



**Meeting Agenda – Audit and Finance Committee**

Genesee Local Development Corp.  
 Tuesday, September 29, 2020 – 8:30 a.m.  
 Location: Electronically

Page #	Topic	Discussion Leader	Desired Outcome
	1. Call To Order – Enter Public Session Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.	D. Cunningham	
	1a. Executive Session: Motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons: 1. Discussions regarding proposed, pending or current litigation. 1b. Enter Public Session	D. Cunningham	
2-3	<b>2. Chairman's Report &amp; Activities</b>  2a. Agenda Additions / Other Business  2b. Minutes: September 1, 2020	D. Cunningham	Vote
4-8 9	<b>3. Discussions / Official Recommendations to the Board:</b>  3a. August 2020 Financial Statements  3b. Budget Timeline  3c. GGLDC 2021 Budget Assumptions  3d. Auditor Selection  3e. Insurance Renewal	L. Farrell  L. Farrell  L. Farrell  L. Farrell	Disc / Vote  Discussion  Discussion  Discussion
10-11	3f. Land Lease Rates	M. Masse	Disc / Vote
	4. Adjournment	D. Cunningham	Vote



**GGLDC Audit & Finance Committee Meeting**

**Tuesday, September 1, 2020**

**Location - Electronically**

**8:30 a.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: D. Cunningham, P. Battaglia, T. Bender  
Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, S. Hyde, C. Suozzi  
Guests: A. Young (GCEDC Board Member), P. Zeliff (GCEDC/GGLDC Board Member),  
M. Gray (GCEDC Board Member)  
Absent: T. Felton

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

D. Cunningham called the meeting to order at 9:23 a.m. via conference call / video conference.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

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

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

**2b. Minutes: August 4, 2020**

**P. Battaglia made a motion to recommend approval of the August 4, 2020 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Absent  
P. Battaglia - Yes  
T. Bender - Yes  
D. Cunningham - Yes

**The item was approved as presented.**

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

**3a. July 2020 Financial Statements-** L. Farrell reviewed with the Committee the significant items of the July 2020 long form financial statements and noted the following:

- The Liberti, Valvo loan closed in July. Loans receivable increased and reserved cash decreased due to that closing.

- The Economic Development Program Support Grant and MedTech Centre Property Management Fee were paid to the EDC. These are paid quarterly.
- There was an increase to Rent Received in Advance in MedTech Centre.
- In the operating fund, we received \$2,000 for a loan origination fee related to the Liberti, Valvo loan closing. These fees go into the general operating fund to cover regular LDC expenses.
- In Buffalo East Tech Park, payments were made from Community Benefit Agreement funds for the Corfu Wastewater Treatment Facility Construction Expansion and delineation permits with Conservation Connects.
- Monthly activity is as expected for MedTech Centre.
- On the balance sheet, there is \$29,000 in unearned revenue under MedTech Centre which is the insurance proceeds received to cover the roof repair.

**T. Bender made a motion to recommend to the full Board the approval of the July 2020 Financial Statements; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

- T. Felton - Absent
- P. Battaglia - Yes
- T. Bender - Yes
- D. Cunningham - Yes

**The item was approved as presented.**

**3b. Proposed Insurance Release for MTC** – The total construction and remediation costs for the water damage totaled \$59,579.79. The total final settlement offer from the insurance company totaled \$55,110.26. The difference is due to depreciation. The recommendation would be to accept the settlement offer of \$55,110.26 and absorb the shortfall of \$4,369.53. If this claim had been accepted by our insurance carrier and subrogated back against the roofing company's carrier, the GGLDC would have still had to pay the \$2,500 deductible required by our insurance policy.

M. Masse requested that the Board authorize acceptance of the settlement offer of \$55,110.26 and execution of the Property Damage Release form.

This agenda item was tabled by the Committee to discuss with legal counsel at the full Board meeting on September 3, 2020.

