



GCEDC Audit & Finance Committee Meeting
Tuesday, December 1, 2020
Locations: Electronically
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: M. Gray, P. Battaglia, P. Zelif, T. Bender
Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, S. Hyde
Guests: D. Cunningham (GGLDC Board Member), C. Klotzbach (GCEDC Board Member), J. Teresi (Tompkins), D. Boyce (Tompkins), T. Spezzano (Tompkins)
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:33 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 / video conference call instead of a public meeting open for the public to attend in person.

(Chairman's Report & Activities and Agenda Item 3a preceded Executive Session due to guests joining the meeting for a discussion regarding the renewal/extension of insurance.)

2. CHAIRMAN'S REPORT & ACTIVITIES:

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

2b. Minutes: October 27, 2020

P. Zelif made a motion to approve the October 27, 2020 minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

J. Teresi, D. Boyce, and T. Spezzano joined the meeting at 8:35 a.m to discuss insurance renewal/extension options and to review the MedTech Centre water damage claim.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. Insurance Renewal / Extension – Renewal information from Selective Insurance was included with Committee and Board Packet Materials. Tompkins also provided a summary and comparison of 2021 versus 2020 costs.

We had previously discussed having Tompkins obtain alternative insurance proposals for 2021. It is recommended that 60-90 days are allowed for that process, giving insurance companies enough time to understand who we are and what we do so that they can give us the best prices possible.

Staff requested that the Board discuss and consider two options:

1. To accept the proposal from Selective Insurance and keep them as the carrier for 2021 or
2. Extend coverage with Selective Insurance through the end of February while Tompkins works on obtaining alternative insurance proposals allowing companies more time to provide thoughtful quotes.

P. Zelif made a motion to recommend to the full Board the extension of coverage at 100% Coinsurance with Selective through the end of February 2021; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

J. Teresi, D. Boyce and T. Spezzano left the meeting at 9:07 a.m.

1a. Executive Session:

P. Battaglia made a motion to enter executive session at 9:08 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by P. Zelif 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.

1b. Re-Enter Public Session – P. Battaglia made a motion to enter back into public session at 9:21 a.m., seconded by P. Zelif and approved by all members present.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE: *(Continued)*

3b. Cyber Insurance Coverage – Staff has requested that Lawley go out for pricing for cyber insurance coverage for 2021. The Committee also requested an explanation/determination of the value that is added, specific to the GCEDC's operations, with this coverage.

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

- Restricted cash increased by about \$51,000. These are PIF funds received from Yancey's Fancy that will be turned over to the municipality.
- Accounts receivable decreased. We received the 3rd Quarter Economic Development Program Support Grant and the MedTech Centre Property Management Fee from the GGLDC.
- On the Real Estate Development Fund accounts payable increased by about \$51,000, which is related to the PIF funds in restricted cash.
- On the operating fund, we did not close on any projects in October. Origination fees, YTD, are about \$177,000, which is under budget. By year end, we anticipate being over budgeted origination fee revenue looking at both entities on a consolidated basis.
- Most operating expenses are under budget.
- We are in a strong financial position going into 2021.

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

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

The item was approved as presented.

3d. Cleaning Services – During 2019, staff reached out to four cleaning companies to obtain quotes for 2020 cleaning services. Commercial Cleaning, the company that was currently being used, continued to offer a competitive price and we continue to be satisfied with the services. New quotes were not obtained for 2021 services.

Fund Commitment: Up to \$6,000, included in the 2021 GCEDC Budget.

P. Battaglia made a motion to recommend to the full Board the approval of 2021 cleaning services not to exceed \$6,000; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The item was approved as presented.

3e. Key Bank Line of Credit Renewal – The GCEDC has a line of credit in place with KeyBank to help with the contracts associated with the \$33M prior to NYS setting up an imprest account. The credit limit at the time was \$10M. At the July 31, 2018 meeting, the GCEDC voted to reduce the available credit limit from \$10M to \$1M. This line of credit (LOC) is up for renewal. These are the same terms as the previous year.

If the GCEDC were to cancel this LOC and look to open one in the future when needed it would be responsible for the attorney fees for drawing up new loan documents. In the past, Key Bank has not charged any type of upfront or closing fees, but in the current uncertain economic situation they can't commit to not charging additional fees if this line was closed and a new one opened in a year or two.

