



GCEDC Audit & Finance Committee Meeting
Tuesday, December 3, 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, C. Suozzi, J. Krencik
Guests: M. Brooks (GGLDC Board Member), D. Cunningham (GGLDC Board Member),
J. Tretter (GGLDC Board Member), J. Teresi (Tompkins Insurance/Video
Conference), E. Wells (E3Communications)
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

Presentation – e3communications – E. Wells attended the meeting to discuss what was accomplished in 2024 and what is planned for 2025. E. Wells stated that a recap was included in the packet for review. Workforce Development was a focus for the past year. e3communications has been working closely with the Finger Lakes, Rochester and Buffalo media entities to help regionalize campaigns on behalf of the GCEDC. There have been several big events this year, including but not limited to the groundbreaking for Oxbo and Craft Cannery. e3communications worked alongside the GCEDC and these companies to help promote what they are doing through social media, which includes a lot of videos.

The packets also include the scope of work for next year, which is like previous years. e3communications will continue to work closely with J. Krencik and C. Suozzi on publicity and social media for the GCEDC. E. Wells stated that the company will continue to communicate closely with the GCEDC on preferred media relations and continue to disseminate information to stakeholders in 2025.

E. Wells left the meeting at 8:38 a.m.

Presentation – Tompkins Insurance - J. Teresi attended the meeting via video conference to discuss the Agency's insurance renewal with the Committee. A comparison of last year's insurance premiums against the renewal costs for 2025 was included with the meeting materials. The total package is about \$74,000 as compared to last year's amount of \$70,000.

The first \$5M of umbrella coverage is aligned with what was expected. However, Tompkins went out to bid for the second \$5M of umbrella coverage because Cincinnati quoted a renewal price of \$15,000 for 2025. PMI quoted \$12,500 for \$5M of excess umbrella coverage. This helps manage the overall increase, which is currently an increase of about 8-8.5%.

L. Farrell added that \$74,380 was budgeted for the insurance renewal across all entities. Selective quoted \$74,281 for the 2025 renewal. The umbrella coverage quotes are about \$1,600 over budget or \$800 per

entity. Worker's Compensation is also within budget. We budgeted \$4,000 for Worker's Compensation and the renewal cost is \$3,817.

J. Teresi left the meeting at 8:47 a.m.

2. Chairman's Report & Activities

2a. Agenda Additions / Other Business –

M. Gray made a motion to add Executive Session as agenda item 3g; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The item was added to the agenda.

2b. Minutes: October 22, 2024

P. Zelif made a motion to approve the October 22, 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. Insurance Renewal – This agenda item was discussed during the presentation from J. Teresi.

P. Battaglia made a motion to recommend to the full Board the approval of the 2025 insurance renewal with Selective, primary umbrella with Merchants Mutual and \$5M of excess umbrella coverage with PMI; 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.

3b. October 2024 Financial Statements – L. Farrell reviewed with the Committee the significant items of the October 2024 long form financial statements.

- Lines 8 & 9, are restricted cash line items. There is \$95K of restricted cash related to the Bergen PIF and there is \$18K of restricted cash related to the Apple Tree Acres PIF. These are also recorded as payables because funds have not disbursed been yet. The funds flow through the GCEDC to the Town of Pembroke and the Village of Bergen, respectively.
- Line 13 is for the imprest account for the \$56M FAST NY grant award. We received \$39.2M into that bank account, which is what we anticipate spending in the next 12 months, less any amounts that are committed to MWBEs. We have a 30% MWBE goal with this award. We received 70% of the \$56M grant award. ESD won't give us any more funds until they know that we are on track to meet that MWBE goal. Interest is earned on this account, but it is turned over to ESD quarterly.
- GURFs were submitted for all three grants, including the FAST NY award.
- Line 48, accounts receivable of \$4M, is related to origination fees that are termed out.
- Line 72, there is unearned revenue of \$39.2M. The funds that we received for the FAST NY grant award are recorded as unearned revenue. Revenue is recognized as qualifying expenditures are made.
- In the Operating Fund, we collected origination fees and closed on the Rochester Davis Fetch/ Lent Ave Project.
- At this time, we should be at about 83% of budget for expenditures. We are starting to balance out front-loaded line items like HSA. There are a couple line items that we know are going to be over budget like D&O Insurance and Government Relations.
- Government relations is a month-to-month contract. In January we are bringing forward an annual contract as it was originally approved without an end date.
- In the Real Estate Development Fund, the PIF payments are coming in and out as revenue and expense.
- Also in the Real Estate Development Fund, Line 21, there was a commission paid to Pyramid Brokerage related to the Remlap land sale.
- Other than the above-mentioned items, there is normal monthly activity.

P. Zelif made a motion to recommend to the full Board the approval of the October 2024 Financial Statements 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.

3c. 2025 Cleaning Services – During 2022, staff reached out to four cleaning companies to obtain quotes for 2023 cleaning services. Commercial Cleaning Services of Western New York, Inc. was awarded the contract.

Commercial Cleaning Services of Western New York Inc., the current company being used, has been offering a competitive price and we are satisfied with the services. New quotes were not obtained for 2024 or 2025 services. We anticipate getting quotes for cleaning services every three years.

Fund Commitment: Up to \$8,000; included in the 2025 GCEDC Budget.

