



## **GGLDC Audit & Finance Committee Meeting**

**Tuesday, October 26, 2021**

**Location - Innovation Zone & Electronically**

**8:30 a.m.**

### **MINUTES**

#### **ATTENDANCE**

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

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

D. Cunningham called the meeting to order at 8:34 a.m. in the Innovation Zone.

#### **2. CHAIRMAN'S REPORT & ACTIVITIES**

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

**2b. Minutes: October 5, 2021**

**T. Felton made a motion to recommend approval of the October 5, 2021 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Absent  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

#### **3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:**

**3a. September 2021 Financial Statements-** L. Farrell reviewed with the Committee the significant items of the September 2021 long form financial statements.

- Regular monthly activity for all funds. Most activity is in MedTech Centre.
- There are the accrual amounts for the MedTech Centre Property Management Fee and Economic Development Support Grant that are due to the EDC and paid quarterly.
- At this time, we should be at about 75% of budget for most line items. Most line items that were over budget before are beginning to level-out.

**T. Bender made a motion to recommend to the full Board the approval of the September 2021 Financial Statements as presented; the motion was seconded by T. Felton. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Absent  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3b. Strategic Investments-** L. Farrell reviewed the Strategic Investments Analysis with the Committee stating that it is only an analysis of the cash on hand as well as the cash that is anticipated with certainty within a reasonable period of time. She noted that there were some changes made since the last review, including the following:

- 2021 activity has been updated to include 1) the Gateway GS land sale with net proceeds of about \$232,000, 2) actual payments received for the Genesee County Chamber loans and 3) the anticipated Fancher land sale of approximately \$130,000 by year end will be used to pay a due to/due from.
- For Ag Park Improvements, there was previously only about \$19,000 allocated for the engineering, bidding and construction inspection for the drainage solution at Ag Park. The construction portion has been added, totaling approximately \$100,000 for the drainage solution in 2021.
- For the Water Works and Sewer Works, \$50,000 per entity has been reserved for start-up costs. These costs have not been approved by the Board yet.
- YSG has been added to Land Lease Payments, which was previously listed as an opportunity.
- The MedTech Reserve has been pushed out to 2026. The Committee suggested that this should potentially be moved forward to 2022 or 2023 dependent upon an evaluation of the actual risk/liability.
- Some opportunities may move to actuals soon. The HP Hood and Upstate Niagara OCR loans have not yet closed but may close as soon as year-end or early 2022.

**3c. GGLDC 2022 Budget** - L. Farrell presented the 2022 budget to the Committee for final review and recommendation to the full Board for approval. L. Farrell noted that there were only a few changes made to the budget since the Committee reviewed it last:

- For cash projections, the HP Hood land sale for approximately \$1,500,000, was moved to the GAB, LLC.
- At the end of 2021, the projected cash balance on a consolidated basis is \$5.1M, of which \$3.75M is strategic investment funds.
- Land lease payments increased because the land lease rates were increased at the last Board meeting.
- For MedTech Centre, Building Maintenance was increased by about \$20,000 for common area painting, maintenance to common area entryway flooring, and integration of low to no maintenance landscaping.
- The cash budget is then converted into an accrual budget. The significant changes when converting from cash to accrual are:

- Only interest income is shown for loan repayments received from companies.
- Only interest expense is shown for debt service for MedTech Centre.
- Depreciation is included.

**T. Felton made a motion to recommend to the full Board the approval of the GGLDC 2022 Cash and Accrual Budget as presented; the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
 P. Battaglia - Absent  
 T. Bender - Yes (Video Conference)  
 D. Cunningham – Yes

**The item was approved as presented.**

**3d. GGLDC 1+3 Budget-** L. Farrell presented the 1+3 budget to the Committee for final review. It was noted that most line items show a 3% increase year over year unless there is an asterisk. These line items could be estimated more accurately based upon additional information that is available.

This is simply a forecast and not a formal approval of the budgets for years 2023-2025. This information will be entered into PARIS (Public Authorities Reporting Information System) and certified.

**T. Bender made a motion to recommend to the full Board the approval of the GGLDC 1+3 Budget as presented; the motion was seconded by T. Felton. Roll call resulted as follows:**

T. Felton - Yes  
 P. Battaglia - Absent  
 T. Bender - Yes (Video Conference)  
 D. Cunningham – Yes

**The item was approved as presented.**

**3e. Auditor Selection-** L. Farrell presented an engagement letter from Mostert, Manzanero & Scott, LLC for \$10,000, which is the same as last year's fee. If a single audit is required, there will be an additional charge of approximately \$2,000. She also stated that this is David Brownell's fifth and final year as engagement partner in charge.

**T. Felton made a motion to recommend to the full Board authorization to sign the engagement letter with Mostert, Manzanero & Scott, LLC for 2021 auditing services, the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
 P. Battaglia - Absent  
 T. Bender - Yes (Video Conference)  
 D. Cunningham – Yes

**The item was approved as presented.**

**3f. GCEDC Economic Development Support Grant-** L. Farrell stated that the Economic Development Program Support Grant of \$300,000 was included within the GCEDC's and GGLDC's 2022 budgets.

**T. Bender made a motion to recommend to the full Board the approval of the 2022 Economic Development Program Support Grant to the GCEDC; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Absent  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3g. Agricultural Land Lease-** The standard agricultural land lease agreement and list of intended lessees was included with meeting materials for the Committee to review. The list of intended lessees is provided to avoid any conflicts of interest. If there are any changes, an amended list of lessees will be brought forward to the Board for approval. The one-year lease agreement template was originally drafted by Phillips Lytle.

**T. Bender made a motion to recommend to the full Board the approval of the 2022 Agricultural Land Lease agreement as presented; the motion was seconded by T. Felton. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Absent  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3h. WDI Grant/Cornell in High School -** Our workforce development team is planning a beta test to support our food processing manufacturers.

“Cornell in High School” Program is being set up to teach Cornell's Dairy Science and Sanitation. Cornell instructors will teach a maximum of 40 students from Batavia High Seniors, GV BOCES – Culinary Seniors and possible other school districts based on enrollment numbers.

The program is estimated to cost approximately \$25,000. There is potential to receive \$10,000 of funding support from the Workforce Development Institute (WDI) and the balance funded by the GGLDC.

WDI's contract was included with Board materials. The GGLDC will need to provide required standard documentation for reimbursement and a write up on the program outcomes.

This funding support will enable the GGLDC to pilot a program to provide high school students with the training, experience, and support needed for employment in the food manufacturing industry. Students participating in this program will receive the training necessary to develop a certificate-based skill set for entry level employment in food processing after graduation. Participants will be given the opportunity to

meet with employers from food manufacturing companies and interview for potential employment. Not only will this program help students find meaningful employment, but this program will also create a pipeline of skilled workers for local food production manufacturing companies.

This project is expected to result in students developing new skills and being placed in jobs within the food manufacturing industry.

<b>Sources</b>		<b>Uses</b>	
WDI	\$10,000	Cornell Training	\$20,000
GGLDC	\$15,000	Class Support	\$ 5,000
Total	\$25,000	Total	\$25,000

Up to \$25,000 of GGLDC funds received from solar projects earmarked for Workforce Development Initiatives will be used for this program. Ten thousand dollars may be reimbursed by WDI in the form of a grant.

**T. Felton made a motion to recommend to the full Board the approval of the WDI agreement and spending up to \$25,000, including \$20,000 to Cornell, as presented; the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Absent  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

#### **4. ADJOURNMENT**

T. Bender made a motion to adjourn at 9:28 a.m., seconded by T. Felton and passed unanimously.