



GCEDC Audit & Finance Committee Meeting
Tuesday, May 31, 2022
Location: Electronically
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: M. Gray, P. Zeliff, P. Battaglia, T. Bender
Staff: L. Farrell, L. Casey, M. Masse, J. Krencik, P. Kennett, S. Hyde, C. Suozzi
Guests: D. Cunningham (GGLDC Board Member), S. Ott (Lawley), B. Fritts (Lawley), R. Dejean (Lawley), C. Celis (Lawley), M. Zimmerman (Harrison Studios)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:32 a.m. via conference call / video conference.

Governor Kathy Hochul signed legislation (S.50001 / A.40001) on September 2, 2021 extending virtual access to public meetings under NYS's Open Meetings Law, which allows virtual participation in local government meetings during the COVID-19 pandemic. This meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

Presentation – Cyber Insurance – R. Dejean reviewed the 22-23 Cyber proposal by providing an overview of the coverage with Trisura Specialty Insurance Company, which is outlined on page 20 of the meeting materials.

S. Ott (Lawley), B. Fritts (Lawley), R. Dejean (Lawley), C. Celis (Lawley) left the meeting at 8:55 a.m.

1a. Enter Executive Session

T. Bender made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:55 a.m. 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.

The motion was seconded by P. Battaglia and approved by all members present.

M. Zimmerman left the meeting at 9:11 a.m.

1b. Enter Public Session

P. Battaglia made a motion to enter back into public session at 9:11 a.m., seconded by P. Zeliff and approved by all members present.

2. Chairman's Report & Activities

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

2b. Minutes: May 3, 2022

P. Zelif made a motion to approve the May 3, 2022 minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zelif - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. April 2022 Financial Statements- L. Farrell reviewed with the Committee the significant items of the April 2022 long form financial statements.

- Restricted Cash in the \$8 Million and \$33 Million STAMP Imprest Accounts decreased. Unearned revenue decreased by about the same amount. The revenue is recognized as qualifying expenditures are made.
- In the operating fund, we received project origination fees from Gateway GS and Trousdale Solar I & Trousdale Solar II, totaling approximately \$194,000.
- Operating expenses that are over budget are related to expenditures that are front loaded (i.e. Unemployment Insurance, HSA contributions, Dues & Subscriptions).
- In the STAMP fund, there is \$2.5 million of grant revenue that was recognized, of which \$2.2 was recorded as site development expense.
- Other than the above-mentioned items, there is normal monthly activity on the income statements for all funds for April.

P. Zelif made a motion to recommend to the full Board the approval of the April 2022 Financial Statements as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zelif - Yes

The item was approved as presented.

3b. Audit & Finance Committee Charter- The Committee discussed the Charter in executive session during a Committee self-evaluation discussion. L. Farrell stated that there are no recommended changes at this time.

As there were no changes, a vote of approval was not necessary.

3c. Committee Self-Evaluation - A new memo will be drafted and provided to the Governance Committee as the Committee Self-Evaluation comes out of the Committee Charter Review.

3d. Cyber Insurance - M. Gray stated that there was a presentation given by Lawley on Cyber Insurance at the beginning of the meeting. Coverage is through Atbay written with Trisura, Atbay's new supporting writing company. The change to Trisura is a result of the everchanging Cyber market. It's a common practice to use additional writing companies to provide competitive products.

Atbay/Trisura offered a renewal quote of \$10,289.17 for the 22-23 term. Limits and retention are per expiring; however, the carrier did add a Biometric Information Violation Exclusion. This has been a common exclusion that carriers have added to Cyber policies going forward. If you do not collect or house biometric data and that is not part of your services, this should not affect coverage. The agency's information was sent to market, but no additional quote options were received for the renewal.

Terms may change depending on if the STAMP entities are included. The STAMP information has been provided to the carrier. Lawley is waiting to hear as to whether the entities should be included now or when they become active. An update will be provided as soon as one is received from the carrier.

The cost of this policy is \$10,289.17 and will be split evenly between the GCEDC (\$5,144.59) and GGLDC (\$5,144.58). The budget for each entity included \$4,200 for cyber insurance. This is about \$900 over budget for each entity.

P. Battaglia made a motion to recommend to the full Board the approval of the Cyber Insurance as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zeliff - Yes

The item was approved as presented.

3e. Loewke Brill Agreement – La Fermiere At the October 1, 2019 meeting, the GCEDC staff presented a sample proposal from Loewke Brill Consulting Group, Inc. on how they could assist companies that will have to report to the GCEDC under the local labor reporting requirements, including assistance with waiver requests and finding local contractors to bid their projects

The GCEDC Staff had requested a quote for the costs related to a project in the Ag Park. A copy of the application for incentives was sent to Loewke Brill for them to calculate the fee. They submitted the following:

\$19,520 - 18 Inspections (\$325 per visit), 18 Monthly Reports (\$690 per month), 1 time set up fee (\$1,250)

The time was determined by what the project listed for the duration of construction in their application. GCEDC staff has the following recommendation which is consistent with prior approvals:

1. The GCEDC will pay for the set-up fee, monthly inspections and reporting, not to exceed the construction timeline in the application. If it runs over that the company should be responsible.
2. The company will pay for any waiver requests that get submitted and sent to the Board for consideration.

In addition to the above discussion, M. Masse provided an overview of the GCEDC Governance & Nominating meeting minutes from last year regarding a potential change to the existing local labor policy language. At the June 3, 2021 and July 1, 2021 meetings, the Governance & Nominating Committee discussed a change in policy that would **require** those companies that are subject to the local labor policy to hire an outside consultant to assist in reviewing any waiver requests that may be submitted. Ultimately, on July 1, 2021, the Committee decided that no changes would be made to the Local Labor Policy.

L. Farrell also stated that the project origination fees are used to pay for these local labor reporting services.

The Audit & Finance Committee requested that the Governance & Nominating Committee discuss this potential change to the local labor policy again at their next meeting.

T. Bender made a motion to recommend to the full Board the approval of the Loewke Brill Agreement for the La Fermiere project, excluding payment of waiver requests and not to exceed the time listed in the project application; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zelif - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, T. Bender made a motion to adjourn at 9:25 a.m., seconded by P. Zelif and passed unanimously.