



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

MINUTES

ATTENDANCE

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

1. CALL TO ORDER / ENTER PUBLIC SESSION

K. Manne called the meeting to order at 8:30 a.m. in the Innovation Zone.

1a. 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 8:31 a.m. for the following reasons:

1. 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.

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

1b. Enter Public Session

M. Gray made a motion to enter back into public session at 9:03 a.m., seconded by P. Battaglia and approved by all members present.

2. Chairman's Report & Activities

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

2b. Minutes: March 28, 2024

M. Gray made a motion to approve the March 28, 2024, minutes; 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.

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 2024.

- On the balance sheet there is a new line item. Line 5 is Reserved Cash FAST NY. Matching equity funds of \$5.27M are required for the FAST NY Grant award.
- There are prepaid expenses of approximately \$83,000, which is attributable to expenses that are paid upfront (i.e. General Liability Insurance & Umbrella coverage).
- Loan Payable to Genesee County noncurrent, Line 75, decreased. In January we received the PIF payment from Empire Pipeline, which is paid to the County as a debt service payment on the \$4M loan.
- In the Operating Fund, there are origination fees of almost \$117K from closing on the Oak Orchard Solar project.
- Expenditures are where we would anticipate them to be. Operating expenses that are over budget are related to expenditures that are front loaded (i.e. HSA contributions, Dues & Subscriptions). General Liability Insurance and umbrella insurance are also known to be over budget.
- In the Real Estate Development Fund, the PIF payments are being reported as revenue and expense. Town and County PIF payments have been received and dispersed accordingly to the Town of Pembroke and the Village of Bergen.
- In the STAMP Fund, the Empire PIF Grant of \$448K is recorded as revenue. On the expenditure side, line 24 shows the interest portion of the debt service payment.

P. Zelif made a motion to recommend to the full Board the approval of the 1st Quarter 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

3b. GAIN Loan Fund Application - LNK Holdings, Inc. (dba Craft Cannery) has applied for a \$100,000 loan from the GCEDC's GAIN Loan fund. The project description and outline of the proposed use of funds was included in the meeting materials.

Fund Commitment: \$100,000 from GCEDC GAIN Loan Fund.

Committee Action Request: Recommend approval of \$100,000 loan to LNK Holdings, Inc. (dba Craft Cannery) at an interest rate of 1% per program guidelines (Board materials incorrectly reflected 2%). This loan will require personal and corporate guarantees as well as a first position in the equipment.

P. Zelif made a motion to recommend to the full Board the approval of the loan to LNK Holdings, Inc. in the amount of \$100,000 from the GAIN Loan Fund 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. New York Loves Nano Semicon West Sponsorship - With the support of National Grid, the GCEDC is joining our partners in the New York Loves Nano delegation at the 2024 Semicon West semiconductor industry conference in San Francisco July 9-11.

The GCEDC has participated in this conference annually, enabling our sales and marketing team to advance business leads including Edwards in past years. Additionally, Vice President of Business & Workforce Development Chris Suozzi will be a featured speaker at this year's event.

The GCEDC previously sponsored the delegation's conference floor booth and reception in 2022 and 2023 in partnership with Greater Rochester Enterprise and Invest Buffalo Niagara. This enabled the GCEDC to receive the benefits of a Gold Sponsorship (\$10,000) at the cost of a Silver Sponsorship (\$5,000). These include prominent booth imagery space, conference registration, and sponsorship of both a conference booth and the New York Loves Nano reception.

The New York Loves Nano delegation is coordinated by the New York State Economic Development Council.

This expenditure was anticipated in the 2024 Marketing budget and covered with our National Grid Grant. This expenditure is at the same level as in 2022 and 2023.

P. Zelif asked if Invest Buffalo Niagara and Greater Rochester Enterprise contribute at the same level as the GCEDC. J. Krencik stated that they each pay \$2,500, which totals the contribution amount for the GCEDC. Fifty percent of the expense paid by the GCEDC is reimbursed by the National Grid grant.

The Committee requested that, going forward, GCEDC, Greater Rochester Enterprise and Invest Buffalo Niagara contribute at the same level.

Board Action Request: Approval not to exceed \$5,000 paid to the New York State Economic Development Council for the New York Loves Nano Semicon West Sponsorship.

P. Battaglia made a motion to recommend to the full Board the approval of the New York Loves Nano Semicon West Sponsorship not to exceed \$5,000 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.

3d. Mowing Contract for GCEDC Properties – At the last Board Meeting, the Board awarded a mowing contract for the GCEDC properties at STAMP and the entrance sign to STAMP to Craig's Mowing & Landscape. The contractor does not have the proper insurance requirements and the cost for the

additional insurance was too significant to acquire. Staff requested that the Board rescind the previous award and approve the contract with the second lowest bidder that meets the insurance requirements.

The Committee asked if there is a way to make the insurance requirements different depending on the contract. L. Farrell clarified that the insurance requirements are set by us not the insurance company.

P. Battaglia made a motion to recommend to the full Board an exception to the policy to reduce the insurance requirement for this mowing contract with Craig's Mowing & Landscaping only; 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.

4. ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at 9:19 a.m., seconded by P. Zelif and passed unanimously.