



**GCEDC Audit & Finance Committee Meeting**  
**Tuesday, October 24, 2023**  
**Location: 99 MedTech Drive, Innovation Zone**  
**8:30 a.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: P. Battaglia, M. Gray, K. Manne  
Staff: L. Farrell, M. Masse, S. Hyde, L. Casey, E. Finch, J. Krencik  
Guests: J. Tretter (GGLDC Board Member), M. Brooks (GGLDC Board Member), D. Cunningham (GGLDC Board Member), Andrew Kennedy & Nick Morelle (Ostroff Associates)  
Absent: P. Zelif

**1. CALL TO ORDER / ENTER PUBLIC SESSION**

K. Manne called the meeting to order at 8:30 a.m. in the Innovation Zone.

**1a. Enter Executive Session**

M. Gray made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:30 a.m. for the following reasons:

1. Discussions regarding proposed, pending or current litigation.

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

Andrew Kennedy and Nick Morelle (Ostroff Associates) left the meeting at 8:53 a.m.

**1b. Enter Public Session**

P. Battaglia made a motion to enter back into public session at 9:00 a.m., seconded by M. Gray and approved by all members present.

Andrew Kennedy and Nick Morelle (Ostroff Associates) returned to the meeting at 9:00 a.m.

**2. Chairman's Report & Activities**

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

**2b. Minutes: October 3, 2023**

**M. Gray made a motion to approve the October 3, 2023 minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

P. Battaglia - Yes  
M. Gray - Yes

P. Zelif - Absent  
K. Manne - Yes

**The item was approved as presented.**

### **3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:**

**3a. Government Relations Contract - Ostroff Associates** - During this season of active infrastructure construction at STAMP, necessary to enable \$1B in project commitments and some 700 high paying jobs (avg. \$80k/year), we are experiencing considerable external challenges. Considering this, we could use assistance with a strong government relations firm that can provide GCEDC strong counsel, access, and advocacy to the Executive and Legislative branches of state government as well as state administrative/regulatory agencies. One of the very well-placed firms, used by NYSEDC, and many others is Ostroff Associates. They are a growing firm with strong relationships across the board. We have executed a short-term contract, half a month, through the end of October given pressing near term needs which is within budget and Steve Hyde's signature authority totaling \$2,500. Included with the meeting materials for consideration is Ostroff Associate's engagement letter to establish a more formal on-going relationship. Pricing is \$5,000 monthly which is consistent with their normal charge rate for active non-profit organizations. This is a month-to-month engagement and can be cancelled if needed on 30 days' notice. Our 2023 and 2024 budget assumptions plan this expense at \$4,250/month. While we are significantly under budget for 2023, we will likely exceed our 2024 budget for this line item by \$9,000 if our engagement lasts the entire year. We will work to offset this cost exposure in other expense line items.

**CEO Recommendation:** Given the strength of Ostroff's team and ability to provide strong counsel and advocacy during this season of active infrastructure permitting and construction at STAMP as well as active project selling and implementation – S. Hyde recommends approval of this Government Relations Contract.

**P. Battaglia made a motion to recommend to the full Board the approval of the Government Relations Contract with Ostroff Associates as presented; the motion was seconded by M. Gray. Roll call resulted as follows:**

P. Battaglia - Yes  
M. Gray - Yes  
P. Zelif - Absent  
K. Manne - Yes

**The item was approved as presented.**

**3b. September 2023 Financial Statements** - L. Farrell reviewed with the Committee the significant items of the September 2023 long form financial statements.

- Unrestricted cash decreased by about \$1M. Some of this was for regular monthly activity but about \$765K of STAMP land sale funds were used to pay an expense for the 716 Contracting Inc. contract that was previously authorized.
- On Line 17, accounts receivable increased by about \$70K for the project origination fee installment due from Nexgistics. Their origination fee was to be paid in three installments, with the final installment coming due in the early part of 2024.

- Other than the above-mentioned items, the balance sheet is comparable to last month.
- In the operating fund, we should be at 75% of budget. Operating expenses that are front loaded and have been over budget are leveling out (i.e., HSA contributions, Dues & Subscriptions). General Liability Insurance and umbrella insurance are also known to be over budget and approved by the Board. Otherwise, most line items are within budget.
- In the STAMP fund, GURFs were submitted in September for the \$33M and \$8M ESD grants. Grant income and the corresponding expenditures were recognized accordingly.
- Other than the above-mentioned items, there is normal monthly activity on the income statements for all funds.

**M. Gray made a motion to recommend to the full Board the approval of the September 2023 Financial Statements as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

P. Battaglia - Yes  
 M. Gray - Yes  
 P. Zeff - Absent  
 K. Manne - Yes

**The item was approved as presented.**

**3c. 2024 General Cleaning Services**– During 2022, staff reached out to four cleaning companies to obtain quotes for 2023 cleaning services. Commercial Cleaning Services of Western New York, Inc. was awarded the contract.

