



Genesee Gateway Local Development Corp.
Meeting Agenda
Thursday, October 29, 2020
Location: Electronically

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- 1.0 Call to Order 5:20pm**
Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.
- 2.0 Chairman's Report and Activities 5:20pm**
 - 2.1 Upcoming Meetings:
Next Scheduled Board Meeting: Thursday, December 3rd at 4:00 p.m.
Audit & Finance Committee Meeting: Tuesday, December 1st at 8:30 a.m.
Board Meeting: Thursday, December 17th at 4:00 p.m.
 - 2.2 Agenda Additions/ Deletions / Other Business ****Vote**
 - 2.3 Minutes: October 1, 2020 ****Vote**
- 3.0 Report of Management 5:25pm**
 - 3.1 Nothing at this time.
- 4.0 Audit & Finance Committee – D. Cunningham 5:25pm**
 - 4.1 September 2020 Financial Statements ****Vote**
 - 4.2 GGLDC 2021 Budget ****Vote**
 - 4.3 GGLDC 1+3 Budget ****Vote**
 - 4.4 GCEDC Economic Development Support Grant ****Vote**
 - 4.5 Auditor Selection ****Vote**
 - 4.6 MTC Insurance Settlement ****Vote**
 - 4.7 Rest & Revive Additional 2-month Loan Deferral Request ****Vote**
 - 4.8 Genesee County Mowing Contract ****Vote**
- 5.0 Governance & Nominating Committee – S. Noble-Moag 5:45pm**
 - 5.1 Nothing at this time.
- 6.0 Other Business 5:45pm**
 - 6.1 Nothing at this time.
- 7.0 Adjournment 5:45pm**

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**GGLDC Board Meeting
Thursday, October 1, 2020
Location: Electronically
4:00 PM**

GGLDC MINUTES

Attendance

Board Members: D. Cunningham, S. Noble-Moag, C. Yunker, T. Bender, T. Felton, P. Zelif, M. Wiater, G. Torrey
Staff: L. Casey, P. Kennett, C. Suozzi, J. Krencik, S. Hyde, L. Farrell, M. Masse
Guests: A. Vanderhoof (GCEDC Board Member), A. Young (GCEDC Board Member), M. Gray (GCEDC Board Member), R. Gaenzle (Harris Beach)
Absent: P. Battaglia

1.0 Call to Order

D. Cunningham called the meeting to order at 4:34 p.m. via conference call / video conference.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

2.0 Chairman’s Report and Activities

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, October 29th at 4:00 p.m.
Audit & Finance Committee Meeting: Tuesday, October 27th at 8:30 a.m.

2.2 Agenda Additions/ Deletions/ Other Business –

D. Cunningham made a motion to add Agenda item 4.4 as MedTech Centre Insurance Settlement & Property Damage Release Form; the motion was seconded by T. Felton. Roll call resulted as follows:

T. Felton -	Yes	S. Noble-Moag -	Yes
D. Cunningham -	Yes	P. Battaglia -	Absent
T. Bender -	Yes	C. Yunker -	Yes
G. Torrey -	Yes	M. Wiater -	Yes
P. Zelif -	Yes		

The item was added to the agenda.

2.3 Minutes: September 3, 2020

T. Bender made a motion to approve the September 3, 2020 minutes as presented; the motion was seconded by M. Wiater. Roll call resulted as follows:

T. Felton -	Yes	S. Noble-Moag -	Yes
D. Cunningham -	Yes	P. Battaglia -	Absent
T. Bender -	Yes	C. Yunker -	Yes
G. Torrey -	Yes	M. Wiater -	Yes
P. Zeliff -	Yes		

The item was approved as presented.

3.0 Report of Management

3.1 Nothing at this time.

4.0 Audit & Finance Committee – D. Cunningham

4.1 August 2020 Financial Statements - L. Farrell noted the following:

- On the P & L, there is normal monthly activity.
- All companies, except Rest & Revive, that had received loan deferrals because of financial hardship due to COVID-19 have resumed making payments. Rest & Revive received two 3-month deferrals, deferring payments through September.

This was recommended for approval by the Committee.

M. Wiater made a motion to approve the August 2020 Financial Statements as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton -	Yes	S. Noble-Moag -	Yes
D. Cunningham -	Yes	P. Battaglia -	Absent
T. Bender -	Yes	C. Yunker -	Yes
G. Torrey -	Yes	M. Wiater -	Yes
P. Zeliff -	Yes		

The item was approved as presented.

4.2 Budget Timeline – The 2021 Budget must be approved and entered into the NYS Public Authorities Reporting Information System (PARIS) online by November 1, 2020. L. Farrell reviewed the timeline to emphasize the need for a quorum at the next Board meeting, October 29, 2020. Board members are asked to notify staff if they have a conflict.

