



Thursday, March 30, 2017
GCEDC – Innovation Zone
Audit & Finance Committee Meeting
2:30 p.m.

MINUTES

ATTENDANCE

Committee Members: P. Battaglia (Video Conference), M. Gray, M. Davis
 Staff: L. Farrell, M. Masse, P. Kennett, E. Richardson, S. Hyde, C. Suozzi
 Guests: H. Upson (GGLDC Board Member), Dennis Scott & David Brownell (Mostert, Manzanero & Scott, LLP), Britney Witkop (Junior's Maple)
 Absent: P. Zelif

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 3:00 p.m. in the Innovation Zone Conference Room.

1a. Presentations –

1. **Junior's Maple: GAIN! Loan Fund Request** – C. Suozzi introduced Britney Witkop of Junior's Maple. Junior's Maple is a sole proprietorship that owns and operates a maple syrup production farm in Batavia, New York. The business has grown rapidly in the last three years. The farm started with 800 taps and has grown to 4,800 taps in that three year period. Junior's Maple currently utilizes a wood fired evaporator, which is not energy efficient nor consistent in boiling. The loan funds will be used to purchase and install a Master oil evaporator system and fuel oil storage tank. The oil fired system will use less energy, and produce a higher grade of syrup. The system will also help the Company to expand and take on more taps to produce more syrup.

The Company is requesting a \$30,000 loan from the GAIN! Loan fund to purchase the new equipment. The term loan will have an interest rate of 1% per annum and will be amortized over 7 years. The loan will be secured by a first position lien filing against the piece of equipment being purchased as well as personal guarantees of the owners.

2. **12/31/16 Audit** – David Brownell and Dennis Scott of Mostert, Manzanero & Scott, LLP, attended the meeting to review the audit and to answer any questions that the Committee might have. The management letter states that no material deficiencies in internal controls were identified during the audit. In their opinion, the audited financial statements present fairly, in all material respects, the financial position of the GCEDC as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America. D. Scott reminded the Committee that last year per GASB 68 and 71, a new line item has been added to the statements for pension expense and will show up on the financial statements under deferred pension outflows and deferred pension inflows. D. Scott thanked the Committee for selecting them to provide audit services and noted that the level of professional staff that the organization has makes the process easier. He also mentioned that he was pleased to see that the Committee took the time to review the payment procedures and the allowance for doubtful accounts in detail during the year. D. Scott also reminded the Committee that the Financial Statements are prepared by L. Farrell and her staff. As auditors, their job is to review the statements for accuracy. After a thorough review of the audited financial statements, the Audit & Finance Committee recommends that the GCEDC 2016 audit be presented to the full board.

M. Davis made a motion to recommend approval of the 12/31/16 Audit to the full Board; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Zelif	- Absent
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

1b. Executive Session – M. Davis made a motion to enter into the executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 3:37 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.

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

1c. Re-Enter Public Session - P. Battaglia made a motion to enter back into public session at 4:00 p.m., seconded by M. Davis and approved by all members present.

2. Chairman's Report & Activities:

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

2b. February 28, 2017 Meeting Minutes –

P. Battaglia made a motion to approve the February 28, 2017 Meeting Minutes; the motion was seconded by M. Davis. Roll call resulted as follows:

P. Zelif	- Absent
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Yes

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 hold up on the reimbursement for line of credit interest from draw #3 and draw #4 totaling \$27,065. She does hope to see these funds soon.

3b. Investment Report (PARIS Reporting) – The Investment Report summarizes the GCEDC's bank balances and interest income at 12/31/16. The report will be submitted into PARIS and posted on the GCEDC's website.

M. Davis made a motion to recommend approval of the Investment Report; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Zelif	- Absent
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

3c. Procurement Report (PARIS Reporting) – Public authorities are required to report all procurement transactions active during the reporting period that have an actual or estimated value of \$5,000 or more. This report will be submitted into the PARIS system and posted on the GCEDC's website.

P. Battaglia made a motion to recommend approval of the Procurement Report; the motion was seconded by M. Davis. Roll call resulted as follows:

P. Zelif	- Absent
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

3d. Junior's Maple – GAIN! Loan Fund Request – M. Gray reminded the Committee that Britney Witkop presented to them at the beginning of the meeting and that the loan is not necessarily gap financing, but it does meet the GAIN! loan fund requirements. The company is looking for a \$30,000 loan to be used to purchase equipment that will allow them to produce more syrup, with a higher grade and use less energy. The loan will carry a 1% interest rate per annum and will be amortized over 7 years.

M. Davis made a motion to recommend approval of Junior's Maple – GAIN! Loan Fund Request; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Zelif	- Absent
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at 4:06 p.m., seconded by M. Davis and passed unanimously.