



GCEDC Audit & Finance Committee Meeting
Tuesday, January 31, 2023
Location: 99 MedTech Drive, Innovation Zone
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: M. Gray, P. Zelif, P. Battaglia, T. Bender
Staff: L. Farrell, L. Casey, M. Masse, J. Krencik, P. Kennett, C. Suozzi (Video Conference)
Guests: T. Felton (GGLDC Board Member), D. Cunningham (GGLDC Board Member)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 10:19 a.m. in the Innovation Zone.

2. Chairman’s Report & Activities

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

2b. Minutes: January 10, 2023 –

P. Zelif made a motion to approve the January 10, 2023 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zelif - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. D&O Insurance Renewal - The same discussion that took place during the GGLDC Audit & Finance Committee regarding the D&O Insurance Renewal applies to the GCEDC. The discussion has been added for ease of reference. Lawley Insurance has provided us with a proposal for renewal of our current Directors & Officers/Employment Practices Liability Insurance with Travelers. The renewal price reflects a price of \$20,925 which would be split 50/50 between the GCEDC and GGLDC. This is an overall price increase of only \$2,739 (\$1,369.50/entity) compared to the current policy. The current policy expires on 2/23/2023.

Lawley did send our information to market, but noted that they received various declinations due to class of business or the recently settled claim.

The cost of this policy would be split between the GCEDC and GGLDC (\$10,462.50/entity). Each entity has included \$9,005 in their 2023 budget for this expense.

Lawley included a proposal for a mid-term re-write on cyber insurance to address the gap in coverage for the new STAMP entities. Our current carrier is not able to include the STAMP entities on our current policy due to the nature of operations. They were able to get another option for us, but retention is increased from \$10,000 to \$25,000 and the premium is double. There may be alternative options available at renewal. Given the lack of activity currently in the Water and Sewer Works Corps, staff's recommendation is to readdress this at renewal (7/1). The Committee agreed with this approach.

P. Zelif made a motion to recommend to the full Board the approval of the D & O Insurance Renewal with Travelers to be split 50/50 between the EDC and LDC as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zelif - Yes

The item was approved as presented.

D. Cunningham left the meeting at 10:20 a.m.

3b. December 2022 Unaudited Financial Statements - L. Farrell reviewed with the Committee the significant items of the December 2022 unaudited long form financial statements.

- On the balance sheet, line 8 shows a decrease in restricted cash of \$83,000, which is related to PIF payments. We received the school portion of the PILOT payments from RJ Properties and Yancy's Fancy in November. These funds were distributed to the municipalities in December.
- On the balance sheet, restricted cash in the \$8 Million and \$33 Million STAMP imprest accounts decreased. GURFs were submitted to ESD and expenditures were paid in December.
- On line 51, there is about \$190,000 of accounts payable. There may be some journal entries, including additional payables, made between the presentation of unaudited and audited financial statements.
- Accrued expenses on line 55 decreased. The New York State retirement invoice was paid, which covers a period through March 31st so there is also an increase to prepaid expenses.
- In the operating fund, we have exceeded budget for origination fees at the end of December. We had budgeted \$375,000 and collected about \$405,000. We received the second half of the Mega Properties origination fee in December. There are still opportunities that have been projected but did not close by year-end. Hopefully, these will close in the first quarter of 2023.
- In the operating fund, many expenditures came in under budget, except where anticipated (i.e. D&O Insurance at 145% of budget).
- Other than the above-mentioned items, there is normal monthly activity on the income statements for all funds.

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

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Yes
P. Zeliff - Yes

The item was approved as presented.

P. Battaglia left the meeting at 10:22 a.m.

3c. Local Labor Monitoring & Reporting Proposal - 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 had requested a quote for the costs related to the Edwards Vacuum Project at STAMP. A copy of the application for incentives was sent to Loewke Brill for them to calculate the fee. They submitted the following:

\$18,505 - 17 Inspections (\$325 per visit), 17 Monthly Reports (\$690 per month), 1 time set up fee (\$1,250)

The time was determined by what the projects listed for the duration of construction in their applications. GCEDC staff has the following recommendation which is consistent with prior approvals:

Fund Commitment: \$18,505 to be paid out of deposit from the company.

P. Zeliff made a motion to recommend to the full Board the approval of the Loewke Brill Agreement for the Edwards Vacuum project as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
T. Bender - Yes
P. Zeliff - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, P. Zeliff made a motion to adjourn at 10:23 a.m., seconded by T. Bender and passed unanimously.