



**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)
BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP (ILDC)**

**Joint Finance & Audit Committee Meeting
September 14, 2021
10:00 AM**

Via Conference Call & Livestreaming

1. Approval of Minutes – August 18, 2021 (Action) (Pages 2-3)
2. Insurance Brokerage Services RFQ (Recommendation – to be shared during meeting)
3. 2022 Budget Review Timeline (Information) (Page 4)
4. Draft 2022 ECIDA Operating & Capital Budget + 3 Year Forecast (Recommendation) (Pages 5-8)
5. Draft 2022 RDC Operating Budget + 3 Year Forecast (Recommendation) (Pages 9-11)
6. Draft 2022 ILDC Operating Budget + 3 Year Forecast (Recommendation) (Pages 12-14)
7. Adjournment

**MINUTES OF A JOINT MEETING OF THE
FINANCE & AUDIT COMMITTEES OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA or AGENCY)
THE BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT
CORPORATION (RDC) AND THE BUFFALO & ERIE COUNTY INDUSTRIAL
LAND DEVELOPMENT CORPORATION (ILDC)**

- MEETING:** August 18, 2021 at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203.
- LIVE STREAMED:** This meeting is being live-streamed and made accessible on the ECIDA’s website at www.ecidany.com.
- PRESENT:** Penny Beckwith, Allison DeHoney, Hon. Glenn R. Nellis, and William Witzleben
- ABSENT:** Hon. Brian J. Kulpa, Michael Szukala, Paul Vukelic
- OTHERS PRESENT:** John Cappellino¹, President/CEO; Mollie Profic, Chief Financial Officer; Atiqab Abidi, Assistant Treasurer; Brian Krygier, Systems Analyst; Carrie Hocienec, Administrative Coordinator; Jamee Lanthier, Compliance Officer; and Robert Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** None.

There being a quorum present at 10:02 a.m., the Meeting of the Members of the Joint Finance & Audit Committee of the Erie County Industrial Development Agency, Buffalo and Erie County Regional Development Corporation and the Buffalo and Erie County Industrial Land Development Corporation was called to order by Ms. Profic who presided over the meeting in the absence of Chair Szukala.

MINUTES

The April 19, 2021 minutes of the joint meeting of the Finance and Audit Committee were presented. Upon motion made by Mr. Nellis, and seconded by Ms. Beckwith, and after a vote was called for by Ms. Profic, the April 19, 2021 minutes of the Finance and Audit Committee were unanimously approved.

¹ Mr. Cappellino participated via telephone conference call.

2021 INDEPENDENT AUDITS – APPROVAL OF FREED MAXICK

Ms. Profic requested that the Committee approve of an extension for Freed Maxick to provide professional auditing services to the Agency and its affiliates for the 2021 audits.

Upon motion made by Ms. Beckwith and seconded by Mr. Witzleben, a motion was made to extend Freed Maxick’s professional auditing services to the Agency and its affiliates for the 2021 audits. Ms. Profic called for the vote and the extension request for Freed Maxick was unanimously approved.

2022 BUDGET REVIEW TIMELINE

Ms. Profic reviewed the draft 2022 ECIDA Budget timeline.

DRAFT 2022 ECIDA OPERATING & CAPITAL BUDGET + 3 YEAR FORECAST

Ms. Profic reviewed the draft 2022 ECIDA operating and capital budget and 3 year forecast. General discussion ensued.

DRAFT 2022 RDC OPERATING BUDGET + 3 YEAR FORECAST

Ms. Profic reviewed the draft 2022 RDC operating budget and 3 year forecast. General discussion ensued.

DRAFT 2022 ILDC OPERATING BUDGET + 3 YEAR FORECAST

Ms. Profic reviewed the draft 2022 ILDC operating budget and 3 year forecast. General discussion ensued.

There being no further business to discuss, Ms. Profic adjourned the meeting at 11:11 a.m.

