Buffalo & Erie County Industrial Land Development Corp 2024 Budget

Industrial Land Development Corporation (ILDC) 2024 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 2024 Budget:

A summary of the key changes between the 2024 budget and the projected 2023 results:

- The Erie County BDF microloan fund is a loan/grant program. New loans are funded with grant income from Erie County passed through the ECIDA. The forgivable portion of the loan/grant is added to the provision for loan losses in the year of closing.
- The ECIDA Management Fee represents a fee charged by the ECIDA for services that its employees provide related to the Erie County BDF microloan fund. ECIDA staff time related to ILDC projects is not charged to the ILDC.
- Land owned by the ILDC at Renaissance Commerce Park is driving budgeted increases in proceeds from land sales. Professional services consist of legal, consulting, and auditing costs, and are budgeted to increase by about \$40,000 in 2024. This is due to the legal costs associated with land owned and environmental consulting costs anticipated in 2024.
- The Special Projects section of the budget relates to grants. ILDC expects to recognize \$2.9 million of grant revenue from Empire State Development and \$1.6 million of grant revenue from the Economic Development Administration in 2024 related to infrastructure and sewer work at Renaissance Commerce Park. A total of \$150,000 is budgeted to be used in 2024 for carrying costs related to owned properties, which will be granted by ECIDA's UDAG fund. Other grant revenue consists of \$271,000 for master planning and infrastructure at the ILDC's Evans property.

B. Summary of Risk Factors impacting the 2024 Budget:

The following significant risk factors may influence the 2024 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 2024 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 2024

	Budget 2024	Approved Budget 2023	Projected 2023	Actual 2022	
REVENUES:	¢ 47.000	¢ 40.000	¢ 00.040	¢ 11.000	
Interest Income - Loans	\$ 17,000	\$ 13,000	\$ 20,842	\$ 11,630	
Grant Income	164,000	140,000	129,000	463,352	
Proceeds from Land Sales Less: Cost of Land Sales	600,000	300,000	552,500	207,250	
Other Income	(849,574)	-	(510,600) 11,200	(388,574) 190,700	
Interest Income - Cash & Investments	2,000	- 200	4,034	629	
Total Revenues	(66,574)	453,200	206,976	484,987	
Total Revenues	(00,374)	433,200	200,970	404,907	
EXPENSES:					
ECIDA Management Fee*	24,000	\$ 190,000	24,000	\$ 282,224	
Provision for Loan Losses	105,000	15,000	140,000	482,505	
Professional Services	67,200	65,000	26,871	49,677	
Development & Marketing Expenses	5,000	35,000	-	1,053	
Other Expenses	10,075	8,175	2,424	23,651	
Total Expenses	211,275	313,175	193,295	839,109	
SPECIAL PROJECTS:					
Industrial Land Park - ESD Grant	2 909 646	2 612 250	1 500 000	1 250 075	
Industrial Land Park - ESD Grant	2,898,646 1,590,483	2,612,350	1,500,000 1,000,000	1,358,875 89,517	
Industrial Land Park - ECIDA Grant	1,590,483	- 70,000	200,651	19,775	
Angola Ag Park - ECIDA Grant	50,000	100,000	29,680 37,462		
Other grant revenue	270,763	283,304	163,285	68,963	
Industrial Land Park grant reimbursement	(300,000)	(150,000)	(276,250)	(103,625)	
Industrial Land Park grant costs	(4,589,130)	(2,682,350)	(2,582,658)	(1,548,031)	
Angola Ag Park grant costs	(4,000,100)	(100,000)	(12,664)	(16,387)	
Other grant expenses	(270,763)	(297,304)	(13,425)	(65,056)	
	(300,000)	(164,000)	8,620	(158,505)	
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NET INCOME/(LOSS) BEFORE DEPRECIATION:	\$ (577,849)	\$ (23,975)	\$ 22,301	\$ (512,626)	
Depreciation	4,500	650	2,300	650	
NET INCOME/(LOSS):	\$ (582,349)	\$ (24,625)	\$ 20,001	\$ (513,277)	

