



**Meeting Agenda – Audit and Finance Committee**  
 Genesee County Economic Development Center  
 Tuesday, May 2, 2023 – 8:30 a.m.  
 Location: 99 MedTech Drive, Innovation Zone

Page #	Topic	Discussion Leader	Desired Outcome
	1. Call To Order – Enter Public Session	M. Gray	
2-4	<b>2. Chairman’s Report &amp; Activities</b> 2a. Agenda Additions / Other Business 2b. Minutes: March 30, 2023	M. Gray	Vote
5-8	<b>3. Discussions / Official Recommendations to the Board:</b> 3a. 1 <sup>st</sup> Quarter Financial Statements	L. Farrell	Disc / Vote
9-10	3b. Mowing Bids	M. Masse	Disc / Vote
11	3c. National Grid Grant – Business Facilities	J. Krencik / C. Suozzi	Disc / Vote
	<b>4. Adjournment</b>	M. Gray	Vote



**GCEDC Audit & Finance Committee Meeting**

**Thursday, March 30, 2023**

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

**3:00 p.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: M. Gray, P. Zelif (Video Conference\*), P. Battaglia (Video Conference\*), T. Bender (Video Conference\*)

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

Guests: T. Felton (GGLDC Board Member), D. Cunningham (GGLDC Board Member), Jason Waite (Mostert, Manzanero & Scott, LLP / Video Conference)

Absent:

\* 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 3:05 p.m. in the Innovation Zone.

**1a. Enter Executive Session**

T. Bender made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 3:05 p.m. for the following reasons:

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.
2. 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.

The motion was seconded by P. Battaglia and approved by all members present.

**1b. Enter Public Session**

P. Battaglia made a motion to enter back into public session at 3:14 p.m., seconded by T. Bender and approved by all members present.

**2. Chairman's Report & Activities**

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

**2b. Minutes: February 28, 2023** –

**T. Bender made a motion to approve the February 28, 2023 minutes; the motion was seconded by P. Zeliff. Roll call resulted as follows:**

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

**The item was approved as presented.**

**3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:**

**3a. 12/31/22 Audit** - Jason Waite of Mostert, Manzanero & Scott, LLP reviewed the audit process with the Committee during Executive Session. The Report to the Board of Directors states that no material weaknesses in internal controls were identified during the audit. It is their opinion that the audited financial statements present fairly, in all material respects, the financial position of the GCEDC as of December 31, 2022 in accordance with accounting principles generally accepted in the United States of America. J. Waite also noted that for this year's audit, GASB 87 Leases was implemented. J. Waite stated that audits were completed this year for the STAMP Water Works Corporation and the STAMP Sewer Works Corporation. These corporations are discretely presented component units on the GGLDC statements due to the GGLDC's ultimate control over these entities. Lastly, J. Waite stated that a Single Audit was done for the GGLDC which included additional compliance testing for the Genesee CARES grant awards and other OCR projects. There were no findings.

**P. Battaglia made a motion to recommend to the full Board the approval of the 12/31/2022 Audit as presented; the motion was seconded by T. Bender. Roll call resulted as follows:**

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

**The item was approved as presented.**

Jason Waite left the meeting at 3:24 p.m.

**3b. PSA for Apple Tree Acres (Oxbo)** - The GCEDC has a PSA for approximately 50 acres from Oxbo International for AppleTree Acres. The company is looking to acquire this to construct a manufacturing facility.

**Fund Commitment:** Legal fees to Harris Beach not to exceed \$10,000 for the transaction.

**Committee Action Request:** Recommend approval of Purchase and Sale Agreement and payment of legal fees in connection with closing.

**T. Bender made a motion to recommend to the full Board the approval of the PSA for Apple Tree Acres with Oxbo and payment of legal fees not to exceed \$10,000 in connection with the closing as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

- P. Battaglia - Yes (Video Conference\*)

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

**The item was approved as presented.**

**3c. Loewke Brill Contract for Pembroke Project** - At the October 1, 2019 meeting, the GCEDC staff presented a sample proposal from Loewke Brill Consulting Group, Inc. on how they could assist companies that will have to report to the GCEDC under the local labor reporting requirements, including assistance with waiver requests and finding local contractors to bid their projects.

