



GCEDC Audit & Finance Committee Meeting
Thursday, February 5, 2026
Location: 99 MedTech Drive, Innovation Zone
2:00 p.m.

MINUTES

ATTENDANCE

Committee Members: K. Manne, P. Battaglia, P. Zelif, L. Mancuso
Staff: L. Farrell, M. Masse, P. Heimlich, K. Galdun, J. Krencik, C. Suozzi
Guests: S. Ott (Lawley Insurance), C. Celis (Lawley Insurance), R. Dejean (Lawley Insurance), M. Brooks (GGLDC Board Member), J. Tretter (GGLDC Board Member)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

K. Manne called the meeting to order at 2:06 p.m. in the Innovation Zone.

The D&O Insurance and Cyber Insurance Presentations were discussed first.

Lawley Insurance presented to the committee on the D&O and Cyber Insurance. C. Celis noted that attempts to approach direct markets in New York State have been largely unsuccessful in recent years due to limited carrier appetite. She added that coverage and limits offered by other carriers were not competitive with the option being presented. While an increase in premium and retention had been anticipated, they were able to reduce the retention to \$75,000 from the original estimate of \$100,000.

R. Dejean stated that the renewal period is 2/23/26 – 2/23/27 and that the policy is claims-made, meaning coverage applies when a claim is reported rather than when the incident occurred. He confirmed that the Directors and Officers liability limit remains \$5M, consistent with the prior policy, though the retention increased from \$25,000 to \$75,000. He also reviewed the differences between indemnified and non-indemnified claims.

R. Dejean further discussed additional coverages, including the Side A Limit of \$500,000 and carve-back coverage under the policy.

P. Zelif inquired whether the premium increase was related to prior claims history, to which R. Dejean confirmed, noting that insurers typically review the previous five years.

P. Battaglia asked about expectations for next year's renewal given potential future litigation. R. Dejean responded that market options will always exist, but maintaining consistency with carriers is important, with specifics ultimately dependent on the nature of any claim.

L. Farrell asked whether splitting the entities would decrease quotes, and R. Dejean stated that it would not be beneficial.

C. Suozzi joined the meeting at 2:21 p.m

C. Celis reviewed the Cyber Liability quote from Travelers, which was automatically generated and came back flat. She recommended going out to market for this policy next year.

M. Masse inquired whether, given rapidly changing technology, carriers provide “best practices” to help lower premiums or if additional technology requirements might be expected in the future.

C. Celis responded that Travelers has remained relatively consistent with the safeguards and protocols they require. She noted that artificial intelligence is currently a major focus, and while some carriers have started implementing endorsements and exclusions related to AI, Travelers has not. She also highlighted that Travelers offers policyholder benefits that can be leveraged to mitigate cyber risks.

S. Ott, C. Celis, and R. Dejean left the meeting at 2:23 p.m.

P. Battaglia asked if legal counsel had answered whether this type of policy was needed for these entities and M. Masse responded that he had reached out and they were told that it was.

2. Chairman’s Report & Activities

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

2b. Minutes: January 13, 2026

P. Zelif made a motion to approve the January 13, 2026, minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
L. Mancuso - Yes
P. Zelif - Yes
K. Manne – Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. December 2025 Unaudited Financial Statements – L. Farrell reviewed with the Committee the significant items on the long form unaudited financial statements for December 2025.

- On the balance sheet, a large GURF was submitted causing a decrease in restricted cash of \$3M.
- Line 18, Batavia Home Fund cash increased by \$50,000 in relation to the payment received from MedTech Landing as part of their agreement. This will be received annually for 20 years.
- Accounts Payable of \$2.2M were recorded as of December 31st, with the majority of those expenditures being related to STAMP.
- The Operating Fund’s total fee revenue was \$5M against the \$450k budget.
- Some expenditures were over budget, but were anticipated to be, including health benefits and insurance.
- STAMP Fund activity is related to the \$56M ESD grant and those correlating expenditures.

- Anticipated adjustments to the financial statements include additional payables, the GASB 68 audit adjustment related to NYS Retirement and GASB 87 related to leases.

P. Zeliff made a motion to recommend to the full Board the approval of the Unaudited December 2025 Financial Statements as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
L. Mancuso - Yes
P. Zeliff - Yes
K. Manne - Yes

The item was approved as presented.

3b. D & O Insurance – Notice was received that the Fireman’s Fund would be non-renewing the D&O and Employment Practices coverage due to claim history.

Lawley Insurance provided a proposal from Landmark American Insurance Company. The proposal reflects the price of \$41,646.25 which would be split 50/50 between GCEDC and GGLDC. This is an overall price increase of \$12,468.68 (\$6,234.34/entity) compared to the current policy. The current policy expires on 2/23/2026.

Lawley did send our information to market, but no other quotes were offered. The marketing results are included in the proposal.

The cost of this policy (2/23/2026 – 2/23/2027) would be split between GCEDC and GGLDC (\$20,823.13/entity). The annual D&O insurance expense per entity would be \$19,784.06. Each entity included \$15,400 in their 2026 budget.

Some highlights provided by Lawley:

- o Limits remain per expiring: D&O at \$5M, Employment Practices at \$1M, \$6M Policy Aggregate
- o D&O retention has increased from \$25K to \$75K
- o Employment Practices 1st Party Retention remains at \$25K
- o Employment Practices Third Party Retention increases from \$25K to \$100K
- o Additional Named Insured Schedule was matched per expiring

P. Zeliff made a motion to recommend to the full Board the approval of the D&O Insurance as presented; the motion was seconded by L. Mancuso. Roll call resulted as follows:

P. Battaglia - Yes
L. Mancuso - Yes
P. Zeliff - Yes
K. Manne - Yes

The item was approved as presented.

3c. Cyber Insurance – Travelers is willing to renew the Cyber insurance coverage.

The proposal reflects the same price as the expiring premium of \$7,817. The current policy expires on 2/23/2026.

The cost of this policy (2/23/2026 – 2/23/2027) would be split between the GCEDC and GGLDC (\$3,908.50/entity). Each entity included \$4,500 in their 2026 budget for this expense.

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

P. Battaglia - Yes

L. Mancuso - Yes

P. Zelif - Yes

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 2:31 p.m., seconded by P. Zelif and passed unanimously.