



GCEDC Audit & Finance Committee Meeting
Tuesday, November 29, 2022
Location: 99 MedTech Drive, Innovation Zone
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: P. Zelif, M. Gray, T. Bender (Video Conference*)
Staff: L. Farrell, L. Casey, M. Masse, J. Krencik, P. Kennett, C. Suozzi, S. Hyde
Guests: D. Cunningham (GGLDC Board Member), T. Felton (GGLDC Board Member), J. Teresi (Tompkins Insurance), M. Zimmerman (Video Conference) (Harrison Studios)
Absent: P. Battaglia

* Attending from physical location identified in meeting notice as open to the public.

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:35 a.m. in the Innovation Zone.

Presentation – Tompkins Insurance – J. Teresi from Tompkins Insurance attended the meeting to discuss the outlook for general liability insurance for 2023. As requested by the Board of Directors, Tompkins “shopped insurance”. Tompkins aggressively went after two municipal markets. However, because we are a quasi-governmental agency, they do not want to cover our entities. Additionally, per J. Teresi many carriers are not in the business of covering land development. The renewal costs from Selective were not available but are anticipated within the next 10 days. Historically, Selective has only charged for the exposure associated with the MedTech Centre building and has not charged for other development efforts. However, with the expectation that infrastructure development efforts will only increase, Selective will likely come forward with a policy that is reflective of that exposure. Nevertheless, it is anticipated that Selective will still be the best option. One way that Selective can control its exposure is by controlling the limit. Given this, J. Teresi is hopeful that Selective will continue with the \$1 million general liability policy, but it is unlikely that Selective will also include the \$10 million umbrella that was previously very affordable. If this is the case, an alternative umbrella program will have to be put together.

J. Teresi left the meeting at 8:58 a.m.

Enter Executive Session

P. Zelif made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:58 a.m. for the following reasons:

1. 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.

2. 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.

The motion was seconded by T. Bender and approved by all members present.

M. Zimmerman left the meeting at 9:10 a.m.

Enter Public Session

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

Due to a potential quorum issue, the GCEDC Audit & Finance Committee suspended their meeting to allow the GGLDC meeting to commence. T. Felton needed to leave at 9:30 a.m. promptly.

The GCEDC Audit and Finance Committee meeting resumed at 9:32 a.m.

2. Chairman's Report & Activities

2a. Agenda Additions / Other Business –

T. Bender made a motion to remove agenda item 3b. Insurance Renewal; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zeliff - Yes

2b. Minutes: October 25, 2022

T. Bender made a motion to approve the October 25, 2022 minutes; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zeliff - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

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

- On the balance sheet, restricted cash in the \$8 Million and \$33 Million STAMP imprest accounts decreased. GURFs were submitted to ESD in October. Unearned revenue decreased by the same amount as revenue is recognized as qualifying expenditures are made.
- We did not close on any projects in October.

- In the operating fund, there are a few line items that are over budget related to expenditures that are front loaded, but they are beginning to level-out.
- Other than the above-mentioned items, there is normal monthly activity on the income statements for all funds.

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

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zelif - Yes

The item was approved as presented.

3b. Insurance Renewal – Removed from the agenda.

3c. Audit Services – The same discussion regarding audit services that took place during the GGLDC Audit and Finance Committee meeting also applies to the GCEDC.

The GCEDC and its affiliated corporations issued a joint Request for Proposals (RFP) for Professional Auditing Services on October 17, 2022. 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). Requesting for this length of time is customary.

The RFP was submitted directly to five accounting firms. These firms were chosen based on research and consultation with Laura Landers, former Freed Maxick government services director. A notice was also published in the Batavia Daily News stating that the GCEDC and affiliated corporations issued an RFP for these services. The RFP responses were due by November 16th. Three proposals were received.

Proposals were reviewed and evaluated by:

Lezlie Farrell, CFO
Mark Masse, Sr. VP of Operations
Penny Kennett, Operations Manager

The proposals were evaluated based on:

- 1) Qualifications and experience of the audit firm
- 2) Qualifications and experience of the partners and staff.
- 3) Quoted fee rates for each year of the potential five-year engagement.
- 4) Compliance with local, state, and federal statutes and regulations.
- 5) Anticipated potential audit problems (if any).

