



Meeting Agenda – Audit and Finance Committee

Genesee Gateway Local Development Corp

Tuesday, January 11, 2022 – 8:30 a.m.

Location: Electronically via Zoom

Page #	Topic	Discussion Leader	Desired Outcome
	<p>1. Call To Order – Enter Public Session</p> <p>Governor Kathy Hochul signed legislation (S.50001 / A.40001) on September 2, 2021 extending virtual access to public meetings under NYS's Open Meetings Law, which allows virtual participation in local government meetings during the COVID-19 pandemic. This meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.</p>	D. Cunningham	
2-7	<p>2. Chairman's Report & Activities</p> <p>2a. Agenda Additions / Other Business</p> <p>2b. Minutes: November 30, 2021</p>	D. Cunningham	Vote
8-12	<p>3. Discussions / Official Recommendations to the Board:</p> <p>3a. November 2021 Financial Statements</p>	L. Farrell	Disc / Vote
	<p>3b. D&O Insurance Renewal</p>	L. Farrell	Discussion
13	<p>3c. Rest & Revive Settlement Extension</p>	M. Masse	Disc / Vote
14-17	<p>3d. Genesee CARES Funding & Program Plan</p>	M. Zimmerman	Discussion
	4. Adjournment	D. Cunningham	Vote

GGLDC Audit & Finance Committee Meeting

Tuesday, November 30, 2021

Location - Innovation Zone & Electronically

8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: D. Cunningham, T. Felton, P. Battaglia (Video Conference), T. Bender (Video Conference)

Staff: L. Farrell, M. Masse, P. Kennett, L. Casey, J. Krencik, S. Hyde

Guests: J. Teresi (Tompkins Insurance), M. Gray (GCEDC Board Member), P. Zelif (GCEDC/GGLDC Board Member)

Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 8:34 a.m. in the Innovation Zone.

Presentation – J. Teresi reviewed the results of going out to bid for the 2022 insurance renewal. Tompkins approached 14 carriers. Each carrier either declined to bid or provided no response. Due diligence has been completed and not much has changed within the marketplace since last year. J. Teresi recommends waiting a couple of years before going out to market again.

J. Teresi left the meeting at 8:43 a.m.

1a. Executive Session:

P. Battaglia made a motion to enter executive session at 8:44 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by T. Bender and approved by all members present:

1. 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.

P. Zelif joined the meeting at 8:53 a.m.

M. Gray joined the meeting at 9:02 a.m.

1b. Re-Enter Public Session – P. Battaglia made a motion to enter back into public session at 9:13 a.m., seconded by T. Felton and approved by all members present.

2. CHAIRMAN'S REPORT & ACTIVITIES

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

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2b. Minutes: October 26, 2021

T. Felton made a motion to recommend approval of the October 26, 2021 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. October 2021 Financial Statements- L. Farrell reviewed with the Committee the significant items of the October 2021 long form financial statements and noted the following:

- On the balance sheet in the Buffalo East Tech Park fund, restricted cash increased. We received the \$93,000 Community Benefit Agreement payment from Darien Lake. All funds are dedicated to the Corfu Wastewater Treatment Facility Construction Expansion. We will continue to receive payments through 2027.
- Grants receivable increased by \$10,000. We made a \$20,000 payment for the Cornell in High School Program, of which \$10,000 is reimbursable from the Workforce Development Institute if grant funds are available. This is also reflected as income in the operating fund.
- Land held for redevelopment and sale decreased. We closed on a land sale with Gateway GS at Gateway II. We have written off the cost of sales for that acreage.
- Accounts payable decreased. The MedTech Centre Property Management Fee and Economic Development Support Grant was paid to the EDC for the 3rd quarter.
- There is also \$232,000 in interfund revenue coming into the operating fund from the Gateway II land sale. We are "transferring/shifting" cash from Gateway II to strategic investments, which are held in the operating fund.
- In Gateway II, the total amount of the land sale to Gateway GS was approximately \$400,000. There was a site development credit related to Gateway GS from their first land purchase. They made improvements at the park and then had a credit applied to future land sales. The total cash received from the land sale was approximately \$232,000 rather than \$400,000. The improvements that Gateway GS made were for road and water infrastructure, which are not owned by the EDC. Therefore, the credit that was applied at closing was recorded as site development expense.
- In Ag Park, we made a \$10,000 payment related to the pond relocation.
- MedTech Centre is on budget. All line items are where we would expect them to be at this time.

