



## **GGLDC Audit & Finance Committee Meeting**

**Thursday, October 5, 2023**

**Location – 99 MedTech Drive, Innovation Zone**

**3:00 p.m.**

### **MINUTES**

#### **ATTENDANCE**

Committee Members: J. Tretter, M. Brooks, P. Battaglia,  
Staff: L. Farrell, M. Masse, J. Krencik, S. Hyde, P. Kennett, L. Casey, E. Finch, C. Suozzi  
Guests: P. Zelif (GCEDC/GGLDC Board Member), T. Schneider (Town of Pembroke Supervisor)  
Absent: D. Cunningham

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

P. Battaglia called the meeting to order at 3:01 p.m. in the Innovation Zone.

#### **2. CHAIRMAN'S REPORT & ACTIVITIES**

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

**2b. Minutes: September 5, 2023**

**J. Tretter made a motion to recommend approval of the September 5, 2023 minutes; the motion was seconded by M. Brooks. Roll call resulted as follows:**

J. Tretter - Yes  
P. Battaglia - Yes  
M. Brooks - Yes  
D. Cunningham – Absent

**The item was approved as presented.**

#### **3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:**

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

- There aren't many significant changes to the balance sheet from last month.
- Accounts payable increased for the monthly accrual amounts for the MedTech Centre Property Management Fee and Economic Development Support Grant that is paid to the EDC quarterly.

- In the operating fund, we collected two \$25,000 payments from RPNY Solar 6 and RPNY Solar 7 projects. The grant payments from these solar projects support workforce development initiatives and the overall economic development program.
- We should be at 67% of budget. Most line items are within budget, except for insurance, which is known to be over budget and approved by the Board.

**M. Brooks made a motion to recommend to the full Board the approval of the August 2023 Financial Statements as presented; the motion was seconded by J. Tretter. Roll call resulted as follows:**

J. Tretter - Yes  
 P. Battaglia - Yes  
 M. Brooks - Yes  
 D. Cunningham - Absent

**The item was approved as presented.**

**3b. GGLDC Budget Timeline** – The 2024 Budget is due to the ABO and OSC by November 1, 2023. L. Farrell reviewed the timeline to emphasize the need for a quorum at the October 26<sup>th</sup> Board meeting. L. Farrell requested that Board members notify staff of any potential conflicts as soon as possible. P. Battaglia stated that he may have a potential conflict.

**3c. GGLDC 2024 Budget Assumptions** – L. Farrell presented the cash projections through the end of 2023 and 2024 cash budgets to the Committee. For the GGLDC, the cash budget is completed first. It is then converted to accrual basis. The Authorities Budget Office requires the accrual basis budget to be entered into PARIS.

Some of the significant items noted on the September 1 – December 31, 2023 Cash Projection are as follows:

- The Genesee CARES grant will be closed out.
- Line 68 includes grant expense of \$135,000, which is pending approval from the Board. The GGLDC would like to transfer \$135,000 to the STAMP Sewer Works, Inc. to cover potential legal expenses related to the easements for the force main.
- Line 69 includes grant expense of \$100,000 for the Batavia Home Fund.
- At the end of 2023, including the GAB, LLC, it is anticipated that there will be approximately \$6.2M of cash on hand, which includes \$3M in strategic investments, \$700K unrestricted and the balance restricted for various purposes.

L. Farrell then reviewed the 2024 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.

Also included with the budget materials was a worksheet for MedTech Centre expenses. L. Farrell noted that \$60,000 for conversion to LED lighting was included in the 2024 budget. However, L. Farrell stated that this number is likely to change before the budget is approved at the next meeting because we received a building report from Clark Patterson Lee (CPL) after board materials were distributed. The

Committee previously recommended that a third party, as opposed to a HVAC provider, deliver a report on the expected life of HVAC units at MedTech Centre. Based on a 15-year standard life, CPL reported that the HVAC units have 2-years or less of useful life. M. Masse emphasized that this report is not based on a physical inspection and the units could operate for another 2 years, 5 years or 10 years. The total replacement value for the 15 roof top units as well as the control panel is \$700,000. Consequently, a more comprehensive plan will be reviewed with the Committee later for the conversion to LED lighting and HVAC system.

L. Farrell asked Committee members to contact her if they have any other suggestions or questions regarding the drafted budget. A final version of the 2024 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.

P. Zelif joined the meeting at 3:23 p.m.

T. Schneider joined the meeting at 3:33 p.m.

**3d. Auditor Selection** – Last year the GCEDC and its affiliated entities 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 \$10,000 to \$10,300. She contacted Mostert, Manzanero & Scott, LLP for an engagement letter for 2023 audit services.

