



GCEDC Audit & Finance Committee Meeting
Tuesday, May 5, 2020 8:30 a.m.
Locations: Electronically

MINUTES

ATTENDANCE

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

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:32 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.

1a. Executive Session:

A. Young made a motion to enter executive session at 8:32 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by P. Battaglia and approved by all members present:

“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.”

1b. Re-Enter Public Session – P. Battaglia made a motion to enter back into public session at 8:58 a.m., seconded by A. Young and approved by all members present.

2. CHAIRMAN’S REPORT & ACTIVITIES:

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

2b. Minutes: March 26, 2020

A. Young made a motion to recommend to the full Board the approval of the March 26, 2020 minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Absent
A. Young - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. 1st Quarter Financial Statements - L. Farrell reviewed with the Committee the significant items of the first quarter long form financial statements for 2020.

- Grants receivable decreased from audited numbers at 12/31/19, due to a National Grid engineering grant that was received. These expenditures were over a multi-year period before we spent all of the funds. We have now received the full grant, which was \$500,000. This grant is now closed.
- Improvements to Land Held for Development and Sale are related to STAMP development costs that were capitalized.
- Accounts receivable decreased by \$20,000. We received the final payment from RG&E from their termed-out project origination fee.
- Accounts payable was near \$1M at 12/31/19. These were mostly related to STAMP expenditures and GURFs that were in the process of being submitted for release of funds from ESD, which were paid in the first quarter.
- In the operating fund, project origination fees from five solar projects, Ellicott Station, Ellicott Place and Mega Properties will allow us to come in over budget for 2020 revenue. We are anticipating that these projects will move forward and close.
- Operating expenses that are over budget are related to expenditures that are front loaded (i.e. Insurance and HSA contributions).
- In the STAMP Fund, we received our first larger payment from Empire Pipeline, which is under a CBA. We received \$448,000 in the first quarter. We were able to make the first payment to the County on the \$4M of funding provided for the STAMP project as these funds are the dedicated source for repayment.
- S. Hyde also noted that, despite the current economic environment, the agency is fiscally strong. L. Farrell and S. Hyde reviewed the deal flow that is still very solid and projected the operating budget through the end of the year. L. Farrell is working on an analysis that summarizes the projected cash coverage in totality.

A. Young made a motion to recommend to the full Board the 1st Quarter Financial Statements for 2020; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Absent
A. Young - Yes

The item was approved as presented.

3b. \$33M STAMP Grant Review YTD - L. Farrell reviewed the status of the \$33M ESD Grant with the Committee. GURF #23 was submitted to ESD. Authorization was received yesterday, 5/4/20, from ESD to release those funds. We are in the process of cutting another round of checks, which will include payment to all vendors included in this GURF.

3c. \$8M STAMP Grant YTD – L. Farrell reviewed the status of the \$33M ESD Grant with the Committee. GURF #4 was submitted to ESD. Authorization was received yesterday, 5/4/20, from ESD to release those funds. We are in the process of cutting another round of checks, which will include payment to all vendors included in this GURF.

3d. Mowing Bids- The GCEDC asked four companies for bids to mow the properties we have acquired at STAMP and the entrance sign to STAMP. The results of the bids are as follows based on 6 mows in the season.

1. \$3,300 – S&S Trucking
2. \$3,150 – Scalia’s Landscaping
3. Declined to bid – McKenzie Landscaping
4. Declined to bid – Bubba’s Landscaping

Fund Commitment: Not to exceed \$3,150, which is within the budget approved for 2020.

A. Young made a motion to recommend to the full Board approval of the mowing contract for STAMP properties to Scalia’s Landscaping not to exceed \$3,150; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Absent
A. Young - Yes

The item was approved as presented

3e. Town of LeRoy Funding Deferral Request – In 2018, the Town of LeRoy signed an Intermunicipal Agreement with the GCEDC that committed to four annual payments of \$50,000. Due to the recent pandemic and COVID-19, the Town of Leroy has requested to defer this year’s payment and to amend the agreement to reflect that deferral. The deferral of this payment does not impact cashflow because they are restricted funds.

P. Battaglia made a motion to recommend to the full Board approval of the IMA amendment to defer the Town of LeRoy payment of \$50,000 for one year; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
M. Gray - Yes
T. Bender - Absent
A. Young - Yes

The item was approved as presented

3f. STAMP Real Estate Loans Update – L. Farrell provided an update on this process. We have over \$5M of loans outstanding with ESD. At the time that we received each of these loans, the terms for each loan was 0% interest. At the end of the 5-year term, ESD had three options. ESD could have 1) required

a full balloon payment, 2) forgiven the loans, or 3) extended the loans with new terms. Last March we submitted a request to ESD to forgive the \$5M in loans. The loans were not forgiven; however, in February, we signed the closing documents that extend all of the loans another 5 years from the latest maturity date of 2021.

4. ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at 9:16 a.m., seconded by A. Young and passed unanimously.