

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

DATE AND PLACE: September 26, 2018, at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: Richard Lipsitz, Jr., John J. Mudie, Hon. Peter J. Savage, III and Maria Whyte

EXCUSED: Hon. Byron W. Brown, Hon. Patrick Burke and Hon. Mark C. Poloncarz

OTHERS PRESENT: Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Mollie Profic, Chief Financial Officer; Karen M. Fiala, Assistant Treasurer and Robert G. Murray, Secretary

There being a quorum present at 8:45 a.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order by Mr. Lipsitz who presided over the meeting in the absence of Chair Poloncarz.

MINUTES

Upon motion made by Ms. Whyte, and seconded by Mr. Savage, the August 22, 2018 minutes of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation (“ILDC”) meeting were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

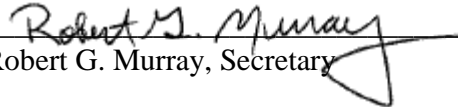
Financial Report. Ms. Profic reviewed the financial statements, noting that the ILDC ended the month with total assets of \$7.1 million and net assets of \$6.7 million. There were no significant fluctuations in assets during the month, and under liabilities, the amount due to the ECIDA increased due to funds granted from the ECIDA’s UDAG fund to cover grant reimbursable costs. The monthly income statement shows revenue of \$47,000, expenses of \$51,000, and offsetting special project grant income and expenses of \$53,000, for a net loss of \$4,000 in August. August revenue includes administrative fees for bond refinancing passed through to the ECIDA. The year to date income statement shows operating revenues of \$49,000, expenses of \$118,000, plus net grant income of \$80,000, for net income of \$11,000 so far this year. The ILDC also received the first half of the CFA grant from New York State ESD on September 18th in the amount of \$1.39 million and has used those funds to reimburse the ECIDA’s UDAG fund. Mr. Lipsitz directed that the report be received and filed.

Proposed Budget Timetable. Ms. Profic reviewed the schedule for review and approval of the 2019 ILDC Budget which must be approved by November 1, 2018.

Review of 2019 Budget. Ms. Profic commented that revenue is budgeted at \$350 from loan interest income. Ms. Profic reminded members that bond issuance revenues are not included in the budget because bond issuances are unable to be predicted and this budget is prepared to be conservative. On the expense side, the budgeted amount for ECIDA management fees have been reduced and professional services for audit and legal fees have been increased. The special project revenue and expense budget for 2019 includes \$1.39 million of reimbursement from the New York State ESD \$2.78 million grant for the Bethlehem Steel land acquisition, which will be reimbursed to the ECIDA's UDAG fund. Another \$200,000 grant from the ECIDA is budgeted for purposes of paying the carrying costs related to the Bethlehem Steel property. There is also \$509,000 of offsetting grant revenue and expense for the Bethlehem Steel master plan/GEIS project. This leads to a budgeted net loss of \$33,000 for 2019. Ms. Profic then reviewed the proposed three-year forecast noting that land sale revenues related to the Bethlehem Steel site are projected to be received in 2020-2022. Ms. Profic then encouraged members to reach out to ILDC staff with any questions regarding the budget. In addition, Ms. Whyte informed members that the ILDC is in negotiations with Tecumseh to purchase up to an additional 90 acres of real property at the Bethlehem Steel site. Mr. Lipsitz directed that the report be received and filed.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 8:52 a.m.

Dated: September 26, 2018


Robert G. Murray, Secretary