4.3 Land Lease Rates – D. Cunningham presented the land lease rates that were included in the Committee and Board packets. No changes were made from last year because the rates are still at a fair market rate.

This was recommended for approval by the Committee.

C. Yunker made a motion to approve the land lease rates as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton -	Yes	S. Noble-Moag -	Yes
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D. Cunningham -	Yes	P. Battaglia -	Absent
T. Bender -	Yes	C. Yunker -	Yes
G. Torrey -	Yes	M. Wiater -	Yes
P. Zelif -	Yes		

The item was approved as presented.

4.4 MedTech Centre Insurance Settlement & Release Form - The total construction and remediation costs for the water damage totaled \$59,579.79. The final settlement from the insurance company totaled \$55,110.26. The difference is due to depreciation.

This was recommended for approval by the Committee.

P. Zelif made a motion to accept the insurance settlement of \$55,110.26 and to execute the Property Damage Release form pending legal review; the motion was seconded by M. Wiater. Roll call resulted as follows:

T. Felton -	Yes	S. Noble-Moag -	Yes
D. Cunningham -	Yes	P. Battaglia -	Absent
T. Bender -	Yes	C. Yunker -	Yes
G. Torrey -	Yes	M. Wiater -	Yes
P. Zelif -	Yes		

The item was approved as presented.

5.0 Governance & Nominating Committee – S. Noble-Moag

5.1 Nothing at this time.

6.0 Other Business

6.1 Nothing at this time.

7.0 Adjournment

As there was no further business, M. Wiater made a motion to adjourn at 4:43 p.m., which was seconded by D. Cunningham and passed unanimously.

Genesee Gateway Local Development Corp.
September 2020 Dashboard
Balance Sheet - Accrual Basis

	<u>9/30/20</u>	<u>8/31/20</u>	<u>[Per Audit]</u> <u>12/31/19</u>
ASSETS:			
Cash - Unrestricted	\$ 351,391	\$ 341,142	\$ 303,219
Cash - Restricted (A)	454,587	451,523	934,626
Cash - Reserved (B) (1)	1,135,591	1,005,303	1,158,480
Cash - Subtotal	1,941,569	1,797,968	2,396,325
Grants Receivable	-	4,646	4,646
Accounts Receivable	-	2,650	69
Loans Receivable - Current Portion	343,529	348,915	358,874
Other Current Assets (2)	2,180	2,616	872
Total Current Assets	2,287,278	2,156,795	2,760,786
Land Held for Dev. & Resale	3,492,374	3,492,374	3,489,854
Buildings & Improvements	7,202,120	7,202,120	7,202,120
Furniture, Fixtures & Equipment	43,600	43,600	43,600
Total Property, Plant & Equip.	10,738,094	10,738,094	10,735,574
Less Accumulated Depreciation	(1,907,908)	(1,891,502)	(1,760,244)
Net Property, Plant & Equip.	8,830,186	8,846,592	8,975,330
Loans Receivable - Noncurrent Portion (Net of \$202,125 Allow for Bad Debt)	915,154	1,040,378	847,445
Equity Investment in Genesee Agri-Business, LLC (3)	3,220,240	3,220,240	3,220,240
Other Assets	4,135,394	4,260,618	4,067,685
Total Assets	15,252,858	15,264,005	15,803,801
LIABILITIES:			
Accounts Payable (4)	98,726	63,414	16,915
Unearned Revenue (5)	68,769	31,990	44,457
Security Deposits	108,680	108,680	108,680
Loans Payable - Current Portion	79,082	78,820	76,749
Bonds Payable - Current Portion	144,458	121,476	115,205
Total Current Liabilities	499,715	404,380	362,006
Loans Payable - Noncurrent Portion	2,281,854	2,288,564	2,341,460
Bonds Payable - Noncurrent Portion	2,722,026	2,759,586	2,850,337
Total Noncurrent Liabilities	5,003,880	5,048,150	5,191,797
Total Liabilities	5,503,595	5,452,530	5,553,803
EQUITY	\$ 9,749,263	\$ 9,811,475	\$ 10,249,998

Significant Events:

1. Cash Reserved - Kego made a \$110K payment on their loan.
2. Other Current Assets - prepaid D & O Insurance.
3. Equity Investment in Genesee Agri-Business, LLC - ties to corresponding GAB, LLC financial statements.
4. Accounts Payable - Grant consulting expenses, grant for continuing Economic Development Program Support and MedTech Centre Property Management.
5. Unearned Revenue - MedTech Centre rent received in advance; Interest received in advance; LeRoy/Bergen America's Best Community grant funds received, but not yet expended/earned; MedTech Centre insurance claim for roof repairs received in advance.

