



Meeting Agenda – Audit and Finance Committee
 Genesee County Economic Development Center
 Tuesday, May 5, 2020, 8:30 a.m.
 Location: Electronically

Page #	Topic	Discussion Leader	Desired Outcome
	1. Call To Order – Enter Public Session 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 instead of a public meeting open for the public to attend in person.	M. Gray	
	1a. Executive Session: Motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons: 1. The proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof. 1b. Enter Public Session	M. Gray	
2-4	2. Chairman's Report & Activities 2a. Agenda Additions / Other Business 2b. Minutes: March 26, 2020	M. Gray	Vote
5-8	3a. 1 st Quarter Financial Statements	L. Farrell	Disc / Vote
9	3b. \$33M STAMP Grant Review YTD	L. Farrell	Discussion
10	3c. \$8M STAMP Grant Review YTD	L. Farrell	Discussion
11	3d. Mowing Bids	M. Masse	Disc / Vote
12-13	3e. Town of LeRoy Funding Deferral Request	M. Masse	Disc / Vote
	3f. STAMP Real Estate Loans Update	L. Farrell	Discussion
	4. Adjournment	M. Gray	Vote

GCEDC Audit & Finance Committee Meeting

Thursday, March 26th, 2020

Locations: Electronically

3:00 p.m.



MINUTES

ATTENDANCE

Committee Members: M. Gray, P. Battaglia, T. Bender, A. Young
Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, C. Suozzi, S. Hyde
Guests: D. Cunningham (GGLDC Board Member), T. Felton (GGLDC Board Member),
David Brownell (Mostert, Manzanero & Scott, LLP), R. Gaenzle (Harris Beach)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 3:00 p.m. via conference call.

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 instead of a public meeting open for the public to attend in person.

1a. Executive Session:

T. Bender made a motion to enter executive session at 3:01 p.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:

"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."

1b. Re-Enter Public Session – P. Battaglia made a motion to enter back into public session at 3:10 p.m., seconded by T. Bender and approved by all members present.

L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, C. Suozzi, and S. Hyde joined the meeting at 3:10 p.m.

D. Brownell left the meeting at 3:10 p.m.

2. CHAIRMAN'S REPORT & ACTIVITIES:

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

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

2b

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3a. 12/31/2019 Audit – M. Gray shared that David Brownell of Mostert, Manzanero & Scott, LLP reviewed the audit with the committee and answered questions in regard to the audit. L. Farrell stated that the management letter states that no material deficiencies in internal controls were identified during the audit. It is their opinion that the audited financial statements present fairly, in all material respects, the financial position of the GCEDC as of December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

P. Battaglia made a motion to recommend to the full Board the approval of the 12/31/2019 Audit; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
A. Young - Yes

The item was approved as presented.

Prior to discussion of agenda item 3b, M. Gray recused himself and left the conference call. M. Gray stated that he would not participate in the discussion due to a conflict of interest as the co-owner of a company that has a loan with the GGLDC. The Deferral & Extension of Loans topic is on both the EDC and LDC agendas for discussion.

3b. Deferral & Extension of Loans - Regarding the current situation regarding COVID-19, the GCEDC should consider a deferment of principal and interest on loans for a six-month period, at which time normal principal and interest payments will resume. The amortization of the loan will be extended by that six-month deferral period.

The Committee points of discussion:

1. Any company with an existing loan with the GCEDC must request a loan deferment and quantify economic injury due to COVID-19.
2. GCEDC staff determines, as requests are received, if the company qualifies for a loan deferment not to exceed 6 months.
3. Not openly marketed in the community.

A. Young made a motion to recommend to the full Board that 1) any company with an existing loan with the GCEDC must request a loan deferment and quantify economic injury due to COVID-19 and 2) staff is authorized to determine, as requests are received, if the company qualifies for a loan deferment not to exceed 6 months; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Absent
T. Bender - Yes
A. Young - Yes

The item was approved as presented.