T. Felton made a motion to recommend to the full Board the approval of the October 2021 Financial Statements as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)

D. Cunningham – Yes

The item was approved as presented.

3b. Cleaning Services - During 2019, staff reached out to four cleaning companies to obtain quotes for 2020 cleaning services. Commercial Cleaning Services of Western New York (CCS), the company currently being used, continues to offer the most competitive price and we continue to be satisfied with the services. New quotes were not obtained for 2021 or 2022 services. We anticipate getting quotes for cleaning services every three years.

Fund Commitment: Up to \$14,000, plus reimbursement for supplies; MedTech Centre site maintenance; included in the 2022 GGLDC Budget.

P. Battaglia made a motion to recommend to the full Board the approval of 2022 Cleaning Services with CCS, not to exceed \$14,000; the motion was seconded by T. Bender. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham – Yes

The item was approved as presented.

3c. Insurance Renewal - L. Farrell stated that J. Teresi from Tompkins Insurance made a presentation at the beginning of the meeting. To summarize, Tompkins went out to market for the Agency’s 2022 insurance renewal. Fourteen insurance companies were approached but they were unable to find another carrier that was able to meet the GCEDC & GGLDC’s needs at an affordable rate. Selective continues to be the best carrier for the Agency’s insurance needs.

The total premium proposed by Selective is within the amounts included in the EDC and LDC budgets. The cost is allocated between both entities.

T. Bender made a motion to recommend to the full Board the approval of the 2022 Insurance Renewal with Selective as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham – Yes

The item was approved as presented.

3d. Grant Consulting Services- The GGLDC issued a Request for Proposal on 10/19/21 for technical consulting services in the areas of community and economic development and contacted MWBEs per OCR requirements. One proposal was received from H. Sicherman & Company, Inc. Harry Sicherman and his team proved technical services in the areas of economic development, community development,

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management and administrative services related to the Community Development Block Grant (CDBG) Program. Staff requested approval of two separate agreements with H. Sichernan & Company, Inc.

Agreement #1 – Existing and Anticipated OCR Grants and General Services

Total contract charges for 2022 under the proposed agreement shall not exceed \$25,000.

Total contract charges for 2022 that are not reimbursable to the GGLDC from third-party sources shall not exceed \$15,000.

Agreement #2 – CARES Act Program

Total contract charges under the proposed agreement will be consistent with the CDBG Cares Act grant award for grant administration and program delivery and shall not exceed the sum of \$125,000, all of which will be reimbursed to the GGLDC.

H. Sichernan & Company, Inc. will market and administer the program on behalf of the GGLDC and make recommendations as to which businesses should be awarded grant funds (max of \$50,000 per business).

T. Felton made a motion to recommend to the full Board the approval of Agreement #1 for Grant Consulting Services with H. Sichernan & Company, Inc. as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham – Yes

The item was approved as presented.

P. Battaglia made a motion to recommend to the full Board the approval of Agreement #2 for Grant Consulting Services with H. Sichernan & Company, Inc. as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham – Yes

The item was approved as presented.

3e. County Mowing Contract-- The GGLDC Received a proposal for mowing of the stormwater ponds and vacant land at MedTech Centre and Ag Park for 2022. The proposal amount is from the same vendor as last year and the price has decreased due to the GGLDC not requiring any mowing at Gateway II. This is included in the 2022 GGLDC budget as presented to the Committee at our previous meeting.

Fund commitment: \$10,350 from strategic investment funds for MedTech Park and Ag Park.

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P. Battaglia made a motion to recommend to the full Board authorization to accept the 2022 County Mowing Contract not to exceed \$10,350, the motion was seconded by T. Bender. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham - Yes

The item was approved as presented.

