

**Buffalo & Erie County
Industrial Land Development Corp
2022 Budget**

Industrial Land Development Corporation (ILDC)

2022 Budget + 3 Year Forecast

The Industrial Land Development Corporation (“ILDC”) consists of two sub-funds (Erie County’s Business Development Fund (“BDF”) and a general fund. The ILDC administers the BDF microloan fund on behalf of Erie County for HUD-eligible small businesses that would not otherwise be able to obtain such financing from commercial sources. The ILDC also issues tax-exempt bonds on behalf of various not-for-profit organizations in Erie County.

A. Overview of Changes in 2022 Budget:

A summary of the key changes between the 2022 budget and the projected 2021 results:

- The Erie County BDF microloan fund has been reprogrammed into a loan/grant program in the wake of the COVID-19 pandemic, resulting in an increase to budgeted loan interest income in 2022.
- The ECIDA Management Fee represents a fee charged by the ECIDA for services that its employees provide, since ILDC has no employees of its own. The fee is expected to increase by approximately \$4,000 due to anticipated increases in time spent on ILDC projects by ECIDA staff.
- Land owned by the ILDC has increased in 2021 with the acquisition of 31 additional acres in the City of Lackawanna, NY. Professional services consist of legal, consulting, and auditing costs, and are budgeted to increase by about \$30,000 or 82% in 2022. This is due to the legal costs associated with land owned and environmental consulting costs anticipated in 2022. Development and marketing costs are expected to increase in 2022 as well, with the intent to sell property that is owned in both Lackawanna and Evans, NY.
- The Special Projects section of the budget relates to grants. ILDC expects to recognize \$3.5 million from Empire State Development in 2022 related to road engineering and construction at Renaissance Commerce Park. A total of \$200,000 is budgeted to be used in 2022 for carrying costs related to owned properties, which will be granted by ECIDA’s UDAG fund. Other grant revenue consists of \$625,000 for master planning at the ILDC’s properties.

B. Summary of Risk Factors impacting the 2022 Budget:

The following significant risk factors may influence the 2022 budget:

1. Due to numerous uncertainties, the value of collateral, guarantees, etc., the ILDC may experience loan losses that are currently not included in the budget.
2. In the past, the ILDC has generated fee income from issuing tax-exempt debt. These monies are received directly by ILDC and then paid to ECIDA. However, due to the infrequent nature of these activities, and the uncertainty as to when such transactions will occur, ILDC has not included any bond closings in the 2022 budget. It is possible a tax-exempt bond is issued within the next year and both income and expenses will be recognized, accordingly.

BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")
Budget for 2022

	Budget 2022	Approved Budget 2021	Projected 2021	Actual 2020
REVENUES:				
Interest Income - Loans	\$ 5,800	\$ 4,500	\$ 1,925	\$ 725
Interest Income - Cash & Investments	100	20	238	38
Proceeds from Land Sales	250,000	250,000	134,000	-
Other Income	-	9,000	8,250	388,800
Total Revenues	255,900	263,520	434,413	389,563
EXPENSES:				
ECIDA Management Fee*	120,000	\$ 60,000	116,000	\$ 477,095
Professional Services	65,000	80,000	41,376	19,493
Development & Marketing Expenses	30,000	25,000	3,746	9,824
Other Expenses	3,675	2,375	80,104	9,961
Total Expenses	218,675	167,375	241,226	516,373
SPECIAL PROJECTS:				
Industrial Land Park - ESD	3,502,500	1,555,000	2,100,000	78,726
Industrial Land Park - ECIDA	100,000	200,000	183,091	185,000
Angola Ag Park - ECIDA	100,000	100,000	49,860	874,494
Other grant revenue	607,342	2,950,000	301,635	24,740
Industrial Land Park grant costs	(3,602,500)	(200,000)	(1,089,649)	(198,030)
Angola Ag Park grant costs	(100,000)	(100,000)	(10,768)	(29,820)
Other grant expenses	(621,342)	(2,950,000)	(263,671)	(24,740)
	(14,000)	1,555,000	1,270,498	910,369
NET INCOME/(LOSS) BEFORE DEPRECIATION:	\$ 23,225	\$ 1,651,145	\$ 1,463,686	\$ 783,559
Depreciation	975	350	975	975
NET INCOME/(LOSS):	\$ 22,250	\$ 1,650,795	\$ 1,462,711	\$ 782,584

* Represents an allocation of salary and benefit costs from the ECIDA based on staff time charged to the ILDC.

BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")
Budget and Three Year Forecast 2023-2025

	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
REVENUES:				
Interest Income - Loans	\$ 5,800	\$ 5,800	\$ 6,090	\$ 5,786
Interest Income - Cash & Investments	100	25	25	25
Proceeds from Land Sales	250,000	250,000	250,000	200,000
Other Income	-	-	-	-
Total Revenues	255,900	255,825	256,115	205,811
EXPENSES:				
ECIDA Management Fee*	120,000	\$ 55,000	\$ 55,000	\$ 55,000
Professional Services	65,000	50,000	50,000	50,000
Development & Marketing Expenses	30,000	15,000	15,000	15,000
Other Expenses	3,675	2,500	4,000	5,000
Total Expenses	218,675	122,500	124,000	125,000
SPECIAL PROJECTS:				
Industrial Land Park - ESD	3,502,500	-	-	-
Industrial Land Park - ECIDA	100,000	-	-	-
Angola Ag Park - ECIDA	100,000	100,000	-	-
Other grant revenue	607,342	-	-	-
Industrial Land Park grant costs	(3,602,500)	-	-	-
Angola Ag Park grant costs	(100,000)	(100,000)	-	-
Other grant expenses	(621,342)	-	-	-
	(14,000)	-	-	-
NET INCOME/(LOSS) BEFORE DEPRECIATION:	\$ 23,225	\$ 133,325	\$ 132,115	\$ 80,811
Depreciation	975	975	975	975
NET INCOME/(LOSS):	\$ 22,250	\$ 132,350	\$ 131,140	\$ 79,836

* Represents an allocation of salary and benefit costs from the ECIDA based on staff time charged to the ILDC.

Budget Report for Buffalo and Erie County Industrial Land Development Corporation
 Fiscal Year Ending: 12/31/2022

Run Date: 10/27/2021
 Status: CERTIFIED
 Certified Date: 10/27/2021

Budget & Financial Plan **Budgeted Revenues, Expenditures, And Changes in Current Net Assets.**

	Last Year (Actual) 2020	Current Year (Estimated) 2021	Next Year (Adopted) 2022	Proposed 2023	Proposed 2024	Proposed 2025
REVENUE & FINANCIAL SOURCES						
Operating Revenues						
Charges For Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rentals & Financing Income	\$725.00	\$1,925.00	\$5,800.00	\$5,800.00	\$6,090.00	\$5,786.00
Other Operating Revenues	\$388,800.00	\$142,250.00	\$250,000.00	\$250,000.00	\$250,000.00	\$200,000.00
Non-Operating Revenues						
Investment Earnings	\$37.00	\$238.00	\$100.00	\$25.00	\$25.00	\$25.00
State Subsidies / Grants	\$78,726.00	\$2,166,905.00	\$3,752,752.00	\$0.00	\$0.00	\$0.00
Federal Subsidies / Grants	\$7,560.00	\$290,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Municipal Subsidies / Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Public Authority Subsidies	\$1,059,495.00	\$232,951.00	\$200,000.00	\$100,000.00	\$0.00	\$0.00
Other Non-Operating Revenues	\$17,180.00	\$234,730.00	\$357,090.00	\$0.00	\$0.00	\$0.00
Proceeds From The Issuance Of Debt	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Revenues & Financing Sources	\$1,552,523.00	\$3,068,999.00	\$4,565,742.00	\$355,825.00	\$256,115.00	\$205,811.00
EXPENDITURES						
Operating Expenditures						
Salaries And Wages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Employee Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Professional Services Contracts	\$61,302.00	\$41,376.00	\$65,000.00	\$50,000.00	\$50,000.00	\$50,000.00
Supplies And Materials	\$605,171.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Operating Expenditures	\$0.00	\$301,241.00	\$257,650.00	\$73,475.00	\$74,975.00	\$75,975.00
Non-Operating Expenditures						
Payment Of Principal On Bonds And Financing Arrangements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest And Other Financing Charges	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subsidies To Other Public Authorities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Capital Asset Outlay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grants And Donations	\$0.00	\$14,000.00	\$14,000.00	\$0.00	\$0.00	\$0.00
Other Non-Operating Expenditures	\$103,467.00	\$1,249,671.00	\$4,206,842.00	\$100,000.00	\$0.00	\$0.00
Total Expenditures	\$769,940.00	\$1,606,288.00	\$4,543,492.00	\$223,475.00	\$124,975.00	\$125,975.00
Excess (Deficiency) Of Revenues And Capital Contributions Over Expenditures	\$782,583.00	\$1,462,711.00	\$22,250.00	\$132,350.00	\$131,140.00	\$79,836.00

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The authority's budget, as presented to the Board of Directors, is posted on the following website: <https://www.ecidany.com/about-us-corporate-reports>

Additional Comments