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund, Grant Funds

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds

**Genesee Gateway Local Development Corp.
September 2020 Dashboard
Profit & Loss - Accrual Basis**

	Month to Date		YTD		2020	2020
	9/30/20	9/30/19	2020	2019	Board Approved Budget	YTD % of Budget
<u>Operating Revenues:</u>						
Grants (1)	\$ 6,804	\$ -	\$ 224,804	\$ 721,990	\$ 924,615	24%
Interest Income on Loans	2,524	2,336	17,351	21,623	24,986	69%
Rent	56,960	55,891	514,429	508,374	724,855	71%
Common Area Fees - Parks	-	-	500	-	500	100%
Fees	-	-	4,900	9,481	-	N/A
Other Revenue	-	-	2,544	2,028	-	N/A
Total Operating Revenues	66,288	58,227	764,528	1,263,496	1,674,956	
<u>Operating Expenses:</u>						
Operations & Maintenance (2)	56,368	12,627	137,495	88,304	161,169	85%
Professional Services	10,687	9,875	86,476	94,032	155,483	56%
Econ. Dev. Prog. Support Grant	25,000	25,000	225,000	225,000	300,000	75%
Site Development Expense	3,825	-	496,448	2,289	727,612	68%
Grant Expense	-	-	-	-	819,648	0%
Real Estate Dev. (Capitalized)	-	4,970	2,520	7,470	11,670	N/A
Buildings/Furniture/Equip. (Capitalized)	-	-	-	58,134	-	0%
Balance Sheet Absorption	-	(4,970)	(2,520)	(65,604)	(11,670)	N/A
Depreciation	16,406	16,398	147,664	147,574	196,788	75%
Total Operating Expenses	112,286	63,900	1,093,083	557,199	2,360,700	
Operating Revenue (Expense)	(45,998)	(5,673)	(328,555)	706,297	(685,744)	
<u>Non-Operating Revenues (Expenses):</u>						
Other Interest Income	262	2,094	9,014	16,047	9,250	97%
Interest Expense	(16,476)	(21,287)	(181,194)	(202,097)	(245,105)	74%
Total Non-Operating Exp.	(16,214)	(19,193)	(172,180)	(186,050)	(235,855)	
Change in Net Assets	(62,212)	(24,866)	(500,735)	520,247	\$ (921,599)	
Net Assets - Beginning	9,811,475	10,218,066	10,249,998	9,672,953		
Net Assets - Ending	\$ 9,749,263	\$ 10,193,200	\$ 9,749,263	\$ 10,193,200		

Significant Events:

1. Grant Revenue YTD - \$225K OCR grant supports loan to Freightliner.
2. Operations & maintenance - Includes MedTech Centre roof repairs caused by wind and water damage.

Genesee Gateway Local Development Corp.
September 2020 Dashboard
Statement of Cash Flows

	<u>September 2020</u>	<u>YTD</u>
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Grant Income	\$ 11,450	\$ 229,450
Interest Income on Loans	2,518	17,137
Rental Income	96,395	509,551
Common Area Fees - Parks	-	500
Fees	-	4,900
Other Revenue	-	31,948
Operations & Maintenance	(55,932)	(139,456)
Professional Services	(375)	(78,943)
Economic Development Program Support Grant	-	(150,000)
Site Development Expense	(3,825)	(496,448)
Improvements of Land Held for Dev. & Resale	-	(2,520)
Issuance of Loans	-	(438,000)
Repayment of Loans	130,610	385,636
Net Cash Provided (Used) By Operating Activities	<u>180,841</u>	<u>(126,245)</u>
CASH FLOWS USED BY CAPITAL & RELATED FINANCING ACTIVITIES:		
Principal Payments on Bonds & Loans	(21,026)	(156,331)
Interest Paid on Bonds & Loans	(16,476)	(181,194)
Net Cash Used By Capital & Related Financing Activities	<u>(37,502)</u>	<u>(337,525)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income	<u>262</u>	<u>9,014</u>
Net Cash Provided By Investing Activities	<u>262</u>	<u>9,014</u>
Net Change in Cash	143,601	(454,756)
Cash - Beginning of Period	1,797,968	2,396,325
Cash - End of Period	<u>\$ 1,941,569</u>	<u>\$ 1,941,569</u>
RECONCILIATION OF OPERATING EXPENSE		
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Expense	\$ (45,998)	\$ (328,555)
Adjustments:		
Depreciation Expense	16,406	147,664
Increase in Land Held For Dev. & Resale	-	(2,520)
Decrease in Grants/Accounts Receivable	7,296	4,715
Decrease (Increase) in Other Current Assets	436	(1,308)
Decrease (Increase) in Loans Receivable	130,610	(52,364)
Increase in Operating Accounts Payable	35,312	81,811
Increase in Unearned Revenue	36,779	24,312
Total Adjustments	<u>226,839</u>	<u>202,310</u>
Net Cash Used By Operating Activities	<u>\$ 180,841</u>	<u>\$ (126,245)</u>