M. Gray rejoined the meeting at 3:33 p.m.

4. ADJOURNMENT

As there was no further business, A. Young made a motion to adjourn at 3:33 p.m., seconded by P. Battaglia and passed unanimously.

DRAFT

Genesee County Economic Development Center
Dashboard - For the Three Month Period Ended 3/31/20
Balance Sheet - Accrual Basis

	Three Month Period Ended <u>3/31/20</u>	[Per Audit] <u>12/31/19</u>
ASSETS:		
Cash - Unrestricted (1)	\$ 1,596,320	\$ 1,409,323
Cash - Restricted (A)(2)	12,746,344	13,742,990
Cash - Reserved (B)	789,434	788,561
Cash - Subtotal	<u>15,132,098</u>	<u>15,940,874</u>
Grants Receivable (3)	186,092	386,091
Accts Receivable- Current (4)	394,848	397,089
Deposits	2,832	2,832
Prepaid Expense(s) (5)	2,542	33,355
Loans Receivable - Current	56,244	51,450
Total Current Assets	<u>15,774,656</u>	<u>16,811,691</u>
Land Held for Dev. & Resale (6)	14,156,249	13,886,275
Furniture, Fixtures & Equipment	67,982	67,982
Total Property, Plant & Equip.	<u>14,224,231</u>	<u>13,954,257</u>
Less Accumulated Depreciation	<u>(67,934)</u>	<u>(67,917)</u>
Net Property, Plant & Equip.	<u>14,156,297</u>	<u>13,886,340</u>
Accts Receivable- Non-current (7)	539,295	559,295
Loans Receivable- Non-current (Net of \$47,429 Allow. for Bad Debt)	295,675	309,788
Other Assets	<u>834,970</u>	<u>869,083</u>
TOTAL ASSETS	<u>30,765,923</u>	<u>31,567,114</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Pension Outflows (12)	160,725	160,725
Deferred Outflows of Resources	<u>160,725</u>	<u>160,725</u>
LIABILITIES:		
Accounts Payable (8)	18,692	927,789
Loan Payable - Genesee County - Current (9)	290,000	285,000
Accrued Expenses	779	12,608
Unearned Revenue (10)	10,408,729	10,408,563
Total Current Liabilities	<u>10,718,200</u>	<u>11,633,960</u>
Loans Payable - ESD (11)	5,196,487	5,196,487
Loan Payable - Genesee County - Noncurrent (9)	3,425,000	3,715,000
Aggregate Net Pension Liability (12)	199,875	199,875
Total Noncurrent Liabilities	<u>8,821,362</u>	<u>9,111,362</u>
TOTAL LIABILITIES	<u>19,539,562</u>	<u>20,745,322</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Pension Inflows (12)	109,989	109,989
Deferred Inflows of Resources	<u>109,989</u>	<u>109,989</u>
NET ASSETS	<u>\$ 11,277,097</u>	<u>\$ 10,872,528</u>

Significant Events:

