



GCEDC Audit & Finance Committee Meeting
Tuesday, April 30, 2019
GCEDC Conference Room
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: M. Gray, A. Young, T. Bender (Video Conference)
Staff: S. Hyde, L. Farrell, M. Masse, E. Richardson, J. Krencik, C. Suozzi, P. Kennett
Guests: T. Felton (GGLDC Board member), D. Cunningham (GGLDC Board member)
Arun Kulkarni (Mega Properties, Koolatron), T. Hawley (NY Craft Malt)
Absent: P. Battaglia

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:36 a.m. in the GCEDC Conference Room.

1a. Executive Session:

T. Bender made a motion to enter executive session at 8:36 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by A. Young and approved by all members present:

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.
2. The proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange for securities held by such public body, but only when publicity would substantially affect the value thereof.

A. Kulkarni joined the meeting at 8:41 a.m. and left at 8:57 a.m.

T. Hawley joined the meeting at 9:20 a.m. and left at 9:30 a.m.

1b. Re-Enter Public Session – A. Young made a motion to enter back into public session at 9:58 a.m., seconded by T. Bender and approved by all members present.

2. CHAIRMAN'S REPORT & ACTIVITIES:

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

2b. Meeting Minutes: March 28, 2019

A. Young made a motion to approve the March 28, 2019 meeting minutes as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent

M. Gray - Yes
T. Bender - Yes (Video Conference)
A. Young - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. 1st Quarter Financial Statements – L. Farrell reviewed the 1st quarter financial statements with the Committee. The following was noted:

- Grants Receivable decreased due to receipt of funds from ESD as reimbursement for land purchased at the LeRoy Food & Tech Park. These funds were then used to pay back internal borrowings from RLF #1.
- Accounts Payable decreased approx. \$500K from 12/31/18, which consisted mostly of STAMP activity. STAMP restricted cash decreased as qualifying expenditures were made.
- Loans Payable Current consists of the annual payment to Genesee County per a Water Supply Agreement. GCEDC will make annual payments to the County beginning in January 2020.
- All funds in RLF #2 were defederalized as a result of a loan to Yancey's Fancy, through the GGLDC.
- All expenditures are in line with the budget except as noted.

A. Young made a motion to recommend approval of the 1st Quarter Financial Statements as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference)
A. Young - Yes

The item was approved as presented.

3b. \$33M STAMP Grant Review YTD – L. Farrell reviewed with the Committee the status of the ESD \$33M grant. The first 14 Grant Utilization Request Forms (GURF) have been submitted and authorization has been received to release those funds. The requests have taken approx. 3-5 days to receive approval. The staff will be preparing GURF #15 in the next week or so.

3c. Mowing Contract – The GCEDC asked four companies for bids to mow the properties we have acquired at STAMP and the entrance sign to Apple Tree Acres. The results of the bids are as follows based on 14 mows in the season:

1. \$7,100- S&S Trucking
2. \$9,240 – Scalia's Landscaping
3. Declined to Bid – McKenzie Landscaping
4. Declined to Bid – Bubba's Landscaping

M. Masse recommends the Committee approve a mowing contract with S&S Trucking not to exceed \$7,300.

L. Farrell noted that this item is over budget, but because the contract is based on a per/mow basis, depending on weather, the amount may come in under budget.

T. Bender made a motion to recommend approval of a contract with S&S Trucking, not to exceed \$7,300, for mowing at STAMP and Apple Tree Acres; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference)
A. Young - Yes

The item was approved as presented.

3d. GAIN! Loan Fund Application – New York Craft Malt, LLC – The GCEDC received an application for a loan from NY Craft Malt, LLC. The project will consist of the purchase and installation of equipment to allow for an expansion of their product line to include steam-flaked grains. Financing for the project includes a loan from the Genesee County Economic Development Center’s GAIN loan fund and equity.

The GCEDC is proposing to use GAIN loan funding in the amount of \$82,000 to provide a loan to the Company as gap financing on the project. The term loan will have an interest rate of 1% and will be amortized over a 7-year term. The loan will be secured by a first position lien filing against the equipment as well as cross-corporate and personal guarantees of the members. The company is contributing equity to the project in the amount of \$124,968.

A. Young made a motion to approve a loan to NY Craft Malt, LLC in the amount of \$82,000 as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference)
A. Young - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, T. Bender made a motion to adjourn at 10:10 a.m., seconded by A. Young and passed unanimously.