**Genesee Gateway Local Development Corp.
September 2020 Dashboard
Balance Sheet - Accrual Basis**

	GGLDC 9/30/20	GABLLC 9/30/20	Eliminations	COMBINED	
				9/30/20	Per Audit 12/31/2019
ASSETS:					
Cash - Unrestricted	\$ 351,391	\$ -	\$ -	\$ 351,391	\$ 303,219
Cash - Restricted (A)	454,587	-	-	454,587	934,626
Cash - Reserved (B)	1,135,591	590,370	-	1,725,961	1,425,731
Cash - Subtotal	<u>1,941,569</u>	<u>590,370</u>	<u>-</u>	<u>2,531,939</u>	<u>2,663,576</u>
Grants Receivable	-	-	-	-	4,646
Accts Receivable - Current	-	-	-	-	69
Loans Receivable - Current	343,529	-	-	343,529	358,874
Other Current Assets	2,180	-	-	2,180	872
Total Current Assets	<u>2,287,278</u>	<u>590,370</u>	<u>-</u>	<u>2,877,648</u>	<u>3,028,037</u>
Land & Improvements	3,492,374	3,117,305	-	6,609,679	6,611,365
Buildings & Improvements	7,202,120	-	-	7,202,120	7,202,120
Furniture, Fixtures & Equipment	43,600	-	-	43,600	43,600
Total Property, Plant & Equip.	<u>10,738,094</u>	<u>3,117,305</u>	<u>-</u>	<u>13,855,399</u>	<u>13,857,085</u>
Less Accumulated Depreciation	(1,907,908)	-	-	(1,907,908)	(1,760,244)
Net Property, Plant & Equip.	<u>8,830,186</u>	<u>3,117,305</u>	<u>-</u>	<u>11,947,491</u>	<u>12,096,841</u>
Loans Receivable - Noncurrent	915,154	-	-	915,154	847,445
Equity Investment in GAB, LLC	3,220,240	-	(3,220,240)	-	-
Other Assets	<u>4,135,394</u>	<u>-</u>	<u>(3,220,240)</u>	<u>915,154</u>	<u>847,445</u>
TOTAL ASSETS	<u>15,252,858</u>	<u>3,707,675</u>	<u>(3,220,240)</u>	<u>15,740,293</u>	<u>15,972,323</u>
LIABILITIES:					
Accounts Payable	98,726	-	-	98,726	20,135
Unearned Revenue	68,769	-	-	68,769	45,657
Security Deposits	108,680	-	-	108,680	108,680
Loans Payable - Current Portion	79,082	-	-	79,082	76,749
Bonds Payable - Noncurrent Portion	144,458	-	-	144,458	115,205
Total Current Liabilities	<u>499,715</u>	<u>-</u>	<u>-</u>	<u>499,715</u>	<u>366,426</u>
Loans Payable - Noncurrent Portion	2,281,854	-	-	2,281,854	2,341,460
Bonds Payable - Noncurrent Portion	2,722,026	-	-	2,722,026	2,850,337
Total Noncurrent Liabilities	<u>5,003,880</u>	<u>-</u>	<u>-</u>	<u>5,003,880</u>	<u>5,191,797</u>
TOTAL LIABILITIES	<u>5,503,595</u>	<u>-</u>	<u>-</u>	<u>5,503,595</u>	<u>5,558,223</u>
EQUITY	<u>\$ 9,749,263</u>	<u>\$ 3,707,675</u>	<u>\$ (3,220,240)</u>	<u>\$ 10,236,698</u>	<u>\$ 10,414,100</u>

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund, Grant Funds.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds,

Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds

Genesee Gateway Local Development Corp.
September 2020 Dashboard
Profit & Loss - Accrual Basis

