



**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 10, 2018 at 12:00 p.m.**

**ECIDA Offices  
95 Perry Street  
4<sup>th</sup> Floor – Vista Room  
Buffalo, New York 14203**

**Agenda**

1. Approval of Minutes – August 20, 2018
2. 2019 Draft ECIDA Operating & Capital Budget + 3 Year Forecast
3. 2019 Draft RDC Operating Budget + 3 Year Forecast
4. 2019 Draft ILDC Operating Budget + 3 Year Forecast
5. 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 20, 2018, at the Erie County Industrial Development Agency, 95 Perry Street, Suite 403, Buffalo, New York 14203
- PRESENT:** Penny Beckwith, Hon. Glenn R. Nellis, Sister Denise Roche and Michael Szukala
- ABSENT:** James F. Doherty, Hon. Joseph H. Emminger and William Witzleben
- OTHERS PRESENT:** John Cappellino, Executive Vice President; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; and Robert G. Murray, Secretary

There being a quorum present, Mr. Szukala called the meeting to order at 12:14 p.m.

**MINUTES**

The July 18, 2018 minutes of the joint meeting of the Committee were presented. Upon motion made by Mr. Nellis, and seconded by Ms. Beckwith, and after a vote as called for by Mr. Szukala, the July 18, 2018 minutes of the Committee were unanimously approved.

**95 PERRY STREET SUBLEASE RENEWAL**

Ms. Profic reviewed a memorandum describing the Agency's efforts with respect to securing new rental space given the upcoming September 30, 2018 lease expiration date with respect to its current facilities. Ms. Profic reviewed efforts related to comparing rents at other potential locations, and presented a proposal for the Agency to renew its lease at its current location for a term of 5 years, as recommended by Agency staff. Ms. Profic reviewed the various terms and conditions all as described in a memorandum prepared for and submitted to members of the Joint Finance and Audit Committee and as attached hereto and made a part of these minutes.

Mr. Szukala asked for a motion to recommend approval of the sublease extension, to the Members of the Agency, on the terms and conditions as described within the memorandum related thereto as presented to members of this Committee. Ms. Beckwith moved and Sister Denise seconded to approve of the motion. Mr. Szukala called for the vote and the motion as then unanimously approved.

**NEW BUSINESS**

Ms. Profic updated members on the upcoming 2019 budget approval process.

There being no further business to discuss, Mr. Szukala adjourned the meeting at 12:48 p.m.

Dated: August 20, 2018

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Robert G. Murray, Secretary

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**  
**Proposed Budget for 2019**

	Proposed Budget 2019	Approved Budget 2018	Projected 2018	Actual 2017
<b>REVENUES:</b>				
Administrative Fees	\$ 1,960,000	\$ 1,960,000	\$ 1,332,000	\$ 1,962,918
Affiliate Management Fees	402,500	404,000	388,000	391,140
Management Fees - BUDC	82,000	83,000	82,000	67,258
Interest Income - Loans	-	-	6,000	6,890
Interest Income - Cash & Investments	30,000	16,000	33,505	22,127
Rental Income	314,700	298,700	288,464	287,048
Other Income	36,000	30,000	43,834	24,955
UDAG Venture Sale Income (Athenex)	-	-	42,401	487,163
Total Revenues	2,825,200	2,791,700	2,216,205	3,249,499
<b>EXPENSES:</b>				
Salaries & Benefits	2,102,500	2,052,490	2,070,980	1,991,230
Professional Services	90,000	138,500	83,433	144,255
General Office Expenses	169,000	176,580	171,612	196,658
Insurance Expense	85,000	82,500	81,200	73,714
Marketing Expenses	50,000	50,000	50,000	37,387
Public Notices	24,000	24,000	20,014	29,041
Building Operating Costs	229,860	181,660	182,834	183,665
Travel, Mileage & Meeting Expenses	66,000	80,000	64,861	59,965
Other Expenses	10,000	10,000	9,730	9,622
Total Expenses	2,826,360	2,795,730	2,734,663	2,725,537
<b>GRANT INCOME:</b>				
Revenues	1,931,216	2,248,950	4,882,762	1,048,062
Expenses	(1,931,216)	(2,248,950)	(4,802,232)	(758,484)
	-	-	80,530	289,579
<b>NET INCOME (LOSS) BEFORE DEPRECIATION, EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:</b>	<b>(1,160)</b>	<b>(4,030)</b>	<b>(437,929)</b>	<b>813,541</b>
Depreciation	(130,000)	(130,000)	(130,000)	(139,508)
<b>NET INCOME (LOSS) BEFORE EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:</b>	<b>(131,160)</b>	<b>(134,030)</b>	<b>(567,928)</b>	<b>674,032</b>
<b>External Special Projects:</b>				
Buffalo Building Reuse Project (BUDC)	100,000	100,000	100,000	75,000
Beverly Gray Business Exchange	-	100,000	-	100,000
Annual Membership (IBN)	50,000	50,000	50,000	75,000
Canadian Lead Generation (IBN)	72,000	72,000	72,000	-
NDC Technical Assistance	60,000	60,000	60,000	60,000
Z7+ consultants/expense reserve	-	-	639,010	505,114
Industrial Land Park grant paid**	200,000	200,000	200,000	6,519,542
Industrial Land Park grant (rec'd)**	(1,390,000)	(1,400,000)	(1,390,000)	-
Total Special Projects	(908,000)	(818,000)	(268,990)	7,334,656
<b>NET INCOME (LOSS) BEFORE OTHER RESERVES:</b>	<b>776,840</b>	<b>683,970</b>	<b>(298,938)</b>	<b>(6,660,624)</b>
<b>Reserves for Future Projects:</b>				
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	-	-
<b>NET INCOME (LOSS):</b>	<b>\$ (1,223,160)</b>	<b>\$ (1,316,030)</b>	<b>\$ (298,938)</b>	<b>\$ (6,660,624)</b>