**P. Battaglia made a motion to table agenda item 3b to discuss with legal counsel at the full Board meeting; the motion was seconded by T. Bender. Roll call resulted as follows:**

- T. Felton - Absent
- P. Battaglia - Yes
- T. Bender - Yes
- D. Cunningham - Yes

**The item was approved as presented.**

#### **4. ADJOURNMENT**

T. Bender made a motion to adjourn at approximately 9:30 a.m., seconded by P. Battaglia and passed unanimously.

2b

**Genesee Gateway Local Development Corp.**  
**August 2020 Dashboard**  
**Balance Sheet - Accrual Basis**

	<u>8/31/20</u>	<u>7/31/20</u>	[Per Audit] <u>12/31/19</u>
<b>ASSETS:</b>			
Cash - Unrestricted	\$ 341,142	\$ 381,110	\$ 303,219
Cash - Restricted (A)	451,523	469,502	934,626
Cash - Reserved (B)	1,005,303	995,627	1,158,480
Cash - Subtotal	1,797,968	1,846,239	2,396,325
Grants Receivable (1)	4,646	4,646	4,646
Accounts Receivable	2,650	2,650	69
Loans Receivable - Current Portion	348,915	346,051	358,874
Other Current Assets (2)	2,616	3,052	872
<b>Total Current Assets</b>	<b>2,156,795</b>	<b>2,202,638</b>	<b>2,760,786</b>
Land Held for Dev. & Resale	3,492,374	3,490,874	3,489,854
Buildings & Improvements	7,202,120	7,202,120	7,202,120
Furniture, Fixtures & Equipment	43,600	43,600	43,600
Total Property, Plant & Equip.	10,738,094	10,736,594	10,735,574
Less Accumulated Depreciation	(1,891,502)	(1,875,094)	(1,760,244)
<b>Net Property, Plant &amp; Equip.</b>	<b>8,846,592</b>	<b>8,861,500</b>	<b>8,975,330</b>
Loans Receivable - Noncurrent Portion (Net of \$202,125 Allow for Bad Debt )	1,040,378	1,054,148	847,445
Equity Investment in Genesee Agri-Business, LLC (3)	3,220,240	3,220,240	3,220,240
<b>Other Assets</b>	<b>4,260,618</b>	<b>4,274,388</b>	<b>4,067,685</b>
<b>Total Assets</b>	<b>15,264,005</b>	<b>15,338,526</b>	<b>15,803,801</b>
<b>LIABILITIES:</b>			
Accounts Payable (4)	63,414	31,707	16,915
Unearned Revenue (5)	31,990	84,870	44,457
Security Deposits	108,680	108,680	108,680
Loans Payable - Current Portion	78,820	78,558	76,749
Bonds Payable - Current Portion	121,476	120,954	115,205
<b>Total Current Liabilities</b>	<b>404,380</b>	<b>424,769</b>	<b>362,006</b>
Loans Payable - Noncurrent Portion	2,288,564	2,295,253	2,341,460
Bonds Payable - Noncurrent Portion	2,759,586	2,771,030	2,850,337
<b>Total Noncurrent Liabilities</b>	<b>5,048,150</b>	<b>5,066,283</b>	<b>5,191,797</b>
<b>Total Liabilities</b>	<b>5,452,530</b>	<b>5,491,052</b>	<b>5,553,803</b>
<b>EQUITY</b>	<b>\$ 9,811,475</b>	<b>\$ 9,847,474</b>	<b>\$ 10,249,998</b>

**Significant Events:**

1. Grants Receivable - OCR will reimburse for H. Sicherman grant consulting services.
2. Other Current Assets - prepaid D & O Insurance.
3. Equity Investment in Genesee Agri-Business, LLC - ties to corresponding GAB, LLC financial statements.
4. Accounts Payable - Grant for continuing Economic Development Program Support and MedTech Centre Property Management.
5. Unearned Revenue - Interest received in advance; LeRoy/Bergen America's Best Community grant funds received, but not yet expended/earned; MedTech Centre insurance claim for roof repairs received in advance.

(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 Metropolitan Area Redevelopment Loan Funds, Grant Funds