Key Bank did offer a second alternative to convert the current \$1M committed revolver to a demand line of credit. This was discussed last year and it would eliminate the non-usage fee and ultimately afford the GCEDC the comfort of having a line in place if needed, however there is no guarantee that the money is available during the negotiated term. Moving forward there are only internal bank credit reviews/renewals, but no need to sign or update documentation annually unless the terms were to change. Any future modifications to the line are always less expensive and normally faster if the line is existing. The one caveat to a demand line is the bank can call the line as opposed to the current committed line which has an agreed upon term and maturity date.

If the GCEDC decided to go with the demand line of credit, the bank can always change it back to a committed revolver if necessary.

P. Battaglia made a motion to recommend to the full Board authorization to convert this line of credit to a demand line of credit, the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The item was approved as presented.

3f. Greater Rochester Enterprise Funding – Greater Rochester Enterprise (GRE) is our regional economic development organization supported by a team of private and public-sector leaders dedicated to improving economic performance in Genesee County as part of a nine-county region in the Finger Lakes Region.

GRE's primary goals are to retain and expand existing business and to professionally market the region as a competitive, vibrant and high-profile place for business location and growth. To support business attraction, expansion, entrepreneurship and innovation, GRE collaborates with local businesses, universities, not-for-profit organizations and government leaders to deliver a unified response to regional economic development opportunities.

GRE also actively markets our region to talented professionals that are sought by companies in Genesee County and those that are pursuing projects at our major industrial parks.

The funding requested to support GRE's mission enables the GCEDC to fully access GRE's sales and marketing talent and assets, receive advocacy on behalf of our agency for all our parks, as well as an executive board seat that allows Steve Hyde to serve on GRE's Board of Directors and on their Governance Committee.

GRE staff have shown a tireless commitment to supporting and advocating for our economic development goals and strategies particularly as it relates to STAMP. Notably, the GRE provides strategy development and advocacy that advanced STAMP as a regional priority both in the Finger Lakes Regional Economic Development Council and at the highest levels of New York State Government.

P. Battaglia made a motion to recommend to the full Board an investment renewal of \$50,000 to Greater Rochester Enterprise for continued marketing and business development support for 2021; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The item was approved as presented.

3g. Invest Buffalo Niagara Funding – Invest Buffalo Niagara (InBN) is our non-profit regional economic development organization supported by a team of private and public-sector leaders dedicated to improving economic performance in Genesee County as part of an eight-county region in Western New York.

InBN's primary goals are to retain and expand existing business and to professionally market the region as a competitive, vibrant and high-profile place for business location and growth. To support business attraction, expansion, entrepreneurship and innovation, InBN collaborates with local businesses, universities, not-for-profit organizations and government leaders to deliver a unified response to regional economic development opportunities.

InBN also actively markets our region to talented professionals that are sought by companies in Genesee County and those that are pursuing projects at our major industrial parks.

The funding requested to support InBN is an integral partner in our sales/marketing efforts for the attraction of new companies and talent to our community, and advocacy in Western New York for Genesee County, the GCEDC, and the WNY STAMP Mega Site. The GCEDC's support includes a position on InBN's board of directors, enabling the regional strategy to be aligned with our goals in Genesee County.

InBN staff have shown a tireless commitment to supporting and advocating for our economic development goals and strategies, particularly as it relates to STAMP.

P. Zelif made a motion to recommend to the full Board an investment renewal of \$25,000 to Invest Buffalo Niagara for continued marketing and business development support for 2021; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3h. e3communications Public Relations Contract – e3communications is a professional media and public relations firm/consultant that works with the GCEDC to provide strategic public relation counsel

regarding organizational messaging as projects and issues develop, as well as coordination and execution of special events, media relations, promotional materials and social media programming to support the GCEDC's corporate attraction, expansion and retention missions; as well as the GCEDC's workforce and entrepreneurial missions.

In 2020, e3communications directly assisted with the launch and coordinated media for the county's economic Development Recovery Task Force and GCEDC project announcements, as well as positive media related to the Downtown Revitalization Initiative, the GCEDC's shovel ready sites, and workforce development projects.

P. Zelif made a motion to recommend to the full Board the renewal of e3communications services for the January 1, 2020 to December 31, 2020 period at \$1,675 per month; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at 9:58 a.m., seconded by P. Zelif and passed unanimously.