500 deductible, but because these dwellings are scheduled for demolition it may make more sense to increase the deductible to \$5,000 or even \$10,000. They also asked J. Teresi to remove the Terrorism coverage off of the Selective Policy.

P. Battaglia made a motion to recommend approval of the 2016 Insurance Renewal with the Terrorism coverage removed to the full board; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Zeliff	- Yes
P. Battaglia	- Yes
C. Yunker	- Yes
M. Gray	- Absent

The item was approved as presented.

J. Teresi left the meeting.

Enter Executive Session – C. Yunker made a motion to enter into the executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 1:46 p.m. for the following reasons:

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.

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

Re-Enter Public Session

C. Yunker made a motion to enter back into public session at 2:04 p.m., seconded by P. Zeliff and approved by all.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business – None at this time.

2b. Minutes: October 20, 2015 –

P. Zeliff made a motion to approve the October 20, 2015 meeting minutes; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Zeliff	- Yes
P. Battaglia	- Yes
C. Yunker	- Yes
M. Gray	- Absent

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE COMMITTEE:

3c. October 2015 Financial Statements – L. Farrell reviewed the October financial statements and noted the following:

- Current Accounts Receivable consists of a grant project participation fee expected from Baskin (\$8K), Rochester Gas and Electric (\$20K) and Muller Quaker Dairy (\$155K) termed out project participation fees, MTC Management fees (\$6.25K) and the Economic Development Program Support Grant (\$25K) ect.
- Accounts Receivable non-current consists of Rochester Gas and Electric termed out project participation fee installments that will not be collected within 12 months of the Balance Sheet date.
- Prepaid expenses consist of health, disability, and Directors & Officers insurance.
- Deferred Revenue consists of municipal and National Fuel Grant funds received for specific purposes but not yet expended.
- Received a project participation fee of \$169K from OATKA.
- The HSA benefit line item is high due to a majority of the funds being expended at the beginning of the year and more employees participating than budgeted.
- Insurance has been paid in full for 2015.
- The Dues and Subscriptions line item is high due to paying the annual membership dues for Greater Rochester Enterprise (\$50K) and Buffalo Niagara Enterprise (\$25K) early in the year.
- Accrued Expenses consists of NYS Retirement contributions and interest on loans from the GGLDC not paid yet.
- Restricted cash decreased due to \$125K loan disbursement to PW Minor in October. Funds were distributed to the GGLDC and will be loaned to the company per the subrecipient agreement with Genesee County; defederalization of CDBG funds.

P. Battaglia made a motion to recommend approval of the October 2015 Financial Statements to the full board; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Zeliff	- Yes
P. Battaglia	- Yes
C. Yunker	- Yes
M. Gray	- Absent

The item was approved as presented.

3d. GCEDC 2015 Audit Services Agreement – L. Farrell presented a contract for 2015 independent audit services with Mostert, Manzanero & Scott, LLP for an amount not to exceed \$10,600. This amount includes \$9,000 for a Yellow Book audit, which we are required to have done annually, and \$1,600 for a Single Audit which is only necessary when an entity meets a certain threshold of federal expenditures within a year. This is a \$200 increase from last year. The Agency is not required to change audit firms, but are required to change audit partners every 5 years and this will be the third year with this audit partner.

L. Farrell asked the Committee to approve the GCEDC 2015 Audit Services Agreement with Mostert, Manzanero & Scott, LLP not to exceed \$10,600.

P. Zeliff made a motion to recommend approval of the GCEDC 2015 Audit Services Agreement, to the full board; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Zeliff - Yes
P. Battaglia - Yes
C. Yunker - Yes
M. Gray - Absent

The item was approved as presented.

3e. Land Dedication to Town of Bergen – M. Masse asked the committee to approve dedication of part of the roadway located in AppleTree Acres over to the Town of Bergen. The land became landlocked after IAA purchased their property from the agency.

P. Zeliff made a motion to recommend approval of the Land Dedication to the full board; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Zeliff - Yes
P. Battaglia - Yes
C. Yunker - Yes
M. Gray - Absent

The item was approved as presented.

ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at 2:36 p.m., seconded by C. Yunker and passed unanimously.