

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS
OF THE
BUFFALO AND ERIE COUNTY
INDUSTRIAL LAND DEVELOPMENT CORPORATION
(ILDC)**

DATE AND PLACE: September 25, 2019, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor Conference Room, Buffalo, New York 14203

PRESENT: Hon. April Baskin, Hon. Howard Johnson, John J. Mudie, Hon. Mark C. Poloncarz and Maria Whyte

EXCUSED: Hon. Byron W. Brown and Richard Lipsitz, Jr.

OTHERS PRESENT: Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Mollie Profic, Chief Financial Officer; and Karen M. Fiala, Assistant Treasurer/Secretary

GUESTS: Robert G. Murray, General Counsel/Harris Beach PLLC; Michael Szukala, Chair of the Finance & Audit Committee

There being a quorum present at 1:23 p.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order by Chair Poloncarz.

MINUTES

Upon motion made by Ms. Whyte and seconded by Mr. Johnson, and upon a vote thereof to so approve, the August 28, 2019 minutes of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation (“ILDC”) meeting were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

Financial Report. Ms. Profic presented the August 2019 financial report. Ms. Profic noted that the balance sheet indicates the ILDC finished the month with \$8.9 million of total assets and net assets of \$6.9 million. The main change to the balance sheet was the receipt of \$1.39 million of grants receivable and the subsequent repayment of that amount to ECIDA’s UDAG Fund. The monthly income statement shows minimal income and expenses for a net loss of \$2,400 for August. The year-to-date income statement shows total revenues of \$191,000 and total expenses of \$96,000, and net special project grants of \$103,000, for net income of \$198,000 so far in 2019. Mr. Poloncarz directed that the report be received and filed.

Finance and Audit Committee Update. Mr. Szukala, Chair of the Finance & Audit Committee provided an update on the Finance & Audit Committee meeting held on September 16, 2019. The Committee reviewed the 2020 budget process and reviewed the proposed budgets of the ECIDA, RDC and ILDC. The Committee voted to recommend the proposed 2020 budgets of all three entities, subject to changes of greater than \$100,000 on any one budget line. If there are any additional adjustments to the budgets that need to be reviewed, the Committee will convene in October. Ultimately, the Board will be asked to take action on the budgets in October for submission to the ABO by the November 1st deadline. The Committee also approved the retention of Freed Maxick as independent auditors for the ECIDA, RDC and ILDC for the 2019 audit year. Mr. Poloncarz directed that the report be received and filed.

Review of 2020 Proposed Budget. Ms. Profic reviewed the proposed 2020 budget report and gave a short explanation of changes to the budget for 2020. Revenue is budgeted at \$230 from loan interest income and \$250,000 from the sale of land. She noted that as in the past, the ILDC did not include any bond issuances in the budget to be conservative. For expenses, staff has increased the budgeted amounts for ECIDA management fees and professional services for audit and legal fees. These are both reflective of the recent and pending land acquisitions by the ILDC. The special project revenue and expenses budgeted for 2020 include \$1.75 million of reimbursement from the second ESD Grant for the Bethlehem Steel land acquisition, which will be reimbursed to ECIDA's UDAG Fund, and \$200,000 granted from the ECIDA as an estimate of carrying costs related to the land purchase. Another \$100,000 is anticipated from ECIDA's UDAG Fund to support carrying costs related to the pending Angola land purchase. There is also \$25,000 of offsetting grant revenue and expenses for the Opportunity Zone marketing piece. This leads to budgeted income of \$138,000 for 2020. Mr. Poloncarz directed that the report be received and filed.

Mr. Poloncarz noted that this is the last meeting that Mr. Mudie will be attending, as he will be retiring. Mr. Poloncarz then thanked Mr. Mudie for his great work on the ILDC Board and for all of his efforts to better our community and the continued growth of the middle class.

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 1:30 p.m.

Dated: September 25, 2019



Karen M. Fiala, Secretary