Dated: August 18, 2021

Karen M. Fiala, Secretary

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)
 BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)
 BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP (ILDC)**

2022 Budget Review Process

<u>Date</u>	<u>Description</u>	
July-August	Review of draft 2022 budgets by ECIDA management. (a) Prioritize any proposed budget requests for initiatives. (b) Formal budget requests compiled.	✓
August 18 th	Finance & Audit Committee meeting – initial review of proposed budgets.	✓
September 14 th	Finance & Audit Committee meeting to discuss any updates and recommend proposed budgets to Boards.	
September 22 nd	Review of 2022 draft budgets at Board meetings.	
Late Sept./October Date/time TBD	Board Q&A budget session #1 (voluntary).	
Late Sept./October Date/time TBD	Board Q&A budget session #2 (voluntary).	
October	Adjustments to budget based on Board feedback and Finance & Audit Committee approval of final budgets (<i>if necessary</i>).	
October 27 th	Board meeting – action to approve final 2022 budgets.	
November 1 st	Deadline for final approved budget to be submitted to the ABO.	

Erie County Industrial Development Agency
Proposed 2022 Budget
Updated August 2021

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")
Proposed Budget for 2022

	Proposed Budget 2022	Approved Budget 2021	Projected 2021	Actual 2020
REVENUES:				
Administrative Fees	\$ 1,855,000	\$ 1,800,000	\$ 1,796,000	\$ 1,850,078
Affiliate Management Fees	433,500	407,000	431,500	389,151
Management Fees - BUDC	108,000	116,000	103,000	119,444
Interest Income - Cash & Investments	12,500	40,000	8,837	37,088
Rental Income	301,700	334,000	333,181	287,717
Other Income	41,000	36,000	24,391	29,207
Total Revenues	2,751,700	2,733,000	2,696,909	2,712,685
EXPENSES:				
Salaries & Benefits	2,091,500	1,953,352	1,972,397	2,003,971
Professional Services	95,100	117,300	110,203	76,152
General Office Expenses	171,560	170,400	147,779	154,508
Insurance Expense	100,000	85,000	98,612	68,147
Public Hearing & Marketing Costs	60,000	55,000	91,413	73,046
Building Operating Costs	243,740	244,300	239,869	229,718
Travel, Mileage & Meeting Expenses	35,000	33,000	11,778	19,726
Other Expenses	7,500	10,000	5,769	4,394
Total Expenses	2,804,400	2,668,352	2,677,821	2,629,662
GRANT INCOME:				
Revenues	1,194,159	2,660,200	5,289,328	112,937
Expenses	(1,185,959)	(2,655,000)	(5,990,491)	(194,414)
	8,200	5,200	(701,162)	(81,476)
NET INCOME (LOSS) BEFORE DEPRECIATION, EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(44,500)	69,848	(682,074)	1,547
Depreciation	(120,000)	(120,000)	(120,000)	(117,025)
NET INCOME (LOSS) BEFORE EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(164,500)	(50,152)	(802,074)	(115,478)
External Special Projects:				
Buffalo Building Reuse Project (BUDC)	100,000	100,000	100,000	100,000
Annual Membership (IBN)	75,000	75,000	75,000	50,000
Canadian Lead Generation (IBN)	-	-	72,000	72,000
MBE Assistance Program	50,000	50,000	-	-
Z7+ consultants/expense reserve	621,319	621,319	5,000	-
Industrial Land Park grant paid	100,000	200,000	200,000	185,000
ILDC Land Sale Proceeds (reimbursement)	(250,000)	(250,000)	(134,000)	-
Angola Ag Park grant paid	100,000	100,000	100,000	874,494
(Gain)/Loss on Venture Investments	-	-	-	127,175
Total Special Projects	796,319	896,319	418,000	1,408,669
NET INCOME (LOSS) BEFORE OTHER RESERVES:				
	(960,819)	(946,471)	(1,220,074)	(1,524,146)
Reserves for Future Projects:				
Venture Capital Co-Investment	1,000,000	1,000,000	-	-
Forgivable Attraction Loan(s)	1,000,000	1,000,000	-	-
Total Other Reserves	2,000,000	2,000,000	-	-
NET INCOME (LOSS):				
	\$ (2,960,819)	\$ (2,946,471)	\$ (1,220,074)	\$ (1,524,146)

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")
Proposed Three Year Forecast 2023-2025

