



GGLDC Audit & Finance Committee Meeting

Tuesday, October 4, 2022

Location – 99 MedTech Drive, Innovation Zone

4:00 p.m.

MINUTES

ATTENDANCE

Committee Members: D. Cunningham, P. Battaglia, T. Felton
Staff: L. Farrell, M. Masse, L. Casey, K. Galdun
Guests: M. Zimmerman (Harrison Studios), M. Gray (GCEDC Board Member), P. Zelif (GCEDC/GGLDC Board Member)
Absent: T. Bender

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 4:06 p.m. in the Innovation Zone.

2. CHAIRMAN'S REPORT & ACTIVITIES

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

2b. Minutes: August 30, 2022

T. Felton made a motion to recommend approval of the August 30, 2022 minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Absent
D. Cunningham – Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

The Committee discussed agenda item 3k first to allow M. Zimmerman from Harrison Studios to leave the meeting timely.

3k. Genesee CARES Update – Discussion: Genesee CARES Update – As of September 29, 2022, the 22 small businesses participating in the Genesee CARES initiative have submitted over \$800,000 of expenditures across six disbursement requests to the NYS Office of Community Renewal.

Eighteen of the participating small businesses have submitted for their entire grant awards, with a remaining 4 small businesses with partial or full grant funding available for a total of \$71,958 in remaining grant funds. A status of the grant disbursements and eligible reimbursements as of September 29, 2022, was provided with the meeting materials.

P. Zelif joined the meeting at 4:09 p.m.

M. Zimmerman left the meeting at 4:14 p.m.

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

- On line 8 of the balance sheet, there is restricted cash grant funds of \$739,000 at the end of August. We collected funds from OCR related to the Upstate Niagara Cooperative, Inc project. This was 50% grant and 50% loan to the company, which was paid out in September.
- On line 16, *Grants Receivable - Other* decreased by \$10,000. We collected \$10,000 from the Workforce Development Institute (WDI), which was related to the Cornell in High School program that C. Suozzi facilitated. We paid \$20,000 to Cornell and received \$10,000 after providing documentation related to the success of the program. WDI is potentially interested in funding similar programs in the future.
- Accounts payable increased by the monthly accrual amounts for the payments to the GCEDC for the Economic Development Program Support Grant and the MedTech Property Management Fee.
- In the operating fund, we recorded grant revenue related to the Upstate Niagara Cooperative, Inc project, which was previously discussed.
- Also, in the operating fund, approximately \$298,000 was recorded as CDBG/Genesee CARES grant revenue. The corresponding grant expense and professional services fees were recorded related to this. Grant funds were disbursed to the participants and program delivery fees were paid to H. Sicherman & Co.
- There is regular monthly activity for MedTech Centre, which is on budget for most line items.

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

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Absent
D. Cunningham - Yes

The item was approved as presented.

3b. GGLDC Budget Timeline – The 2023 Budget is due to the ABO and OSC by November 1, 2022. L. Farrell reviewed the timeline to emphasize the need for a quorum at the October 27, 2022 Board meeting. We are aware that there are conflicts with the upcoming meetings, so we will be sending out a poll early to ensure that we can obtain quorums or have enough time to reschedule if necessary.

3c. GGLDC 2022 Budget Assumptions – L. Farrell presented the cash projections through the end of 2022 and cash budgets for 2023 to the Committee. Some of the significant items noted are as follows:

- At the end of 2022, including the GAB, LLC, it is anticipated that there will be approximately \$5.3M of cash on hand, of which \$3.36M is included in strategic investment funds, which is reviewed and discussed quarterly.
- Most of the activity included is normal operating activity.
- The Genesee CARES grant will be closed out.
- A conservative approach has been taken and no land sales have been projected.

L. Farrell then reviewed the 2023 budget information for each fund in detail with the Committee. The significant items discussed are outlined in the comments section for each cash budget, included with Committee meeting materials. For the GGLDC, the cash budget is completed first. It is then converted to accrual basis. The Authorities Budget Office requires the accrual budget to be entered into PARIS.

L. Farrell asked Committee members to contact her if they have any other suggestions or questions regarding the drafted budget. L. Farrell shared that a final version of the 2023 cash budget, along with the accrual budget, will be brought forward at the next Audit & Finance Committee meeting for approval. Any changes made to the budget assumptions will be reviewed in detail at that time.

