



Tuesday, October 24, 2017
GCEDC – Andrews Conference Room
Audit & Finance Committee Meeting
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: P. Battaglia, T. Bender, M. Gray
Staff: L. Farrell, M. Masse, S. Hyde, E. Richardson, P. Kennett
Guests: D. Cunningham (GGLDC Board Member), T. Felton (GGLDC Board Member),
Brian Bell (Frist Wave Technologies)
Absent: M. Davis

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:30 a.m. in the Andrews Conference Room.

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 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 of securities held by such public body, but only when publicity would substantially affect the value thereof.

Brian Bell entered executive session at 8:45 a.m. and left the meeting at about 9:05 a.m.

1b. Re-Enter Public Session - P. Battaglia made a motion to enter back into public session at 10:00 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 – October 3, 2017

P. Battaglia made a motion to approve the October 3, 2017 Meeting Minutes; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
M. Davis - Absent

The item was approved as presented.

3. Discussions / Official Recommendations of the Committee:

3a. \$33M STAMP Grant Draw Review YTD – L. Farrell informed the Committee that the Agency has received draws #1-12, draw #13 is still in process. L. Farrell and M. Masse are working with the State to set up an imprest account to save on interest expense related to the line of credit.

3b. September 2017 Financial Statements – L. Farrell reviewed the financial statements and noted the following:

- Unearned Revenue includes the Empire Pipeline project origination fee collected in December 2016, but not earned until the company receives approval from FERC (Federal Energy Regulatory Commission). The cash is currently recorded as restricted funds and will be released from restriction on the October financial statements when FERC approval was received.
- Miscellaneous income includes receipt of \$6,500 for the sale of conduit located under the NYS Thruway at Gateway I Corporate Park.
- RLF #1 funds are recorded as internally reserved cash as there are no longer restrictions on their use. Currently the funds are used for loans and internal borrowing to save on interest expense related to use of a line of credit.
- Restricted cash loan funds include funds that are committed to Yancey's Fancy. Once these loan funds are repaid, through a GGLDC loan, they will be defederalized. About \$178K of the GAIN! Loan funds are committed to Sandvoss for a loan. The balance of the funds are restricted for the use of future loans.
- Workforce Development grant funds are restricted, and the grant revenue will be recognized as we make qualifying expenditures.
- Dues and Subscriptions are over budget due to the funding commitment to Greater Rochester Enterprise (\$50K) being paid in full and Invest Buffalo Niagara (\$12.5K) being paid early in the year.
- All other expenditures are in line with the budget, except where noted.

P. Battaglia made a motion to recommend approval of the September 2017 Financial Statements as presented, motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
M. Davis - Absent

The item was approved as presented.

3c. Auditor Selection – L. Farrell reminded the Committee that the auditor engagement partner with Mostert, Manzanero & Scott LLP has been rotated every five years and we would have had one more year with the current partner before we would have to switch partners again. The current partner that we have been using has retired, but they do have someone who can fill the position. The advantage of using them is that they are familiar with what we do and how we do it. They have also been able to continually meet the tight reporting deadlines that are imposed on our entity.

L. Farrell presented an engagement letter from Mostert, Manzanero & Scott, LLC for \$11,200, this is \$200 more than last year (about 2% increase).

L. Farrell recommended staying with the current auditor for at least one more year, at which time we could go out to bid for these services.

P. Battaglia made a motion to recommend approval of Mostert, Manzanero & Scott as the auditors for the 2017 audit as presented, motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
M. Davis - Absent

The item was approved as presented.

4. ADJOURNMENT

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