	Proposed Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
REVENUES:				
Administrative Fees	\$ 1,855,000	\$ 1,855,000	\$ 1,855,000	\$ 1,855,000
Affiliate Management Fees	433,500	447,000	460,000	474,000
Management Fees - BUDC	108,000	111,000	114,000	117,000
Interest Income - Cash & Investments	12,500	13,000	13,000	13,000
Rental Income	301,700	301,700	301,700	301,700
Other Income	41,000	40,000	40,000	40,000
Total Revenues	2,751,700	2,767,700	2,783,700	2,800,700
EXPENSES:				
Salaries & Benefits	2,091,500	2,133,000	2,176,000	2,241,000
Professional Services	95,100	110,000	140,000	140,000
General Office Expenses	171,560	177,000	182,000	187,000
Insurance Expense	100,000	103,000	106,000	109,000
Public Hearing & Marketing Costs	60,000	62,000	64,000	66,000
Building Operating Costs	243,740	251,000	259,000	267,000
Travel, Mileage & Meeting Expenses	35,000	36,000	37,000	38,000
Other Expenses	7,500	8,000	8,000	8,000
Total Expenses	2,804,400	2,880,000	2,972,000	3,056,000
GRANT INCOME:				
Revenues	1,194,159	250,000	250,000	250,000
Expenses	(1,185,959)	(250,000)	(250,000)	(250,000)
	8,200	-	-	-
NET INCOME (LOSS) BEFORE DEPRECIATION, EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(44,500)	(112,300)	(188,300)	(255,300)
Depreciation	(120,000)	(120,000)	(120,000)	(120,000)
NET INCOME (LOSS) BEFORE EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(164,500)	(232,300)	(308,300)	(375,300)
External Special Projects and Strategic Initiatives:				
Buffalo Building Reuse Project (BUDC)	100,000	100,000	100,000	100,000
Annual Membership (IBN)	75,000	50,000	-	-
Canadian Lead Generation (IBN)	-	-	-	-
MBE Assistance Program	50,000	50,000	50,000	50,000
Z7+ consultants/expense reserve	621,319	-	-	-
Industrial Land Park grant paid	100,000	200,000	-	-
Industrial Land Park grant (rec'd)	-	-	-	-
ILDC Land Sale Proceeds (reimbursement)	(250,000)	(250,000)	(250,000)	(200,000)
Angola Ag Park grant paid	100,000	100,000	-	-
Angola Ag Park grant (rec'd)	-	-	-	-
(Gain)/Loss on Venture Investments	-	-	-	-
Total Special Projects and Other Strategic Investments	796,319	250,000	(100,000)	(50,000)
NET INCOME (LOSS) BEFORE OTHER RESERVES:				
	(960,819)	(482,300)	(208,300)	(325,300)
Reserves for Future Projects:				
Venture Capital Co-Investment	1,000,000	-	-	-
Forgivable Attraction Loan(s)	1,000,000	-	-	-
Total Other Reserves	2,000,000	-	-	-
NET INCOME (LOSS):				
	\$ (2,960,819)	\$ (482,300)	\$ (208,300)	\$ (325,300)

Erie County Industrial Development Agency
Proposed Five Year Capital Budget 2022-2026

	2022	2023	2024	2025	2026	Total
Facilities:						
143 Genesee Street	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
95 Perry Street	10,000	10,000	5,000	5,000	5,000	35,000
Total Facilities	30,000	30,000	25,000	25,000	25,000	135,000
Information Technology:						
New Laptops	-	-	-	-	-	-
Servers	-	-	12,000	-	-	12,000
CRM Upgrade	10,000	-	-	-	-	10,000
CRM PARIS Report Updates	2,400	-	-	-	-	2,400
Misc.	3,000	3,000	3,000	3,000	3,000	15,000
Total Information Technology	15,400	3,000	15,000	3,000	3,000	39,400
GRAND TOTAL	\$ 45,400	\$ 33,000	\$ 40,000	\$ 28,000	\$ 28,000	\$ 174,400

