

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

- DATE AND PLACE:** March 25, 2026, at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Grace Bogdanove, Daniel Castle, Zaque Evans, Hon. Timothy Meyers, Hon. Mark C. Poloncarz and Hon. Taisha St. Jean Tard
- EXCUSED:** Hon. Sean Ryan
- OTHERS PRESENT:** John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Beth O’Keefe, Vice President of Operations; Jerry Manhard, Chief Lending Officer; Grant Lesswing, Director of Business Development; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Brian Krygier, Director of Information Technology; Noah Cliff, Business Development Officer; Atiqa Abidi, Accounting Manager; Michelle Moore, Compliance Associate; Talia Johnson-Huff, Project Manager; Robbie Ann McPherson, Director, Marketing & Communications and Robert Murray, Esq., General Counsel/Harris Beach Murtha
- GUESTS:** None.

There being a quorum present at 1:10 p.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation (the “ILDC”) was called to order by Chair Poloncarz.

MINUTES

Mr. Evans moved, and Mr. Castle seconded, to approve of the January 28, 2026 minutes. Mr. Poloncarz called for the vote, and the minutes were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

Financial Report. Ms. Profic presented the February financial reports. The balance sheet shows that the ILDC finished the month with total assets of \$14.6M. The cash decrease from January is the result of the repayment to ECIDA of \$2.3M of borrowed UDAG funds with grant funds. Liabilities of \$7.2M are amounts owed to ECIDA and deferred grant revenue. The corresponding decrease with cash and amounts owned to ECIDA. Net assets were \$7.4M. The February income statement shows \$3,700 of revenue, \$3,500 of expenses and \$18,000 of net

special project revenue. Factoring in non-operating income there was a net income of \$18,246 in February. The year-to-date income statement shows operating revenues of \$7,000 and expenses of \$18,000. Special project revenue of \$18,000 and \$500 of non-operating income lead to net income of \$7,176 so far in 2025. Mr. Poloncarz directed that the report be received and filed.

Financial & Audit Committee Update. Ms. Profic reviewed her memo summarizing the joint Finance & Audit Committee meeting held on March 12. Our auditors from Lumsden McCormick presented draft 2025 audited financial statements. The three main points of the presentation were an unmodified (clean) opinion on the financial statements, there were no difficulties in performing the audits or disagreements with management, and there were no material weaknesses or significant deficiencies noted (no management letter comments). The Committee also reviewed and recommend the items listed under #2-#3 for approval: 2025 Public Authorities Report and 2025 Investment Reports. They reviewed and recommended changes to the Fee Structure Policy and re-adopted the Investment & Deposit Policy. The Committee also approved the Finance & Audit Committee Self-Evaluation and reviewed Management's Assessment of the Effectiveness of Internal Controls and Corporate Credit Card usage.

Ms. Profic also reviewed the Committee's Self-Evaluation. Each year the Committee completes a self-evaluation, as required by the Committee Charter. Essentially, did the Committee fulfill its duties per the Committee Charter? Comments in the rightmost column give some detail of the Committee activity throughout the year. In 2025, the Committee officially convened a total of 5 times and fulfilled its duties as documented.

Audited Financial Statements. Ms. Profic reviewed the draft 2025 audited financial statements, required communications, and management letter. Lumsden's required communications with those charged with governance, which documents the auditors' responsibility related to the financial statement audit, there were no changes to the planned scope and timing, a summary of accounting estimates made within the financials, and no difficulties or disagreements with management. Ms. Profic mentioned, an unmodified opinion was issued on the statements. The most significant estimates for ILDC are the depreciation of capital assets and the allowance for uncollectible loans. The management letter noting no significant deficiencies or material weaknesses. The Representation Letter will be signed once the audit is approved by the Board.

As a component unit of Erie County, the ILDC's financial statements are prepared based on Governmental Accounting Standards and include a Management's Discussion and Analysis, which provides a condensed overview of the statements. The balance sheets show there were total assets of \$16.8M as of December 31, 2025, a \$310,000 decrease from the end of 2024. Current assets decreased \$230,000, due to a \$1.2M decrease in grants receivable combined with a \$969,000 increase in cash. This inverse relationship is due to the receipt of grant funds in early 2025 that remain in an imprest account. Non-current assets decreased \$79,000, due mainly to a decrease in loans receivable. Liabilities decreased \$267,000, due to a decrease in amounts due to affiliate combined with increases in accounts payable and unearned grant revenue. ILDC has been borrowing funds from ECIDA's UDAG fund to cash flow projects at RCP that are being funded with reimbursable grants and with \$3.6M due to ECIDA at the end of 2025. There was a