Action Requested: Staff is requesting a recommendation from the Committee to continue this contract for 2025 cleaning services at a cost not to exceed \$8,000 for the year, plus reimbursement for supplies.

P. Battaglia made a motion to recommend to the full Board the approval of 2025 Cleaning Services not to exceed \$8,000 for the year as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

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

The item was approved as presented.

3d. Loan Policy Review – L. Farrell advised that there is a comparison chart of the loan funds in the packets. The loan policies were also included with the meeting materials. L. Farrell stated that the first column on page 51 of the meeting materials is for the GAIN Loan Fund. No changes can be made. The GCEDC entered into an agreement, whereby the GCEDC is acting as a subrecipient to the Genesee Finger Lakes Regional Planning Council for a portion of an ESD grant. Cash available in this fund at the end of October was \$280K. Loans receivable is \$234K. The interest rate is 1% but it is very specific as to what types of companies or projects can benefit from this loan fund.

With the other three loan funds, the board has full discretion over how we use these funds.

The other loan fund in the GCEDC is the Revolving Loan Fund #1. This fund was established with grant funds that Genesee County received from the Federal Small Cities Program in 1985 and 1986. These funds were defederalized in 2009 and are no longer subject to CDBG guidelines. In this fund, there is \$0 cash and \$0 loans receivable. These funds have been used as an internal line of credit. These funds were committed to cover a portion of some construction contracts for STAMP and the balance was used to set up the reserve for the Part 182 requirements for STAMP. Therefore, there is a due to/due from of \$914,000 that is due from the STAMP fund.

The Economic Development Loan Fund (RLF #2) is administered by the GGLDC. It was originally established in the GCEDC in 2003 with funds that were received by Genesee County from a Small Cities Grant. In 2012, an amended agreement was entered into with Genesee County restricting GCEDC's use of the related funds to necessary administrative costs as part of the defederalization process. To defederalize those funds the money needed to flow through a 501C3, so the County directed us to move those funds to the GGLDC. There are no longer any federal requirements attached to these funds and the board is free to make whatever policy they want for this loan fund. Cash available is \$598K and loans receivable is \$276K.

The last loan Fund is the Batavia Micropolitan Area Community Redevelopment Fund. This fund was established years ago with \$500,000 from strategic investment funds. There have been about three loans total from this fund to date. L. Farrell stated that the board can always discuss what should be done with this fund and if there is some way to repurpose these funds that would better help the community. This fund is not specific to Batavia, just for Genesee County. Cash available is \$345K and loans receivable is \$241K.

No changes will be made at this time.

3e. e3communications Agreement – e3communications, a professional media and public relations firm/consultant, has submitted a proposal for 2025 services related to public relations, sales and marketing content, and marketing services for the Genesee County Economic Development Center.

In 2024, e3communications supported GCEDC staff with GCEDC planning, sales and marketing, and government/stakeholder relations. e3communications also maintains GCEDC’s targeted media presence to audiences in project development and the greater public on LinkedIn and Facebook. More information on 2024 activities was included with the meeting materials.

Fund Commitment: \$24,000 fund commitment. Funding is available and budgeted in the 2025 GCEDC Marketing - Operations budget for the full contract.

Board Action Request: Approval of a contract for services for the Jan. 1, 2025 to Dec. 31, 2025 period at \$24,000 per year.

P. Zelif made a motion to recommend to the full Board the approval of the e3communications Agreement not to exceed \$24,000 as presented; the motion was seconded by P. Battalia. Roll call resulted as follows:

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

The item was approved as presented.

3f. Workforce Consultant Contract – Included with the meeting materials was a consulting agreement for the period of January 1, 2025 through December 31, 2025. This agreement is between Sheila Eigenbrod and the GCEDC. Services provided by Sheila Eigenbrod include the following:

1. Perform consulting services to assist in the development and implementation of workforce development programs and training initiatives relative to the goals of the Company and its affiliates.
2. Consult with the VP of Business Development of the GCEDC and staff related to the application, development and deployment of its workforce programs.
3. Consult with educational institutions who may serve as partners in the development, implementation and delivery of training programs. Specifically, interface with Genesee Community College and its BEST Center, other institutions of higher learning, the Genesee Valley Educational Partnership and local secondary schools as appropriate.
4. Provide consulting services as requested by the GCEDC / GGLDC.

This contract is not to exceed \$35,000 and was included in the 2025 GCEDC budget. There is a maximum of \$525 per day and partial days will be billed at an hourly rate of \$75 per hour. The agreement will be amended to reflect those amounts. The County increased their funding amount beginning in 2022 by \$25,000 annually to support administration of a workforce development program. These funds will be used for this contract.

M. Gray made a motion to recommend to the full Board the approval of the 2025 Workforce Consultant Contract not to exceed \$35,000; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The item was approved as presented.

3g. Enter Executive Session

P. Zelif made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 9:15 a.m. for the following reasons:

1. Discussions regarding proposed, pending or current litigation.

The motion was seconded by P. Battaglia and approved by all members present.

P. Battaglia made a motion to enter back into public session at 9:43 a.m., seconded by M. Gray and approved by all members present.

4. ADJOURNMENT

As there was no further business, M. Gray made a motion to adjourn at 9:43 a.m., seconded by P. Zelif and passed unanimously.