



GCEDC Audit & Finance Committee Meeting
Tuesday, October 22nd, 2024
Location: 99 MedTech Drive, Innovation Zone
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: P. Zelif, K. Manne, P. Battaglia, M. Gray
Staff: L. Farrell, M. Masse, E. Finch, L. Casey, P. Kennett, C. Suozzi, J. Krencik
Guests:
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

K. Manne called the meeting to order at 8:31 a.m. in the Innovation Zone.

1a. Enter Public Session

2. Chairman’s Report & Activities

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

2b. Minutes: September 3, 2024

P. Zelif made a motion to approve the September 3, 2024, minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. August 2024 Financial Statements – L. Farrell reviewed with the Committee the significant items on the long form financial statements for August 2024.

- On the balance sheet, most August balances are comparable to July balances.
- Loans receivable increased. We closed on a loan with LNK Holdings, which was disbursed from the GAIN Loan Fund in August.
- In the operating fund, we received a project origination fee of \$52,500 from the Countryside Apartments project that closed in August.
- There are a few expenses that are over 66-67% of budget, which is where we would anticipate being at this time of the year.

- Some of the expenditure line items that were over budget are starting to balance out. We are still over on a couple of line items, including dues and subscriptions and HSA Contributions which are front loaded.
- In the STAMP fund, there is \$250,000 of revenue recognized related to the \$56M FAST NY Grant. GCEDC funds were used to remit payment to NYPA related to the cost reimbursement agreement to enable the restart of work on the substation at STAMP. The GCEDC will be reimbursed \$250,000 from the \$56M FAST NY grant.
- We received \$39.2M of the \$56M FAST NY Grant into our imprest bank account in the beginning of October so we can begin to draw down from this grant.
- In the Batavia Home fund, there is no activity. However, we received information from the second grantee that they are ready to draw. There will be a disbursement from this fund soon.
- Other than the above-mentioned items, there is normal monthly activity.

M. Gray made a motion to recommend to the full Board the approval of the August 2024 Financial Statements as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia- Yes
 M. Gray - Yes
 P. Zeff - Yes
 K. Manne – Yes

The item was approved as presented.

3b. September 2024 Financial Statements – L. Farrell reviewed with the Committee the significant items on the long form financial statements for September 2024.

- Unrestricted cash increased by about \$4.5M. We received project origination fees for five projects that closed in September. We also collected \$1.39M under Real Estate Development and Management in net land sale proceeds for the Remlap and GE Bergen land sales at AppleTree Acres.
- Related to the land sales (Lines 26-39) on the balance sheet, we wrote off all the land at AppleTree Acres. There are 1-2 acres of undevelopable land remaining but there is no value remaining on our books.
- Accounts receivable non-current increased by \$4.5M. We will receive \$400K over the next four years from the GE Bergen project and \$4.125M over the next 15 years (\$275K/year) from the Hecate Cider Solar project for project origination fees termed out.
- On the income statement, project origination fees recorded are almost \$7.7M but some of that is a receivable. We closed on GE Bergen, Hecate Solar, Graham, CDG Genesee 1 and CDG Genesee 4 in September.
- The Real Estate Development Fund shows land proceeds of \$1.39M and cost of sales of \$439,000, which is the value of the land written off the books. The negative \$56 seen on this statement is a credit for special district fees at closing.
- Other than the above-mentioned items, there is normal monthly activity.

P. Battaglia made a motion to recommend to the full Board the approval of the September 2024 Financial Statements as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia- Yes
M. Gray - Yes
P. Zelif - Yes
K. Manne – Yes

The item was approved as presented.

3c. GCEDC 1+3 Budget – L. Farrell presented the 1+3 budget to the Committee for review. The 2025 Budget was approved at the last Board meeting. The budget was then extended for another 3 years. The 1+3 Budget must be entered into the NYS Public Authorities Reporting Information System (PARIS) online. It was noted that most line items show a 3% increase year over year. The line items with an asterisk are those that could be estimated more accurately as more information was available or schedules were utilized.

In previous years, the Committee had noted that given market conditions, an estimated 3% increase year over year may not be sufficient. L. Farrell shared that the consumer price index is currently 3.4%. She also noted that this is simply a forecast and not a formal approval of the budgets for the years 2026-2028.

P. Zelif made a motion to recommend to the full Board the approval of the GCEDC 1+3 Budget as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia- Yes
M. Gray - Yes
P. Zelif - Yes
K. Manne – Yes

The item was approved as presented.

3d. 12/31/24 Audit Services – In 2022, the GCEDC and its affiliated corporations issued a joint Request for Proposals (RFP) for Professional Auditing Services. The RFP requested services for three audit years from January 1, 2022 to December 31, 2024, with an option of contracting for an additional two years (2025-2026). The Board approved a 3-year engagement with Mostert, Manzanero & Scott, LLP. L. Farrell noted that the fee for 2024 audit services will be \$10,700. The engagement letter includes an option to add on a Single Audit if necessary for an additional fee.

The Committee stated that at the conclusion of this year's audit, they would like to discuss their options for audit services going forward.

P. Battaglia made a motion to recommend to the full Board the approval of the 12/31/24 Audit Services with Mostert, Manzanero & Scott as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia- Yes
M. Gray - Yes
P. Zelif - Yes
K. Manne – Yes

The item was approved as presented.

3e. Copier Lease - The staff collected quotes from 4 vendors as our current copier lease is set to expire on November 25th, 2024. After comparing all the quotes received, it is staff's recommendation to enter into an agreement with Toshiba for a 63-month copier lease at a rate of \$169.69/month plus \$.039/color page and \$.0059/black and white page. This copier will also allow the staff to work towards paperless filing, by converting PDFs into Word/Excel documents and creating searchable PDFs.

P. Battaglia made a motion to recommend to the full Board the approval of the Copier Lease with Toshiba as presented; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Battaglia- Yes
 M. Gray - Yes
 P. Zeliff - Yes
 K. Manne – Yes

The item was approved as presented.

3f. Land Lease Rates – M. Masse presented the proposed schedule for the land lease rates that were included with the meeting materials.

Fund commitment: None.

Lessee	Location	Term	Rate / acre
Stein Farms	Oatka Hills	One year	\$ 75.00
Englerth Farms	Leroy	One year	\$ 75.00
Norm Geiss	STAMP	One year	\$ 75.00
Lamb Farms	STAMP	One year	\$ 80.00
Lamb Farms	STAMP	One year	\$ 3.98

The Committee recommended that all lease rates should be \$80/acre, excluding the Lamb Farms lease that is \$3.98/acre.

P. Zeliff made a motion to recommend to the full Board the approval of the Land Lease Rates with the above-mentioned change; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia- Yes
 M. Gray - Yes
 P. Zeliff - Yes
 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 8:56 a.m., seconded by P. Battaglia and passed unanimously.