1. Unrestricted Cash - Collected \$200K National Grid Grant in 1st quarter.

2. Restricted Cash - ESD deposited \$4M into an imprest account related to the \$8M STAMP grant in November 2019 and \$15.1M into an imprest account related to the \$33M STAMP grant in January 2018. Expenditures out of these accounts are pre-authorized by ESD. In May 2018, the County remitted \$4M to the GCEDC per a Water Supply Agreement, to be put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. These funds are being used to pay qualifying expenditures.
3. Grants Receivable - Decreased due to receipt of funds from National Grid as reimbursement for STAMP expenses.
4. Accounts Receivable (Current) - Econ. Dev. Program Support Grant; MedTech Centre Property Management; termed out Project Origination Fees from Rochester Gas & Electric and HP Hood to be collected in the next 12 months.
5. Prepaid Expense(s) - Life insurance, long-term and short-term disability.
6. Land Held for Dev. & Resale - Additions are related to STAMP development costs.
7. Accounts Receivable - Non-current - Termed out Project Origination Fees from HP Hood that will not be collected within 12 months of the Balance Sheet date.
8. Accounts Payable - e3communications expenses and unpaid 2019 expenses.
9. Loan Payable - Genesee County (Current & Noncurrent) - Per a Water Supply Agreement with Genesee County, the County remitted \$4M to the GCEDC to put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. GCEDC will make annual payments to the County of \$448,500 beginning in January 2020.
10. Unearned Revenue - Genesee County contribution received in advance; Funds received from municipalities to support park development; Funds received from National Fuel to support workforce development; ESD Grant funds to support STAMP development, not actually earned until eligible expenditures are incurred.
11. Loans Payable - ESD - Loans from ESD to support STAMP land acquisition and related soft costs.
12. Deferred Pension Outflows / Aggregate Net Pension Liability / Deferred Pension Inflows - Accounts related to implementation of GASB 68.

(A) Restricted Cash = Municipal Funds, RLF #2 Funds, Grant Funds Received in Advance.

(B) Reserved Cash = RLF #1 Funds (defederalized)

**Genesee County Economic Development Center
Dashboard - For the Three Month Period Ended 3/31/20
Profit & Loss - Accrual Basis**

	Month to Date		YTD		2020	2020
	3/31/20	3/31/19	2020	2019	Board Approved Budget	YTD % of Budget
Operating Revenues:						
Genesee County	\$ 58,378	\$ 58,378	\$ 58,378	\$ 58,378	\$ 233,513	25%
Fees - Projects	16,000	160,198	16,000	160,198	392,000	4%
Fees - Services	20,121	20,061	20,121	20,061	80,483	25%
Interest Income on Loans	1,022	942	1,022	942	3,877	26%
Rent	600	600	600	600	23,995	3%
Common Area Fees - Parks	300	-	300	-	-	N/A
Grants (1)	584,913	289,693	584,913	289,693	26,022,377	2%
GGLDC Grant - Econ. Dev. Program Support	75,000	75,000	75,000	75,000	300,000	25%
GCFC Grant - Econ. Dev. Program Support	-	-	-	-	50,000	0%
BP ² Revenue	-	402	-	402	2,698	0%
Other Revenue	5,559	4,831	5,559	4,831	5,000	111%
Total Operating Revenues	761,893	610,105	761,893	610,105	27,113,943	3%
Operating Expenses						
General & Admin	325,665	321,356	325,665	321,356	1,379,649	24%
Professional Services	4,617	4,895	4,617	4,895	96,000	5%
Site Maintenance/Repairs	1,217	1,170	1,217	1,170	17,000	7%
Property Taxes/Special District Fees	2,533	2,951	2,533	2,951	11,890	21%
PIF Expense	28,410	14,714	28,410	14,714	93,824	30%
CBA Pass Through	-	205,125	-	205,125	-	N/A
Site Development Expense	1,475	18,389	1,475	18,389	2,501,475	0%
Real Estate Development (2)	269,974	67,202	269,974	67,202	25,642,025	1%
Balance Sheet Absorption	(269,974)	(67,202)	(269,974)	(67,202)	-	N/A
Total Operating Expenses	363,917	568,600	363,917	568,600	29,741,863	1%
Operating Revenue (Expense)	397,976	41,505	397,976	41,505	(2,627,920)	
Non-Operating Revenue (Expense)						
Other Interest Income	6,593	6,693	6,593	6,693	5,000	132%
Econ. Dev. Loan Fund (LDC/County)	-	(233,764)	-	(233,764)	-	N/A
Total Non-Operating Revenue (Expense)	6,593	(227,071)	6,593	(227,071)	5,000	132%
Change in Net Assets	404,569	(185,566)	404,569	(185,566)	\$ (2,622,920)	
Net Assets - Beginning	10,872,528	10,715,761	10,872,528	10,715,761		
Net Assets - Ending	\$ 11,277,097	\$ 10,530,195	\$ 11,277,097	\$ 10,530,195		

