

Industrial Land Development Corp
2021 Budget

Industrial Land Development Corporation (ILDC)

2021 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 2021 Budget:

A summary of the key changes between the 2021 budget and the projected 2020 results:

- The Erie County BDF microloan fund has been reprogrammed into a loan/grant program in the wake of the COVID-19 pandemic, and an increase in recipients under this program is expected in 2021.
- The ECIDA Management Fee represents a fee charged by the ECIDA for services that its employees provide, since ILDC has no employees of its own. The fee is expected to decrease by approximately \$13,000 due to anticipated decreases in time spent on ILDC projects by ECIDA staff.
- Land owned by the ILDC has increased in 2020 with the acquisition of 242 acres in the Town of Evans, NY. Professional services consist of legal, consulting, and auditing costs, and are budgeted to increase by about \$28,000 or 54% in 2021. This is due to the legal costs associated with land owned and environmental consulting costs anticipated in 2021. Development and marketing costs are expected to increase in 2021 as well, with the intent to sell property that is owned in both Evans and Lackawanna, NY.
- The Special Projects section of the budget relates to grants. ILDC expects to recognize \$1.55 million from Empire State Development in 2021 to offset the cost of purchasing the additional land at the former Bethlehem Steel site. A total of \$300,000 is budgeted to be used in 2021 for carrying costs related to the Bethlehem Steel and Agribusiness Park properties, which will be granted by ECIDA’s UDAG fund. Other grant revenue consists of \$2.5 million for infrastructure at the Bethlehem Steel site and \$450,000 for the Agribusiness Park.

B. Summary of Risk Factors impacting the 2021 Budget:

The following significant risk factors may influence the 2021 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 2021 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 2021

	Budget 2021	Approved Budget 2020	Projected 2020	Actual 2019
REVENUES:				
Interest Income - Loans	\$ 4,500	\$ 230	\$ 709	\$ 539
Interest Income - Cash & Investments	20	10	16	14
County Contribution Income	-	-	-	170,000
Proceeds from Land Sales	250,000	250,000	-	-
Other Income	9,000	-	389,550	70,041
Total Revenues	263,520	250,240	390,275	240,594
EXPENSES:				
ECIDA Management Fee*	\$ 60,000	\$ 58,000	455,050	\$ 61,471
Professional Services	80,000	53,100	63,167	39,660
Development & Marketing Expenses	25,000	600	9,436	-
Other Expenses	2,375	875	6,024	3,897
Total Expenses	167,375	112,575	533,678	105,028
SPECIAL PROJECTS:				
Industrial Land Park purchase - ESD grant	1,555,000	1,755,000	200,000	-
Industrial Land Park carrying costs - ECIDA grant	200,000	200,000	125,000	220,000
Angola Ag Park carrying costs - ECIDA grant	100,000	100,000	920,494	-
Other grant revenue	2,950,000	25,000	32,560	156,974
Industrial Land Park grant reimbursement	-	(1,755,000)	-	(375,000)
Industrial Land Park grant costs	(200,000)	(200,000)	(294,715)	(132,889)
Angola Ag Park grant costs	(100,000)	(100,000)	(7,053)	-
Other grant expenses	(2,950,000)	(25,000)	(32,560)	(906,974)
Workforce Retention Fund	-	-	-	500,000
	1,555,000	-	943,725	(537,889)
NET INCOME/(LOSS) BEFORE DEPRECIATION:	\$ 1,651,145	\$ 137,665	\$ 800,322	\$ (402,323)
Depreciation	350	-	350	325
NET INCOME/(LOSS):	\$ 1,650,795	\$ 137,665	\$ 799,972	\$ (402,648)

* 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")
Three Year Forecast 2022-2024

