



Tuesday, August 2, 2016
GCEDC – Andrews Conference Room
Audit & Finance Committee Meeting
9:00 a.m.

MINUTES

ATTENDANCE

Committee Members: M. Gray, P. Battaglia, P. Zeliff, M. Davis
Staff: L. Farrell, M. Masse, P. Kennett, S. Hyde, R. Tabelski
Guests: T. Felton (GGLDC Board Chair)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 9:00 a.m. in the Andrews Conference Room.

1.1 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 9:00 a.m., for the following reasons:

- 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. Zeliff and approved by all members present.

1.2 Re-Enter Public Session

P. Zeliff made a motion to enter back into public session at 9:20 a.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. Minutes: July 12, 2016

P. Battaglia made a motion to approve the July 12, 2016 Minutes; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Zeliff	- Yes
P. Battaglia	- Yes
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

3. Discussions / Official Recommendations of the Committee:

3c. 2017 Budget Inputs – L. Farrell reviewed the budget worksheets with the committee and the following was noted:

- Anticipating a land sale at Gateway I prior to 12/31/15 - \$124,000.
- ESD Grant draws 1 & 2 are currently outstanding, but it is anticipated that the funds will be received soon.
- There is \$2.7M in outstanding STAMP related professional service contracts that are anticipated to be paid and reimbursed by the ESD Grant by year end.

- It is anticipated that the land for Leroy Park will be purchased by year end using funds from RLF #1 to temporarily cover the expense until ESD grant funds can be drawn down to reimburse.
- Neither the cash projections nor the budget include activity related to 1366 Technologies. A separate overlay will be presented that accounts for all payments that will be received along with a plan for expending these funds.
- Both the budget and cash flow statements were approached conservatively.
- The budget currently shows an accrual basis loss, but L. Farrell has a couple of ideas to fill the gap.
 - o There is a potential land sale at Gateway I that could cover the loss.
 - o Unrestricted RLF funds could be used to cover the loss.
 - o If 1366 closes, related project participation fees could cover the loss.
 - o An increased grant from the GGLDC could cover the loss.
- Budgeted for the same level of contribution from Genesee County as in 2016.
- Project participation fee revenue projects 1 major project (over \$10M) and 10 projects under \$10M.

L. Farrell will continue to work through the budget and bring it back to the committee for final approval.

3a. June 2016 Financial Statements – L. Farrell presented the June Financial Statements to the Committee and noted the following:

- Collected the final half of Alpina’s project participation fee.
- A large portion of the employer contribution to employee HSA accounts is made at the beginning of the year.
- A majority of the unemployment insurance is paid at the beginning of the year.
- Insurance is paid in advance and should be within budget by year end.
- Dues and Subscriptions include Greater Rochester Enterprise (\$50K) and Invest Niagara (previously Buffalo Niagara Enterprise) (\$12.5K).
- Marketing expenses are not evenly distributed throughout the year, but are tracked to ensure that expenses are within budget when paid.
- Allowance for Bad Debt is being increased by \$10K, to be recognized evenly throughout the year.
- RLF #1 has 3 active loans. The loan receivable from Savage IO remains in collections.
- RLF #2 has 2 active loans.
- Unbudgeted expenses correspond with unbudgeted grant income.
- All expenditures are in line with the budget except where noted.

P. Battaglia made a motion to recommend approval of the June Financial Statements; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Zeliff	- Yes
P. Battaglia	- Yes
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

3b. John Jakubowski Contract – M. Masse asked the committee to recommend approval of a contract with John Jakubowski for workforce development services from August 15, 2016 through August 14th, 2017 not to exceed \$29,800 in total between the GCEDC and the GGLDC.

P. Battaglia asked if the contract was reviewed by legal counsel. As it was not he recommended that the contract be recommended to the full board subject to legal review of the contract.

P. Battaglia made a motion to recommend approval of the contract with John Jakubowski subject to legal review to the full Board; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Zeliff	- Yes
P. Battaglia	- Yes
M. Gray	- Yes
M. Davis	- Yes

The item was approved as presented.

ADJOURNMENT

As there was no further business, P. Zeliff made a motion to adjourn at 10:45 a.m., seconded by P. Battaglia and passed unanimously.