Mostert, Manzanero & Scott, LLP is the firm being recommended by staff. Along with the firm's experience with the GCEDC and affiliated entities, they have listed references including three other Industrial Development Agencies and a Local Development Corporation. The proposed fee schedule from Mostert, Manzanero & Scott, LLC was included with the meeting materials.

P. Zeliff made a motion to recommend to the full Board the approval of a 3-year engagement with Mostert, Manzanero & Scott, LLC for the 2022-2024 audits as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zeliff - Yes

The item was approved as presented.

3d. Apple Tree Acres PSA & Authorizing Resolution - The GCEDC has received a Purchase and Sale Agreement from a potential project to acquire approximately 32.08 acres of tax parcel 13.-1-65 for \$850,000.

Fund Commitment: Legal fees to Harris Beach for the transaction as listed in the resolution, not to exceed \$18,000.

Resolution No. 12/2022 - 06

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") AUTHORIZING (i) THE SALE OF CERTAIN AGENCY OWNED REAL PROPERTY TO JACOB BERARDI ON BEHALF OF AN ENTITY TO BE FORMED, AND (ii) THE EXECUTION OF A PURCHASE AND SALE AGREEMENT, A DEED, AN EASEMENT AGREEMENT, AND RELATED DOCUMENTS IN CONNECTION THEREWITH.

T. Bender made a motion to recommend to the full Board the approval of the PSA, Authorizing Resolution, and payment of legal fees not to exceed \$8,000 in connection with the closing; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zeliff - Yes

The item was approved as presented.

3e. LeRoy PSA, Authorizing Resolution, & Commission Agreement - The GCEDC has received a Purchase and Sale Agreement from a potential project to acquire approximately 20 acres out of tax parcel 25.-1-75 for \$1,107,150.

Fund Commitment: Legal fees to Harris Beach for the transaction as listed in the resolution, not to exceed \$13,000.

The Committee stated that on the first page of the PSA, there is a discrepancy in the deposit amount between the long hand form number (Twenty Thousand and No/100 Dollars) and the numerical value (\$50,000) included. Staff confirmed that the deposit amount is \$50,000.

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") AUTHORIZING (i) THE SALE OF CERTAIN AGENCY OWNED REAL PROPERTY TO WALDEN DEVELOPMENT GROUP, LLC, AND (ii) THE EXECUTION OF A PURCHASE AND SALE AGREEMENT, A DEED, AN EASEMENT AGREEMENT, AND RELATED DOCUMENTS IN CONNECTION THEREWITH.

P. Zeliff made a motion to recommend to the full Board the approval of the PSA, Authorizing Resolution, including payment of legal fees not to exceed \$13,000 in connection with the closing, and the commission agreement with Pyramid Brokerage as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zeliff - Yes

The item was approved as presented.

3f. Consulting Assistance on Local Labor Policy Reporting (Hecate/Cider Solar) - Loewke Brill Consulting Group, Inc. has been the GCEDC's consultant who assists with the monitoring and reporting of company's compliance with the local labor policy. The Board has determined that companies need to provide the GCEDC with a deposit that will cover the costs of these services. Any amount not utilized will be returned to the company.

The following fee is based on the company's project description and timeline as provided in the application for incentives.

Project: Hecate (Cider Solar)

Fund Commitment: \$19,980.

P. Zeliff made a motion to recommend to the full Board the approval of the contract with Loewke Brill for the Hecate Cider Solar LLC project not to exceed \$19,980 contingent upon receipt of the deposit from the project; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes (Video Conference*)
P. Zeliff - Yes

The item was approved as presented.

3g. e3communications Contract – e3communications, a professional media and public relations firm/consultant, has submitted a proposal for 2023 services related to public relations and social media marketing for the Genesee County Economic Development Center (GCEDC).

In 2022, e3communications supported GCEDC staff with GCEDC planning, sales and marketing, and government/stakeholder relations; including support of the GLOW With Your Hands, Genesee CARES and events/groundbreakings for Ellicott Station, New York Bus Sales, Brickhouse Commons, and related activities. e3communications also maintains an expanded social media presence to audiences in project development and the greater public.

Fund Commitment: \$24,000 fund commitment. Funding is available and budgeted in the 2023 GCEDC Marketing – Operations budget for the full contract.

P. Zeliff asked if this commitment is an increase from last year’s contract. J. Krencik will confirm at the full Board meeting.