\* Board authorized the acquisition of the Bethlehem Steel property by ILDC in February 2017; this included an allocation of \$5,700,000 for land acquisition, and \$1,000,000 for carrying costs over the next 5 (\$200,000/year) years. ILDC will reimburse \$2.78M after ESD grant revenue is received.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**  
**Proposed Three Year Forecast 2020-2022**

	Proposed Budget 2019	Forecast 2020	Forecast 2021	Forecast 2022
<b>REVENUES:</b>				
Administrative Fees	\$ 1,960,000	\$ 1,950,000	\$ 1,950,000	\$ 1,950,000
Affiliate Management Fees	402,500	415,000	427,000	440,000
Management Fees - BUDC	82,000	84,000	87,000	90,000
Interest Income - Cash & Investments	30,000	18,000	18,500	19,000
Rental Income	314,700	300,000	300,000	300,000
Other Income	36,000	40,000	40,000	40,000
Proceeds from Land Sales (UDAG)	-	250,000	250,000	200,000
Total Revenues	2,825,200	3,057,000	3,072,500	3,039,000
<b>EXPENSES:</b>				
Salaries & Benefits	2,102,500	2,166,000	2,231,000	2,298,000
Professional Services	90,000	140,000	140,000	140,000
General Office Expenses	169,000	174,000	179,000	184,000
Insurance Expense	85,000	88,000	91,000	94,000
Marketing Expenses	50,000	52,000	54,000	56,000
Public Notices	24,000	25,000	26,000	27,000
Building Operating Costs	229,860	237,000	244,000	251,000
Travel, Mileage & Meeting Expenses	66,000	68,000	70,000	72,000
Other Expenses	10,000	10,000	10,000	10,000
Total Expenses	2,826,360	2,960,000	3,045,000	3,132,000
<b>GRANT INCOME:</b>				
Revenues	1,931,216	250,000	250,000	250,000
Expenses	(1,931,216)	(250,000)	(250,000)	(250,000)
	-	-	-	-
<b>NET INCOME (LOSS) BEFORE DEPRECIATION, EXTENAL SPECIAL PROJECTS AND OTHER RESERVES:</b>				
	(1,160)	97,000	27,500	(93,000)
Depreciation	(130,000)	(130,000)	(130,000)	(130,000)
<b>NET INCOME (LOSS) BEFORE EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:</b>				
	(131,160)	(33,000)	(102,500)	(223,000)
<b>External Special Projects and Strategic Initiatives:</b>				
Buffalo Building Reuse Project (BUDC)	100,000	100,000	100,000	100,000
Beverly Gray Business Exchange	-	-	-	-
Annual membership (IBN)	50,000	50,000	50,000	50,000
Canadian Lead Generation (IBN)	72,000	72,000	-	-
NDC Technical Assistance	60,000	60,000	60,000	60,000
Industrial Land Park grant paid**	200,000	200,000	200,000	200,000
Industrial Land Park grant (rec'd)**	(1,390,000)	(250,000)	(250,000)	(200,000)
Venture Capital Co-Investment	1,000,000	-	-	-
Forgivable Attraction Loan(s)	1,000,000	-	-	-
Total Special Projects and Other Strategic Investments	1,092,000	232,000	160,000	210,000
<b>NET INCOME (LOSS):</b>	<b>\$ (1,223,160)</b>	<b>\$ (265,000)</b>	<b>\$ (262,500)</b>	<b>\$ (433,000)</b>