**Buffalo & Erie County
Regional Development Corporation**
Proposed 2022 Budget
Updated August 2021

REGIONAL DEVELOPMENT CORPORATION ("RDC")
Proposed Budget for 2022

	Proposed Budget 2022	Approved Budget 2021	Projected 2021	Actual 2020
REVENUES:				
Interest Income - Loans	\$ 565,000	\$ 540,000	\$ 451,367	\$ 374,669
Interest Income - Cash & Investments	500	2,000	3,197	15,013
Administrative Fees	15,000	15,000	-	13,000
Grant Income	103,093	-	5,201,586	111,015
Other Income	5,000	5,000	16,282	20,561
Total Revenues	<u>688,593</u>	<u>\$ 562,000</u>	<u>5,672,432</u>	<u>534,259</u>
EXPENSES:				
ECIDA Management Fee*	\$ 286,000	\$ 320,000	\$ 288,000	\$ 269,830
Provision for Loan Losses**	250,000	250,000	100,000	111,778
Rent & Facilities Expenses	25,000	25,000	25,000	22,277
Professional Services	60,050	90,600	37,846	150,285
General Office Expenses	22,000	30,200	2,866	306
Other Expenses	22,275	1,775	64,525	7,516
Total Expenses	<u>665,325</u>	<u>717,575</u>	<u>518,238</u>	<u>561,992</u>
NET INCOME/(LOSS):	<u>\$ 23,268</u>	<u>\$ (155,575)</u>	<u>\$ 5,154,196</u>	<u>\$ (27,733)</u>

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

** Estimated 2022 Loan Balance	\$ 17,108,000
Provision for Loan Losses	\$ 250,000
Percentage of Loans	1.5%

REGIONAL DEVELOPMENT CORPORATION ("RDC")
Proposed Budget and Three Year Forecast 2023-2025

	Proposed Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
REVENUES:				
Interest Income - Loans	\$ 565,000	\$ 570,000	\$ 575,000	\$ 580,000
Interest Income - Cash & Investments	500	10,000	10,000	10,000
Administrative Fees	15,000	10,000	15,000	15,000
Grant Income	103,093	-	-	-
Other Income	5,000	10,000	10,000	10,000
Total Revenues	688,593	600,000	610,000	615,000
EXPENSES:				
ECIDA Management Fee*	\$ 286,000	\$ 330,000	\$ 330,000	\$ 335,000
Provision for Loan Losses	250,000	175,000	150,000	150,000
Rent & Facilities Expenses	25,000	25,000	25,000	25,000
Professional Services	60,050	50,000	50,000	50,000
General Office Expenses	22,000	900	900	900
Marketing & Other Expenses	22,275	5,000	5,000	5,000
Total Expenses	665,325	585,900	560,900	565,900
NET INCOME/(LOSS):				
	\$ 23,268	\$ 14,100	\$ 49,100	\$ 49,100

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

**Buffalo & Erie County
Industrial Land Development Corp**
Proposed 2022 Budget
Updated August 2021

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

	Proposed Budget 2022	Approved Budget 2021	Projected 2021	Actual 2020
REVENUES:				
Interest Income - Loans	\$ 5,800	\$ 4,500	\$ 1,782	\$ 725
Interest Income - Cash & Investments	100	20	255	38
Proceeds from Land Sales	250,000	250,000	134,000	-
Other Income	-	9,000	9,000	388,800
Total Revenues	255,900	263,520	435,038	389,563
EXPENSES:				
ECIDA Management Fee*	120,000	\$ 60,000	116,000	\$ 477,095
Professional Services	65,000	80,000	35,704	19,493
Development & Marketing Expenses	30,000	25,000	1,875	9,824
Other Expenses	3,675	2,375	80,112	9,961
Total Expenses	218,675	167,375	233,691	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	624,500	2,950,000	284,477	24,740
Industrial Land Park grant costs	(3,602,500)	(200,000)	(1,088,966)	(198,030)
Angola Ag Park grant costs	(100,000)	(100,000)	(10,768)	(29,820)
Other grant expenses	(638,500)	(2,950,000)	(246,514)	(24,740)
	(14,000)	1,555,000	1,271,181	910,369
NET INCOME/(LOSS) BEFORE DEPRECIATION:				
	\$ 23,225	\$ 1,651,145	\$ 1,472,528	\$ 783,558
Depreciation	975	350	975	975
NET INCOME/(LOSS):				
	\$ 22,250	\$ 1,650,795	\$ 1,471,553	\$ 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")
Proposed Budget and Three Year Forecast 2023-2025

	Proposed 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	624,500	-	-	-
Industrial Land Park grant costs	(3,602,500)	-	-	-
Angola Ag Park grant costs	(100,000)	(100,000)	-	-
Other grant expenses	(638,500)	-	-	-
	(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.