	Budget 2021	Forecast 2022	Forecast 2023	Forecast 2024
REVENUES:				
Interest Income - Loans	\$ 4,500	\$ 4,500	\$ 4,725	\$ 4,489
Interest Income - Cash & Investments	20	25	25	25
Proceeds from Land Sales	250,000	250,000	250,000	200,000
Other Income	9,000	-	-	-
Total Revenues	<u>263,520</u>	<u>254,525</u>	<u>254,750</u>	<u>204,514</u>
EXPENSES:				
ECIDA Management Fee*	\$ 60,000	\$ 55,000	\$ 55,000	\$ 55,000
Professional Services	80,000	50,000	50,000	50,000
Development & Marketing Expenses	25,000	15,000	15,000	15,000
Other Expenses	2,375	2,500	4,000	5,000
Total Expenses	<u>167,375</u>	<u>122,500</u>	<u>124,000</u>	<u>125,000</u>
SPECIAL PROJECTS:				
Industrial Land Park purchase - ESD grant	1,555,000	-	-	-
Industrial Land Park carrying costs - ECIDA grant	200,000	200,000	-	-
Angola Ag Park carrying costs - ECIDA grant	100,000	100,000	-	-
Other grant revenue	2,950,000	-	-	-
Industrial Land Park grant costs	(200,000)	(200,000)	-	-
Angola Ag Park grant costs	(100,000)	(100,000)	-	-
Other grant expenses	(2,950,000)	-	-	-
	<u>1,555,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME/(LOSS) BEFORE DEPRECIATION:	<u>\$ 1,651,145</u>	<u>\$ 132,025</u>	<u>\$ 130,750</u>	<u>\$ 79,514</u>
Depreciation	350	350	350	350
NET INCOME/(LOSS):	<u>\$ 1,650,795</u>	<u>\$ 131,675</u>	<u>\$ 130,400</u>	<u>\$ 79,164</u>

* 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: 12/31/2021

Run Date: 10/29/2020
 Status: CERTIFIED
 Certified Date: 10/28/2020

Budget & Financial Plan Budgeted Revenues, Expenditures, And Changes in Current Net Assets.

	Last Year (Actual) 2019	Current Year (Estimated) 2020	Next Year (Adopted) 2021	Proposed 2022	Proposed 2023	Proposed 2024
REVENUE & FINANCIAL SOURCES						
Operating Revenues						
Charges For Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rentals & Financing Income	\$19,289.00	\$709.00	\$4,500.00	\$4,500.00	\$4,725.00	\$4,489.00
Other Operating Revenues	\$51,291.00	\$389,550.00	\$259,000.00	\$250,000.00	\$250,000.00	\$200,000.00
Non-Operating Revenues						
Investment Earnings	\$14.00	\$16.00	\$20.00	\$25.00	\$25.00	\$25.00
State Subsidies / Grants	\$0.00	\$200,000.00	\$1,755,000.00	\$0.00	\$0.00	\$0.00
Federal Subsidies / Grants	\$170,000.00	\$0.00	\$2,500,000.00	\$0.00	\$0.00	\$0.00
Municipal Subsidies / Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Public Authority Subsidies	\$720,000.00	\$1,045,494.00	\$300,000.00	\$300,000.00	\$0.00	\$0.00
Other Non-Operating Revenues	\$156,974.00	\$32,560.00	\$250,000.00	\$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 & Financing Sources	\$1,117,568.00	\$1,668,329.00	\$5,068,520.00	\$554,525.00	\$254,750.00	\$204,514.00
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	\$75,474.00	\$63,167.00	\$80,000.00	\$50,000.00	\$50,000.00	\$50,000.00
Supplies And Materials	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$75,350.00
Other Operating Expenditures	\$162,768.00	\$572,630.00	\$174,725.00	\$72,850.00	\$74,350.00	\$0.00
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	\$1,281,974.00	\$232,560.00	\$3,163,000.00	\$300,000.00	\$0.00	\$0.00
Total Expenditures	\$1,520,216.00	\$868,357.00	\$3,417,725.00	\$422,850.00	\$124,350.00	\$125,350.00
Excess (Deficiency) Of Revenues And Capital Contributions Over Expenditures	(\$402,648.00)	\$799,972.00	\$1,650,795.00	\$131,675.00	\$130,400.00	\$79,164.00



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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