	GGLDC		GABLLC		COMBINED	
	9/30/20		9/30/20		9/30/20	Combined YTD
<u>Operating Revenues:</u>						
Grants	\$ 6,804	\$ -	\$ -	\$ -	\$ 6,804	\$ 224,804
Interest Income on Loans	2,524	-	-	-	2,524	17,351
Rent	56,960	1,200	-	-	58,160	524,629
Common Area Fees - Parks	-	-	-	-	-	5,500
Fees	-	-	-	-	-	4,900
Other Revenue	-	-	-	-	-	2,544
Land Sale Proceeds (1)	-	-	-	-	-	335,158
Total Operating Revenues	66,288	1,200	-	-	67,488	1,114,886
<u>Operating Expenses:</u>						
Operations & Maintenance	56,368	-	-	-	56,368	149,816
Professional Services	10,687	-	-	-	10,687	86,476
Econ. Dev. Program Support Grant	25,000	-	-	-	25,000	225,000
Site Development Expense	3,825	-	-	-	3,825	496,448
Real Estate Development (Capitalized)	-	-	-	-	-	2,520
Balance Sheet Absorption	-	-	-	-	-	(2,520)
Cost of Sales	-	-	-	-	-	15,443
Depreciation	16,406	-	-	-	16,406	147,664
Total Operating Expenses	112,286	-	-	-	112,286	1,120,847
Operating Revenue (Expense)	(45,998)	1,200	-	-	(44,798)	(5,961)
<u>Non-Operating Revenues (Expenses):</u>						
Other Interest Income	262	72	-	-	334	9,753
Interest Expense	(16,476)	-	-	-	(16,476)	(181,194)
Total Non-Operating Rev (Exp)	(16,214)	72	-	-	(16,142)	(171,441)
Change in Net Assets	(62,212)	1,272	-	-	(60,940)	(177,402)
Net Assets - Beginning	9,811,475	3,706,403	(3,220,240)	10,297,638	10,414,100	
Net Assets - Ending	\$ 9,749,263	\$ 3,707,675	\$ (3,220,240)	\$ 10,236,698	\$ 10,236,698	

2021 GGLDC CASH FLOW Plan (Sources / Uses of Funds)

- **\$3.7M Sources of Funds (Cash)**
 - 1/1/21 Beginning Cash = \$1.67M
 - \$819.6K NYS DOT Rail Grant – Genesee Valley Transportation Project [GVAB]
 - \$709.3K Rental Income [MTC Rents, GVAB Park and MTP land leases (including YSG Solar), Gateway II ground lease, BETP CAM Charges]
 - \$319.6K Loan Repayments (P&I) [OCR, Ec. Dev. Loan Fund, Batavia Micropolitan Area Redevelopment Loan Fund]
 - \$93K Community Benefit Agreement (CBA) [Annual Payments end 2027] [BETP]
 - \$75K Workforce Development / Ec. Dev. Program Support Grants (YSG Solar, 3104 Batavia Solar and 3232 Batavia Solar)
 - \$10K NYS Office of Community Renewal (OCR) Grant – H. Sicherman grant consulting services [Ops]
 - \$4,800 Bank Interest
- **\$2.1M Uses of Funds (Cash):**
 - **\$378.6K Operations** – Economic Development Program Support Grant, Workforce Development Consultant and Initiatives, Audit/Tax/Grant Professional Services, and Insurance
 - **\$6.25K Gateway II** – Site Maintenance, Special District Fees, and Insurance
 - **\$114.6K Buffalo East Tech Park** – Wastewater Treatment Facility Upgrades, Gravel Driveway/Path, Site Maintenance, Special District Fees, and Insurance
 - **\$827.6K Ag Park** – NYS DOT Rail Grant Pass-Through, Insurance, Site Maintenance
 - **\$4.8K Upstate Med & Tech Park** - Site Maintenance, Special District Fees
 - **\$609.4K Upstate MedTech Centre** – Building/Common Area Maintenance, Supplies, Utilities, Special District Fees, Property Management, Insurance & Debt Service
 - **\$358 WNY STAMP** – Special District Fees, Insurance
 - **\$150K Economic Development Loan Fund** – Fraser-Branche loan
 - **\$0K Batavia Micropolitan Area Redevelopment Loan Fund**
- **Year End Cash Balance: \$1.6M**
 - Includes \$462.2K Unrestricted Funds
 - Includes Restricted and Reserved Funds:
 - \$330K Reserved for Strategic Investments
 - \$512.7K Reserved Loan Funds
 - \$9.8K Restricted Workforce Development Funds
 - \$298K Restricted MTC Security Deposits & USDA Bond Sinking Fund

2021 GAB, LLC CASH FLOW Plan (Sources / Uses of Funds)

- **\$614.8K Sources of Funds (Cash)**
 - 1/1/21 Beginning Cash = \$593.9K (Reserved for Strategic Investments)
 - \$20.9K GVAB Park CAM Charges and rent
- **\$12K Uses of Funds (Cash):**
 - Special District Fees and Tax Filing Fee
- **Year End Cash Balance: \$602.8K** (Reserved for Strategic Investment Funds)

4.2

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GENESSEE GATEWAY LOCAL DEVELOPMENT CORP. GGLDC's Real Estate & Development Affiliate

Statement of Operational Cash Flows: 2021 Budget: GGLDC BOARD APPROVAL:

Table with columns: Operations Gateway II (01), BETPS (02), GVAB (03), MTP (05), MTC (08), WNY STAMP (06), EDLF (22), BMLF (24), GGLDC Combined, GABLLC, Consolidated. Rows include Sources of Funds, Restricted Cash Balance, and Unrestricted Cash Balance.