decrease in net position of \$43,000. The statements of revenues, expenses, and changes in net position (income statements) detail the change in net position for the year. Operating revenues of \$596,000 include a bond administrative fee of \$550,000, rental income, and interest on loans. Operating expenses of \$1M consists mainly of the \$701,000 transferred to ECIDA (mostly the bond fee), plus \$257,000 of general & administrative costs. The provision for uncollectible loans was \$48,000 for 2025. Most of the microloans have a forgiveness component if a certain amount of principal is paid as agreed. What this provision for uncollectible loans does is recognize the best-case scenario, where borrowers are repaying 50% of their loan and the is forgiven. Special project grants include income and expenses related to grants - including \$1.6M recognized from Erie County related to construction of the first access road at the Angola Agribusiness Park. Grant expenses of \$2M are mainly related to RCP. Overall there was a decrease in net position of \$43,000 in 2025, compared to a decrease of \$179,000 in 2024. The cash flows statements detail the changes in cash each year. The remainder of the financials are the notes and supplementary information. These drafts were reviewed and discussed in detail with the Finance & Audit Committee on March 12, and they recommended approval to the Board. We will continue to work with Lumsden McCormick to file IRS Form 990.

Mr. Evans moved and Mr. Meyers seconded to approve of the audited financial statements. Mr. Poloncarz called for the vote and the audited financial statements were unanimously approved.

2025 Investment Report. Ms. Profic stated this report is required by Public Authorities Law and includes ILDC's investment guidelines, the results of our annual audit of these guidelines, and detail of investment income and fees for the year. \$15,700 of investment income was earned on these accounts during 2024, and no fees were paid. Most of the investment income earned is remitted back to ESD under the terms of the grant agreements. This report was reviewed by the Finance & Audit Committee at their March 12 meeting and recommended to the Board for approval.

Mr. Meyers moved and Ms. St. Jean Tard seconded to approve of the 2025 Investment Report. Mr. Poloncarz then called for the vote and the 2025 Investment Report was unanimously approved.

Governance Committee Update: Ms. O'Keefe provided the Board members with an update on the most recent Governance Committee meeting.

ILDC Loan Status Report. Mr. Manhard provided this report to Board members.

ANNUAL REPORTS & POLICIES

2025 Mission Statement, Performance Measures and Results. Ms. O'Keefe reviewed the 2025 Mission Statement, Performance Measures and Results. This statement and measures were reviewed by the Governance Committee at their meeting on March 18th and has been recommended to the Board for approval.

2026 Mission Statement and Performance Measures. Ms. O’Keefe reviewed the 2026 Mission Statement and Performance Measures, This statement and performance measures were reviewed by the Governance Committee at their meeting on March 18th and has been recommended to the Board for approval.

2025 Public Authorities Report. Ms. Profic reviewed the 2025 Public Authorities Report. As a Public Authority of the State of New York, ECIDA and its affiliates are required to comply with the NYS Public Authorities Law and submit a comprehensive annual report including information on several topics. Several of the items are covered by other documents, like the operations and accomplishments and financial statements, which are noted throughout the document. Many of the items included are standard from year to year and are also approved or re-adopted by the Board annually. A section of the Report was updated for 2025 to update the progress at ILDC-owned properties, RDC’s lending activity, and overall ECIDA project activity. Attachments include the Mission Statement & Performance Measurements, outstanding bond information, salary & benefit information, projects undertaken by each entity, our Property Report, Board Member attendance, and the Procurement Reports for each entity. Once approved, certification will be signed and the report will be posted to our website. This report was reviewed by the Finance & Audit Committee at their meeting on March 12 and Governance Committee at their meeting on March 18 and has been recommended to the Board for approval.

Ms. St. Jean Tard moved and Mr. Meyers seconded to approve of the 2025 Mission Statement, Performance Measures and Results, the 2026 Mission Statement and Performance Measures and the 2025 Public Authorities Report. Mr. Poloncarz called for the vote and the resolution was unanimously approved.

RE-ADOPT POLICIES AND CHARTERS

Required Re-Adoptions. The following policies are required to be re-adopted annually: the Investment and Deposit Policy, Procurement Policy, and Property Disposition Guidelines. Each year Harris Beach Murtha reviews all of our policies for pertinent updates, and there were no required or recommended updates. These three policies were reviewed with either the Governance or Finance & Audit Committee and recommended to the Board for approval.

Ms. St. Jean Tard moved and Mr. Meyers seconded to approve of the re-adoption of Investment and Deposit Policy, Procurement Policy, and Property Disposition Guidelines. Mr. Poloncarz called for the vote and the above was unanimously approved.

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 1:28 p.m.

Dated: March 25, 2026


Carrie Hocieniec, Assistant Secretary