**Genesee Gateway Local Development Corp.  
August 2020 Dashboard  
Profit & Loss - Accrual Basis**

	Month to Date		YTD		2020	2020
	8/31/20	8/31/19	2020	2019	Board Approved Budget	YTD % of Budget
<b><u>Operating Revenues:</u></b>						
Grants (1)	\$ -	\$ -	\$ 218,000	\$ 721,990	\$ 924,615	24%
Interest Income on Loans	1,708	2,768	14,827	19,287	24,986	59%
Rent	54,309	55,891	457,469	452,483	724,855	63%
Common Area Fees - Parks	-	-	500	-	500	100%
Fees	-	250	4,900	9,481	-	N/A
Other Revenue	-	-	2,544	2,028	-	N/A
<b>Total Operating Revenues</b>	<b>56,017</b>	<b>58,909</b>	<b>698,240</b>	<b>1,205,269</b>	<b>1,674,956</b>	
<b><u>Operating Expenses:</u></b>						
Operations & Maintenance	4,723	13,815	81,127	75,677	161,169	50%
Professional Services	7,940	11,188	75,789	84,157	155,483	49%
Econ. Dev. Prog. Support Grant	25,000	25,000	200,000	200,000	300,000	67%
Site Development Expense	18,125	2,289	492,623	2,289	727,612	68%
Grant Expense	-	-	-	-	819,648	0%
Real Estate Dev. (Capitalized)	1,500	-	2,520	60,634	11,670	N/A
Balance Sheet Absorption	(1,500)	-	(2,520)	(60,634)	(11,670)	N/A
Depreciation	16,408	16,396	131,258	131,176	196,788	67%
<b>Total Operating Expenses</b>	<b>72,196</b>	<b>68,688</b>	<b>980,797</b>	<b>493,299</b>	<b>2,360,700</b>	
<b>Operating Revenue (Expense)</b>	<b>(16,179)</b>	<b>(9,779)</b>	<b>(282,557)</b>	<b>711,970</b>	<b>(685,744)</b>	
<b><u>Non-Operating Revenues (Expenses):</u></b>						
Other Interest Income	335	2,223	8,752	13,953	9,250	95%
Interest Expense	(20,155)	(21,030)	(164,718)	(180,810)	(245,105)	67%
<b>Total Non-Operating Exp.</b>	<b>(19,820)</b>	<b>(18,807)</b>	<b>(155,966)</b>	<b>(166,857)</b>	<b>(235,855)</b>	
<b>Change in Net Assets</b>	<b>(35,999)</b>	<b>(28,586)</b>	<b>(438,523)</b>	<b>545,113</b>	<b>\$ (921,599)</b>	
<b>Net Assets - Beginning</b>	<b>9,847,474</b>	<b>10,246,652</b>	<b>10,249,998</b>	<b>9,672,953</b>		
<b>Net Assets - Ending</b>	<b>\$ 9,811,475</b>	<b>\$ 10,218,066</b>	<b>\$ 9,811,475</b>	<b>\$ 10,218,066</b>		

**Significant Events:**

1. Grant Revenue YTD - \$218K OCR grant supports loan to Freightliner.



**Genesee Gateway Local Development Corp.**  
**August 2020 Dashboard**  
**Statement of Cash Flows**

	<u>August 2020</u>	<u>YTD</u>
<b>CASH USED BY OPERATING ACTIVITIES:</b>		
Grant Income	\$ -	\$ 218,000
Interest Income on Loans	1,618	14,619
Rental Income	1,519	413,156
Common Area Fees - Parks	-	500
Fees	-	4,900
Other Revenue	-	31,948
Operations & Maintenance	(4,287)	(83,524)
Professional Services	(1,233)	(78,568)
Economic Development Program Support Grant	-	(150,000)
Site Development Expense	(18,125)	(492,623)
Improvements of Land Held for Dev. & Resale	(1,500)	(2,520)
Issuance of Loans	-	(438,000)
Repayment of Loans	10,906	255,026
Net Cash Used By Operating Activities	<u>(11,102)</u>	<u>(307,086)</u>
<b>CASH FLOWS USED BY CAPITAL &amp; RELATED FINANCING ACTIVITIES:</b>		
Principal Payments on Bonds & Loans	(17,349)	(135,305)
Interest Paid on Bonds & Loans	(20,155)	(164,718)
Net Cash Used By Capital & Related Financing Activities	<u>(37,504)</u>	<u>(300,023)</u>
<b>CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:</b>		
Interest Income	<u>335</u>	<u>8,752</u>
Net Cash Provided By Investing Activities	<u>335</u>	<u>8,752</u>
Net Change in Cash	(48,271)	(598,357)
Cash - Beginning of Period	1,846,239	2,396,325
Cash - End of Period	<u>\$ 1,797,968</u>	<u>\$ 1,797,968</u>
<b>RECONCILIATION OF OPERATING EXPENSE TO NET CASH USED BY OPERATING ACTIVITIES:</b>		
Operating Expense	\$ (16,179)	\$ (282,557)
Adjustments:		
Depreciation Expense	16,408	131,258
Increase in Land Held For Dev. & Resale	(1,500)	(2,520)
Increase in Grants/Accounts Receivable	-	(2,581)
Decrease (Increase) in Other Current Assets	436	(1,744)
Decrease (Increase) in Loans Receivable	10,906	(182,974)
Decrease in Operating Accounts Payable	31,707	46,499
Increase in Unearned Revenue	(52,880)	(12,467)
Total Adjustments	<u>5,077</u>	<u>(24,529)</u>
Net Cash Used By Operating Activities	<u>\$ (11,102)</u>	<u>\$ (307,086)</u>

