



GCEDC Audit & Finance Committee Meeting
Tuesday, September 3, 2019
Andrews Conference Room – Suite 106
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: M. Gray, A. Young, T. Bender (via video conference), P. Battaglia
Staff: S. Hyde, L. Farrell, M. Masse, E. Richardson, P. Kennett, J. Krencik
Guests: T. Felton, D. Cunningham
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:31 a.m. in the GCEDC Andrews Conference Room.

1a. Executive Session:

P. Battaglia made a motion to enter executive session at 8:31 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.

1b. Re-Enter Public Session – A. Young made a motion to enter back into public session at 8:35 a.m., seconded by P. Battaglia and approved by all members present.

2. CHAIRMAN'S REPORT & ACTIVITIES:

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

2b. Meeting Minutes: August 22, 2019

A. Young made a motion to approve the August 22, 2019 meeting minutes as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes (via video conference)
A. Young - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. \$33M STAMP Grant Review YTD - L. Farrell reviewed with the Committee the status of the \$33M ESD Grant. The first 18 Grant Utilization Request Forms (GURF) have been submitted and authorization has been received to release those funds. The staff will be preparing GURF #19 next week.

3b. July 2019 Financial Statements – L. Farrell reviewed the July 2019 financial statements with the Committee. The following was noted:

- Restricted Cash decreased by approx. \$82K as the NY Craft Malt loan was disbursed.
- Restricted Cash and Unearned Revenue decreased by approx. \$182K as STAMP expenditures were made.
- Unrestricted Cash increased as the HP Hood termed out project origination fee was received in July.
- Custom Vehicle Outfitters origination fee and Ken Wendt's Propane application fee was received in July.
- All expenditures are in line with the budget except as noted.

P. Battaglia made a motion to recommend approval of the July 2019 Financial Statements as presented; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes (via video conference)
A. Young - Yes

The item was approved as presented.

3c. 2020 Budget - L. Farrell reviewed the budget with the committee. She noted that there was only one change since the budget was reviewed in detail with the Committee. The first draft of the budget included the capitalization of interest expense during construction related to the STAMP project. After further review, it was determined that the interest was specifically related to construction of items to be dedicated (never intended to be owned by the GCEDC). These interest costs will now be expensed.

P. Battaglia asked L. Farrell to explain the Grant Expense amounts in the 2020 budget.

L. Farrell shared that we budgeted for the balance of the ESD \$33M, ESD \$8M, and Genesee County \$4M STAMP funds to be expended in 2020. That is why the amounts are so large.

P. Battaglia asked if the payroll line item included a placeholder for wage increases.

L. Farrell shared that there is a \$15K placeholder to allow for increases, above a 3% cost of living increase, that stems from the compensation study done a few years ago by the Employment & Compensation Committee.

The budget will be brought forward to the full Board for their review and then submitted on Friday, September 6th to Genesee County.

P. Battaglia made a motion to recommend approval of the 2020 GCEDC Budget as presented; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes (via video conference)
A. Young - Yes

The item was approved as presented.

3d. John Jakubowski Workforce Development Consulting Contract - John Jakubowski has provided a consulting agreement for the period of August 15, 2019 through August 14, 2020 to perform the following:

1. Perform consulting services to assist in the development and implementation of workforce development programs and training initiatives relative to the goals of the Company and its affiliates.
2. Consult with the VP of Business Development of the GCEDC and staff relative to the application, development and deployment of its workforce programs.
3. Consult with educational institutions who may serve as partners in the development, implementation and delivery of training programs. Specifically, interface with Genesee Community College and the BEST Center, other institutions of higher learning, the Genesee Valley Educational Partnership and local secondary schools as appropriate.
4. Provide consulting services as requested by the GCEDC.

This contract was approved by the GGLDC. It is intended that it be funded by the GGLDC's Strategic Investments Funds, but approval by the GCEDC is requested for flexibility if additional funds become available in the GCEDC.

T. Bender made a motion to recommend approval of the consulting contract with John Jakubowski for Workforce Development Services not to exceed \$29,800; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes (via 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 8:47 a.m., seconded by A. Young and passed unanimously.