3d. Auditor Selection – It is required that the audit partner on the engagement is changed every five years. The auditing firm does not need to change, only the audit partner in charge. There is another partner at Mostert, Manzenaro & Scott, LLC that could complete the audit; however, the GGLDC previously decided it would go out to bid for auditing services after David Brownell from Mostert, Manzenaro & Scott, LLC completed five years as engagement partner in charge. Therefore, L. Farrell will be submitting a Request for Proposal for auditing services.

3e. Insurance Renewal – At the end of 2020, the GGLDC did an RFQ for insurance brokers. Tompkins Insurance remained the GGLDC's broker for General Liability. Lawley remained the GGLDC's broker for D&O Insurance and was also selected as the broker for Cyber Insurance. The Committee requested that staff contact J. Teresi at Tompkins Insurance to request quotes from multiple insurance companies for the January 1, 2023 General Liability insurance renewal.

3f. Commercial Cleaning Services Additional 2022 Services – Commercial Cleaning Services of WNY, Inc. (CCS) has provided the GGLDC with a quote for waxing of the floors and cleaning of the tile/grout in the bathrooms. Although this expenditure is not over \$5,000, total payments to this company will be over \$5,000 when combined with the general cleaning services that the company already provides. The GGLDC approved a contract with Commercial Cleaning Services of WNY, Inc. for general cleaning services not to exceed \$14,000 in 2022. These additional services are \$1,199.64 (floor waxing) and \$495 (tile/grout cleaning). We have requested quotes for these services in the past, but recently the company has been very aggressive and has been offering a lower rate as we are a current customer. Previously these expenses were well over \$2,000.

Fund Commitment: The total expenditures for these services should not exceed \$1,700 and will be paid out of the GGLDC, under MedTech Center site maintenance. This expense is lower than what was budgeted for these services for 2022.

T. Felton made a motion to recommend to the full Board the approval of the Additional 2022 Commercial Cleaning Services not to exceed \$1,700 as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes
- T. Bender - Absent
- D. Cunningham - Yes

The item was approved as presented.

3g. 2023 General Cleaning Services – During 2022, staff reached out to four cleaning companies to obtain quotes for 2023 cleaning services. Commercial Cleaning Services of WNY, Inc., the current company being used, has been offering a competitive price and we are satisfied with the services.

Fund Commitment: Up to \$14,500, plus reimbursement for supplies; MedTech Centre site maintenance; included in the proposed 2023 GGLDC Budget.

P. Battaglia made a motion to recommend the full Board the approval of 2023 Commercial Cleaning Services not to exceed \$14,500, plus reimbursement for supplies as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes
- T. Bender - Absent
- D. Cunningham – Yes

The item was approved as presented.

3h. Land Lease Rates – M. Masse presented the proposed schedule for the land lease rates that were included with the meeting materials. M. Masse stated that C. Yunker stated that the rates were a little low but in line with the national average.

Location	Term	Rate/Acre
Agri-Business Park	One year	\$ 110.00
MedTech Centre	One year	\$ 70.00

Fund commitment: None.

T. Felton made a motion to recommend to the full Board the approval of the Land Lease Rates as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes
- T. Bender - Absent
- D. Cunningham - Yes

The item was approved as presented.

3i. Quotes for Lighting Replacement – The GGLDC asked seven companies for bids to replace the current lighting fixtures in the GCEDC offices in suite 106, the Innovation Zone and the lighting in UMMC's pool area:

1. Declined to bid – Humphrey Electric
2. Declined to bid – Gargano Electric
3. Declined to bid – Henry Cook
4. Declined to bid – Tambe Electric
5. Declined to bid – RJN Electric
6. \$34,566.31 - Severino Electric
7. \$15,278.00 - Gilligan Electric

Fund Commitment: \$15,278.00

P. Battaglia made a motion to recommend to the full Board the approval of the contract with Gilligan Electric not to exceed \$15,278 as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Absent
D. Cunningham – Yes

The item was approved as presented.

3j. Construction Lay Down Agreement with Plug Power – As part of their construction of their hydrogen facility, Plug Power would like to utilize the 1.8-acre parcel directly to the east of their site as a construction lay down area. They will fence off the hold and haul tank area as well as grade and stone the rest of the acreage. Plug will be responsible for all DEC permits and compliance.

Fund Commitment: None.

T. Felton made a motion to recommend approval of the Construction Lay Down Agreement with Plug Power as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Absent
D. Cunningham – Yes

The item was approved as presented.

4. ADJOURNMENT

P. Battaglia made a motion to adjourn at 5:04 p.m., seconded by T. Felton and passed unanimously.