T. Bender made a motion to recommend to the full Board the approval of the 2023 e3Communications contract not to exceed \$24,000; the motion was seconded by P. Zeliff. Roll call resulted as follows:

- P. Battaglia - Absent
- M. Gray - Yes
- T. Bender - Yes (Video Conference*)
- P. Zeliff - Yes

The item was approved as presented.

3h. Greater Rochester Enterprise Contract – Greater Rochester Enterprise (GRE) is our non-profit regional economic development organization supported by a team of private and public-sector leaders in the Finger Lakes Region to grow the economy in Genesee County and our eastern neighbors.

This funding request supports GRE staff partnerships with the GCEDC’s business development, sales and marketing efforts, site development, and talent attraction efforts. The GCEDC also receives an active role on Greater Rochester Enterprise’s board of directors.

GRE staff directly enhance the GCEDC’s active sales funnel at STAMP and our shovel-ready sites. Notably, GRE has provided critical regional connections that further company due diligence, including work that lead to Edwards Vacuum’s \$319 million, 600-job project announced in November.

Included with the meeting materials was a memo from GRE President and CEO Matt Hurlbutt for a full report of his organization’s support to the GCEDC.

Fund Commitment: An investment renewal of \$52,000 for continued marketing and business development support for one year.

P. Zeliff made a motion to recommend to the full Board the approval of the 2023 Greater Rochester Enterprise Contract, not to exceed \$52,000; the motion was seconded by T. Bender. Roll call resulted as follows:

- P. Battaglia - Absent
- M. Gray - Yes
- T. Bender - Yes (Video Conference*)
- P. Zeliff - Yes

The item was approved as presented.

3i. Invest Buffalo Niagara Contract – Invest Buffalo Niagara (InBN) is our non-profit regional economic development organization supported by a team of private and public-sector leaders in the Western New York region to grow the economy in Genesee County and our western neighbors.

This funding request supports InBN staff partnerships with the GCEDC's business development, sales and marketing efforts, site development, and talent attraction efforts. The GCEDC also receives an active role on InBN's board of directors.

InBN staff directly enhance the GCEDC's active sales funnel at stamp and our shovel-ready sites. Notably, InBN has provided critical data analysis that further company due diligence, including work that lead to Edwards Vacuum's \$319 million, 600-job project announced in November.

Included with the meeting materials was a memo from Invest Buffalo Niagara Chief Operating Officer Jenna Kavanaugh for a full report of her organization's support to the GCEDC.

Fund Commitment: An investment renewal of \$25,000 for continued marketing and business development support for one year. This investment cost was anticipated and contained in the 2023 budget.

T. Bender made a motion to recommend to the full Board the approval of the 2023 Invest Buffalo Niagara Contract not to exceed \$25,000; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Battaglia	- Absent
M. Gray	- Yes
T. Bender	- Yes (Video Conference*)
P. Zeliff	- Yes

The item was approved as presented.

3j. Workforce Consulting Agreement – Included with the meeting materials was a consulting agreement for the period of January 1, 2023 through December 31, 2023. This agreement is between Sheila Eigenbrod, retired Pavilion High School Principal / current Interim Principal, and the GCEDC. This is the same agreement that was used for John Jakubowski. Services to be provided by Sheila Eigenbrod include the following:

1. Perform consulting services to assist in the development and implementation of workforce development programs and training initiatives relative to the goals of the Company and its affiliates.
2. Consult with the VP of Business Development of the GCEDC and staff relative to the application, development and deployment of its workforce programs.
3. Consult with educational institutions who may serve as partners in the development, implementation and delivery of training programs. Specifically, interface with Genesee Community College and its BEST Center, other institutions of higher learning, the Genesee Valley Educational Partnership and local secondary schools as appropriate.

4. Provide consulting services as requested by the GCEDC / GGLDC.

This contract is not to exceed \$29,800 and was included in the 2023 GCEDC budget. The County increased their funding amount in 2022 by \$25,000 to support administration of a workforce development program. These funds will be used for this contract.

P. Zelif made a motion to recommend to the full Board the approval of the Workforce Development Agreement with Sheila Eigenbrod, not to exceed \$29,800; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia	- Absent
M. Gray	- Yes
T. Bender	- Yes (Video Conference*)
P. Zelif	- Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, P. Zelif made a motion to adjourn at 9:44 a.m., seconded by T. Bender and passed unanimously.