

Industrial Land Development Corp
2019 Budget

Industrial Land Development Corporation (ILDC)

2019 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 loan 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 2019 Budget:

The following summarizes the key changes between the 2019 budget and the projected 2018 results:

- The decrease in both Other Income and ECIDA Management Fee is due to the fact that in 2018, the ILDC received income from issuing tax-exempt debt that is paid to the ECIDA under a shared services agreement as compensation for the services ECIDA performs. No such fee income is budgeted in the ILDC for 2019 due to the unpredictable nature of bond issuances.
- The Special Projects section of the budget relates to grants for the Bethlehem Steel property purchased in 2017 and others related to the Master Plan and GEIS of the property. ILDC was granted \$2.78 million to offset the cost of the land purchase, half of which was received and reimbursed to ECIDA in 2018. The second half is expected in 2019. \$200,000 is budgeted to be used in 2019 for carrying costs related to the property, which will be granted by ECIDA’s UDAG fund. The Master Plan is expected to be completed in the first half of 2019.

B. Summary of Risk Factors impacting the 2019 Budget:

The following significant risk factors may influence the 2019 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 2019 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 2019

	Budget 2019	Approved Budget 2018	Projected 2018	Actual 2017
REVENUES:				
Interest Income - Loans	\$ 350	\$ 500	\$ 492	\$ 614
Interest Income - Cash & Investments	10	-	6	-
Other Income	-	-	83,750	485,885
Total Revenues	360	500	84,248	486,499
EXPENSES:				
ECIDA Management Fee*	\$ 28,000	\$ 29,000	87,183	\$ 506,197
Professional Services	23,000	3,800	49,467	18,693
Other Expenses	2,625	2,750	51,599	1,579
Total Expenses	53,625	35,550	188,249	526,469
SPECIAL PROJECTS:				
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	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	-
Other grant expenses	(509,657)	-	(200,000)	-
	-	-	-	6,519,542
NET INCOME/(LOSS):	\$ (53,265)	\$ (35,050)	\$ (104,001)	\$ 6,479,572

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

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

	Budget 2019	Forecast 2020	Forecast 2021	Forecast 2022
REVENUES:				
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
Total Revenues	360	250,285	250,180	200,095
EXPENSES:				
ECIDA Management Fee*	\$ 28,000	\$ 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
Total Expenses	53,625	36,100	37,800	38,900
SPECIAL PROJECTS:				
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)	-	-	-
	-	-	-	-
NET INCOME/(LOSS):	\$ (53,265)	\$ 214,185	\$ 212,380	\$ 161,195

* 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: 12/31/2019

Run Date: 10/29/2018
 Status: UNSUBMITTED
 Certified Date: N/A

Budget & Financial Plan

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

	Last Year (Actual) 2017	Current Year (Estimated) 2018	Next Year (Adopted) 2019	Proposed 2020	Proposed 2021	Proposed 2022
Revenue & Financial Sources						
Operating Revenues						
Charges For Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rentals & Financing Income	\$612.00	\$498.00	\$360.00	\$260.00	\$155.00	\$70.00
Other Operating Revenues	\$485,885.00	\$83,750.00	\$0.00	\$0.00	\$0.00	\$0.00
Non-Operating Revenues						
Investment Earnings	\$0.00	\$0.00	\$0.00	\$25.00	\$25.00	\$25.00
State Subsidies / Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Federal Subsidies / Grants	\$0.00	\$0.00	\$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	\$0.00	\$1,390,000.00	\$1,590,000.00	\$200,000.00	\$200,000.00	\$200,000.00
Other Non-Operating Revenues	\$6,519,542.00	\$0.00	\$509,657.00	\$250,000.00	\$250,000.00	\$200,000.00
Proceeds From The Issuance Of Debt	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Revenues & Financing Sources	\$7,006,039.00	\$1,474,248.00	\$2,100,017.00	\$450,285.00	\$450,180.00	\$400,095.00
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	\$18,692.00	\$49,467.00	\$23,000.00	\$3,600.00	\$3,800.00	\$3,900.00
Supplies And Materials	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Operating Expenditures	\$507,776.00	\$138,782.00	\$30,625.00	\$32,500.00	\$34,000.00	\$35,000.00
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 Non-Operating Expenditures	\$0.00	\$1,390,000.00	\$2,099,657.00	\$200,000.00	\$200,000.00	\$200,000.00
Total Expenditures	\$526,468.00	\$1,578,249.00	\$2,153,282.00	\$236,100.00	\$237,800.00	\$238,900.00
Capital Contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Excess (Deficiency) Of Revenues And Capital Contributions Over Expenditures	\$6,479,571.00	(\$104,001.00)	(\$53,265.00)	\$214,185.00	\$212,380.00	\$161,195.00

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

Additional Comments