**3e. Insurance Renewal** - Staff met with J. Teresi from Tompkins Insurance to discuss the January 1, 2024 insurance renewal for General Liability and Umbrella Coverage. Selective is still interested in carrying us. However, J. Teresi is looking into alternative markets. He believes that Selective will still be the best option. Last year, with the increased development of the STAMP site, a change in land classification was made that increased the cost of insurance. Quotes are anticipated to again reflect this risk exposure.

**3f. Land Lease Rates** - M. Masse presented the proposed schedule for the land lease rates that were included with the meeting materials.

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

**Fund commitment:** None.

**M. Brooks made a motion to recommend to the full Board the approval of the Land Lease Rates pending review and approval by our agricultural experts on the Board; the motion was seconded by J. Tretter. Roll call resulted as follows:**

J. Tretter - Yes  
P. Battaglia - Yes  
M. Brooks - Yes

D. Cunningham – Absent

**The item was approved as presented.**

**3g. Host Agreement with Atlas Copco** - Atlas Copco USA Holdings Inc. is looking to construct a 240,000 square foot dry vacuum pump manufacturing facility at the STAMP site. In connection with that development, Atlas Copco USA Holdings Inc. is seeking to enter into a Host Community Investment Agreement with the GGLDC. The revenues paid by the Company to the Corporation, which shall be utilized at the sole and absolute discretion of the Corporation, are to be provided (i) to facilitate future development and public infrastructure improvements within Genesee County related to the STAMP site; (ii) as a source of funding for prospective costs and expenses associated with and related to anticipated transportation corporation services and additional infrastructural improvements to be provided as a result of the STAMP needs in Genesee County; (iii) debt service and (iv) other economic development purposes.

**Fund Commitment:** None.

**Committee Action Request:** Recommend approval and execution of the Host Community Investment Agreement with Atlas Copco USA Holdings Inc.

**J. Tretter made a motion to recommend approval of the Host Agreement with Atlas Copco; the motion was seconded by M. Brooks. Roll call resulted as follows:**

J. Tretter - Yes  
P. Battaglia - Yes  
M. Brooks - Yes  
D. Cunningham – Absent

**The item was approved as presented.**

**3h. Transfer Funds to STAMP Sewer Works, Inc.** - The GGLDC receives funds under Host Community Investment Agreements from projects at the STAMP site. The GGLDC would like to transfer \$135,000 to the STAMP Sewer Works, Inc. to cover potential legal expenses related to the easements for the force main.

**Fund Commitment:** Transfer \$135,000 to the STAMP Sewer Works, Inc. from the payments received under Host Community Investment Agreements from projects at the STAMP site.

**Board Action Request:** Recommend approval of transfer of funds as listed above.

**J. Tretter made a motion to recommend to the full Board the approval to transfer \$135,000 to the STAMP Sewer Works, Inc. as specified above; the motion was seconded by M. Brooks. Roll call resulted as follows:**

J. Tretter - Yes  
P. Battaglia - Yes  
M. Brooks - Yes  
D. Cunningham – Absent

**The item was approved as presented.**

**3i. Workforce Development Fund- Sources and Uses** - C. Suozzi reviewed the sources and uses of the 2023 Workforce Development Fund as outlined in the meeting materials. We have paid/scheduled \$35,560 out of \$76,000 that was planned for 2023.

**3j. Workforce Development Fund - Refrigeration Equipment** – Genesee Valley BOCES was looking to purchase new refrigeration Amatrol equipment to support education for local companies including HVAC and food processing operations. We led the way in assisting the purchase and financing for the refrigeration equipment.

Uses

\$25,000 Equipment

Sources

\$15,000 – Grant from WDI

\$5,000 – Donation from Artic Refrigeration

\$5,000 – GGLDC

**Action Request:** This equipment was included in the GGLDC budget, and it is recommended by staff to pay the invoice which came in under the \$5,000 budget at \$4,992.08

**M. Brooks made a motion to recommend to the full Board the approval of \$4,992.08 to Genesee Valley BOCES for the monetary reimbursement of refrigeration equipment; the motion was seconded by J. Tretter. Roll call resulted as follows:**

J. Tretter - Yes  
P. Battaglia - Yes  
M. Brooks - Yes  
D. Cunningham – Absent

**The item was approved as presented.**

**4. ADJOURNMENT**

As there was no further business, J. Tretter made a motion to adjourn at 3:50 p.m., seconded by M. Brooks and passed unanimously.