3f. Ag Park Change Order- After bidding and award, Victor Excavating conducted a field review and survey layout in the field. They took spot elevation shots at various locations throughout the project to verify elevations. The elevations that they took did not match the design plans or the as-builts that were on record. If the original design was kept as is, this would have resulted in ponding in the roadside swale and an ineffective design.

To avoid ponding and drainage issues for the project, Victor Excavating conducted a more thorough survey to confirm elevations. Based on this information, CPL revised their full design (at no additional cost) to provide positive drainage and minimize impact on the surrounding properties. This resulted in properly grading the ditch line to the proposed elevations and design plans from 2013 to establish the proper grades. Ultimately, this resulted in more earthwork needed from the contractor and as a result, the change order that is being presented. The contractor honored his unit prices for earthwork, and we feel it is a fair value for the work being conducted.

Fund commitment: \$27,385 from strategic investment funds.

T. Bender made a motion to recommend to the full Board the approval of the Ag Park Change Order in the amount of \$27,385 with the condition that staff asks Clark Patterson Lee, the County and Town to share in the additional cost; the motion was seconded by P. Battaglia. Roll call resulted as follows:

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham - Yes

The item was approved as presented.

3g. Rest & Revive Loan Settlement - The Rest & Revive Float Center, LLC was approved for a \$100,000 loan from RLF #2 to support their project in 2018. They made approximately \$10,300 in principal payments before the Covid pandemic. During the pandemic their business took a serious decline. They had applied for, and were approved, for two three-month waivers of payments due to the pandemic. They have not made any payments since April of 2021 and are currently in default of their loan terms. They have received a purchase offer for their facility and are asking for a settlement on their loan in the amount of \$71,680.00. Their total outstanding principal and interest balance at December 31, 2021 is \$93,761.28, plus an additional \$1,311.31 in late fees.

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Fund Commitment: None.

No action was taken by the Committee.

4. ADJOURNMENT

P. Battaglia made a motion to adjourn at 9:41 a.m., seconded by T. Felton and passed unanimously.

Genesee Gateway Local Development Corp.
November 2021 Dashboard
Balance Sheet - Accrual Basis

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	11/30/21	10/31/21	[Per Audit] 12/31/20
ASSETS:			
Cash - Unrestricted	\$ 519,253	\$ 455,576	\$ 410,759
Cash - Restricted ^(A)	588,101	588,045	512,822
Cash - Reserved ^(B)	1,597,151	1,580,180	1,090,637
Cash - Subtotal	2,704,505	2,623,801	2,014,218
Grants Receivable ⁽²⁾	15,406	15,406	30,406
Accounts Receivable	699	741	8,290
Loans Receivable - Current Portion	282,630	281,576	318,166
Other Current Assets ⁽³⁾	5,228	7,556	872
Total Current Assets	3,008,468	2,929,080	2,371,952
Land Held for Dev. & Resale ⁽⁴⁾	2,639,619	2,639,619	3,496,874
Buildings & Improvements	7,202,120	7,202,120	7,202,120
Furniture, Fixtures & Equipment	46,599	46,599	46,599
Total Property, Plant & Equip.	9,888,338	9,888,338	10,745,593
Less Accumulated Depreciation	(2,136,529)	(2,120,060)	(1,956,649)
Net Property, Plant & Equip.	7,751,809	7,768,278	8,788,944
Loans Receivable - Noncurrent Portion <small>(Net of \$201,229 Allow for Bad Debt at 11/30/21 & 10/31/21 and \$202,125 at 12/31/20)</small>	777,494	791,631	882,490
Equity Investment in Genesee Agri-Business, LLC ⁽⁵⁾	2,562,240	2,562,240	3,220,240
Other Assets	3,339,734	3,353,871	4,102,730
Total Assets	14,100,011	14,051,229	15,263,626
LIABILITIES:			
Accounts Payable ⁽⁶⁾	64,799	32,800	47,314
Unearned Revenue ⁽⁷⁾	55,519	16,296	39,255
Security Deposits	109,944	109,944	109,944
Loans Payable - Current Portion	82,881	82,605	79,875
Bonds Payable - Current Portion	149,138	148,994	144,871
Total Current Liabilities	462,281	390,639	421,259
Loans Payable - Noncurrent Portion	2,185,483	2,192,515	2,261,585
Bonds Payable - Noncurrent Portion	2,532,481	2,545,753	2,682,494
Total Noncurrent Liabilities	4,717,964	4,738,268	4,944,079
Total Liabilities	5,180,245	5,128,907	5,365,338
EQUITY	\$ 8,919,766	\$ 8,922,322	\$ 9,898,288