**Erie County Industrial Development Agency**  
**Proposed Five Year Capital Budget 2019-2023**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
<b>Facilities:</b>						
<b><u>143 Genesee Street</u></b>						
<b>Exterior</b>						
Entry Doors	\$ 17,500	\$ -	\$ -	\$ -	\$ -	\$ 17,500
Landscaping	7,500	-	-	-	-	7,500
Lighting	-	-	-	-	10,000	10,000
Painting / Caulk	500	-	-	-	-	500
<b>Interior</b>						
Kitchen	-	-	-	30,000	-	30,000
Bathrooms	-	30,000	-	-	-	30,000
Carpet	-	-	30,000	-	-	30,000
Painting	-	-	-	-	20,000	20,000
Misc	10,000	5,000	5,000	5,000	5,000	30,000
	<u>35,500</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>175,500</u>
<b><u>95 Perry Street</u></b>						
<b>Interior</b>						
Misc	10,000	10,000	10,000	10,000	5,000	45,000
Total Facilities	<u>45,500</u>	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>40,000</u>	<u>220,500</u>
<b>Information Technology:</b>						
Phone system	12,500	-	-	-	-	12,500
Servers	8,000	-	-	8,000	-	16,000
Misc.	3,000	3,000	3,000	3,000	3,000	15,000
Total Information Technology	<u>23,500</u>	<u>3,000</u>	<u>3,000</u>	<u>11,000</u>	<u>3,000</u>	<u>43,500</u>
<b>GRAND TOTAL</b>	<b><u>\$ 69,000</u></b>	<b><u>\$ 48,000</u></b>	<b><u>\$ 48,000</u></b>	<b><u>\$ 56,000</u></b>	<b><u>\$ 43,000</u></b>	<b><u>\$ 264,000</u></b>

**REGIONAL DEVELOPMENT CORPORATION ("RDC")**  
**Proposed Budget for 2019**

	<b>Proposed Budget 2019</b>	<b>Approved Budget 2018</b>	<b>Projected 2018</b>	<b>Actual 2017</b>
<b>REVENUES:</b>				
Interest Income - Loans	\$ 520,000	\$ 530,000	\$ 411,272	\$ 409,782
Interest Income - Cash & Investments	10,000	4,000	23,411	7,403
Administrative Fees	10,000	10,000	20,884	24,688
Other Income	10,000	17,000	4,929	28,767
Total Revenues	550,000	\$ 561,000	460,497	470,638
<b>EXPENSES:</b>				
ECIDA Management Fee*	\$ 350,000	\$ 357,000	\$ 343,000	\$ 350,968
Provision for Loan Losses**	175,000	175,000	100,000	130,024
Rent & Facilities Expenses	23,000	18,000	18,000	17,659
Professional Services	45,000	51,000	37,500	37,477
Travel, Mileage & Meeting Expenses	2,500	2,500	1,000	-
General Office Expenses	900	1,000	284	3,197
Marketing & Other Expenses	16,075	12,900	22,500	17,341
Total Expenses	612,475	617,400	522,284	556,665
<b>NET INCOME/(LOSS):</b>	<b>\$ (62,475)</b>	<b>\$ (56,400)</b>	<b>\$ (61,787)</b>	<b>\$ (86,027)</b>