The GCEDC staff requested a quote for the costs related to the Horizon Acres project in Pembroke. A copy of the application for incentives was sent to Loewke Brill for them to calculate the fee. They submitted the following:

\$20,210 - 18 Inspections (\$325 per visit), 18 Monthly Reports (\$690 per month), 1 time set up fee (\$1,250), assume 3 waiver requests (\$230 per waiver)

The time was determined by what the projects listed for the duration of construction in their applications. GCEDC staff has the following recommendation:

**Fund Commitment:** \$20,210 to be paid out of deposit from company.

**Committee Action Request:** Recommend to the full Board to move forward with a proposal from Loewke Brill Consulting for the Horizon Acres project in Pembroke. This project will be making a deposit to cover all the costs associated with the local labor inspection process.

**P. Battaglia made a motion to recommend to the full Board the approval of the Loewke Brill Contract for Horizon Acres as presented; the motion was seconded by T. Bender. Roll call resulted as follows:**

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

**The item was approved as presented.**

#### **4. ADJOURNMENT**

As there was no further business, P. Battaglia made a motion to adjourn at 3:28 p.m., seconded by T. Bender and passed unanimously.

**Genesee County Economic Development Center**  
**Dashboard - For the Three Month Period Ended 3/31/23**  
**Balance Sheet - Accrual Basis**

	<u>3/31/23</u>	[Per Audit] <u>12/31/22</u>
<b>ASSETS:</b>		
Cash - Unrestricted	\$ 6,275,792	\$ 6,428,049
Cash - Restricted (A)(1)	8,722,230	8,955,862
Cash - Reserved (B)	802,064	797,149
Cash - Subtotal	15,800,086	16,181,060
Grants Receivable (2)	56,394	67,663
Accounts Receivable (3)	97,712	105,672
Deposits	2,832	2,832
Prepaid Expense(s) (4)	74,944	25,691
Loans Receivable - Current	56,613	54,539
<b>Total Current Assets</b>	<b>16,088,581</b>	<b>16,437,457</b>
Land Held for Dev. & Resale (5)	22,680,817	22,615,924
Furniture, Fixtures & Equipment	71,257	71,257
Total Property, Plant & Equip.	22,752,074	22,687,181
Less Accumulated Depreciation	(69,347)	(69,183)
<b>Net Property, Plant &amp; Equip.</b>	<b>22,682,727</b>	<b>22,617,998</b>
Loans Receivable- Non-current (Net of \$47,429 Allow. for Bad Debt)	123,531	138,073
Right to Use Assets, Net of Accumulated Amortization	30,078	30,078
Net Pension Asset (10)	200,580	200,580
<b>Other Assets</b>	<b>354,189</b>	<b>368,731</b>
<b>TOTAL ASSETS</b>	<b>39,125,497</b>	<b>39,424,186</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Pension Outflows (10)	416,930	416,930
<b>Deferred Outflows of Resources</b>	<b>416,930</b>	<b>416,930</b>
<b>LIABILITIES:</b>		
Accounts Payable (6)	15,327	218,950
Loan Payable - Genesee County - Current (7)	315,000	305,000
Accrued Expenses	180	30,879
Lease Payable - Current	12,167	12,167
Unearned Revenue (8)	8,458,720	8,533,938
<b>Total Current Liabilities</b>	<b>8,801,394</b>	<b>9,100,934</b>
Loans Payable - ESD (9)	5,196,487	5,196,487
Loan Payable - Genesee County - Noncurrent (7)	2,510,000	2,825,000
Lease Payable - Noncurrent	17,911	17,911
<b>Total Noncurrent Liabilities</b>	<b>7,724,398</b>	<b>8,039,398</b>
<b>TOTAL LIABILITIES</b>	<b>16,525,792</b>	<b>17,140,332</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Pension Inflows (10)	712,344	712,344
<b>Deferred Inflows of Resources</b>	<b>712,344</b>	<b>712,344</b>
<b>NET ASSETS</b>	<b>\$ 22,304,291</b>	<b>\$ 21,988,440</b>