Significant Events:

1. Cash Reserved - YTD increase related to Gateway II land sale to Gateway GS in October.
2. Grants Receivable - YTD decrease due to receipt of 241 Knapp Solar II funding supporting Workforce Development initiatives and the overall Economic Development Program; \$10K added in October related to a "Cornell in High School" program that will be partially reimbursed by a WDI grant.
3. Other Current Assets - Prepaid D&O, cyber, and general liability insurance.
4. Land Held for Dev. & Resale - YTD decrease related to property sold in 2021.
5. Equity Investment in Genesee Agri-Business, LLC - YTD decrease due to distribution from GAB,LLC in May 2021; ties to corresponding GAB,LLC financial statements.
6. Accounts Payable - Grant for continuing Economic Development Program Support, MedTech Centre Property Management and broker fees related to the Adecco lease.
7. Unearned Revenue - MedTech Centre rent received in advance, interest received in advance, etc.

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund.
(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds.

Genesee Gateway Local Development Corp.
November 2021 Dashboard
Profit & Loss - Accrual Basis

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	Month to Date		YTD		2021	2021
	11/30/21	11/30/20	2021	2020	Board Approved Budget	YTD % of Budget
Operating Revenues:						
Grants (1)	\$ -	\$ 25,000	\$ 153,000	\$ 342,804	\$ 997,648	15%
Interest Income on Loans	1,626	1,482	18,051	20,676	23,724	76%
Rent	61,449	67,283	662,973	643,328	708,787	94%
Common Area Fees - Parks	-	-	500	500	500	100%
Fees	-	-	3,000	4,900	-	N/A
Other Revenue	-	3,833	159	59,544	-	N/A
Land Sale Proceeds (2)	-	-	737,685	-	-	N/A
Total Operating Revenues	63,075	97,598	1,575,368	1,071,752	1,730,659	
Operating Expenses:						
Operations & Maintenance	3,396	10,963	130,971	175,228	145,838	90%
Professional Services	6,961	7,894	98,255	101,627	156,535	63%
Econ. Dev. Prog. Support Grant	25,000	25,000	275,000	275,000	300,000	92%
Site Development Expense (3)	-	8,000	182,727	512,648	93,000	196%
Cost of Sales	-	-	877,734	-	-	N/A
Grant Expense (4)	-	-	658,145	-	1,044,148	63%
Real Estate Dev. (Capitalized)	-	1,500	100	5,520	15,000	1%
Buildings/Furniture/Equip. (Capitalized)	-	2,999	-	2,999	5,000	0%
Balance Sheet Absorption	-	(4,499)	(100)	(8,519)	(20,000)	1%
Depreciation	16,469	16,407	179,880	180,479	195,922	92%
Total Operating Expenses	51,826	68,264	2,402,712	1,244,982	1,935,443	
Operating Revenue (Expense)	11,249	29,334	(827,344)	(173,230)	(204,784)	
Non-Operating Revenues (Expenses):						
Other Interest Income	197	269	2,715	9,559	4,800	57%
Interest Expense	(14,002)	(14,856)	(153,893)	(209,953)	(168,156)	92%
Total Non-Operating Exp.	(13,805)	(14,587)	(151,178)	(200,394)	(163,356)	
Change in Net Assets	(2,556)	14,747	(978,522)	(373,624)	\$ (368,140)	
Net Assets - Beginning	8,922,322	9,861,627	9,898,288	10,249,998		
Net Assets - Ending	\$ 8,919,766	\$ 9,876,374	\$ 8,919,766	\$ 9,876,374		