Significant Events:

- Grants - \$448K Community Benefit Agreement payment dedicated to STAMP by sourcing debt service payments to the County: PIF from RJ Properties (Liberty Pumps) supports Apple Tree Acres Infrastructure improvements; PIF from Yancey's Fancy supports Infrastructure Fund Agreement with the Town of Pembroke; ESD \$33M & \$8M Grants support STAMP engineering, environmental, legal, infrastructure, etc.
- Real Estate Development Costs - Includes STAMP development costs.

**Genesee County Economic Development Center
Dashboard - For the Three Month Period Ended 3/31/20
Statement of Cash Flows**

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	<u>Three Month Period Ended 3/31/20</u>	<u>YTD</u>
CASH FLOWS USED BY OPERATING ACTIVITIES:		
Genesee County	\$ 77,837	\$ 77,837
Fees - Projects	25,000	25,000
Fees - Services	20,061	20,061
Interest Income on Loans	678	678
Rent	600	600
Common Area Fees - Parks	300	300
Grants	776,963	776,963
GGLDC Grant - Economic Development Program Support	75,000	75,000
Other Revenue	5,559	5,559
Repayment of Loans	9,319	9,319
General & Admin Expense	(310,237)	(310,237)
Professional Services	(5,267)	(5,267)
Site Maintenance/Repairs	(1,217)	(1,217)
Site Development	(696,247)	(696,247)
Property Taxes/Special District Fees	(2,533)	(2,533)
PIF Expense	(28,410)	(28,410)
Improv/Additions/Adj to Land Held for Development & Resale	(482,656)	(482,656)
Net Cash Used By Operating Activities	<u>(535,250)</u>	<u>(535,250)</u>
CASH FLOWS USED BY NONCAPITAL FINANCING ACTIVITIES:		
Principal Payments on Loan	(285,000)	(285,000)
Net Cash Used By Noncapital Financing Activities	<u>(285,000)</u>	<u>(285,000)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income (Net of Remittance to ESD)	11,474	11,474
Net Change in Cash	(808,776)	(808,776)
Cash - Beginning of Period	15,940,874	15,940,874
Cash - End of Period	<u>\$ 15,132,098</u>	<u>\$ 15,132,098</u>
RECONCILIATION OF NET OPERATING REVENUE TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ 397,976	\$ 397,976
Depreciation Expense	17	17
Decrease in Operating Accounts/Grants Receivable	220,342	220,342
Decrease in Prepaid Expenses	30,813	30,813
Decrease in Loans Receivable	9,319	9,319
Increase in Land Held for Development & Resale	(269,974)	(269,974)
Decrease in Operating Accounts Payable	(912,080)	(912,080)
Decrease in Accrued Expenses	(11,829)	(11,829)
Increase in Unearned Revenue	166	166
Total Adjustments	<u>(933,226)</u>	<u>(933,226)</u>
Net Cash Used By Operating Activities	<u>\$ (535,250)</u>	<u>\$ (535,250)</u>

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\$33M STAMP Grant Activity Review YTD

	Draws #1-13 GURFs #1-13	GURF #14	GURF #15	GURF #16	NYISO Refund Rec'd 6/25/19	GURF #17	GURF #18	GURF #19	GURF #20	GURF #21	GURF #22	GURF #23
Total Draw Amount:	\$ 4,899,065.32											
Total GURF Amount:	\$ 6,141,053.97	\$ 152,946.26	\$ 327,578.94	\$ 364,005.65	\$ (18,793.00)	\$ 183,031.47	\$ 123,638.96	\$ 122,263.51	\$ 218,737.45	\$ 31,764.00	\$ 9,310.23	\$ 9,725.00
Date of ESD request:		4/8/2019	5/9/2019	6/7/2019		7/15/2019	8/15/2019	9/26/2019	11/8/2019	1/16/2020	3/2/2020	4/29/2020
Date ESD funds were Approved:		4/12/2019	5/13/2019	6/17/2019		7/18/2019	8/28/2019	10/3/2019	11/26/2019	1/27/2020	3/4/2020	