Commercial Cleaning Services of Western New York Inc., the current company being used, has been offering a competitive price and we are satisfied with the services. New quotes were not obtained for 2024 services. We anticipate getting quotes for cleaning services every three years.

**Fund Commitment:** \$7,500 plus reimbursement for supplies; included in the 2024 GCEDC Budget.

**Action Requested:** Staff is requesting a recommendation from the Committee to continue this contract for 2024 cleaning services at a cost not to exceed \$7,500 for the year, plus reimbursement for supplies.

**P. Battaglia made a motion to recommend to the full Board the approval of the 2024 General Cleaning Services contract with Commercial Cleaning Services not to exceed \$7,500, plus reimbursement for supplies as presented; the motion was seconded by M. Gray. Roll call resulted as follows:**

P. Battaglia - Yes  
 M. Gray - Yes  
 P. Zeff - Absent  
 K. Manne - Yes

**The item was approved as presented.**

**3d. 12/31/23 Audit Services** – Last year the GCEDC and its affiliated corporations issued a joint Request for Proposals (RFP) for Professional Auditing Services. The RFP requested services for three audit years from January 1, 2022 to December 31, 2024, with an option of contracting for an additional two years (2025-2026). The Board approved a 3-year engagement with Mostert, Manzanero & Scott, LLP. L.

Farrell noted that the fee for 2023 audit services will increase from \$10,300 to \$10,700. The engagement letter includes an option to add on a Single Audit if necessary for an additional fee.

**M. Gray made a motion to recommend to the full Board the approval of the engagement letter with Mostert, Manzanero & Scott, LLP for 12/31/23 audit services not to exceed \$10,700 as presented, with Single Audit services added if necessary; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

P. Battaglia - Yes  
M. Gray - Yes  
P. Zeff - Absent  
K. Manne - Yes

**The item was approved as presented.**

**3e. Batavia Home Fund Committee Recommendation of Award** – The Batavia Home Fund (BHF) funds will be used for infrastructure improvements, future economic and brownfield development interests targeted within the City for new housing projects and the conversion of residential rental to single family homes. The program is administered by the GCEDC with grant funding decisions made by a grant-selection committee with a representative from the GCEDC, Town and City of Batavia.

**Eligible Activities (Maximum Award)**

- i. Extraordinary development costs related to hazardous material abatement, remediation, flood hazard areas, etc. (\$50,000)
- ii. Demolition / rehabilitation of vacant residential structures that cause community and neighborhood blight. (\$50,000)
- iii. Infrastructure modernization and improvements including costs to plan, design and construct streets, multi-modal, water, sewer, gas, electric, telecommunication enhancements, storm water management facilities and related infrastructure including landscaping and streetscape improvements related to redevelopment projects and new housing construction. (\$50,000)
- iv. Matching funds to secure other grant resources to further capitalize redevelopment projects in the Brownfield Opportunity Area (BOA) and flood zone areas. (\$20,000)
- v. Land assemblage, property acquisition and due diligence for new market rate housing projects. (\$50,000)
- vi. Grants to support owner occupied single family exterior rehabilitation. (\$10,000)
- vii. Grants to support multi-family conversion into single family owner occupied (\$20,000)

Project Applicant: Stephen Montfort

The homeowner recently purchased this residence for their own use and is looking to make improvements to the exterior (new roof) which qualifies under Eligible Activities item #6 (vi.): Grants to support owner occupied single family exterior rehabilitation (maximum award of \$10,000). They are seeking a grant of \$2,750 which is 40% of the total construction cost (maximum percentage allowed under the program) of \$6,875. Montclair Avenue, along with Holland and Allen, are areas that the City of Batavia is looking for neighborhood revitalization. The City has applied for a Community Development Block grant that, if awarded, would be utilized to complete a targeted neighborhood improvement program in this residential area. This grant and homeowner improvement to the residence would fit in with that overall program and neighborhood revitalization initiative.

**Total Project Cost:** \$6,875.00

**Total Grant Amount Requested:** \$2,750 (40% max allowed)

**Eligible Activity criteria from above:** 6 (vi.)

**Committee action request:** The Housing Oversight Committee of the Batavia Home Fund met on October 19, 2023 and approved this application. Staff are seeking authorization to release the funds in accordance with the terms and conditions of the Batavia Home Fund.

**P. Battaglia made a motion to recommend to the full Board the approval to release funds in accordance with the terms and conditions of the Batavia Home Fund not to exceed \$2,750 to the project applicant as presented; the motion was seconded by M. Gray. Roll call resulted as follows:**

P. Battaglia - Yes  
M. Gray - Yes  
P. Zeliff - Absent  
K. Manne - Yes

**The item was approved as presented.**

#### **4. ADJOURNMENT**

As there was no further business, P. Battaglia made a motion to adjourn at 9:15 a.m., seconded by M. Gray and passed unanimously.