Significant Events:

1. Grant Revenue - YTD includes \$10K of the "Cornell in High School" program will be reimbursed by a WDI grant; Darien Lake CBA payment received in October; Two solar projects closed (3104 & 3232 Batavia Solar) and grant revenue was recognized supporting Workforce Development initiatives and the overall Economic Development Program.
2. Land Sale Proceeds - YTD includes Gateway GS land sale at Gateway II Corporate Park; Mega Properties land sale at Gateway II Corporate Park.
3. Site Development Expense - YTD includes a credit applied to the Gateway GS land sale for road and water infrastructure improvements made by the company.
4. Grant Expense YTD - Grant to Genesee Valley BOCES to acquire equipment for mechatronics workforce training.

Genesee Gateway Local Development Corp.
November 2021 Dashboard
Statement of Cash Flows

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	November 2021	YTD
CASH PROVIDED BY OPERATING ACTIVITIES:		
Grant Income	\$ -	\$ 168,000
Interest Income on Loans	1,620	19,436
Rental Income	100,678	679,328
Common Area Fees - Parks	-	500
Fees	-	3,000
Other Revenue	-	5,632
Net Land Sale Proceeds	-	717,306
Operations & Maintenance	(988)	(171,270)
Professional Services	-	(90,303)
Economic Development Program Support Grant	-	(225,000)
Site Development Expense	-	(186,609)
Improvements of Land Held for Dev. & Resale	-	(100)
Grant Expense	-	(658,145)
Issuance of Loans	-	(150,000)
Repayment of Loans	13,083	290,532
Net Cash Provided By Operating Activities	114,393	402,307
CASH FLOWS USED BY CAPITAL & RELATED FINANCING ACTIVITIES:		
Principal Payments on Bonds & Loans	(19,884)	(218,842)
Interest Paid on Bonds & Loans	(14,002)	(153,893)
Net Cash Used By Capital & Related Financing Activities	(33,886)	(372,735)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income	197	2,715
Distribution from GABLLC	-	658,000
Net Cash Provided By Investing Activities	197	660,715
Net Change in Cash	80,704	690,287
Cash - Beginning of Period	2,623,801	2,014,218
Cash - End of Period	\$ 2,704,505	\$ 2,704,505
RECONCILIATION OF OPERATING REVENUE (EXPENSE) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue (Expense)	\$ 11,249	\$ (827,344)
Adjustments:		
Depreciation Expense	16,469	179,880
Decrease in Land Held For Dev. & Resale	-	857,255
Decrease in Grants/Accounts Receivable	42	22,591
Decrease (Increase) in Other Current Assets	2,328	(4,356)
Decrease in Loans Receivable	13,083	140,532
Increase in Operating Accounts Payable	31,999	17,485
Increase in Unearned Revenue	39,223	16,264
Total Adjustments	103,144	1,229,651
Net Cash Provided By Operating Activities	\$ 114,393	\$ 402,307