Grant Amount:
 Cumulative Amount of Grant Funds Expended: \$ 33,000,000.00
 Request in Process: \$ (12,554,602.76)
Grant Balance Remaining: \$ 20,435,672.24

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\$8M STAMP Grant Activity Review YTD

	GURF #1	GURF #2	GURF #3	GURF #4
Total GURF Amount:	\$ 543,395.44	\$ 510,500.61	209,173.81	559,985.76
Date of ESD Request:	12/11/19	1/15/20	3/2/20	4/29/20
Date ESD Approved Release of Funds:	12/13/19	1/21/20	3/5/20	
Grant Amount:		\$ 8,000,000.00		
Cumulative Amount of Grant Funds Expended:		\$ (1,263,069.86)		
Request In Process:		\$ (59,985.76)		
Grant Balance Remaining:		<u>\$ 6,176,944.38</u>		

Mark Masse
GCEDC Audit & Finance Committee
May 5, 2020

Approval of mowing contract for GCEDC properties

Discussion: The GCEDC asked four companies for bids to mow the properties we have acquired at STAMP and the entrance sign to STAMP. The results of the bids are as follows based on 6 mows in the season:

1. \$3,300 – S&S Trucking
2. \$3,150 – Scalia's Landscaping
3. Declined to bid – McKenzie Landscaping
4. Declined to bid – Bubba's Landscaping

Fund Commitment: Not to exceed \$3,150.

Board Action Request: Approval of mowing contract for STAMP properties to Scalia's Landscaping not to exceed \$3,150.

Intermunicipal Agreement (IMA) with the Town of LeRoy amendment for deferral

Discussion: In 2018 the Town of LeRoy signed an IMA with the GCEDC that committed to four annual payments of \$50,000. Due to the recent pandemic and COVID-19, the Town of LeRoy has sent in a request (attached) seeking to defer this year's payment and to amend the agreement to reflect that deferral.

Fund Commitment: None.

Committee action request: Recommend to the full board approval of the IMA amendment to defer the Town of LeRoy payment of \$50,000 for one year.

3e

Town of LeRoy

James R. Farnholz
Supervisor

Patricia A. Canfield
Town Clerk Tax Collector

Darryl Sehm
John Duysen
Town Justices



Dave Paddock
Deputy Supervisor

John Armitage
Stephen Barbeau
John Johnson
Town Council

Eric Stauffer
Supt. of Highways

April 27, 2020

To: GCEDC

Re: Intermunicipal Agreement:

The Town of LeRoy and the GCEDC entered into an intermunicipal agreement in October of 2019. In that agreement the Town of LeRoy agreed to pay GCEDC \$50,000 per year for 4 years for the development of the 73 acres of land in the Town of LeRoy into a corporate business park. The Town of LeRoy made the first payment in 2018 and another in 2019. With the remaining 2 payments to be made in 2020 and 2021.

Faced with serious revenue losses as a result of the Covid 19 pandemic the Town Board of LeRoy last week voted unanimously to request the following:

The Town of LeRoy requests that the payment agreement of \$50,000 be extended an extra year to be completed in 2022. The Town would defer the 2020 payment, and then make the remaining 2 payments in 2021 and 2022. Any help or consideration in this matter would be greatly appreciated and help reduce the looming budget shortfalls and impact on the taxpayers of LeRoy. If I can answer any questions or be of help in any way please feel free to contact me anytime. Thank you for your consideration in this matter.

James Farnholz, Supervisor
Town of LeRoy
48 Main Street
LeRoy, NY 14482
585-768-6910

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