**Significant Events:**

1. Restricted Cash - Includes cash deposited by ESD into imprest accounts related to the \$8M and \$33M STAMP grants. Expenditures out of these accounts are pre-authorized by ESD.
2. Grants Receivable - National Grid grants support marketing and development activities for STAMP and the LeRoy Food & Tech Park.
3. Accounts Receivable - Econ. Dev. Program Support Grant, MedTech Centre Property Management, etc.
4. Prepaid Expense(s) - MTC lease, vision insurance, cyber, D&O, life, general liability, umbrella, workers compensation and short-term disability insurance, etc.
5. Land Held for Dev. & Resale - Additions are related to STAMP development costs.
6. Accounts Payable - Decreased as 2022 expenses were paid in 2023.
7. Loan Payable - Genesee County (Current & Noncurrent) - Per a Water Supply Agreement with Genesee County, the County remitted \$4M to the GCEDC to put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. GCEDC started making annual payments to the County of \$448,500 beginning in January 2020.
8. Unearned Revenue - Interest received in advance; Genesee County contribution received in advance; Funds received from municipalities to support park development; Funds received to support workforce development; ESD Grant funds to support STAMP development, not actually earned until eligible expenditures are incurred.
9. Loans Payable - ESD - Loans from ESD to support STAMP land acquisition and related soft costs.
10. Net Pension Asset / Deferred Pension Outflows / Deferred Pension Inflows - Accounts related to implementation of GASB 68.

(A) Restricted Cash = GAIN! Loan Funds, Municipal Funds, Grant Funds Received in Advance.

(B) Reserved Cash = RLF #1 Funds (defederalized).

**Genesee County Economic Development Center  
Dashboard - For the Three Month Period Ended 3/31/23  
Profit & Loss - Accrual Basis**

	Three Month Period Ended		YTD		2023	2023
	3/31/23	3/31/22	2023	2022	Board Appr. Budget	YTD % of Budget
<b><u>Operating Revenues:</u></b>						
Genesee County	\$ 58,378	\$ 58,378	\$ 58,378	\$ 58,378	\$ 233,513	25%
Genesee County - WFD	6,250	6,250	6,250	6,250	25,000	25%
Fees - Projects	116,188	84,750	116,188	84,750	487,000	24%
Fees - Services	21,786	21,298	21,786	21,298	87,146	25%
Interest Income on Loans	596	740	596	740	2,170	27%
Rent	-	-	-	-	32,910	0%
Common Area Fees - Parks	391	373	391	373	380	103%
Grants (1)	576,412	497,069	576,412	497,069	4,600,459	13%
GGLDC Grant- Econ. Dev. Program Support	75,000	75,000	75,000	75,000	300,000	25%
BP <sup>2</sup> Revenue	-	-	-	-	52,819	0%
Other Revenue	2,680	324	2,680	324	5,000	54%
<b>Total Operating Revenues</b>	<b>857,681</b>	<b>744,182</b>	<b>857,681</b>	<b>744,182</b>	<b>5,826,397</b>	<b>15%</b>
<b><u>Operating Expenses</u></b>						
General & Admin	351,198	328,660	351,198	328,660	1,519,303	23%
Professional Services	21,025	12,884	21,025	12,884	206,620	10%
Site Maintenance/Repairs	1,342	1,342	1,342	1,342	38,000	4%
Property Taxes/Special District Fees	5,275	3,518	5,275	3,518	3,030	174%
BP <sup>2</sup> Expense	-	-	-	-	17,244	0%
PIF Expense	48,162	43,296	48,162	43,296	151,906	32%
Site Development Expense (2)	157,232	153,500	157,232	153,500	157,232	100%
Real Estate Development (3)	60,421	251,108	60,421	251,108	3,986,268	2%
Balance Sheet Absorption	(60,421)	(251,108)	(60,421)	(251,108)	-	N/A
<b>Total Operating Expenses</b>	<b>584,234</b>	<b>543,200</b>	<b>584,234</b>	<b>543,200</b>	<b>6,079,603</b>	<b>10%</b>
<b>Operating Revenue (Expense)</b>	<b>273,447</b>	<b>200,982</b>	<b>273,447</b>	<b>200,982</b>	<b>(253,206)</b>	
<b><u>Non-Operating Revenue</u></b>						
Other Interest Income (4)	42,404	3,074	42,404	3,074	5,900	719%
<b>Total Non-Operating Revenue</b>	<b>42,404</b>	<b>3,074</b>	<b>42,404</b>	<b>3,074</b>	<b>5,900</b>	<b>719%</b>
<b>Change in Net Assets</b>	<b>315,851</b>	<b>204,056</b>	<b>315,851</b>	<b>204,056</b>	<b>\$ (247,306)</b>	
<b>Net Assets - Beginning</b>	<b>21,988,440</b>	<b>19,583,495</b>	<b>21,988,440</b>	<b>19,583,495</b>		
<b>Net Assets - Ending</b>	<b>\$ 22,304,291</b>	<b>\$ 19,787,551</b>	<b>\$ 22,304,291</b>	<b>\$ 19,787,551</b>		