**Genesee Gateway Local Development Corp.
November 2021 Dashboard
Balance Sheet - Accrual Basis**

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	GGLDC		GABLLC		COMBINED	
					11/30/21	12/31/2020
	11/30/21	11/30/21	Eliminations	11/30/21	Per Audit 12/31/2020	
ASSETS:						
Cash - Unrestricted	\$ 519,253	\$ -	\$ -	\$ 519,253	\$ 410,759	
Cash - Restricted (A)	588,101	-	-	588,101	512,822	
Cash - Reserved (B)	1,597,151	1,051,232	-	2,648,383	2,786,172	
Cash - Subtotal	<u>2,704,505</u>	<u>1,051,232</u>	<u>-</u>	<u>3,755,737</u>	<u>3,709,753</u>	
Grants Receivable	15,406	-	-	15,406	30,406	
Accts Receivable - Current	699	-	-	699	8,290	
Loans Receivable - Current	282,630	-	-	282,630	318,166	
Other Current Assets	5,228	-	-	5,228	872	
Total Current Assets	<u>3,008,468</u>	<u>1,051,232</u>	<u>-</u>	<u>4,059,700</u>	<u>4,067,487</u>	
Land & Improvements	2,639,619	2,452,174	-	5,091,793	5,949,048	
Buildings & Improvements	7,202,120	-	-	7,202,120	7,202,120	
Furniture, Fixtures & Equipment	46,599	-	-	46,599	46,599	
Total Property, Plant & Equip.	<u>9,888,338</u>	<u>2,452,174</u>	<u>-</u>	<u>12,340,512</u>	<u>13,197,767</u>	
Less Accumulated Depreciation	<u>(2,136,529)</u>	<u>-</u>	<u>-</u>	<u>(2,136,529)</u>	<u>(1,956,649)</u>	
Net Property, Plant & Equip.	<u>7,751,809</u>	<u>2,452,174</u>	<u>-</u>	<u>10,203,983</u>	<u>11,241,118</u>	
Loans Receivable - Noncurrent	777,494	-	-	777,494	882,490	
Equity Investment in GAB, LLC	2,562,240	-	(2,562,240)	-	-	
Other Assets	<u>3,339,734</u>	<u>-</u>	<u>(2,562,240)</u>	<u>777,494</u>	<u>882,490</u>	
TOTAL ASSETS	<u>14,100,011</u>	<u>3,503,406</u>	<u>(2,562,240)</u>	<u>15,041,177</u>	<u>16,191,095</u>	
LIABILITIES:						
Accounts Payable	64,799	-	-	64,799	47,314	
Unearned Revenue	55,519	-	-	55,519	39,255	
Security Deposits	109,944	-	-	109,944	109,944	
Loans Payable - Current Portion	82,881	-	-	82,881	79,875	
Bonds Payable - Current Portion	149,138	-	-	149,138	144,871	
Total Current Liabilities	<u>462,281</u>	<u>-</u>	<u>-</u>	<u>462,281</u>	<u>421,259</u>	
Loans Payable - Noncurrent Portion	2,185,483	-	-	2,185,483	2,261,585	
Bonds Payable - Noncurrent Portion	2,532,481	-	-	2,532,481	2,682,494	
Total Noncurrent Liabilities	<u>4,717,964</u>	<u>-</u>	<u>-</u>	<u>4,717,964</u>	<u>4,944,079</u>	
TOTAL LIABILITIES	<u>5,180,245</u>	<u>-</u>	<u>-</u>	<u>5,180,245</u>	<u>5,365,338</u>	
EQUITY	<u>\$ 8,919,766</u>	<u>\$ 3,503,406</u>	<u>\$ (2,562,240)</u>	<u>\$ 9,860,932</u>	<u>\$ 10,825,757</u>	

(A) Restricted = Community Benefit Agreement (CBA) Funds, Security Deposits, USDA Debt Sinking Fund, Grant Funds.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds.

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**Genesee Gateway Local Development Corp.
November 2021 Dashboard
Profit & Loss - Accrual Basis**

