



GCEDC Audit & Finance Committee Meeting
Tuesday, March 5th, 2024
Location: 99 MedTech Drive, Innovation Zone
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: P. Battaglia, M. Gray, K. Manne
Staff: L. Farrell, M. Masse, P. Kennett, L. Casey, C. Suozzi, S. Hyde, E. Finch, J. Krencik
Guests: J. Tretter, M. Brooks, D. Cunningham
Absent: *P. Zelif (Video Conference)

*P. Zelif attended via video conference. His address was not disclosed on the public meeting notice as a location that is open to the public. Therefore, his vote is not included throughout this meeting.

1. CALL TO ORDER / ENTER PUBLIC SESSION

K. Manne called the meeting to order at 8:49 a.m. in the Innovation Zone.

1.a Enter Executive Session

P. Battaglia made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:50 a.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.

The motion was seconded by M. Gray and approved by all members present.

1b. Enter Public Session

P. Battaglia made a motion to enter back into public session at 9:02 a.m., seconded by M. Gray and approved by all members present.

2. Chairman’s Report & Activities

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

2b. Minutes: January 30, 2024

M. Gray made a motion to approve the January 30, 2024, minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent

K. Manne - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. Allowance for Doubtful Accounts – L. Farrell reviewed the analysis of allowance for doubtful accounts with the Committee. The allowance for doubtful accounts is about 25% of total loan balances. L. Farrell noted that there are more funds available in the GAIN Loan Fund to loan at any time, which would decrease the allowance percentage against total balances. For example, a loan of \$100,000 would decrease the allowance to 16.7%, while a loan of \$200,000 would decrease the allowance to 12.2%. L. Farrell stated that if more loans are issued during the year, then the percentage would be similar to allowances that we are used to seeing.

The collectability of these loans was discussed. There are no foreseen concerns, and the staff does not recommend any changes to the allowance.

Like the GGLDC, the Committee questioned the allowance amount/percentage, stating that they believe it may be too high. Staff recommended that they could bring forward any concerns after the 2023 financial statements of the borrowers are reviewed, which typically occurs in May. The allowance for doubtful accounts can be adjusted accordingly at that time if necessary. The Committee agreed with this course of action.

M. Gray made a motion to approve the Allowance for Doubtful Accounts as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent
K. Manne - Yes

3b. Investment Report – The Investment Report summarizes the GCEDC's bank balances, general ledger balances and interest income as of 12/31/23. As of 12/31/23, cash balances were fully collateralized. The GCEDC generated close to \$290,000 in interest income in 2023. The report is required by PARIS and will be posted on the website.

The Bank of Castile listed in the Investment Report should be changed to Tompkins Community Bank.

P. Battaglia made a motion to recommend to the full Board the approval of the Investment Report with the above-mentioned change; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent
K. Manne - Yes

The item was approved as presented.

3c. Procurement Report - Public Authorities are required to report all procurement transactions active during the reporting period that have an actual or estimated value of \$5,000 or more. This report will be submitted to the PARIS system and posted on the website. The board has already approved most expenses or contracts that exceed \$5,000. Therefore, the Committee has already seen and approved most of the information that is collectively stated in this report.

M. Gray made a motion to recommend to the full Board the approval of the Procurement Report as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent
K. Manne - Yes

The item was approved as presented.

3d. Design and Engineering Contract for Roadway at Apple Tree Acres Park - The GCEDC received a proposal for design, engineering, bidding, and construction inspection for a new roadway at Apple Tree Acres to support a new manufacturing facility.

Fund Commitment: \$279,065 from land sale proceeds of sale to new manufacturing facility at Apple Tree Acres.

Board Action Request: Approval of design, engineering, bidding and construction inspection contract for \$279,065.

The Committee questioned why the Agency is not going out to bid for such a large contract that does not require previous knowledge of the park. M. Masse stated that the guidance that the Board had previously given was to utilize the existing engineers for the existing parks; however, if the Agency created a new park, we would go out to bid at that time.

P. Zelif suggested that we should look at least one other quote for this work as it does not require previous knowledge of the park. Staff stated the quote is now public so getting another quote for this work is not feasible. The Committee stated that moving forward the Agency should go out to bid for work that does not require historical knowledge at any of the parks, excluding STAMP.

P. Battaglia made a motion to recommend to the full Board the approval of the Design and Engineering Contract for the Roadway at Apple Tree Acres Corporate Park with CPL not to exceed \$279,065 as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent
K. Manne - Yes

The item was approved as presented.

3e. Mowing for STAMP with Genesee County Highway Dept - The GCEDC received a proposal for the mowing of the mitigation areas at STAMP for 2024 in accordance with the terms of the Part 182 Permit.

Fund commitment: \$2,000 from mitigation funds escrow of STAMP Part 182 Permit. This amount was included in the escrow estimate when the account was established.

Board action request: Approval of mowing contract for \$2,000 with Genesee County Highway Department.

M. Gray made a motion to recommend to the full Board the approval of Mowing Contract for STAMP with the Genesee County Highway Dept not to exceed \$2,000 as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent
K. Manne - Yes

The item was approved as presented.

3f. Mowing for STAMP with Town of Alabama Highway Dept - The GCEDC received a proposal for mowing of the stormwater pond and the open area from the substation to Crosby Road at STAMP for 2024, twice a year.

Fund commitment: \$8,000 from operational funds of STAMP.

Board action request: Approval of mowing contract for \$8,000 with Town of Alabama Highway Department.

P. Battaglia made a motion to recommend to the full Board the approval of Mowing Contract for STAMP with the Town of Alabama Highway Dept not to exceed \$8,000 as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
P. Zelif - *Absent
K. Manne - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, M. Gray made a motion to adjourn at 9:23 a.m., seconded by P. Battaglia and passed unanimously.