



GCEDC Audit & Finance Committee Meeting
Tuesday, July 9th, 2024
Location: 99 MedTech Drive, Innovation Zone
8:30 a.m.

MINUTES

ATTENDANCE

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

1. CALL TO ORDER / ENTER PUBLIC SESSION

K. Manne called the meeting to order at 8:32 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: June 4, 2024

P. Zelif made a motion to approve the June 4, 2024, minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

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

- We received a PIF payment in May which is payable to the Town of Bergen. \$2,400 is held in restricted cash. This is also reflected as a payable.

- The FAST NY Reserve is \$5.3M. We are required to have \$5.27M as matching funds for the \$56M ESD grant award. These funds were internally reserved and are earning interest, so the balance is increasing.
- Accounts receivable decreased. The quarterly payment for the MedTech Centre Property Management Fee and Economic Development Support Grant from the GGLDC was received.
- No projects closed in May.
- Most expenditures are where we would anticipate them to be at 42% of budget. 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.
- No GURF submitted in May so there is not much activity in the STAMP fund.
- Other than the above-mentioned items, there is normal monthly activity on the income statements for all funds.

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

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

3b. Assessment of the Effectiveness of Internal Controls – Public Authorities Law requires all Public Authorities to complete an annual assessment of the effectiveness of their internal control structures and procedures.

The 2024 Assessment of the Effectiveness of Internal Controls identifies and summarizes the controls in place for major business functions. There are changes to the detailed control narrative since approved last year, which includes 1) The Bank of Castile was changed to Tompkins Community Bank and 2) all references to Senior VP of Operations was either removed or changed to President/CEO.

A list of vendors that the Committee has authorized staff to pay online is included as part of the narrative. Additional vendors include NYS Deferred Compensation/Nationwide, Complete Payroll Processing, NYS Retirement, Health Insurance Vendor, Vision Insurance Vendor and 360 PSG.

K. Manne noted that a few times in the document where CEO is stated and other times it is President/CEO. L. Farrell confirms that the title of President/CEO should be uniform and that it will be corrected.

The Committee requested an additional change to be made related to GCEDC Employee Reimbursements. Currently, two Board members must sign off on requests submitted by the President/CEO. The Committee recommends that this is changed. Instead, two authorized signers must sign off on requests submitted by the President/CEO.

The Committee is asked to review and approve the Assessment of the Effectiveness of Internal Controls annually (this is not brought to the full Board for approval).

P. Battaglia made a motion to approve the Assessment of the Effectiveness of Internal Controls with the above-mentioned changes; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

3c. PSA Amendment of GE Bergen, LLC – Oxbo has a PSA for a parcel at Apple Tree Acres Corporate Park that is being requested to be assigned to GE Bergen, LLC. GE Bergen, LLC is also asking for an amendment to the PSA to amend some of the terms and conditions in the original PSA.

M. Masse reviewed significant items included in the amendment:

- 1) The purchase price on the original PSA was \$1.5M. The purchase price in the amendment has been reduced to \$1.14M. In exchange, Oxbo will install water and sewer connections as well as the roadway to Route 19. Based on our cost estimate, the \$360,000 is significantly less than what it would cost us to install that infrastructure for them. They are not required to do a subdivision approval because the original subdivision was to potentially break out a roadway that they are not going to need anymore. They are also asking for a \$10,000 option on a couple of parcels to the east that the GCEDC has no use for. The purchase price would be \$10 for those parcels. They will also pay annual fees of \$2,000 for common area maintenance for those two parcels.
- 2) A request for a mutually agreed upon Access and Utility Easement covering the option property. This is in the process of being drafted. M. Masse asked if the committee would be comfortable if staff executes the agreement after it is reviewed by legal since the reasons for its purpose are included in the amendment.
- 3) Also included in the amendment is the acceptance of assignment. The GCEDC would have to consent to the assignment of the agreement from OXBO to GE Bergen, LLC. Geis Enterprises will be constructing the facility and leasing it to Oxbo with a long-term lease.