	GGLDC		GABLLC		COMBINED	
	11/30/21	11/30/21	Eliminations	11/30/21	Combined YTD	
<u>Operating Revenues:</u>						
Grants	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
Interest Income on Loans	1,626	-	-	1,626	18,051	
Rent	61,449	2,424	-	63,873	677,613	
Common Area Fees - Parks	-	-	-	-	6,768	
Fees	-	-	-	-	3,000	
Other Revenue	-	-	-	-	159	
Land Sale Proceeds	-	-	-	-	737,685	
Total Operating Revenues	63,075	2,424	-	65,499	1,596,276	
<u>Operating Expenses:</u>						
Operations & Maintenance	3,396	-	-	3,396	139,512	
Professional Services	6,961	-	-	6,961	98,255	
Econ. Dev. Program Support Grant	25,000	-	-	25,000	275,000	
Site Development Expense	-	-	-	-	182,727	
Cost of Sales	-	-	-	-	877,734	
Grant Expense	-	-	-	-	658,145	
Real Estate Development (Capitalized)	-	-	-	-	100	
Balance Sheet Absorption	-	-	-	-	(100)	
Depreciation	16,469	-	-	16,469	179,880	
Total Operating Expenses	51,826	-	-	51,826	2,411,253	
Operating Revenue (Expense)	11,249	2,424	-	13,673	(814,977)	
<u>Non-Operating Revenues (Expenses):</u>						
Other Interest Income	197	60	-	257	(299,696)	
Interest Expense	(14,002)	-	-	(14,002)	(303,741)	
Total Non-Operating Rev (Exp)	(13,805)	60	-	(13,745)	(149,848)	
Change in Net Assets	(2,556)	2,484	-	(72)	(964,825)	
Net Assets - Beginning	8,922,322	3,500,922	(2,562,240)	9,861,004	10,825,757	
Net Assets - Ending	\$ 8,919,766	\$ 3,503,406	\$ (2,562,240)	\$ 9,860,932	\$ 9,860,932	

Revolving Loan Fund Bad Debt Write off

Discussion: The Rest & Revive Float Center, LLC was approved for a \$100,000 loan from RLF #2 to support their project in 2018. They made approximately \$10,300 in principal payments before the Covid pandemic. During the pandemic their business took a serious decline. They had applied for, and were approved, for two three month waivers of payments due to the pandemic. They have not made any payments since April of 2021 and are currently in default of their loan terms. They have received a purchase offer for their facility and asking for a settlement on their loan in the amount of \$71,680.00. Their total outstanding principal and interest balance at a February 15, 2022 is \$89,602.13 in principal, \$4,643.39 in interest plus an additional \$2,117.88 in late fees.

Fund Commitment: None.

Committee action request: Recommend approval of loan settlement amount of \$71,680.00 to the full Board which would include writing off approximately \$24,700 against the allowance for bad debts. This is based on a closing date of February 15, 2022. If the closing date is before that, then the actual amount written off to bad debts would be less.

Genesee CARES Business Recovery Fund Rollout GGLDC Audit & Finance Report – January 11



Upcoming Milestones

Pre-January 11 Board Meeting

- Genesee County announces \$1 million Genesee CARES grant window has opened.
- GeneseeCARES.com website hub

Post-January 11 Actions

- Application push with door-to-door engagement in business districts (GCEDC, BDC, Chamber)
- Grant Webinars
- Applications to Harrison Studios
- Recommended Applications to GGLDC Audit & Finance for Feb. 1 committee meeting

February 1 Committee Meeting

- GGLDC Audit & Finance reviews and approves first round of recommended applications

March 1 Committee Meeting

- GGLDC Audit & Finance reviews and approves second round of recommended applications

March 24 Committee Meeting

- GGLDC Audit & Finance reviews and approves third round of recommended applications

Post-Grant Approvals (Monthly)

- Recipient Promotion
- Grant Compliance

GENESEEE CARES \$1 MILLION BUSINESS RECOVERY FUND

\$1 Million Grant for Small Businesses

Genesee County's Genesee CARES Business Recovery Fund is a \$1 million grant program assisting small businesses negatively impacted by the COVID-19 pandemic. Businesses can receive up to \$50,000 to cover existing and new costs!

Eligibility Requirements	
Business Location	Within Genesee County
Business Type	For-Profit Business
Business Size	25 or Fewer Employees



4 Grant Categories to Support Small Businesses

 Employment Restoration & Job Hiring <small>Grant funds totaling 25% of expected annual wages for up to 5 new hires or restored employment.</small> Up to \$50,000	 Outdoor Dining Development <small>Grants funds to facilitate outdoor dining enhancements</small> <small>Construction or renovation costs will not be eligible.</small> \$20,000 - \$50,000	 Working Capital Grants <small>Grant funds to be used to assist with working capital expenses where the impact of COVID has put a strain on cash flow.</small> Up to \$50,000	 Business Resiliency <small>Grant funds to support pandemic response such as developing safety plans, PPE, touchless point-of-sale systems, and improvements for social distancing.</small> Up to \$25,000
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Visit GeneseeCARES.com