Summary table with columns: Due To (Due From) - Interfund Borrowings, Balance 1/1/21, Balance 12/31/21, Debt Schedule - External, Five Star Bank Line of Credit (\$700K Limit), Permanent Financing MedTech Ctr.

**GGLDC & GAB, LLC Consolidated
4 Year Budget 2021 - 2024
GGLDC BOARD APPROVED: XXXXXX**

	2021 Budget	2022 Budget	2023 Budget	2024 Budget
<u>Revenues</u>				
² Fees	0	0	0	0
³ Bank Interest	4,800	4,944	5,092	5,245
⁴ Loan Interest	23,724	12,507	8,357	4,857 *
⁵ Rent / CAM Charges	730,198	758,031	780,638	803,922 *
⁶ Miscellaneous	0	0	0	0
⁷ Grant CBA - BETP	93,000	93,000	93,000	93,000 *
⁸ Grants Other	904,648	0	0	0 *
⁹				
¹⁰ Total Revenues	1,756,370	868,482	887,087	907,024
¹¹				
<u>Expenses</u>				
¹⁴ Insurance	26,155	26,940	27,748	28,581
¹⁵ Utilities	22,000	22,660	23,340	24,040
¹⁶ Depreciation	195,922	201,800	207,854	214,090 *
¹⁷ Telecommunications / Internet	1,000	1,030	1,061	1,093
¹⁸ Economic Dev. Program Support Grant	300,000	300,000	300,000	300,000 *
¹⁹ Professional Services - Operations	43,000	44,290	45,619	46,987
²⁰ Professional Services - Workforce Dev.	30,000	30,900	31,827	32,782
²¹ Supplies	1,400	1,442	1,485	1,530
²² Site Maintenance	85,100	87,653	90,283	92,991 *
²³ Miscellaneous Operations Workforce Dev.	0	0	0	0
²⁴ MTC Property Management	83,535	86,041	88,622	91,281
²⁵ Property Taxes / Special District Fees	22,199	22,865	23,551	24,257
²⁶ Interest Expense	168,156	160,504	152,598	144,605 *
²⁷ Site Development	93,000	93,000	93,000	93,000
²⁸ Grant Expense	1,044,148	0	0	0 *
²⁹ Fees	25	26	27	27
³⁰ Real Estate Development	20,000	5,000	5,000	0 *
³¹ Balance Sheet Absorption	(20,000)	(5,000)	-5,000	0 *
³²				
³³ Total Expenses	2,115,640	1,079,150	1,087,013	1,095,264
³⁴				
³⁵ Net Income (Loss)	(359,270)	(210,668)	(199,926)	(188,240)

* 3% increase for most line items 2021-2023, unless shaded.

GGLDC Conolitated
4 Year Budget 2021 - 2024
GGLDC BOARD APPROVED: XXXX

	2021 Budget	2022 Budget	2023 Budget	2024 Budget
<u>1 Revenues</u>				
Fees	0	0	0	0
² Bank Interest	4,800	4,944	5,092	5,245
³ Loan Interest	23,724	12,507	8,357	4,857 *
⁴ Rent / CAM Charges	709,287	736,493	758,454	781,072 *
⁵ Miscelaneous	0	0	0	0
⁶ Grant CBA - BETP	93,000	93,000	93,000	93,000 *
⁷ Grants Other	904,648	0	0	0 *
⁸				
⁹ Total Revenues	1,735,459	846,944	864,903	884,174
¹⁰				
¹¹				
<u>12 Expenses</u>				
¹³ Insurance	26,155	26,940	27,748	28,581
¹⁴ Utilities	22,000	22,660	23,340	24,040
¹⁵ Depreciation	195,922	201,800	207,854	214,090
¹⁶ Telecommunications / Internet	1,000	1,030	1,061	1,093
¹⁷ Economic Dev. Program Support Grant	300,000	300,000	300,000	300,000 *
¹⁸ Professional Services	43,000	44,290	45,619	46,987
¹⁹ Professional Services - Workforce Dev.	30,000	30,900	31,827	32,782
²⁰ Supplies	1,400	1,442	1,485	1,530
²¹ Site Maintenance	85,100	87,653	90,283	92,991
²² Miscelaneous - Workforce Dev.	0	0	0	0
²³ MTC Property Management	83,535	86,041	88,622	91,281
²⁴ Property Taxes / Special District Fees	10,183	10,488	10,803	11,127
²⁵ Interest Expense	168,156	160,504	152,598	144,605 *
²⁶ Site Development	93,000	93,000	93,000	93,000 *
²⁷ Grant Expense	1,044,148	0	0	0 *
²⁸ Fees	0	0	0	0
²⁹ Real Estate Development	20,000	5,000	5,000	0 *
³⁰ Balance Sheet Absorption	(20,000)	(5,000)	(5,000)	0 *
³¹				
³² Total Expenses	2,103,599	1,066,748	1,074,239	1,082,107
³³				
³⁴ Net Income (Loss)	(368,140)	(219,804)	(209,336)	(197,933)