**Genesee Gateway Local Development Corp.**  
**August 2020 Dashboard**  
**Balance Sheet - Accrual Basis**

	GGLDC		GABLLC		COMBINED	
					8/31/20	Per Audit
	8/31/20	8/31/20	Eliminations	8/31/20	12/31/2019	
<b>ASSETS:</b>						
Cash - Unrestricted	\$ 341,142	\$ -	\$ -	\$ 341,142	\$ 303,219	
Cash - Restricted (A)	451,523	-	-	451,523	934,626	
Cash - Reserved (B)	1,005,303	589,098	-	1,594,401	1,425,731	
Cash - Subtotal	<u>1,797,968</u>	<u>589,098</u>	<u>-</u>	<u>2,387,066</u>	<u>2,663,576</u>	
Grants Receivable	4,646	-	-	4,646	4,646	
Accts Receivable - Current	2,650	-	-	2,650	69	
Loans Receivable - Current	348,915	-	-	348,915	358,874	
Other Current Assets	2,616	-	-	2,616	872	
<b>Total Current Assets</b>	<b><u>2,156,795</u></b>	<b><u>589,098</u></b>	<b><u>-</u></b>	<b><u>2,745,893</u></b>	<b><u>3,028,037</u></b>	
Land & Improvements	3,492,374	3,117,305	-	6,609,679	6,611,365	
Buildings & Improvements	7,202,120	-	-	7,202,120	7,202,120	
Furniture, Fixtures & Equipment	43,600	-	-	43,600	43,600	
Total Property, Plant & Equip.	<u>10,738,094</u>	<u>3,117,305</u>	<u>-</u>	<u>13,855,399</u>	<u>13,857,085</u>	
Less Accumulated Depreciation	<u>(1,891,502)</u>	<u>-</u>	<u>-</u>	<u>(1,891,502)</u>	<u>(1,760,244)</u>	
<b>Net Property, Plant &amp; Equip.</b>	<b><u>8,846,592</u></b>	<b><u>3,117,305</u></b>	<b><u>-</u></b>	<b><u>11,963,897</u></b>	<b><u>12,096,841</u></b>	
Loans Receivable - Noncurrent	1,040,378	-	-	1,040,378	847,445	
Equity Investment in GAB, LLC	3,220,240	-	(3,220,240)	-	-	
<b>Other Assets</b>	<b><u>4,260,618</u></b>	<b><u>-</u></b>	<b><u>(3,220,240)</u></b>	<b><u>1,040,378</u></b>	<b><u>847,445</u></b>	
<b>TOTAL ASSETS</b>	<b><u>15,264,005</u></b>	<b><u>3,706,403</u></b>	<b><u>(3,220,240)</u></b>	<b><u>15,750,168</u></b>	<b><u>15,972,323</u></b>	
<b>LIABILITIES:</b>						
Accounts Payable	63,414	-	-	63,414	20,135	
Unearned Revenue	31,990	-	-	31,990	45,657	
Security Deposits	108,680	-	-	108,680	108,680	
Loans Payable - Current Portion	78,820	-	-	78,820	76,749	
Bonds Payable - Noncurrent Portion	121,476	-	-	121,476	115,205	
<b>Total Current Liabilities</b>	<b><u>404,380</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>404,380</u></b>	<b><u>366,426</u></b>	
Loans Payable - Noncurrent Portion	2,288,564	-	-	2,288,564	2,341,460	
Bonds Payable - Noncurrent Portion	2,759,586	-	-	2,759,586	2,850,337	
<b>Total Noncurrent Liabilities</b>	<b><u>5,048,150</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>5,048,150</u></b>	<b><u>5,191,797</u></b>	
<b>TOTAL LIABILITIES</b>	<b><u>5,452,530</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>5,452,530</u></b>	<b><u>5,558,223</u></b>	
<b>EQUITY</b>	<b><u>\$ 9,811,475</u></b>	<b><u>\$ 3,706,403</u></b>	<b><u>\$ (3,220,240)</u></b>	<b><u>\$ 10,297,638</u></b>	<b><u>\$ 10,414,100</u></b>	