* 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 2025-2027

REVENUES:	Budget 2024	Forecast 2025	Forecast 2026	Forecast 2027
Interest Income - Loans	\$ 17,000	\$ 17,000	\$ 17,850	\$ 16,958
Grant Income	164,000	-	-	-
Proceeds from Land Sales	600,000	300,000	300,000	300,000
Less: Cost of Land Sales	(849,574)	(200,000)	(200,000)	(200,000)
Other Income	-	-	-	-
Interest Income - Cash & Investments	2,000	100	100	100
Total Revenues	(66,574)	117,100	117,950	117,058
EXPENSES:				
ECIDA Management Fee*	24,000	\$ 25,000	\$ 25,000	\$ 25,000
Provision for Loan Losses	105,000	70,000	70,000	70,000
Professional Services	67,200	50,000	50,000	50,000
Development & Marketing Expenses	5,000	5,000	5,000	5,000
Other Expenses	10,075	2,500	4,000	5,000
Total Expenses	211,275	152,500	154,000	155,000
SPECIAL PROJECTS:				
Industrial Land Park - ESD Grant	2,898,646	-	-	-
Industrial Land Park - EDA Grant	1,590,483			
Industrial Land Park - ECIDA Grant	100,000	-	-	-
Angola Ag Park - ECIDA Grant	50,000	-	-	-
Other grant revenue	270,763	-	-	-
Industrial Land Park grant reimbursement	(300,000)	(150,000)	(150,000)	(150,000)
Industrial Land Park grant costs	(4,589,130)	-	-	-
Angola Ag Park grant costs	(50,000)	-	-	-
Other grant expenses	(270,763) (300,000)	(150,000)	(150,000)	(150,000)
	(300,000)	(150,000)	(150,000)	(130,000)
NET INCOME/(LOSS) BEFORE DEPRECIATION:	\$ (577,849)	\$(185,400)	\$(186,050)	\$(187,943)
Depreciation	4,500	4,500	4,500	4,500
NET INCOME/(LOSS):	\$ (582,349)	\$(189,900)	\$(190,550)	\$(192,443)

* 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: 12/31/2024

Budget & Financial Plan

Run Date: 10/27/2023 Status: CERTIFIED Certified Date:10/27/2023

		Last Year (Actual) 2022	Current Year (Estimated) 2023	Next Year (Adopted) 2024	Proposed 2025	Proposed 2026	Proposed 2027
REVENUE & FINANCIAL SOURCES							
Operating Revenues							
	Charges For Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Rental And Financing Income	\$11,630.00	\$20,842.00	\$17,000.00	\$17,000.00	\$17,850.00	\$16,957.00
	Other Operating Revenues	\$397,950.00	\$563,700.00	\$600,000.00	\$300,000.00	\$300,000.00	\$300,000.00
Non-Operating Revenues							
	Investment Earnings	\$629.00	\$4,034.00	\$2,000.00	\$100.00	\$100.00	\$100.00
	State Subsidies/Grants	\$1,358,875.00	\$1,500,000.00	\$2,898,646.00	\$0.00	\$0.00	\$0.00
	Federal Subsidies/Grants	\$89,517.00	\$1,129,000.00	\$1,754,483.00	\$0.00	\$0.00	\$0.00
	Municipal Subsidies/Grants	\$512,196.00	\$163,285.00	\$270,763.00	\$0.00	\$0.00	\$0.00
	Public Authority Subsidies	\$57,238.00	\$230,331.00	\$150,000.00	\$0.00	\$0.00	\$0.00
	Other Nonoperating Revenues	\$20,119.00	\$0.00	\$0.00	\$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 and financing sources		\$2,448,154.00	\$3,611,192.00	\$5,692,892.00	\$317,100.00	\$317,950.00	\$317,057.00
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	\$60,499.00	\$26,870.00	\$67,200.00	\$50,000.00	\$50,000.00	\$50,000.00
	Supplies And Materials	\$612.00	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00
	Other Operating Expenses	\$800,742.00	\$634,646.00	\$992,949.00	\$307,000.00	\$308,500.00	\$309,500.00
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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other Nonoperating Expenses	\$2,099,578.00	\$2,929,675.00	\$5,214,892.00	\$150,000.00	\$150,000.00	\$150,000.00
Total expenses		\$2,961,431.00	\$3,591,191.00	\$6,275,241.00	\$507,000.00	\$508,500.00	\$509,500.00
	Capital Contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Excess (Deficiency) Of Revenues And Capital Contributions Over Expenses		(\$513,277.00)	\$20,001.00	(\$582,349.00)	(\$189,900.00)	(\$190,550.00)	(\$192,443.00)

Budgeted Revenues, Expenditures, And Changes in Current Net Assets.

Budget Report for Buffalo and Erie County Industrial Land Development Corporation

Fiscal Year Ending: 12/31/2024

Run Date:10/27/2023Status:CERTIFIEDCertified Date:10/27/2023

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