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

** Estimated 2019 Loan Balance	\$ 12,916,000
Provision for Loan Losses	\$ 175,000
Percentage of Loans	1.4%

**REGIONAL DEVELOPMENT CORPORATION ("RDC")**  
**Proposed Three Year Forecast 2020-2022**

	<b>Proposed Budget 2019</b>	<b>Forecast 2020</b>	<b>Forecast 2021</b>	<b>Forecast 2022</b>
<b>REVENUES:</b>				
Interest Income - Loans	\$ 520,000	\$ 525,000	\$ 530,000	\$ 535,000
Interest Income - Cash & Investments	10,000	10,000	10,000	10,000
Administrative Fees	10,000	15,000	15,000	15,000
Other Income	10,000	10,000	10,000	10,000
Total Revenues	550,000	560,000	565,000	570,000
<b>EXPENSES:</b>				
ECIDA Management Fee*	\$ 350,000	\$ 360,000	\$ 360,000	\$ 360,000
Provision for Loan Losses	175,000	125,000	100,000	100,000
Rent & Facilities Expenses	23,000	23,000	24,000	24,000
Professional Services	45,000	50,000	50,000	50,000
General Office Expenses	900	900	900	900
Marketing & Other Expenses	16,075	5,000	5,000	5,000
Total Expenses	612,475	563,900	539,900	539,900
<b>NET INCOME/(LOSS):</b>	\$ (62,475)	\$ (3,900)	\$ 25,100	\$ 30,100

\* 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 CORPORATION ("ILDC")**  
**Proposed Budget for 2019**

	<b>Proposed Budget 2019</b>	<b>Approved Budget 2018</b>	<b>Projected 2018</b>	<b>YTD - July Actual 2018</b>	<b>Actual 2017</b>
<b>REVENUES:</b>					
Interest Income - Loans	\$ 350	\$ 500	\$ 492	\$ 287	\$ 614
Interest Income - Cash & Investments	10	-	6	4	-
Other Income	-	-	83,750	2,000	485,885
<b>Total Revenues</b>	<b>360</b>	<b>500</b>	<b>84,248</b>	<b>2,291</b>	<b>486,499</b>
<b>EXPENSES:</b>					
ECIDA Management Fee*	\$ 8,000	\$ 29,000	87,183	\$ 3,169	\$ 506,197
Professional Services	23,000	3,800	49,467	28,856	18,693
Other Expenses	2,625	2,750	51,599	30,099	1,579
<b>Total Expenses</b>	<b>33,625</b>	<b>35,550</b>	<b>188,249</b>	<b>62,124</b>	<b>526,469</b>
<b>SPECIAL PROJECTS:</b>					
Industrial Land Park - ESD grant	1,390,000	1,400,000	1,390,000	-	-
Industrial Land Park - ECIDA grant	200,000	200,000	200,000	80,000	6,519,542
Industrial Land Park grant reimbursement	(1,390,000)	(1,400,000)	(1,390,000)	-	-
Industrial Land Park costs	(200,000)	(200,000)	(200,000)	-	-
Other grant revenue	509,657	-	200,000	1,907	-
Other grant expenses	(509,657)	-	(200,000)	(1,907)	-
	-	-	-	80,000	6,519,542
<b>NET INCOME/(LOSS):</b>	<b>\$ (33,265)</b>	<b>\$ (35,050)</b>	<b>\$ (104,001)</b>	<b>\$ 20,166</b>	<b>\$ 6,479,572</b>

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

**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**  
**Proposed Three Year Forecast 2020-2022**

	<b>Proposed Budget 2019</b>	<b>Forecast 2020</b>	<b>Forecast 2021</b>	<b>Forecast 2022</b>
<b>REVENUES:</b>				
Interest Income - Loans	\$ 350	\$ 260	\$ 155	\$ 70
Interest Income - Cash & Investments	10	25	25	25
Proceeds from Land Sales	-	250,000	250,000	200,000
<b>Total Revenues</b>	<b>360</b>	<b>250,285</b>	<b>250,180</b>	<b>200,095</b>
<b>EXPENSES:</b>				
ECIDA Management Fee*	\$ 8,000	\$ 30,000	\$ 30,000	\$ 30,000
Professional Services	23,000	3,600	3,800	3,900
Other Expenses	2,625	2,500	4,000	5,000
<b>Total Expenses</b>	<b>33,625</b>	<b>36,100</b>	<b>37,800</b>	<b>38,900</b>
<b>SPECIAL PROJECTS:</b>				
Industrial Land Park - ESD grant	1,390,000	-	-	-
Industrial Land Park - ECIDA grant	200,000	200,000	200,000	200,000
Industrial Land Park grant reimbursement	(1,390,000)	-	-	-
Industrial Land Park costs	(200,000)	(200,000)	(200,000)	(200,000)
Other grant revenue	509,657	-	-	-
Other grant expenses	(509,657)	-	-	-
	-	-	-	-
	-	-	-	-
<b>NET INCOME/(LOSS):</b>	<b>\$ (33,265)</b>	<b>\$ 214,185</b>	<b>\$ 212,380</b>	<b>\$ 161,195</b>

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