(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








**Genesee Gateway Local Development Corp.**  
**August 2020 Dashboard**  
**Profit & Loss - Accrual Basis**

	GGLDC		GABLLC		COMBINED	
	8/31/20	8/31/20	Eliminations	8/31/20	Combined YTD	
<u>Operating Revenues:</u>						
Grants	\$ -	\$ -	\$ -	\$ -	\$ 218,000	
Interest Income on Loans	1,708	-	-	1,708	12,725	
Rent	54,309	1,200	-	55,509	406,303	
Common Area Fees - Parks	-	-	-	-	5,500	
Fees	-	-	-	-	2,900	
Other Revenue	-	-	-	-	2,544	
Land Sale Proceeds (1)	-	-	-	-	335,158	
<b>Total Operating Revenues</b>	<b>56,017</b>	<b>1,200</b>	<b>-</b>	<b>57,217</b>	<b>983,130</b>	
<u>Operating Expenses:</u>						
Operations & Maintenance	4,723	-	-	4,723	87,566	
Professional Services	7,940	-	-	7,940	66,419	
Econ. Dev. Program Support Grant	25,000	-	-	25,000	175,000	
Site Development Expense	18,125	-	-	18,125	483,623	
Real Estate Development (Capitalized)	1,500	-	-	1,500	1,600	
Balance Sheet Absorption	(1,500)	-	-	(1,500)	(1,600)	
Cost of Sales	-	-	-	-	15,443	
Depreciation	16,408	-	-	16,408	114,851	
<b>Total Operating Expenses</b>	<b>72,196</b>	<b>-</b>	<b>-</b>	<b>72,196</b>	<b>942,902</b>	
<b>Operating Revenue (Expense)</b>	<b>(16,179)</b>	<b>1,200</b>	<b>-</b>	<b>(14,979)</b>	<b>40,228</b>	
<u>Non-Operating Revenues (Expenses):</u>						
Other Interest Income	335	74	-	409	8,934	
Interest Expense	(20,155)	-	-	(20,155)	(144,399)	
<b>Total Non-Operating Rev (Exp)</b>	<b>(19,820)</b>	<b>74</b>	<b>-</b>	<b>(19,746)</b>	<b>(135,465)</b>	
<b>Change in Net Assets</b>	<b>(35,999)</b>	<b>1,274</b>	<b>-</b>	<b>(34,725)</b>	<b>(95,237)</b>	
<b>Net Assets - Beginning</b>	<b>9,847,474</b>	<b>3,705,129</b>	<b>(3,220,240)</b>	<b>10,332,363</b>	<b>10,414,100</b>	
<b>Net Assets - Ending</b>	<b>\$ 9,811,475</b>	<b>\$ 3,706,403</b>	<b>\$ (3,220,240)</b>	<b>\$ 10,297,638</b>	<b>\$ 10,318,863</b>	



# 2021 Budget Timeline

## Genesee Gateway Local Development Corporation

-  Week of Sept 7      Planning Assumptions / Preliminary Inputs
-  Week of Sept 14      Budget Worksheet Inputs – CFO & Sr. VP of Ops Review
-  Week of Sept 21      CEO Review of Draft Budget
-  Sept 29 @ 8:30am      Audit & Finance Committee - Budget Workshop Meeting
-  Oct 27 @ 8:30am      Audit & Finance Committee - Review & Recommendation
-  Oct 29 @ 4pm      Board Review & Approval
-  By Nov 1      Budget to ABO/Post on GCEDC Web Site

Mark Masse  
GGLDC Audit & Finance Committee  
September 29, 2020

**4b. Agricultural Farm Land Lease Rates for 2021**

**Discussion:** See attached summary.

**Fund commitment:** None.

**Committee action request:** Recommend approval to the full Board of the 2021 agricultural land lease rates.

3F

**2021 Land Lease Rates  
Agricultural leases**

**Genesee Gateway Local Development Corp.**

Lessee	Location	Term	Acres	Rate / acre	Total rent
Boxler Dairy	Agri-Business Park	One year	37.7	\$ 100.00	\$ 3,770.00
Bob Wood	MedTech Centre	One year	7	\$ 60.00	\$ 420.00

11