**Significant Events:**

1. Grants - PIF from RJ Properties (Liberty Pumps) supports Apple Tree Acres Infrastructure improvements (County/Town portion); PIF from Yancey's Fancy supports Infrastructure Fund Agreement with the Town of Pembroke (County/Town portion); \$448K Community Benefit Agreement payment dedicated to STAMP by sourcing debt service payments to the County; National Grid grant supports marketing and development activities for STAMP; ESD \$33M & \$8M Grants support STAMP engineering, environmental, legal, infrastructure, etc.
2. Site Development Expense - Installation of, or improvements to, infrastructure that is not owned by the GCEDC, or will be dedicated to a municipality in the foreseeable future, is recorded as site development expense when costs are incurred.
3. Real Estate Development Costs - Includes STAMP development costs.
4. Other Interest Income - Interest rates at Five Star Bank have increased from .25% to 1.5% for checking and 2.25% for savings.

**Genesee County Economic Development Center**  
**Dashboard - For the Three Month Period Ended 3/31/23**  
**Statement of Cash Flows**

	Three Month Period Ended 3/31/23	YTD
<b>CASH FLOWS USED BY OPERATING ACTIVITIES:</b>		
Genesee County	\$ 86,170	\$ 86,170
Fees - Projects	93,688	93,688
Fees - Services	21,298	21,298
Interest Income on Loans	489	489
Rent	8,249	8,249
Common Area Fees - Parks	391	391
Grants	513,528	513,528
GGLDC Grant - Economic Development Program Support	75,000	75,000
Other Revenue	2,680	2,680
Repayment of Loans	12,468	12,468
General & Admin Expense	(438,486)	(438,486)
Professional Services	(35,565)	(35,565)
Site Maintenance/Repairs	(1,342)	(1,342)
Site Development	(260,669)	(260,669)
Property Taxes/Special District Fees	(5,275)	(5,275)
PIF Expense	(48,162)	(48,162)
Improv/Additions/Adj to Land Held for Development & Resale	(147,830)	(147,830)
Net Cash Used By Operating Activities	<u>(123,368)</u>	<u>(123,368)</u>
<b>CASH FLOWS USED BY NONCAPITAL FINANCING ACTIVITIES:</b>		
Principal Payments on Loan	<u>(305,000)</u>	<u>(305,000)</u>
Net Cash Used By Noncapital Financing Activities	<u>(305,000)</u>	<u>(305,000)</u>
<b>CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:</b>		
Interest Income (Net of Remittance to ESD)	<u>47,394</u>	<u>47,394</u>
Net Change in Cash	(380,974)	(380,974)
Cash - Beginning of Period	16,181,060	16,181,060
Cash - End of Period	<u>\$ 15,800,086</u>	<u>\$ 15,800,086</u>
<b>RECONCILIATION OF NET OPERATING REVENUE TO NET CASH USED BY OPERATING ACTIVITIES:</b>		
Operating Revenue	\$ 273,447	\$ 273,447
Depreciation Expense	164	164
Decrease in Operating Accounts/Grants Receivable	19,229	19,229
Increase in Prepaid Expenses	(49,253)	(49,253)
Decrease in Loans Receivable	12,468	12,468
Increase in Land Held for Development & Resale	(64,893)	(64,893)
Decrease in Operating Accounts Payable	(208,613)	(208,613)
Decrease in Accrued Expenses	(30,699)	(30,699)
Decrease in Unearned Revenue	(75,218)	(75,218)
Total Adjustments	<u>(396,815)</u>	<u>(396,815)</u>
Net Cash Used By Operating Activities	<u>\$ (123,368)</u>	<u>\$ (123,368)</u>