* 3% increase for most line items 2022-2024, unless shaded.

GAB, LLC

4 Year Budget 2021 - 2024

GGLDC BOARD APPROVED: XXXXXXXX

	2021 Budget	2022 Budget	2023 Budget	2024 Budget
1 Revenues				
2 Bank Interest	0	0	0	0
3 Loan Interest	0	0	0	0
4 Rent / CAM Charges	20,911	21,538	22,184	22,850
5 Grant CBA - BETP	0	0	0	0
6 Grants Other	0	0	0	0
8 Total Revenues	20,911	21,538	22,184	22,850
11 Expenses				
12 Insurance	0	0	0	0
13 Utilities	0	0	0	0
14 Depreciation	0	0	0	0
15 Telecommunications / Internet	0	0	0	0
16 Economic Dev. Program Support Grant	0	0	0	0
17 Professional Services - Operations	0	0	0	0
18 Professional Services - Workforce Dev.	0	0	0	0
19 Supplies	0	0	0	0
20 Site Maintenance	0	0	0	0
21 Miscellaneous Operations Workforce Dev.	0	0	0	0
22 MTC Property Management	0	0	0	0
23 Property Taxes / Special District Fees	12,016	12,376	12,748	13,130
24 Interest Expense	0	0	0	0
25 Site Development	0	0	0	0
26 Grant Expense	0	0	0	0
27 Fees	25	26	27	27
26 Real Estate Development	0	0	0	0
27 Balance Sheet Absorption	0	0	0	0
29 Total Expenses	12,041	12,402	12,774	13,157
31 Net Income (Loss)	8,870	9,136	9,410	9,693

* 3% increase for most line items 2022-2024, unless shaded.

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MOSTERT, MANZANERO & SCOTT, LLP
Certified Public Accountants

Deborah L. Mostert, CPA
Anthony T. Manzanero, CPA
Mary E. Manzanero, CPA
David E. Brownell, CPA

October 9, 2020

Board of Directors
Genesee Gateway Local Development Corporation
99 MedTech Drive, Suite 106
Batavia, NY 14020

We are pleased to confirm our understanding of the services we are to provide for the Genesee Gateway Local Development Corporation (GGLDC) the year ended December 31, 2020. We will audit the financial statements of the GGLDC, which comprise of the consolidated statement of net position as of December 31, 2020 and the related consolidated statement of revenue, expenses and changes in net position and consolidated statement of cash flows, including the related notes to the financial statements, as of and for the year then ended. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the GGLDC's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the GGLDC's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies GGLDC's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- Combining Schedule of Net Positions;
- Combining Statement of Revenues, Expenses and Changes in Net Position;
- Combining Statement of Net Position; and
- Combining Statement of Revenues, Expenses and Changes in Net Position.

MEMBERS: American Institute of Certified Public Accountants, New York State Society of Certified Public Accountants
National Conference of CPA Practitioners

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Furthermore, we have been engaged to report on GCLDC's Compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law. We will issue a separate auditors' report which will provide an opinion on GCLDC's Compliance with Investment Guidelines for Public Authorities.

Audit Objectives

The objective of our audit is the expression of opinions about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinion. We will issue a written report upon completion of our audit of the GGLDC's financial statements. Our report will be addressed to the board of directors of the entity. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will each include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or compliance and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that GGLDC is subject to an audit requirement that is not encompassed in the term of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financing reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the GGLDC. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors' is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to the inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the GGLDC and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of GGLDC's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grant. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will assist in preparing the financial statements and related notes of the GGLDC in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing and maintaining effective internal controls, relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us, and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the GGLDC from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually or in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for the presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP, (3) the methods of measurement or presentation have not changed from those used in the prior period (or if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying or providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to financial statements, related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter provided and our assistance with the preparation of the financial statements, and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. We will provide copies of our reports to the GGLDC; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mostert, Manzanero & Scott, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mostert, Manzanero & Scott, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the regulator. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

David E. Brownell, CPA is the engagement partner and is responsible for supervising the engagement and signing the report.