The Committee questioned the rationale for the \$10 purchase price for the option property. The Committee also questioned if those parcels would be of interest to Liberty Pumps. D. Cunningham confirmed and asked about Oxbo's intent for those parcels.

M. Masse stated that he believes their intent is to bring the sewer line through to connect to the park. Those parcels will give them access to do so. They will bring the water off Route 19. M. Masse also stated that for financing reasons Oxbo must show their lender that they had an established line to the property, which having an option on those two parcels gives them that. However, they found an agricultural cut off Route 19 that they are going to use instead.

The Committee suggested that M. Masse should go back to Oxbo and request \$10,000 for the sale of the easement as opposed to \$10,000 for the option.

To summarize, M. Masse stated that he will go back to Oxbo and offer \$10,000 to purchase the parcels that must also ensure that Liberty Pumps has potential access to hook into the roadway in the future if they choose.

The Committee decided to table this agenda item.

P. Battaglia made a motion to table this agenda item; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The Committee voted on agenda items 3d through 3f collectively. The approval for these items follows agenda item 3f.

3d. Local Labor Contract – Countryside Apartments – Loewke Brill Consulting Group, Inc. has been the GCEDC's consultant who assists with the monitoring and reporting of company's compliance with the local labor policy. The Board has determined that companies need to provide the GCEDC with a deposit that will cover the costs of these services. Any amount not utilized will be returned to the company.

The following fee is based on the company's project description and timeline as provided in the application for incentives.

Project: Countryside Apartments

Fund Commitment: \$5290 per phase x 4 phases = \$21,160 total

Committee Action Request: Recommend to the full Board approval of the contract with Loewke Brill contingent upon receipt of the deposit from the project.

3e. Local Labor Contract – MedTech Landing, LLC – Loewke Brill Consulting Group, Inc. has been the GCEDC's consultant who assists with the monitoring and reporting of company's compliance with the local labor policy. The Board has determined that companies need to provide the GCEDC with a deposit that will cover the costs of these services. Any amount not utilized will be returned to the company.

The following fee is based on the company's project description and timeline as provided in the application for incentives.

Project: Med Tech Landing

Fund Commitment: \$21,960

Committee Action Request: Recommend to the full Board approval of the contract with Loewke Brill contingent upon receipt of the deposit from the project.

3f. Local Labor Contract – Graham - Loewke Brill Consulting Group, Inc. has been the GCEDC's consultant who assists with the monitoring and reporting of company's compliance with the local labor policy. The Board has determined that companies need to provide the GCEDC with a deposit that will cover the costs of these services. Any amount not utilized will be returned to the company.

The following fee is based on the company's project description and timeline as provided in the application for incentives.

Project: Graham

Fund Commitment: \$9,630

Committee Action Request: Recommend to the full Board approval of the contract with Loewke Brill contingent upon receipt of the deposit from the project.

P. Zelif made a motion to recommend to the full Board the approval of agenda items 3d. – 3f. as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3g. Batavia Home Fund Grant Award - The homeowner recently purchased this residence for their own use and is looking to make improvements to the exterior (new siding) which qualifies under Eligible Activities item #6 Grants to support owner occupied single family exterior rehabilitation (maximum award of \$10,000). They are seeking a grant of \$7,400 which is 40% of the total construction cost (maximum percentage allowed under the program) of \$18,500. This grant and homeowner improvement to the residence would improve the blighted look of this residence as compared to the majority of the homes in that area that have been recently renovated.

Fund commitment: \$7,400 from the Batavia Home Fund contingent upon all terms and conditions of the work being completed in accordance with the policy.

Committee action request: The Housing Oversight Committee of the Batavia Home Fund met and approved this application. Seeking Board authorization to release the funds in accordance with the terms and conditions of the Batavia Home Fund.

P. Battaglia made a motion to recommend to the full Board the approval of Batavia Home Fund Grant Award not to exceed \$7,400 as presented; the motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia- Yes
M. Gray - Absent
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 8:58 a.m., seconded by P. Zelif and passed unanimously.