**GCEDC**  
**Audit & Finance Committee Meeting Report**

**Approval of mowing contract for GCEDC properties**

**Discussion:** The GCEDC asked four companies for bids to mow the properties we have at STAMP, the entrance sign to STAMP, 805 Lewiston Road and the Apple Tree Acres stormwater pond. The results of the bids are as follows based on 7 mows in the season:

1. Declined to bid – S&S Excavating & Blacktop, Inc.
2. Declined to bid – Scalia’s Landscaping
3. \$4,500 – Fava Brothers Lawn Care
4. Declined to bid – Bubba’s Landscaping

**Fund Commitment:** \$4,500.

**Board Action Request:** Approval of mowing contract for STAMP properties to Fava Brothers for \$4,500.

Fava Brothers Lawn Care Svc.  
5438 School Road  
Byron, NY 14422  
5852608391  
favalawncare@yahoo.com

RECEIVED

APR 13 2023

**ADDRESS**

Mr. Mark Masse  
GCEDC  
99 Med Tech Drive, Suite 106  
Batavia, NY 14020

Estimate 1372

DATE 04/07/2023

EXPIRATION DATE 05/15/2023

DATE	ACTIVITY	ACTIVITY	AMOUNT
04/10/2023	Contract #1: Rt. 77 lot cut twice a year, Storm water detention pond at the end of Brick House Corners Drive cut twice a year, West side of entrance to Ag Park Drive cut monthly (6 months), 1 @ \$2,500.00	Mow/Trim	2,500.00
04/10/2023	Contract #2: 805 Lewiston Rd, Crosby rd. properties/fire hydrants, STAMP Entrance sign cut monthly (6 months), Storm water detention pond @ Apple Tree Acres cut twice a year., 1 @ \$4,500.00	Mow/Trim	4,500.00

Thank you for your business!

Terms/ Conditions: If after 30 days, no payment is received, a standard late fee of \$15.00 will be assessed to any outstanding balance every month until a payment has been received. Partial payments are acceptable. If no payment is received for an extended period of time (determined by Fava Bros.), notice will be made of legal action to be acquired which will force a hearing in a court of law. Court fees along with a \$100.00 company fee and any late fees will be affixed to any small claims court filing A check processed as insufficient will be considered as a late payment, processing charges will be affixed.

TOTAL \$7,000.00

Accepted By

Accepted Date

\*\*\*\*Please make checks payable to Fava Bros. Lawn Care Svc. \*\*\*\* We Accept Credit Card Payments

3b

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GCEDC Audit & Finance

Jim Krencik, Senior Director, Marketing & Communications

Board Meeting Report

May 2, 2023

**National Grid Grant – Business Facilities**

**Discussion:** The GCEDC's STAMP sales and marketing efforts are enhanced by support from National Grid. This support enables the GCEDC to participate in direct engagements at industry trade shows and site selector conferences, creation and production of marketing materials, and advertisements that bring awareness of STAMP and STAMP-specific assets like the effective Genesee F.A.S.T. workforce development programs led by Chris Suozzi.

As part of our 2023 marketing budget and our National Grid Grant 6329, the GCEDC has sought additional opportunities to message these assets.

The GCEDC previously contracted with Group C Media (Business Facilities magazine) on a project that included a print ad placement, a profile of STAMP's unique supporting workforce development programs that runs both in print and online, a custom email promoting STAMP, and an enhanced marketing program that will provide information to the GCEDC on interest generated within Business Facility's database of site selectors and companies. This expenditure totaled \$4,600, with a net expense of \$2,300 after reimbursement from National Grid.

The GCEDC has subsequently considered a proposal from Group C Media for a second custom email and round of enhanced database marketing. This proposal totals \$1,800, with a net expense of \$900 after reimbursement from National Grid.

With the support of National Grid, our proposed expenditures with this vendor in 2023 would total \$6,400, with a net expense of \$3,200 after reimbursement from National Grid. As this total exceeds \$5,000, board approval is required before proceeding with this contract.

**Board Action Request:** Approval to exceed \$5,000 paid to Group C Media (Business Facilities).