Our fees for these services will be based on the actual time spent at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Based on our preliminary estimates, the fee should approximate \$10,000. If a single audit is required, the fee is estimated to be \$11,700 and we will require you to sign an addendum to the engagement letter that covers items specific to a single audit. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

If you intend to publish or otherwise reproduce the financial statements and make reference to our Firm name, you agree to provide us with printer's proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed. It is agreed by Genesee Gateway Local Development Corporation and Mostert, Manzanero & Scott, LLP or any successors in interest that no claim by or on behalf of either party arising out of services rendered pursuant to this agreement shall be initiated more than three years after the date of the audit report or one year after the date of termination of Mostert, Manzanero & Scott, LLP's services.

Genesee Gateway Local Development Corporation
October 9, 2020
Page 7

We appreciate the opportunity to be of service to Genesee Gateway Local Development Corporation and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagements as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Mostert, Manzanero & Scott, LLP

Mostert, Manzanero & Scott, LLP

RESPONSE:

This letter correctly sets forth the understanding of the Genesee Gateway Local Development Corporation.

By: _____
Board Member

Title: _____ Date: _____

By: _____
Management

Title: _____ Date: _____

Request for another two-month extension on revolving loan fund deferral

Discussion: The Rest & Revive Float Center had previously received a six-month deferral on their current loan with the GGLDC due to Covid-19. They reopened on June 15th and received multiple bookings for float sessions, however, those appointments were to redeem gift certificates purchased in late 2019. They lost 80% of their regular clients due to Covid-19. They are diligently working to book those regulars as well as pick up new clients.

Fund commitment: None.

Board action request: Approval of additional two-month deferral for Rest & Revive Float Center RLF loan payments.

Mark Masse

GGLDC Audit & Finance Committee

October 27, 2020

Mowing contract for MedTech, Ag Park and Gateway II.

Discussion: The GGLDC Received a proposal for mowing of the stormwater ponds and vacant land at Gateway II, MedTech Centre, and Ag Park for 2021. Proposal amount is from same vendor as last year and the price has been increased (2019 was \$11,050) to \$11,600 and is included in the 2020 GGLDC budget as presented to the Committee at our previous meeting.

Fund commitment: \$11,600 from operational funds of MedTech Centre, Gateway II and Ag Park. This amount was included in the 2021 GGLDC budget that was reviewed by the Board previously.

Board action request: Approval of mowing contract for \$11,600 with Genesee County Highway Department.



GENESEE COUNTY HIGHWAY DEPARTMENT

153 Cedar Street
Batavia, New York 14020
Phone: (585) 344-8508 Fax: (585) 343-9303

Paul Osborn
Parks Supervisor
Terry Ross
Facility Maintenance Supervisor
Jason Long
Airport Supervisor
Chris Klein
Fleet Maintenance Supervisor

Timothy J. Hens, P.E. Highway Superintendent
David Wozniak, Deputy Superintendent

October 23, 2020

GGLDC
Attn: Mark Masse, Sr. VP of Operations, Managing Member
99 MedTech Drive
Suite 106
Batavia, NY 14020

Dear Mark:

Here are the requested quotes for providing mowing services at the business parks listed below for the 2021 season:

Genesee Valley Agri-Business Park –

1. Mowing adjacent to paved roadways within park 1 time a month
2. Finish mowing Rt. 5 entry sign lawn areas on a regular basis (avg. every 7-10days)
3. Mowing 2 retention ponds 2 times a year

Gateway II Corporate Park

1. Mowing adjacent to paved and stone roadways within park 1 time a month
2. Mowing 3 retention ponds 2 times a year

Upstate Med & Tech Park

1. Mowing western fields(upper) adjacent to roadway within park 1 time a month
2. Mowing 2 retention pond 2 times a year

Mowing - \$1,575.00 per month x 6 (May-Oct)	= \$9,850.00
Ponds - \$875.00 each time per year x 2	= \$1,750.00
2020 Mowing Total	\$11,600.00

If you have any questions regarding this proposal, please feel free to contact me at (585) 344-8508 ext. 3704 or via email at paul.osborn@co.genesee.ny.us.

Paul A. Osborn, Genesee County Parks Supervisor

Proposal Acceptance: _____ Title: _____ Date: _____
(signature) (Please Print)

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