Pre-Qualify, Download and Submit a Grant Application

Genesee CARES Overview Sell Sheet

the Harrison Studio
160 Washburn Street, Suite 200
P.O. Box 473
Lockport, New York 14095
Tel: (716) 462-6600
Fax: (716) 201-1738

Memorandum

To:
From: Michael Zimmerman
Date:

Re: Return to Business Application – applicant

Applicant
Business
Owner (100% owner)

Eligibility

Location:
For-profit: Yes
Pre-COVID: Operating
Current: Operating
Distress: Sales decline of 16% from June 2019 (\$426,203) to June 2020
(\$357,412)
L/M Micro: No
L/M Jobs: projects 2+ F/T entry-level positions

Funding Category

Employment restoration/job hiring incentive
Outdoor dining/parklet development
Working capital
Business resiliency

Existing Business Operations

Use of Funds

Business-related payroll other than for shareholder(s), machinery & equipment, furnishings & fixtures; all to be incurred within 90 days of grant agreement execution

CDBG Underwriting

Project Costs – Applicant will use grant funds for payroll, machinery & equipment, and/or furnishings & fixtures incurred within 90 days of grant agreement execution. Documentation of business-related costs will be required prior to disbursement and must be eligible and reasonable.

Commitment of Other Sources of Funds – None required.

No Substitution of CDBG Funds for Non-Federal Funds – There are no other non-federal grant sources available to assist in post-COVID business restoration costs.

Financial Feasibility – The company operated continuously throughout COVID and remained marginally profitable. First six months of 2021 show increased sales and profitability. While finding replacement workers has been difficult, the CDBG grant funds will assist in paying a competitive wage that will help recruitment. The business appears to be financially sound going forward.

Reasonable Return on Equity – There is nothing in the company's historical operating performance that suggests that the proposed grant would produce an unreasonable return on equity or result in profitability substantially in excess of industry standards.

Pro Rata Disbursement of CDBG Funds – Documentation of all project expenditures will be required prior to the disbursement of CDBG funds.

Recommendation

Applicant can be conditionally approved for a grant of up to \$20,000 based on 2 new full-time jobs to be created and available to low- and moderate-income persons.

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Genesee County

Return to Business COVID Relief Fund (CDBG CARES Act)

APPLICATION CHECKLIST

Applicant Business:
Date Determined Complete:

(X)	Submission Checklist Items	Reviewed by	Date Determined Complete	Status
	Completed and signed application; US Driver's license for each business owner			
	Business ID#s #			
	Most recent IRS 1040 tax form (personal federal income tax return including Schedule C information, if applicable)			
	Most recent Business Tax Return, if applicable; or Schedule C from the personal tax return			
	Most recent NYS-45 - Quarterly Combined Withholding & Wage Reporting Form (if applicable)			
	Y/E income statements for 2019 & 2020; interim income statement for 2021			
	Conducting business (open) as determined by the County			
	Date of business closure (if applicable) due to COVID-19, and date of expected reopening (3 mos. from approval to re-open)			
	Family Income Form: for each business owner if claiming low- or moderate-income microenterprise status			

Y/N or N/A	Eligibility Determinations	Reviewed by	Date Determined	Comments
	Business is located in Genesee County			Address:
	For-profit business			
	Documentation to demonstrate COVID-19 negative impact			
	In operation since on or before 3/1/20 except for any closure resulting from COVID-19			
	Business is currently open/operating			
	Business is currently closed: Date of closure: _____			
	Microenterprise: (5) or fewer employees including owner as of 3/1/20			
	Microenterprise: At least 51% of business ownership is by low- or moderate-income persons			
	Business is not a low/mod-owned microenterprise, but will restore, retain and/or create jobs involving 51% low/mod persons and totaling at least 1 FTE			
	Proposed costs are eligible and will be incurred within 90 days of approval			
	No costs will be paid from other CARES Act assistance			

Funding Category:

Grant Amount Recommended:

Use of Grant Funds:

Contract Conditions: