



**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  
March 9, 2020**

at 12:00 PM

1. Approval of Minutes – October 9, 2019 (Action) (pages 2-3)
2. Draft 2019 ECIDA Audited Financial Statements & Management Report (Action) (pages 4-40)
3. Draft 2019 RDC Audited Financial Statements (Action) (pages 41-71)
4. Draft 2019 ILDC Audited Financial Statements (Action) (pages 72-93)
5. 2019 PAAA Annual Report (Action) (pages 94-141)
6. 2019 Investment Reports (Action) (pages 142-146)
7. Investment and Deposit Policy (Re-adoption) (Action) (pages 147-154)
8. Finance & Audit Committee Charter (Re-adoption) (Action) (pages 155-159)
9. Corporate Credit Card Policy (Re-adoption) (Action) (pages 160-162)
10. 2019 Finance & Audit Committee Self-Evaluation (Action) (pages 163-166)
11. 2019 Management's Assessment of Internal Controls (Informational) (pages 167-168)
12. Corporate Credit Card Usage Report (Informational) (page 169)
13. New Business (Informational)
14. 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:** October 9, 2019, at the Erie County Industrial Development Agency, 95 Perry Street, Suite 403, Buffalo, New York 14203
- PRESENT:** Hon. Joseph H. Emminger, Hon. Glenn R. Nellis, Hon. Charles F. Specht, Michael Szukala and Art Wingerter,
- ABSENT:** Penny Beckwith and William Witzleben
- OTHERS PRESENT:** Steven Weathers, Chief Executive Officer; John Cappellino, Executive Vice-President; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; Karen M. Fiala, Assistant Treasurer/Secretary
- GUESTS:** Pietra G. Zaffram, Esq., representing General Counsel/Harris Beach PLLC and Laura Landers, Director, representing Freed Maxick CPAs.

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

**MINUTES**

The September 16, 2019 minutes of the joint meeting of the Committee were presented. Upon motion made by Mr. Nellis, and seconded by Mr. Wingerter, and after a vote was called for by Mr. Szukala, the September 16, 2019 minutes of the Committee were unanimously approved.

**FREED MAXICK 2019 AUDIT PLAN**

Ms. Profic introduced Ms. Landers of the CPA firm Freed Maxick to review the Agency's 2019 Audit Plan.

At this point in time, Mr. Emminger joined the meeting.

Ms. Profic explained that the intent of implementing the Audit Plan is to open up a line of communication between auditors and committee members. Ms. Profic then explained that, in the course of Staff's review of the Audit Plan, issues regarding the audit of the RDC and the RDC's required reporting to EDA (the source of the Revolving Loan Fund) were discussed. Ms. Profic explained that the EDA requires annual certification of the RLF (LAP). In the past, RDC

engaged outside consultants to complete the certification requirements. Staff is now considering using Freed Maxick to expand its audit scope of work to include the RLF annual review and certification for an additional cost of up to \$5,000, rather than engaging a separate consultant.

Next, Ms. Landers reviewed the contents of the Agency's 2019 Audit Plan.

Thereafter, upon motion made by Mr. Wingerter and seconded by Mr. Emminger, a motion was made to engage Freed Maxick to expand its scope of services to include additional tests to satisfy the annual certification of the RLF, for an amount not to exceed \$5,000. Mr. Szukala called for the vote and the motion was unanimously carried.

Mr. Nellis asked who sets the standards for the RLF. Ms. Profic responded that the Office of Management and Budget, or OMB, issues such standards.

There being no further business to discuss, Mr. Nellis moved, and Mr. Specht seconded, to adjourn the meeting. Mr. Szukala adjourned the meeting at 12:39 p.m.

Dated: October 9, 2019

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Karen M. Fiala, Secretary

AUDITED FINANCIAL STATEMENTS

**ERIE COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY**

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DECEMBER 31, 2019

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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Erie County Industrial Development Agency  
Buffalo, New York

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Erie County Industrial Development Agency (the ECIDA), as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements which collectively comprise the ECIDA's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the ECIDA, as of December 31, 2019 and 2018, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated XXXX, 2020 on our consideration of the ECIDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the ECIDA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the ECIDA's internal control over financial reporting and compliance.

Buffalo, New York  
XXXXXXXX, 2020

## **ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

### **Management's Discussion and Analysis**

**December 31, 2019  
(UNAUDITED)**

Erie County Industrial Development Agency (ECIDA) is a public benefit corporation that provides tax incentives, financing programs, international trade assistance, land development and other economic development services to the City of Buffalo (the City) and Erie County, New York (the County). In accomplishing its mission, ECIDA does not receive any operational funding from Federal, State, County or local sources. Instead, ECIDA relies primarily upon administrative fees charged to those businesses that utilize its products and services.

As a public benefit corporation, ECIDA is required to comply with accounting standards issued by the Governmental Accounting Standards Board (GASB). Under GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, ECIDA is required to present management's discussion and analysis (MD&A) to assist readers in understanding ECIDA's financial performance.

In compliance with GASB Statement No. 34, we present the attached overview and analysis of the financial activities of ECIDA as of and for the years ended December 31, 2019, 2018 and 2017. We encourage readers to consider the information presented here in conjunction with ECIDA's audited financial statements.

#### **Basic Overview of the Financial Statements**

Included in this Annual Report are the following financial statements:

- 1) **Statements of Net Position** – The statements of net position show the reader what ECIDA owns (assets and deferred outflows of resources) and what ECIDA owes (liabilities and deferred inflows of resources). The difference between ECIDA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources (net position) can be one way to measure ECIDA's financial position. Over time, increases or decreases in ECIDA's net position are an indicator of whether its financial health is improving or deteriorating.
- 2) **Statements of Revenues, Expenses, and Changes in Net Position** – This statement reports ECIDA's operating and nonoperating revenues by major source along with operating and nonoperating expenses. The difference between total revenues and expenses can be one way to measure ECIDA's operating results for the year.
- 3) **Statements of Cash Flows** – This statement reports ECIDA's cash flows from operating, capital and related financing, and investing activities.

#### **Financial Highlights**

- ECIDA's total net position increased by 2% from \$22,115,000 in 2018 to \$22,622,000 in 2019.
- ECIDA experienced an increase in net position of \$507,000 in 2019 compared to an increase of \$457,000 in 2018.
- Administrative fees, a key source of revenue for ECIDA, increased 32% from \$1,201,000 in 2018 to \$1,591,000 in 2019.
- Net special project grants decreased to \$853,000 in 2019 from \$1,084,000 in 2018.
- Operating expenses decreased 3% from \$2,927,000 in 2018 to \$2,827,000 in 2019.



**Condensed Comparative Financial Statements:**

**1. Statements of Net Position:**

The following table (Table 1) presents condensed comparative financial information and was derived from the audited statements of net position of ECIDA.

**Table 1**  
**Statements of Net Position at December 31, 2019, 2018 and 2017**  
(Amounts in thousands)

	<u>2019</u>	<u>2018</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2017</u>
<b>Assets:</b>					
Cash	\$ 19,023	\$ 17,302	\$ 1,721	10%	\$ 17,034
Loans receivable, net of allowance	56	97	(41)	-42%	147
Capital assets, net	1,358	1,444	(86)	-6%	1,561
Other assets	1,722	3,574	(1,852)	-52%	10,421
Restricted cash	7,939	7,373	566	8%	4,655
<b>Total assets</b>	<b>\$ 30,098</b>	<b>\$ 29,790</b>	<b>\$ 308</b>	<b>1%</b>	<b>\$ 33,818</b>
<b>Liabilities:</b>					
Current liabilities	\$ 691	\$ 1,377	\$ (686)	-50%	\$ 7,051
Funds held on behalf of others	6,786	6,242	544	9%	5,015
Other long-term liabilities	-	56	(56)	-100%	94
<b>Total liabilities</b>	<b>7,477</b>	<b>7,675</b>	<b>(198)</b>	<b>-3%</b>	<b>12,160</b>
<b>Net position:</b>					
Investment in capital assets	1,358	1,444	(86)	-6%	1,561
Restricted	13,009	12,131	878	7%	10,980
Unrestricted	8,255	8,540	(285)	-3%	9,117
<b>Total net position</b>	<b>22,622</b>	<b>22,115</b>	<b>507</b>	<b>2%</b>	<b>21,658</b>
<b>Total liabilities and net position</b>	<b>\$ 30,099</b>	<b>\$ 29,790</b>	<b>\$ 309</b>	<b>1%</b>	<b>\$ 33,818</b>

**Cash** – ECIDA’s cash balance increased 10% or \$1,721,000 primarily due to the collection of \$1,883,000 of grants receivable and an overall change in net position of \$507,000.

**Loans Receivable** – Loans receivable represents conduit receivables. The \$41,000 decrease in the loans receivable balance is due to conduit loan repayments received during 2019.

**Restricted Cash (Funds held on behalf of others)** – Restricted cash consists primarily of funds held on behalf of others including the Buffalo Brownfields Redevelopment fund, Regional Redevelopment fund, PILOT Increment Financing (PIF) funds and the Regionally Significant Project funds. The \$566,000 or 8% increase from 2018 is due to increases of \$805,000 in the Main Street Improvement District fund, \$607,000 increase in the Seneca Street Corridor District fund, and \$306,000 in the Regional Redevelopment fund, coupled with a decrease of \$1,067,000 in the Buffalo Brownfields Redevelopment Fund as a result of temporary borrowings by Buffalo Urban Development Corporation.

**Other Assets** – Other assets include ECIDA’s grants receivable, venture capital investments, affiliate receivables, prepaid expenses, and other receivables. The decrease in other assets of \$1,852,000 from 2018 to 2019 is primarily due to a decrease in grants receivable of \$1,883,000, as cash was received during the year. This decrease was offset by a \$29,000 increase in other receivables. The decrease in other assets between 2017 and 2018 also related mainly to a decrease in grants receivable of \$5,078,000.

**Current Liabilities** – The \$686,000 decrease in current liabilities from 2018 to 2019 is primarily due to a \$398,000 decrease in unearned revenue related to grant funds awarded but not yet expended and a \$320,000 decrease in accounts payable. The decrease in current liabilities between 2017 and 2018 also related mainly to a decrease in unearned revenue of \$6,024,000.

**Other Long-Term Liabilities** – Other long-term liabilities primarily consist of conduit debt and decreased due to payments on loan participation agreements made in 2019.

## 2. Change in Net Position:

The following table (Table 2) presents condensed, comparative financial information and was derived from ECIDA's audited statements of revenues, expenses, and changes in net position.

**Table 2**  
**Change in Net Position for the Years ended December 31, 2019, 2018 and 2017**  
(Amounts in thousands)

	<u>2019</u>	<u>2018</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2017</u>
<b>Revenue:</b>					
Administrative fees	\$ 1,591	\$ 1,201	\$ 390	32%	\$ 1,963
Affiliate management fees	363	429	(66)	-15%	391
Other income	388	570	(182)	-32%	386
<b>Total revenue</b>	<b>\$ 2,342</b>	<b>\$ 2,200</b>	<b>\$ 142</b>	<b>6%</b>	<b>\$ 2,740</b>
<b>Expenses:</b>					
Salaries and benefits	\$ 1,982	\$ 2,017	\$ (35)	-2%	\$ 1,991
General and administrative	726	791	(65)	-8%	1,373
Depreciation and other	119	119	-	0%	141
<b>Total expenses</b>	<b>2,827</b>	<b>2,927</b>	<b>(100)</b>	<b>-3%</b>	<b>3,505</b>
Operating loss before special project grants	(485)	(727)	242	-33%	(765)
<b>Special grants and nonoperating revenue</b>					
Net special project grants	853	1,084	(231)	-21%	(6,405)
Investment income	32	42	(10)	-24%	487
Interest income	107	58	49	84%	22
<b>Change in net position</b>	<b>\$ 507</b>	<b>\$ 457</b>	<b>\$ 50</b>	<b>11%</b>	<b>\$ (6,661)</b>

**3. Revenue Analysis:**

**Administrative Fees** – Administrative fees are primarily collected from the issuance of various forms of tax abatements and tax-exempt financing. ECIDA relies on these fees to cover its operating costs; however, the amount of fees collected in any given year is largely dependent upon the local economic climate and the timing between project approval and project commencement. Administrative fees increased \$390,000 or 32% in 2019 primarily due to an increase in the number and size of projects from thirteen approved in 2018 to nineteen approved projects in 2019. During 2018, two projects were closed through ILDC that generated \$83,000 of administrative fees that were passed-through to ECIDA. There were no such projects in 2019.

**Affiliate Management Fees** – Affiliate management fees represent salaries and overhead costs charged to the following ECIDA affiliates for services that ECIDA’s employees provide to these organizations:

- Buffalo & Erie County Regional Development Corporation (RDC) – a lending corporation affiliated with ECIDA.
- Buffalo & Erie County Industrial Land Development Corporation (ILDC) – a land development corporation affiliated with ECIDA.

The following table (Table 3) illustrates the amounts charged to ECIDA’s affiliated corporations in 2019 with comparisons for 2018 and 2017:

**Table 3**  
**Affiliate Management Fees for the Years ended December 31, 2019, 2018 and 2017**  
 (Amounts in thousands)

	<u>2019</u>	<u>2018</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2017</u>
Affiliate Management Fees Charged:					
RDC	\$ 302	\$ 352	\$ (50)	-14%	\$ 369
ILDC	61	77	(16)	-21%	22
<b>Total Affiliate Management Fees</b>	<b>\$ 363</b>	<b>\$ 429</b>	<b>\$ (66)</b>	<b>-15%</b>	<b>\$ 391</b>

Affiliate management fees charged to RDC decreased \$50,000 or 14% primarily due to staff turnover in 2019. Those charged to ILDC decreased \$16,000 or 21% due to less ECIDA staff time spent on ILDC’s projects during 2019.

**Other Income** – Other income is comprised of rental income, international division revenues, loan interest, and miscellaneous income. The decrease of \$182,000 or 32% in 2019 is due mainly to the recovery of a previously written off loan of \$150,000 in 2018 that inflated miscellaneous income for that year.

#### 4. Expense Analysis:

**Salaries and Benefits** – Decrease of \$35,000 in 2019 is primarily due to savings in benefits costs and a decreased amount of temporary labor required during 2019.

**General and Administrative** – In 2019, General and Administrative expenses decreased \$65,000 from \$791,000 to \$726,000. Key expense differences in 2019 include the following:

- Consultant expenses decreased \$77,000 due a decrease in costs from the sale of a venture capital investment incurred in 2018.
- Rent expense increased \$35,000 due to a full year increase in base rent in 2019, after a partial year of this increase in 2018.

**Depreciation** – Depreciation expense was \$118,000 for 2019 compared to \$116,000 for 2018.

**Net Special Project Grants** – Net Special Project Grants decreased from a net gain of \$1,084,000 in 2018 to a net gain of \$853,000 in 2019. In 2019, \$1,390,000 was reimbursed to ECIDA for the acquisition of property and certain other costs related to the Bethlehem Steel project, as well as \$375,000 from the sale of property at the site. \$500,000 was granted to ILDC for the creation of a Workforce Retention Fund in connection with a land sale at the former Bethlehem Steel Property. \$413,000 was also spent on certain projects, which will be reimbursed in accordance with applicable grant agreements.

**Investment Income** – Investment income of \$32,000 consists of the final portion of a realized gain on one of ECIDA's venture capital investments that was previously sold.

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**5. Budget Analysis:**

ECIDA prepares an annual budget which was presented and approved by the Board of Directors on October 24, 2018. The following table (Table 4) presents an analysis of ECIDA's performance compared to the approved 2019 budget.

**Table 4**  
**Budget to Actual Analysis for the year ended December 31, 2019**  
(Amounts in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>
<b>Revenue:</b>				
Administrative fees	\$ 1,591	\$ 1,960	\$ (369)	-19%
Affiliate management fees	363	485	(122)	-25%
Other income	388	350	38	11%
<b>Total revenue</b>	<b>2,342</b>	<b>2,795</b>	<b>(453)</b>	<b>-16%</b>
<b>Expenses:</b>				
Salaries and benefits	1,982	2,103	(121)	-6%
General and administrative	726	713	13	2%
Depreciation and other	119	139	(20)	-14%
<b>Total expenses</b>	<b>2,827</b>	<b>2,955</b>	<b>(128)</b>	<b>-4%</b>
Operating income before special project grants	(485)	(160)	(325)	203%
Net special project grants	853	(1,092)	1,945	-178%
Investment income	32	-	32	100%
Interest income	107	30	77	257%
<b>Change in net position</b>	<b>\$ 507</b>	<b>\$ (1,222)</b>	<b>\$ 1,729</b>	<b>-141%</b>

**Budget to Actual Analysis:**

Overall, ECIDA exceeded its budgeted increase in net position for 2019 by \$1,729,000. Total revenue was 16% below the budgeted amount due to the lower number and smaller size of tax incentive projects approved and closed than budgeted based on a ten-year average. Total expenses were \$128,000 below budget. Net special project grants had a positive variance of \$1,945,000 as some of the budgeted special projects were not funded in 2019, including \$1,000,000 of venture capital activity, which was included in the budget as a placeholder.

**6. Economic Factors Impacting ECIDA:**

ECIDA relies extensively upon administrative fees to generate the majority of its annual revenue. As a result of current uncertain economic conditions and potential legislative/board actions, ECIDA's ability to generate the administrative fees necessary to support operations may be limited in the future.

**7. Requests for Information:**

This financial report is designed to provide a general overview of ECIDA's finances. Questions concerning any of the financial information provided in this report should be addressed to the CFO of ECIDA at (716) 856-6525. General information relating to ECIDA can be found at its website, [www.ecidany.com](http://www.ecidany.com).

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
STATEMENTS OF NET POSITION  
DECEMBER 31,**

<b>ASSETS</b>	<u>2019</u>	<u>2018</u>
<b>Current assets:</b>		
Cash and cash equivalents	\$ 19,023,148	\$ 17,301,840
Receivables		
Current portion of conduit loans	56,294	37,530
Current portion of loans	-	3,177
Affiliates	553,651	562,274
Grants	331,434	2,214,348
Other	126,649	97,877
Prepaid expenses	76,118	65,877
Total current assets	<u>20,167,294</u>	<u>20,282,923</u>
<b>Noncurrent assets:</b>		
Conduit loans receivable	-	56,294
Capital assets, net	1,358,104	1,443,533
Investments	634,061	634,061
Restricted cash	7,939,159	7,373,468
Total noncurrent assets	<u>9,931,324</u>	<u>9,507,356</u>
 Total assets	 <u>\$ 30,098,618</u>	 <u>\$ 29,790,279</u>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	211,642	\$ 531,452
Accrued expenses	179,329	166,798
Current portion of conduit debt	56,294	37,530
Unearned revenue	243,707	641,399
Total current liabilities	<u>690,972</u>	<u>1,377,179</u>
<b>Noncurrent liabilities:</b>		
Conduit debt	-	56,294
Funds held on behalf of others	6,785,656	6,242,027
Total noncurrent liabilities	<u>6,785,656</u>	<u>6,298,321</u>
 Total liabilities	 <u>7,476,628</u>	 <u>7,675,500</u>
<b>NET POSITION</b>		
Investment in capital assets	1,358,104	1,443,533
Restricted	13,008,827	12,130,721
Unrestricted	8,255,059	8,540,525
Total net position	<u>22,621,990</u>	<u>22,114,779</u>
 Total liabilities and net position	 <u>\$ 30,098,618</u>	 <u>\$ 29,790,279</u>

See accompanying notes.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>Operating revenues:</b>		
Administrative fees	\$ 1,590,700	\$ 1,200,992
Affiliate management fees	363,803	429,446
Rental income	246,217	291,852
Loan interest	21	6,185
Loan recoveries	-	150,000
Other income	141,856	121,527
Total operating revenues	<u>2,342,597</u>	<u>2,200,002</u>
<b>Operating expenses:</b>		
Salaries and benefits	1,982,021	2,017,337
General and administrative	726,329	790,837
Depreciation	118,825	115,880
Other expenses	595	3,214
Total operating expenses	<u>2,827,770</u>	<u>2,927,268</u>
Operating loss before special project grants	(485,173)	(727,266)
<b>Special project grants:</b>		
Revenues	2,236,240	8,245,129
Expenses	(1,382,771)	(7,160,909)
Total special project grants	<u>853,469</u>	<u>1,084,220</u>
Operating income	368,296	356,954
<b>Non-operating revenues:</b>		
Investment income	31,915	42,401
Interest income	107,000	57,372
Total non-operating revenues	<u>138,915</u>	<u>99,773</u>
Change in net position	507,211	456,727
Net position - beginning of year	<u>22,114,779</u>	<u>21,658,052</u>
Net position - end of year	<u>\$ 22,621,990</u>	<u>\$ 22,114,779</u>

See accompanying notes.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities:</b>		
Cash from fees and rental income	\$ 1,808,145	\$ 2,926,801
Cash from special project grants	3,721,462	7,298,362
Loans and loan interest collected	3,198	168,511
Cash received from affiliates and other sources	514,282	383,278
Payments to employees, suppliers, and other	(3,026,465)	(2,493,676)
Payments for special project grants	(1,382,771)	(7,160,909)
<b>Net cash provided by operating activities</b>	<u>1,637,851</u>	<u>1,122,367</u>
<b>Cash flows from capital and related financing activities:</b>		
Purchases of capital assets	(33,396)	-
<b>Net cash used by capital and related financing activities</b>	<u>(33,396)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>		
Change in restricted cash, net of funds held on behalf of others	(22,062)	(1,491,168)
Cash received from equity investments	31,915	579,567
Interest	107,000	57,372
<b>Net cash provided (used) by investing activities</b>	<u>116,853</u>	<u>(854,229)</u>
<b>Net increase in cash and cash equivalents</b>	<u>1,721,308</u>	<u>268,138</u>
<b>Cash and cash equivalents - beginning of year</b>	<u>17,301,840</u>	<u>17,033,702</u>
<b>Cash and cash equivalents - end of year</b>	<u>\$ 19,023,148</u>	<u>\$ 17,301,840</u>
<b>Reconciliation of income from operations to net cash provided by operating activities:</b>		
Income from operations	368,296	\$ 356,954
Adjustment to reconcile income from operations to net cash provided by operating activities:		
Depreciation expense	118,825	115,880
Loss on disposal of asset	-	1,304
Decrease in receivables	1,865,942	6,356,200
Increase in prepaid expenses	(10,241)	(33,990)
Increase (decrease) in accounts payable	(319,810)	345,400
Increase in accrued expenses	12,531	4,998
Decrease in unearned revenue	(397,692)	(6,024,379)
<b>Net cash provided by operating activities</b>	<u>\$ 1,637,851</u>	<u>\$ 1,122,367</u>

See accompanying notes.



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**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Erie County Industrial Development Agency (ECIDA) have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of ECIDA's accounting policies are described below.

**A. REPORTING ENTITY**

Erie County Industrial Development Agency (ECIDA) was created in 1970 by an act of the Legislature of the State of New York (the State) for the purpose of encouraging financially sound companies to establish themselves and prosper in Erie County (the County).

ECIDA has related party relationships with Buffalo and Erie County Industrial Land Development Corporation (ILDC) and Buffalo and Erie County Regional Development Corporation (RDC). All three entities are managed by the same personnel and RDC currently shares a common board with ECIDA. These entities share the same mission, which is to provide the resources that encourage investment, innovation, growth and global competitiveness, thereby creating a successful business climate that benefits the residents of the region.

**B. BASIS OF PRESENTATION**

Revenues from administrative fees, management fees, rental income and interest on loans are reported as operating revenues. All expenses related to the ECIDA are reported as operating expenses. Interest income and realized and unrealized gains are reported as non-operating income.

When both restricted and unrestricted resources are available for use, it is the ECIDA's policy to use restricted resources first, then unrestricted resources as they are needed.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The ECIDA is reported as a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The financial statements of the ECIDA are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place.

Nonexchange transactions, in which the ECIDA gives or receives value without directly receiving or giving equal value in exchange, include grants. Revenue from grants is recognized in the year in which all eligibility requirements have been satisfied.

**D. TAX INCENTIVE TRANSACTIONS**

ECIDA maintains an economic development incentive program to provide sales, property, and/or mortgage recording tax benefits for qualified construction, renovation, or expansion projects or other economic development activities within Erie County. Under this program, ECIDA may take title to or a leasehold interest in the real and/or personal property involved in the project for the term of the incentive period. ECIDA simultaneously leases the property under a lease agreement to the company undertaking the project (lessee). ECIDA receives administrative fees from the lessee for providing these tax incentives which are recognized according to the terms of the fee agreement.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

ECIDA is an issuer of tax-exempt bond financing for qualified manufacturers and low-income housing projects. These bonds are obligations of the borrower. Since ECIDA has no obligation to repay the principal and interest of such bonds, they are not reflected as liabilities in the accompanying financial statements. ECIDA receives bond issuance fees from the borrower for providing this service. ECIDA also has a shared services agreement with ILDC under which administrative and staffing services are provided to ILDC in connection with its bond issuances to nonprofit organizations in exchange for the related bond issuance fees received by ILDC. Such fees totaled \$166,250 and \$82,985, respectively, for the years ended December 31, 2019 and 2018.

**E. CASH AND CASH EQUIVALENTS**

The ECIDA's cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

**F. LOANS RECEIVABLE**

Loans receivable are presented net of an allowance for uncollectible accounts. The ECIDA maintains an allowance for estimated uncollectible accounts which is based on an analysis of the loan portfolio and reflects an amount that, in management's judgment, is adequate to provide for potential loan losses. Loans are written off when, in management's judgment, no legal recourse is available to collect the amount owed.

Interest on loans receivable is accrued as required by the terms of the agreement; management considers that collection is probable based on the current economic condition of the borrower. Accrual of interest ceases when management adjusts a loan reserve to 50% or more of the loan's outstanding balance.

**G. PREPAID EXPENSES**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

**H. CAPITAL ASSETS**

Capital assets are recorded at acquisition cost and depreciated over the estimated useful lives of the respective assets using the straight-line method. The cost of repairs, maintenance and minor replacements are expensed as incurred, whereas expenditures that materially extend property lives are capitalized. When depreciable property is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in income. Contributed capital assets are recorded at fair value at the date received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the ECIDA are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Furniture and equipment	\$1,000	Straight-line	3-10 years
Buildings and improvements	\$1,000	Straight-line	5-40 years

In 1989, ECIDA developed a public warehouse and trans-shipment facility (the Port Terminal Facility) at the Gateway Metroport facility in the City of Lackawanna. The Port Terminal Facility provides enclosed storage facilities and materials handling services for the trans-shipment of goods by water, rail and truck. The facility is owned by ECIDA and is operated by Gateway Trade Center, Inc. Rental property is recorded at cost which includes all costs incurred during the development stage, net of accumulated depreciation. Port Terminal Facility rental property assets are fully depreciated.

ECIDA also owns its former office space at 143 Genesee Street. This property is recorded at cost and leased to a third party.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

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**I. INVESTMENTS**

Investments include venture capital investments made by ECIDA in order to spur local economic growth. The Urban Development Action Grant (UDAG) and General Accounts include venture capital investments that are recorded at the lesser of cost or fair value.

**J. INSURANCE**

The ECIDA is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, personal injury liability, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Settled claims from these risks has not yet exceeded commercial insurance coverage for the past three years.

**K. GRANTS**

Grants are recognized at the time awarded, with timing differences resulting from funds spent and earned. ECIDA receives special project grants from various Federal, State and County governments. ECIDA also acts as a pass-through entity for certain companies who receive funding from the State, including the Department of Transportation (DOT).

In certain cases, funding is received in the form of a combination of a grant and a loan. One year after completion of the specified program and with State approval and acceptance, companies begin repaying the loan. A long-term liability and repayment plan receivable are established as the companies receiving the funding from the State are contractually obligated to repay ECIDA for its debt service requirements to the State. The payment terms of the conduit receivables are equivalent to the terms of ECIDA's loans to the State.

**L. NET POSITION**

Equity is classified as net position and displayed in three components:

- a. *Investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. *Restricted* - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets if their use is constrained to a particular purpose. Restrictions are imposed by Federal urban development action grants (UDAG).
- c. *Unrestricted* - The net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use by ECIDA.

**M. STATEMENTS OF CASH FLOWS**

For the purposes of the statement of cash flows, the ECIDA considers all cash to be unrestricted including demand accounts and certificates of deposit with an original maturity of generally three months or less.

**N. USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

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**O. ACCOUNTING PRONOUNCEMENTS**

During the fiscal year ended December 31, 2019, the ECIDA has evaluated the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, Statement No. 84, *Fiduciary Activities*, Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, and Statement No. 90, *Majority Equity Interests-an Amendment of GASB Statements No. 14 and 61*, which became effective for the fiscal year ended December 31, 2019, and determined that they have no significant impact on the ECIDA's financial statements.

The following are GASB Statements that have been issued recently and are currently being evaluated, by the ECIDA, for their potential impact in future years.

- Statement No. 87, *Leases*, which will be effective for the year ending December 31, 2020.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for the year ending December 31, 2020.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending December 31, 2021.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending December 31, 2021.

**NOTE 2 - CASH AND INVESTMENTS**

ECIDA's investment policies are governed by State statutes. In addition, ECIDA has its own written investment policy. ECIDA monies must be deposited in Federal Deposit Insurance Corporation (FDIC)-insured commercial banks or trust companies located within the State. ECIDA is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the United States Treasury and its agencies, repurchase agreements and obligations of the State and its localities.

Collateral is required for demand deposits and certificates of deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, obligations of the State and its municipalities and school districts and obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

As of December 31, 2019 and 2018, the ECIDA aggregate bank deposits were considered fully collateralized.

**Investment and Deposit Policy**

ECIDA follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of ECIDA's Chief Financial Officer.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. ECIDA's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk**

ECIDA's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. ECIDA's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with ECIDA's investment and deposit policy, all deposits of ECIDA including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Corporation (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. ECIDA restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by the State of New York and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

**NOTE 3 - LOANS RECEIVABLE**

Loans are made to local business to complement private financing at a 4% interest rate with varying repayment terms. All loans are classified as commercial loans. Loans in non-accrual status are fully reserved. The following is a summary of the loans receivable.

During 2013, the ECIDA provided a \$1,000,000 forgivable loan to a manufacturing company. Half of that amount was immediately forgiven and the other \$500,000 will be forgiven in \$100,000 installments from 2019 through 2023 as long as the borrower maintains minimum employment requirements as set forth in the agreement. The portion not immediately forgiven is included in loans receivable and fully recognized in the allowance for uncollectible loans.

	<u>2019</u>	<u>2018</u>
Total loans receivable	\$ <del>400,000</del>	\$ 503,177
Less: allowance for uncollectible loans	<u>400,000</u>	<u>500,000</u>
Loans receivable, net	-	3,177
Less: current maturities	<u>-</u>	<u>3,177</u>
Loans receivable - long-term	<u>\$ -</u>	<u>\$ -</u>

**NOTE 4 - GRANTS RECEIVABLE**

The following is a summary of grants receivable at December 31:

	<u>2019</u>	<u>2018</u>
Buffalo Southern Railroad - 2017 PFRAP Rail Improvement	\$ 140	\$ 280,140
Sumitomo Dunlop Rail - PFRAP	14,352	165,256
National Grid - Zero Net Energy Building	125,000	125,000
Bethlehem Rail Phase II	<u>191,942</u>	<u>1,643,952</u>
Total	<u>\$ 331,434</u>	<u>\$ 2,214,348</u>

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - FUNDS HELD ON BEHALF OF OTHERS**

ECIDA acts as a fiduciary for certain cash held for various development activities. ECIDA disburses these funds when given the appropriate authorization. The funds include:

	<u>2019</u>	<u>2018</u>
Erie County Regional Redevelopment Fund	\$ 1,525,156	\$ 1,219,329
Buffalo Brownfields Redevelopment Fund	979,274	2,045,460
Regionally Significant Project Funds:		
Buffalo Economic Renaissance Corporation	-	17,068
Buffalo Urban Development Corporation	17,531	102,960
Erie Niagara Regional Partnership	-	5,616
Seneca Street Corridor	1,516,590	909,358
Main Street Improvement Fund	2,747,105	1,942,236
Total funds held on behalf of others	<u>6,785,656</u>	<u>6,242,027</u>
Railway Trust Fund	153,503	131,441
Sales proceeds held in escrow	1,000,000	1,000,000
Total restricted cash	<u>\$ 7,939,159</u>	<u>\$ 7,373,468</u>

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for ECIDA for the year ended December 31, 2019 was as follows:

	Balance 01/01/19	Increases	Decreases	Balance 12/31/19
Capital assets not being depreciated:				
Land	\$ 167,400	\$ -	\$ -	\$ 167,400
Capital assets being depreciated:				
Land improvements	1,106,386	-	-	1,106,386
Buildings	2,747,489	-	-	2,747,489
Furniture and equipment	471,744	33,396	41,752	463,388
Total capital assets, being depreciated	<u>4,325,619</u>	<u>33,396</u>	<u>41,752</u>	<u>4,317,263</u>
Less accumulated depreciation:				
Land improvements	716,292	54,528	-	770,820
Buildings	1,918,335	36,043	-	1,954,378
Furniture and equipment	414,859	28,254	41,752	401,361
Total accumulated depreciation	<u>3,049,486</u>	<u>118,825</u>	<u>41,752</u>	<u>3,126,559</u>
Total capital assets being depreciated, net	<u>1,276,133</u>	<u>(85,429)</u>	<u>-</u>	<u>1,190,704</u>
Total capital assets, net	<u>\$ 1,443,533</u>	<u>\$ (85,429)</u>	<u>\$ -</u>	<u>\$ 1,358,104</u>

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

Capital asset activity for ECIDA for the year ended December 31, 2018 was as follows:

	Balance 01/01/18	Increases	Decreases	Balance 12/31/18
Capital assets not being depreciated:				
Land	\$ 167,400	\$ -	\$ -	\$ 167,400
Capital assets being depreciated:				
Land improvements	1,106,386	-	-	1,106,386
Buildings	2,747,489	-	-	2,747,489
Furniture and equipment	479,885	-	8,141	471,744
Total capital assets, being depreciated	4,333,760	-	8,141	4,325,619
Less accumulated depreciation:				
Land improvements	661,764	54,528	-	716,292
Buildings	1,882,291	36,044	-	1,918,335
Furniture and equipment	396,388	25,308	6,837	414,859
Total accumulated depreciation	2,940,443	115,880	6,837	3,049,486
Total capital assets being depreciated, net	1,393,317	(115,880)	1,304	1,276,133
Total capital assets, net	\$ 1,560,717	\$ (115,880)	\$ 1,304	\$ 1,443,533

**NOTE 7 - INVESTMENTS**

The ECIDA's investments consisted of the following at December 31:

	<u>2019</u>		<u>2018</u>	
	Cost	Fair value	Cost	Fair value
Equity interest	\$ 987,187	\$ 634,061	\$ 987,187	\$ 634,061

In accordance with GASB Statement No. 72 Fair Value Measurement and Application, investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date. U.S. GAAP establishes a framework for measuring fair value of assets and liabilities. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1: Valuation is based on quoted prices (unadjusted) in active markets for identical assets or liabilities in active markets that the ECIDA has ability to access.
- Level 2: Valuation is based upon quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3: Valuation is based upon unobservable inputs that are significant to the fair value measurement.



**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS**

Where quoted prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, fair values are estimated using quoted prices of securities with similar characteristics or inputs other than quoted prices that are observable for the security, and would be classified within Level 2 of the valuation hierarchy. In certain cases where there is limited activity or less transparency around inputs to the valuation, securities would be classified within Level 3 of the valuation hierarchy.

Following is a description of the valuation methodology used at December 31, 2019 and 2018:

**Equity interest** - Value based analysis performed by industry consultant familiar with the industries in which the ECIDA has equity interest.

**NOTE 8 - UNEARNED REVENUE**

ECIDA received a New York State DOT grant in the amount of \$365,950 in August 2017 as part of the Passenger and Freight Rail Assistance Program. This grant also includes a \$100,000 local share of eligible project costs, which Sumitomo Rubber USA, LLC has agreed to contribute. As of December 31, 2019, \$10,143 is included as unearned revenue as the grant funding is reimbursable for costs incurred by ECIDA, and \$455,807 had been expended.

ECIDA received a grant in the amount of \$5,200,000 from Erie County (\$4,870,000) and New York State DOT Multi-Modal Funds (\$330,000) in 2017. As of December 31, 2019, \$108,564 is included as unearned revenue as the grant funding is reimbursable for costs incurred by ECIDA, and \$5,091,436 had been expended.

ECIDA received an Economic Development Program grant from National Grid in the amount of \$125,000 in January 2017. As of December 31, 2019, the entirety of that amount is included as unearned revenue as ECIDA has not begun expending grant funds.

**NOTE 9 - RELATED PARTY TRANSACTIONS**

**Affiliate Management Fees**

ECIDA allocates a portion of personnel and rental costs to its affiliates, RDC and ILDC. ECIDA earned \$363,803 and \$429,446 in affiliate management fees for the years ended December 31, 2019 and 2018, respectively. Management fees and related receivables by affiliate are as follows:

	<b>Management Fees</b>		<b>Receivables</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
RDC	\$ 302,332	352,714	\$ 303,021	353,527
ILDC	61,471	76,732	250,630	208,747
Total	\$ 363,803	\$ 429,446	\$ 553,651	\$ 562,274

ECIDA also provides personnel to perform administrative and accounting functions on behalf of Buffalo Urban Development Corporation, which amounted to \$104,414 and \$83,474 for the years ended December 31, 2019 and 2018, respectively.

**NOTE 10 - OPERATING LEASES**

Office rent expense for the years ended December 31, 2019 and 2018 amounted to \$192,143 and \$157,364, respectively.

The ECIDA renewed their office lease agreement with Empire State Development effective for the period of October 1, 2018 through September 30, 2023. This lease agreement states a base lease amount of \$202,554 per annum plus utility charges that will be determined on an annual basis.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**NOTES TO FINANCIAL STATEMENTS**

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ECIDA recognized \$213,529 and \$208,532 of rental income on its former office for the years ended December 31, 2019 and 2018, respectively. The net book value of the leased property is approximately \$1,047,300 at December 31, 2019.

Future annual rental income anticipated under this noncancelable lease is:

2020	\$	209,869
2021		209,869
2022		122,423
	\$	<u>542,161</u>

**NOTE 11 - PENSION**

ECIDA maintains a defined contribution simplified employee pension (SEP) plan covering all of its employees. Employees are eligible to participate six months after employment, with employer contributions vesting immediately. During 2019 and 2018, ECIDA made discretionary contributions of 12% of eligible employees' salaries. ECIDA's expense for contribution to the plan for the years ended December 31, 2019 and 2018 amounted to \$169,282 and \$169,576, respectively. Employees are also permitted to participate in the New York State Deferred Compensation Plan but ECIDA does not make contributions to this plan.

**NOTE 12 - SUBSEQUENT EVENTS**

These financial statements have not been updated for subsequent events occurring after XXXX XX, 2020 which is the date these financial statements were available to be issued.

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**SUPPLEMENTARY INFORMATION**

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**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2019**

	<u>General Account</u>	<u>UDAG Account</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 7,576,519	\$ 11,446,629	\$ 19,023,148
Receivables			
Current portion of conduit loans	56,294	-	56,294
Affiliates	365,508	188,143	553,651
Grants	331,434	-	331,434
Other	126,649	-	126,649
Prepaid expenses	76,118	-	76,118
Total current assets	<u>8,532,522</u>	<u>11,634,772</u>	<u>20,167,294</u>
<b>Noncurrent assets:</b>			
Capital assets, net	1,358,104	-	1,358,104
Investments	124,389	509,672	634,061
Restricted cash	6,939,159	1,000,000	7,939,159
Total noncurrent assets	<u>8,421,652</u>	<u>1,509,672</u>	<u>9,931,324</u>
Total assets	<u>\$ 16,954,174</u>	<u>\$ 13,144,444</u>	<u>\$ 30,098,618</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 76,925	\$ 135,617	\$ 211,642
Accrued expenses	179,329	-	179,329
Current portion of conduit debt	56,294	-	56,294
Unearned revenue	243,707	-	243,707
Total current liabilities	<u>556,355</u>	<u>135,617</u>	<u>690,972</u>
<b>Noncurrent liabilities:</b>			
Funds held on behalf of others	6,785,656	-	6,785,656
Total noncurrent liabilities	<u>6,785,656</u>	<u>-</u>	<u>6,785,656</u>
Total liabilities	<u>7,341,011</u>	<u>135,617</u>	<u>7,476,628</u>
<b>NET POSITION</b>			
Investment in capital assets	1,358,104	-	1,358,104
Restricted	-	13,008,827	13,008,827
Unrestricted	8,255,059	-	8,255,059
Total net position	<u>9,613,163</u>	<u>13,008,827</u>	<u>22,621,990</u>
Total liabilities and net position	<u>\$ 16,954,174</u>	<u>\$ 13,144,444</u>	<u>\$ 30,098,618</u>

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>General Account</u>	<u>UDAG Account</u>	<u>Total</u>
<b>Operating revenues:</b>			
Administrative fees	\$ 1,590,700	\$ -	\$ 1,590,700
Affiliate management fees	363,803	-	363,803
Rental income	246,217	-	246,217
Loan interest	-	21	21
Other income	141,856	-	141,856
Total operating revenue	<u>2,342,576</u>	<u>21</u>	<u>2,342,597</u>
<b>Operating expenses:</b>			
Salaries and benefits	1,982,021	-	1,982,021
General and administrative	681,247	45,082	726,329
Depreciation	118,825	-	118,825
Other expenses	595	-	595
Total operating expenses	<u>2,782,688</u>	<u>45,082</u>	<u>2,827,770</u>
Operating income (loss) before special project grants	(440,112)	(45,061)	(485,173)
<b>Special project grants:</b>			
Revenues	471,240	1,765,000	2,236,240
Expenses	(440,771)	(942,000)	(1,382,771)
Total special project grants	<u>30,469</u>	<u>823,000</u>	<u>853,469</u>
Operating income (loss)	(409,643)	777,939	368,296
<b>Nonoperating revenues:</b>			
Investment income	-	31,915	31,915
Interest income	38,748	68,252	107,000
Total nonoperating revenues	<u>38,748</u>	<u>100,167</u>	<u>138,915</u>
Change in net position	(370,895)	878,106	507,211
Net position - beginning of year	<u>9,984,058</u>	<u>12,130,721</u>	<u>22,114,779</u>
Net position - end of year	<u>\$ 9,613,163</u>	<u>\$ 13,008,827</u>	<u>\$ 22,621,990</u>

**INTERNAL CONTROL AND COMPLIANCE**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of the  
Erie County Industrial Development Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Erie County Industrial Development Agency (the ECIDA), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise ECIDA's financial statements, and have issued our report thereon dated XXXXXX, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered ECIDA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of ECIDA's internal control. Accordingly, we do not express an opinion of the effectiveness of ECIDA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether ECIDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ECIDA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ECIDA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buffalo, New York  
XXXX XX, 2020

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## INDEPENDENT ACCOUNTANT'S REPORT

To the Members of the Board of Directors  
Erie County Industrial Development Agency  
95 Perry Street, Suite 403  
Buffalo, New York 14203

We have examined the Erie County Industrial Development Agency's (the ECIDA) compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law (collectively, the "Investment Guidelines") for the period January 1, 2019 to December 31, 2019. Management of the ECIDA is responsible for the ECIDA's compliance with the specified requirements. Our responsibility is to express an opinion on the ECIDA's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the ECIDA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the ECIDA complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the ECIDA's compliance with specified requirements.

In our opinion, the ECIDA complied, in all material respects, with the aforementioned requirements for the period of January 1, 2019 to December 31, 2019.

This report is intended solely for the information and use of the Board of Directors, management and others within the ECIDA and the New York State Authorities Budget Office, and is not intended to be and should not be used by anyone other than these specified parties.

Buffalo, New York  
XXXX XX, 2020

**AUDITED  
FINANCIAL STATEMENTS**

**BUFFALO AND ERIE COUNTY REGIONAL  
DEVELOPMENT CORPORATION**

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**DECEMBER 31, 2019**

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**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Buffalo and Erie County Regional Development Corporation  
Buffalo, New York 14203

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Buffalo and Erie County Regional Development Corporation (RDC), as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements which collectively comprise the RDC's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RDC, as of December 31, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated XXXXXX, 2020 on our consideration of the RDC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the RDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the RDC's internal control over financial reporting and compliance.

Buffalo, New York  
XXXXX, 2020

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**  
**STATEMENTS OF NET POSITION**  
**DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 7,650,215	\$ 5,963,260
Loans receivable	1,441,199	1,282,624
Total current assets	<u>9,091,414</u>	<u>7,245,884</u>
<b>Noncurrent assets:</b>		
Loans receivable, net	<u>8,278,392</u>	<u>11,430,656</u>
Total assets	<u>\$ 17,369,806</u>	<u>\$ 18,676,540</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 23,723	\$ 315
Due to affiliate	303,021	353,527
Total liabilities	<u>326,744</u>	<u>353,842</u>
<b>NET POSITION</b>		
Restricted	17,043,062	18,322,698
Total net position	<u>17,043,062</u>	<u>18,322,698</u>
Total liabilities and net position	<u>\$ 17,369,806</u>	<u>\$ 18,676,540</u>

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See accompanying notes.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>OPERATING REVENUE</b>		
Interest from loans	\$ 490,376	\$ 449,706
Loan commitment fees	9,190	26,150
Total operating revenues	<u>499,566</u>	<u>475,856</u>
<b>OPERATING EXPENSES</b>		
General and administrative	376,636	388,791
Loan loss expense, net recoveries	1,440,676	38,243
Total operating expenses	<u>1,817,312</u>	<u>427,034</u>
Operating income (loss)	(1,317,746)	48,822
<b>NONOPERATING REVENUES</b>		
Interest income	38,110	28,000
Total nonoperating revenues	<u>38,110</u>	<u>28,000</u>
Change in net position	(1,279,636)	76,822
Net position - beginning of year	<u>18,322,698</u>	<u>18,245,876</u>
Net position - end of year	<u>\$ 17,043,062</u>	<u>\$ 18,322,698</u>

See accompanying notes.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments collected on loans receivable	\$ 4,890,136	\$ 1,743,330
Loan interest and fees	499,566	475,856
Loans awarded	(3,342,600)	(5,591,295)
Payments to vendors and affiliates	(403,734)	(407,169)
Loan loss recoveries	5,477	2,269
Net cash provided (used) by operating activities	<u>1,648,845</u>	<u>(3,777,009)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	<u>38,110</u>	<u>28,000</u>
Net cash provided by investing activities	<u>38,110</u>	<u>28,000</u>
Net increase (decrease) in cash	1,686,955	(3,749,009)
Cash - beginning of year	5,963,260	9,712,269
Cash - end of year	<u>\$ 7,650,215</u>	<u>\$ 5,963,260</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (1,317,746)	\$ 48,822
Adjustment to reconcile operating income to net cash provided (used) by operating activities:		
Provision for uncollectible loans	1,446,153	40,512
Change in assets and liabilities:		
(Increase) decrease in:		
Loans receivable	1,547,536	(3,847,965)
Increase (decrease) in:		
Accounts payable	23,408	65
Due to affiliate	(50,506)	(18,443)
Net cash provided (used) by operating activities	<u>\$ 1,648,845</u>	<u>\$ (3,777,009)</u>

See accompanying notes.

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**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Buffalo and Erie County Regional Development Corporation (RDC) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the RDC's accounting policies are described below.

**A. REPORTING ENTITY**

Buffalo and Erie County Regional Development Corporation (RDC) was incorporated for the purpose of encouraging the expansion of existing companies in target areas of the County of Erie (the County) by establishing an Industrial Revolving Loan Fund from which RDC makes loans to individual companies. RDC manages a revolving loan program maintained under an established loan administration plan approved by the grantor governing the management of the revolving loan program.

RDC has related party relationships with the Erie County Industrial Development Agency (ECIDA) and Buffalo and Erie County Industrial Land Development Corporation (ILDC). All three entities are managed by the same personnel and RDC currently shares a common board with ECIDA. These entities share the same mission, which is to provide the resources that encourage investment, innovation, growth, and global competitiveness, thereby creating a successful business climate that benefits the residents of the region.

In accordance with accounting standards, RDC is not considered a component unit of another entity.

**B. BASIS OF PRESENTATION**

Revenues from administrative fees and interest on loans are reported as operating revenues. All expenses related to operating the RDC are reported as operating expenses. Certain other transactions are reported as nonoperating activities including RDC's interest income from deposits.

When both restricted and unrestricted resources are available for use, it is the RDC's policy to use restricted resources first, then unrestricted resources as they are needed.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

RDC is considered a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The financial statements of the RDC are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred; regardless of when the cash transaction takes place.

Nonexchange transactions, in which the RDC gives or receives value without directly receiving or giving equal value in exchange, include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**D. INCOME TAXES**

RDC is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and the income realized will not be subject to New York State corporate franchise tax.

**E. LOANS RECEIVABLE**

Loans receivable are stated at the principal amount outstanding, net of a provision for loan loss. The allowance method is used to compute the provision for loan loss.

Determination of the balance of the provision for loan loss is based on an analysis of the loan portfolio and reflects an amount that, in management's judgment, is adequate to provide for potential loan losses. Loans are written off when, in management's judgment, no legal recourse is available to collect the amount owed.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

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Interest on loans receivable is accrued as required by the terms of the agreement; management considers that collection is probable based on the current economic condition of the borrower. Accrual of interest ceases when management adjusts a loan reserve to 50% or more of the loan's outstanding balance. RDC is not accruing interest on any loans as of December 31, 2019 or 2018.

**F. INSURANCE**

RDC is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, personal injury liability, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Settled claims from these risks has not yet exceeded commercial insurance coverage.

**G. STOCK WARRANTS**

In connection with certain loans, RDC has received, at no cost, stock purchase warrants from the borrowers. The borrower is sometimes given the right to repurchase these warrants from RDC at a predetermined price. RDC also receives rights to convert certain loans to equity of the borrower.

**H. NET POSITION**

Equity is classified as net position and displayed in two components:

- a. Restricted – Consists of net positions with constraints on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted – all other net positions that do not meet the definition of “restricted.”

**I. STATEMENTS OF CASH FLOWS**

For the purposes of the statement of cash flows, the RDC considers all cash to be unrestricted including demand accounts and certificates of deposit with an original maturity of generally three months or less.

**J. USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

**K. ACCOUNTING PRONOUNCEMENTS**

The RDC has evaluated the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, Statement No. 84, *Fiduciary Activities*, Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, and Statement No. 90, *Majority Equity Interests-an Amendment of GASB Statements No. 14 and 61*, which became effective for the fiscal year ended December 31, 2019, and determined that they have no significant impact on the RDC's financial statements.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

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The following are GASB Statements that have been issued recently and are currently being evaluated, by the RDC, for their potential impact in future years.

- Statement No. 87, *Leases*, which will be effective for the year ending December 31, 2020.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for the year ending December 31, 2020.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending December 31, 2021.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending December 31, 2021.

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS**

**A. ASSETS**

**1. CASH AND INVESTMENTS**

RDC's investment policies are governed by State statutes. In addition, RDC has its own written investment policy. RDC monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. RDC's Chief Financial Officer is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and obligations of the State of New York and its localities.

Collateral is required for demand deposits and certificates of deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

As of December 31, 2019 and 2018, the RDC's aggregate bank deposits were considered fully collateralized.

Investment and Deposit Policy

RDC follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Chief Financial Officer of the Buffalo and Erie County Regional Development Corporation.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. RDC's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

RDC's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. RDC's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with RDC's investment and deposit policy, all deposits of RDC including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. RDC restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations.

**2. LOANS RECEIVABLE**

The revolving loan program was originally established through multiple grants received between 1979 and 1983 from the U.S. Economic Development Administration (EDA) amounting to \$7,000,000. Matching funds totaling \$5,250,500 were also received from various sources.

During 2016 an amendment to the EDA award was approved by the EDA and the U.S. Department of Housing and Urban Development (HUD). As a result, RDC returned \$2,667,590 of original HUD matching funds to the County. RDC also returned \$1,546,423 to the U.S. Treasury for interest earned on deposits. ILDC then granted \$287,432 to RDC in order to maintain the appropriate local match. As a result, the loan fund is no longer subject to HUD regulations.

RDC provides low interest loans to businesses located in Erie County in order to encourage economic development. Loans receivable consisted of the following at December 31:

	<u>2019</u>	<u>2018</u>
Total loans receivable	\$ 11,615,554	\$ 13,163,090
Less: provision for loan loss	<u>1,895,963</u>	<u>449,810</u>
Loans receivable, net	9,719,591	12,713,280
Less: current portion	<u>1,441,199</u>	<u>1,282,624</u>
Loans receivable - long-term	<u>\$ 8,278,392</u>	<u>\$ 11,430,656</u>

The RDC's policy is to present loans receivable net of a provision for loan loss. At December 31, 2019 and 2018, the allowance for uncollectible loans was \$1,895,963 and \$449,810, respectively.

At December 31, 2019, the loans awarded to local businesses bear interest at rates ranging from 4% to 6.5% with varying payment terms. All loans are classified as commercial.

**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

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Scheduled maturities of principal for these notes for the next five years and thereafter are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 1,393,580	\$ 485,445
2021	992,322	434,700
2022	940,215	385,396
2023	931,424	334,891
2024	705,067	296,163
Thereafter	<u>6,468,222</u>	<u>573,288</u>
Total	<u>\$ 11,430,830</u>	<u>\$ 2,509,883</u>

This schedule does not include the variable interest rate loans that are administered by various financial institutions. The total outstanding balance of those loans is \$184,724 at December 31, 2019 with a current portion in the amount of \$47,619.

**B. EXPENSES**

ECIDA allocates a portion of its personnel and overhead costs to RDC based on a cost allocation plan. Costs allocated by ECIDA amounted to \$302,332 and \$352,713 for the years ended December 31, 2019 and 2018, respectively. Amounts owed to ECIDA at December 31, 2019 and 2018 totaled \$303,021 and \$353,527, respectively.

**NOTE 3. CONTINGENCIES**

**Economic Development Administration Revolving Loan Fund Risk Analysis System**

RDC is required to comply with EDA regulations regarding the utilization of revolving loan funds. These regulations are based on measures applied by the EDA's risk analysis system. This RDC received a risk rating of Level A based on information submitted to the EDA for the year ending December 31, 2018. This risk analysis will be updated on an annual basis determined by reports submitted by the RDC to the EDA within 90 days following the RDC year end.

**NOTE 4. COMMITMENTS**

Outstanding loan commitments approved but not yet paid total \$480,070 at December 31, 2019.

**NOTE 5. SUBSEQUENT EVENT**

These financial statements have not been updated for subsequent events occurring after XXXXXXXX, 2020 which is the date these financial statements were available to be issued.

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**SUPPLEMENTARY INFORMATION**

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**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED DECEMBER 31, 2019**

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<u>Federal Grantor/Pass Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Pass-Through to to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Commerce <i>Passed through Erie County Industrial Development Agency</i> Economic Adjustment Assistance	11.307	Various	—	\$ 14,731,801
<b>Total Expenditures of Federal Awards</b>				<b>\$ <u>14,731,801</u></b>

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**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of the federal financial assistance programs administered by the Buffalo and Erie County Regional Development Corporation (RDC), an entity as defined in Note 1 to the RDC's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Federal awards passed through from other governmental agencies are included in the schedule. Because the schedule presents only a selected portion of the operations of RDC, it is not intended and does not present the financial position, changes in net position, or cash flows of RDC.

**NOTE 2 - BASIS OF ACCOUNTING**

The Schedule is presented using the accrual basis of accounting. The amounts reported as federal expenditures were obtained from RDC's financial reporting system, which is the source of RDC's financial statements.

**NOTE 3 - ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM**

The Economic Adjustment Assistance program, administered by the U.S. Economic Development Administration (EDA), specifically requires the amount on the Schedule to be calculated as follows:

EDA grants	\$ 12,466,574
Total revolving loan funds	16,622,098
Total EDA share	<u>75%</u>
Cash	\$ 7,650,215
Outstanding loans receivable, 12/31/19	11,615,554
Administrative cost allowance	376,632
Loan write-offs	-
Sum of EDA dollars/Total project costs	<u>19,642,401</u>
Total EDA share (noted above)	75%
Total economic adjustment assistance	<u>\$ 14,731,801</u>

**NOTE 4 - INDIRECT COST RATE**

RDC has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**INTERNAL CONTROL AND COMPLIANCE**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of the  
Buffalo and Erie County Regional Development Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Buffalo and Erie County Regional Development Corporation (RDC), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise RDC's financial statements, and have issued our report thereon dated XXXXXX, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered RDC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of RDC's internal control. Accordingly, we do not express an opinion of the effectiveness of RDC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the RDC's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether RDC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of RDC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RDC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buffalo, New York  
XXXXXX, 2020

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of the  
Buffalo and Erie County Regional Development Corporation

**Report on Compliance for Each Major Federal Program**

We have audited the Buffalo and Erie County Regional Development Corporation's (RDC) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of RDC's major federal programs for the year ended December 31, 2019. RDC's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of RDC's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about RDC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on RDC's compliance.

**Opinion on Each Major Federal Program**

In our opinion, RDC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

## Report on Internal Control over Compliance

Management of RDC is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered RDC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of RDC's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Buffalo, New York  
XXXXXXX, 2020

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**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

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**I. SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

***Federal Awards***

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

Type of auditor's report(s) issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major federal programs:

CFDA Number(s)

11.307

Name of Federal Program

Economic Adjustment Assistance

Dollar threshold used to distinguish between Type A

\$ 750,000

Auditee qualified as low-risk auditee?

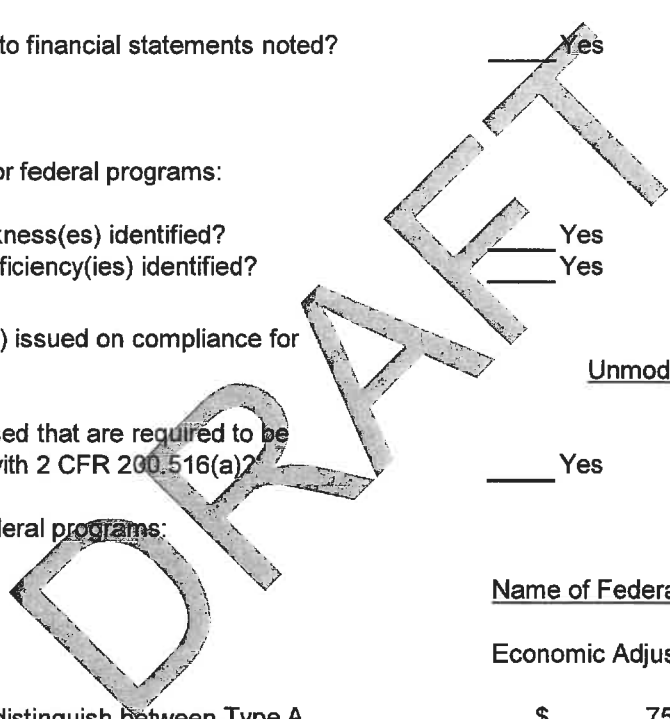
Yes  No

**II. FINDINGS - FINANCIAL STATEMENT AUDIT**

There were no findings related to the financial statement audit noted for the year ended December 31, 2019.

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION**

There were no findings or questioned costs related to federal awards noted for the year ended December 31, 2019.



**BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

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I. FINANCIAL STATEMENT AUDIT

There were no findings related to the financial statement audit noted for the year ended December 31, 2018.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COST SECTION

There were no findings or questioned costs related to federal awards noted for the year ended December 31, 2018.

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## INDEPENDENT ACCOUNTANT'S REPORT

To the Members of the Board of Directors  
Buffalo and Erie County Regional Development Corporation  
95 Perry Street, Suite 403  
Buffalo, New York 14203

We have examined Buffalo and Erie County Regional Development Corporation's (the RDC) compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law (collectively, the "Investment Guidelines") during the period January 1, 2019 through December 31, 2019. Management of the RDC is responsible for the RDC's compliance with the specified requirements. Our responsibility is to express an opinion on the RDC's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the RDC complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the RDC complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the RDC's compliance with specified requirements.

In our opinion, the RDC complied, in all material respects, with the Investment Guidelines during the period of January 1, 2019 through December 31, 2019.

This report is intended solely for the information and use of the Board of Directors, management and others within the RDC and the New York State Authorities Budget Office and is not intended to be and should not be used by anyone other than these specified parties.

Buffalo, New York  
XXXX XX, 2020

**AUDITED  
FINANCIAL STATEMENTS**

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE,  
NEW YORK)**

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**DECEMBER 31, 2019**

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**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Buffalo and Erie County Industrial  
Land Development Corporation  
Buffalo, New York

### Report on the Financial Statements

We have audited the accompanying financial statements of the Buffalo and Erie County Industrial Land Development Corporation (the ILDC), a component unit of the County of Erie, New York, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements which collectively comprise the ILDC's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the ILDC's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ILDC's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the ILDC, as of December 31, 2019 and 2018, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated XXXXXX, 2020 on our consideration of the ILDC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ILDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the ILDC's internal control over financial reporting and compliance.

Buffalo, New York  
XXXXXX, 2020

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
STATEMENTS OF NET POSITION  
DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 207,639	\$ 227,963
Grants receivable	1,919,084	1,670,776
Loans receivable, current	13,812	6,925
Interest receivable	70	30
Due from affiliate	125,000	-
Deposit on land purchase	155,638	-
Total current assets	<u>2,421,243</u>	<u>1,905,694</u>
<b>Noncurrent assets:</b>		
Loans receivable, net	22,750	12,369
Capital assets, net	2,600	-
Land held for sale	5,860,358	6,530,672
Total noncurrent assets	<u>5,885,708</u>	<u>6,543,041</u>
Total assets	<u>\$ 8,306,951</u>	<u>\$ 8,448,735</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 8,885	\$ 1,415,931
Due to affiliate	250,630	208,746
Unearned revenue	1,787,518	161,492
Total liabilities	<u>2,047,033</u>	<u>1,786,169</u>
<b>NET POSITION</b>		
Restricted	220,810	204,456
Unrestricted	6,039,108	6,458,110
Total net position	<u>6,259,918</u>	<u>6,662,566</u>
Total liabilities and net position	<u>\$ 8,306,951</u>	<u>\$ 8,448,735</u>

See accompanying notes to financial statements.

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>Operating revenues:</b>		
Administrative fees	\$ -	\$ 82,985
Land development and other income	17,500	-
Interest from loans	538	450
Loan loss recoveries	18,750	-
Gain on land held for sale	33,791	-
Total operating revenues	<u>70,579</u>	<u>83,435</u>
<b>Operating expenses:</b>		
Transfer to Erie County Industrial Development Agency	61,470	159,717
General and administrative	176,446	114,071
Depreciation	325	-
Total operating expenses	<u>238,241</u>	<u>273,788</u>
Operating loss	(167,662)	(190,353)
<b>Nonoperating revenue (expenses):</b>		
Grant income	1,046,975	3,131,008
Grant expenses	(1,281,975)	(3,011,008)
Interest income	14	13
Total nonoperating revenue	<u>(234,986)</u>	<u>120,013</u>
Change in net position	(402,648)	(70,340)
Net position - beginning of year	<u>6,662,566</u>	<u>6,732,906</u>
Net position - end of year	<u>\$ 6,259,918</u>	<u>\$ 6,662,566</u>

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See accompanying notes to financial statements.

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Administrative fees	\$ -	\$ 82,985
Land development and other income	17,500	-
Transfers from (to) Erie County Industrial Development Agency	(144,586)	26,420
Principal and interest on loans	(16,770)	7,229
Loan loss recoveries	18,750	-
Payments to vendors and affiliates	(1,583,492)	(105,215)
Net cash provided (used) by operating activities	<u>(1,708,598)</u>	<u>11,419</u>
<b>CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES</b>		
Grant income	2,424,693	1,591,724
Grant expense	(1,281,975)	(1,621,008)
Acquisition of capital assets and land held for sale	(158,563)	-
Sale of land held for sale	704,105	-
Net cash provided (used) by capital and financing activities	<u>1,688,260</u>	<u>(29,284)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income	14	13
Net cash provided by capital and financing activities	<u>14</u>	<u>13</u>
Net decrease in cash	(20,324)	(17,852)
Cash - beginning of year	<u>227,963</u>	<u>245,815</u>
Cash - end of year	<u>\$ 207,639</u>	<u>\$ 227,963</u>
<b>Reconciliation of loss from operations to net cash provided (used) by operating activities:</b>		
Operating loss	\$ (167,662)	\$ (190,353)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	325	-
Gain on sale of land	(33,791)	-
(Increase) decrease in loans receivable	(17,268)	6,764
(Increase) decrease in interest receivable	(40)	15
(Increase) in due from affiliates	(125,000)	-
Increase (decrease) in accounts payable	(1,407,046)	8,856
Increase (decrease) in due to affiliate	41,884	186,137
Net cash provided (used) by operating activities	<u>\$ (1,708,598)</u>	<u>\$ 11,419</u>

See accompanying notes to financial statements.

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**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Buffalo and Erie County Industrial Land Development Corporation (the ILDC) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the ILDC's accounting policies are described below.

**A. REPORTING ENTITY**

The ILDC was incorporated for the purpose of participating in the acquisition and development of industrial sites and to provide financial assistance for the acquisition or renovation of fixed assets by industrial companies locating or expanding in the County of Erie, New York (the County). ILDC manages a microenterprise revolving loan program which is dedicated to improving economic conditions in the County.

ILDC has related party relationships with Erie County Industrial Development Agency (ECIDA) and Buffalo and Erie County Regional Development Corporation (RDC). All three entities are managed by the same personnel. These entities share the same mission, which is to provide resources that encourage investment, innovation, growth, and global competitiveness, thereby creating a successful business climate that benefits the residents of the region.

In accordance with accounting standards, ILDC is considered a component unit of the County. The County, acting by and through the County Executive, is the sole member of ILDC and is financially accountable for it; as a result, the ILDC is included in the financial statements of the County as a discretely presented component unit.

**B. BASIS OF PRESENTATION**

Revenues from administrative fees and interest on loans are reported as operating revenues. All expenses related to the ILDC are reported as operating expenses. Capital grants are reported as non-operating income.

When both restricted and unrestricted resources are available for use, it is the ILDC's policy to use restricted resources first, then unrestricted resources as they are needed.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The ILDC is reported as a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The financial statements of the ILDC are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place.

Nonexchange transactions, in which the ILDC gives or receives value without directly receiving or giving equal value in exchange, include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**D. INCOME TAXES**

The ILDC is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and the income realized will not be subject to New York state corporate franchise tax. The ILDC does not believe that it has any uncertain tax positions and has not recorded any unrecognized tax benefits, liability, penalties or interest.

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
NOTES TO FINANCIAL STATEMENTS**

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**E. LOANS RECEIVABLE**

Loans receivable are presented net of an allowance for uncollectible accounts. The ILDC maintains an allowance for estimated uncollectible accounts which is based on an analysis of the loan portfolio and reflects an amount that, in management's judgment, is adequate to provide for potential loan losses. Loans are written off when, in management's judgment, no legal recourse is available to collect the amount owed.

Interest on loans receivable is accrued as required by the terms of the agreement; management considers the probability of collection based on the current economic condition of the borrower. Accrual of interest ceases when management adjusts a loan reserve to 50% or more of the loan's outstanding balance.

**F. TAX EXEMPT BOND TRANSACTIONS**

The ILDC is an issuer of tax-exempt bond financing for not-for-profit entities. These bonds are obligations of the borrower. Since ILDC has no obligation to repay the principal and interest of such bonds, they are not reflected as liabilities in the accompanying financial statements. ILDC receives bond issuance fees from the borrower for providing this service. ILDC also has a shared services agreement with ECIDA under which administrative and staffing services are provided to ILDC in connection with bond issuances in exchange for the related bond issuance fees received by ILDC. Bond issuance fees are recognized immediately upon issuance of the related bond. The original value of tax-exempt bonds issued by ILDC was \$0 as of December 31, 2019 (\$15,535,000 – 2018).

**G. NET POSITION**

Equity is classified as net position and displayed in two components:

- a. Restricted - Consists of net positions with constraints on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restrictions include amounts maintained in the Erie County Business Development Fund (Erie County BDF).
- b. Unrestricted - All other net positions that do not meet the definition of "restricted".

**H. STATEMENTS OF CASH FLOWS**

For the purposes of the statement of cash flows, the ILDC considers all cash to be unrestricted including demand accounts and certificates of deposit with an original maturity of generally three months or less.

**I. USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

**J. ACCOUNTING PRONOUNCEMENTS**

The ILDC has evaluated the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, Statement No. 84, *Fiduciary Activities*, Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, and Statement No. 90, *Majority Equity Interests-an Amendment of GASB Statements No. 14 and 61*, which became effective for the fiscal year ended December 31, 2019, and determined that they have no significant impact on the ILDC's financial statements.

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
NOTES TO FINANCIAL STATEMENTS**

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The following are GASB Statements that have been issued recently and are currently being evaluated, by the ILDC, for their potential impact in future years.

- Statement No. 87, *Leases*, which will be effective for the year ending December 31, 2020.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for the year ending December 31, 2020.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending December 31, 2021.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending December 31, 2021.

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS**

**A. ASSETS**

**1. CASH AND INVESTMENTS**

The ILDC's investment policies are governed by State statutes. In addition, the ILDC has its own written investment policy. ILDC monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The ILDC's Chief Financial Officer is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and obligations of the State of New York and its localities.

Collateral is required for demand deposits and certificates of deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

As of December 31, 2019 and 2018, the ILDC's aggregate bank deposits were considered fully collateralized.

Investment and Deposit Policy

The ILDC follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Chief Financial Officer of the Erie County Industrial Land Development Corporation.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The ILDC's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The ILDC's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The ILDC's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.



**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
NOTES TO FINANCIAL STATEMENTS**

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the ILDC's investment and deposit policy, all deposits of the ILDC including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The ILDC restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.

**2. LOANS RECEIVABLE**

The microenterprise revolving loan program was originally funded through a Community Development Block Grant (CDBG). Loans receivable maintained in the Erie County Business Development Fund (BDF) are restricted pursuant to the original grant terms.

Loans are made to local business from the Erie County BDF to complement private financing at an interest rate of 2% with varying repayment terms. All loans are classified as commercial loans.

During 2019, the ILDC provided a \$750,000 forgivable loan to a borrower. The full balance of the loan will be forgiven in installments of \$150,000 from 2024 through 2029 as long as the borrower meets certain job creation and retention requirements as set forth in the agreement. The full \$750,000 forgivable loan is included with special project grant expense for the year ended December 31, 2019. The full balance of the loan forgiven is included in loans receivable and fully recognized in the allowance for forgivable loan. The following is a summary of the loans receivable:

	<u>2019</u>	<u>2018</u>
Total loans receivable	786,562	19,294
Less: allowance for forgivable loan	<u>750,000</u>	<u>-</u>
Loans receivable, net	36,562	19,294
Less: current maturities	<u>13,812</u>	<u>6,925</u>
Loans receivable - long-term	<u>\$ 22,750</u>	<u>\$ 12,369</u>

At December 31, 2019, the Erie County BDF loan portfolio consisted of 2 loans that both bear an interest at rate of 2% with varying payment terms.

Scheduled maturities of principal for these loans for the next four years are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 13,812	\$ 778
2021	11,045	508
2022	7,021	341
2023	<u>4,684</u>	<u>199</u>
Total	<u>\$ 36,562</u>	<u>\$ 1,826</u>

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. GRANTS AND LAND HELD FOR SALE**

In February 2017 the ILDC entered into a funding agreement with the ECIDA to accept \$6,700,000 in the form of a partially refundable grant from ECIDA's U.S. Department of Housing and Urban Development Urban Development Action Grant (UDAG) reflow fund in connection with a Brownfield reclamation and redevelopment project at the former Bethlehem Steel site in Lackawanna, New York. \$5,700,000 of the grant was earmarked for the purchase of real property, with the remaining \$1,000,000 to be used for carrying costs during and after property acquisition. Additional funding of up to \$700,000 for property acquisition was granted from ECIDA's UDAG reflow fund in September 2017. As of December 31, 2019, \$6,338,416 of the \$6,400,000 total granted for the purchase of real property and \$481,000 of the \$1,000,000 granted for carrying costs was utilized.

In connection with the land purchase, ILDC authorized the execution of a \$2,780,000 grant from Empire State Development (ESD). Proceeds from this grant will be used to reimburse ECIDA. ILDC also resolved to remit to ECIDA 50% of the net proceeds received upon the future sale of portions of the Bethlehem Steel site acquired using ECIDA grant funds, in an amount not to exceed \$6,700,000. As of December 31, 2019, \$3,155,000 in reimbursements have been made to ECIDA.

The following is a summary of grants receivable at December 31:

	<u>2019</u>	<u>2018</u>
Bethlehem Steel Master Plan/GEIS - EDA	\$ 164,084	\$ 280,776
Bethlehem Steel Acquisition Phase II - ESD	1,755,000	-
Bethlehem Steel Acquisition Phase I - ESD		1,390,000
Total	<u>\$ 1,919,084</u>	<u>\$ 1,670,776</u>

Land held for sale are recorded is net realizable value based on assessment of the fair value of each project. The net realizable value as of December 31, 2019 and 2018 amounted to \$5,860,358 and \$6,530,672, respectively.

**NOTE 4. DEPOSIT ON LAND PURCHASE**

In April 2019, the ILDC entered into agreements to purchase property at the former Angola Airport site. The total deposit on the land purchases was \$155,638. Of that amount, \$155,000 is related to the earnest money deposit and the remaining \$638 is related to consulting expenses incurred in conjunction with the purchase.

**NOTE 5. RELATED PARTY TRANSACTIONS**

ECIDA allocates a portion of its personnel and overhead costs to ILDC which amounted to \$61,470 as of December 31, 2019 (\$76,732 – 2018). The amount outstanding to ECIDA at December 31, 2019 related to these costs amounted to \$61,470 (\$76,732 – 2018). ILDC owed ECIDA for reimbursable costs of \$1,017 as of December 31, 2019 (\$515 – 2018).

ILDC has a shared services agreement with ECIDA under which administrative and staffing services are provided to ILDC in connection with bond issuances in exchange for the administrative fees received by ILDC related to these bond transactions. ILDC transferred \$0 in administrative fees to ECIDA in 2019 (\$82,985 – 2018).

**NOTE 6. SUBSEQUENT EVENT**

These financial statements have not been updated for subsequent events occurring after XXXXXXX, 2020 which is the date these financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

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**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
COMBINING STATEMENTS OF NET POSITION  
DECEMBER 31, 2019**

	<u>Operating</u>	<u>Erie County BDF Program</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$ 21,313	\$ 186,326	\$ 207,639
Grants receivable	1,919,084	-	1,919,084
Loans receivable, short-term	-	13,812	13,812
Interest receivable	-	70	70
Due from affiliates	125,000	-	125,000
Deposit on land purchase	155,638	-	155,638
Total current assets	<u>2,221,035</u>	<u>200,208</u>	<u>2,421,243</u>
<b>Noncurrent assets:</b>			
Loans receivable, net	-	22,750	22,750
Capital assets, net	2,600	-	2,600
Land held for sale	5,860,358	-	5,860,358
Total noncurrent assets	<u>5,862,958</u>	<u>22,750</u>	<u>5,885,708</u>
Total assets	<u>\$ 8,083,993</u>	<u>\$ 222,958</u>	<u>\$ 8,306,951</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 8,844	\$ 41	\$ 8,885
Due to affiliate	248,523	2,107	250,630
Unearned revenue	1,787,518	-	1,787,518
Total liabilities	<u>2,044,885</u>	<u>2,148</u>	<u>2,047,033</u>
<b>NET POSITION</b>			
Restricted	-	220,810	220,810
Unrestricted	6,039,108	-	6,039,108
Total net position	<u>6,039,108</u>	<u>220,810</u>	<u>6,259,918</u>
Total liabilities and net position	<u>\$ 8,083,993</u>	<u>\$ 222,958</u>	<u>\$ 8,306,951</u>

**BUFFALO AND ERIE COUNTY INDUSTRIAL  
LAND DEVELOPMENT CORPORATION  
(A COMPONENT UNIT OF COUNTY OF ERIE, NEW YORK)  
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Operating</u>	<u>Erie County BDF Program</u>	<u>Total</u>
<b>Operating revenues:</b>			
Land Development and other income	\$ 17,500	\$ -	\$ 17,500
Interest from loans	-	538	538
Loan loss recoveries	-	18,750	18,750
Gain on land held for sale	33,791	-	33,791
Total operating revenues	<u>51,291</u>	<u>19,288</u>	<u>70,579</u>
<b>Operating expenses:</b>			
Transfer to ECIDA	59,363	2,107	61,470
General and administrative	175,619	827	176,446
Depreciation	325	-	325
Total operating expenses	<u>235,307</u>	<u>2,934</u>	<u>238,241</u>
Operating loss	(184,016)	16,354	(167,662)
<b>Non-operating revenue (expenses):</b>			
Grant income	1,046,975	-	1,046,975
Grant expenses	(1,281,975)	-	(1,281,975)
Interest income	14	-	14
Total non-operating revenue (expenses)	<u>(234,986)</u>	<u>-</u>	<u>(234,986)</u>
Change in net position	(419,002)	16,354	(402,648)
<b>Net position - beginning of year</b>	<u>6,458,110</u>	<u>204,456</u>	<u>6,662,566</u>
<b>Net position - end of year</b>	<u>\$ 6,039,108</u>	<u>\$ 220,810</u>	<u>\$ 6,259,918</u>

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of the  
Buffalo and Erie County Industrial  
Land Development Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Buffalo and Erie County Industrial Land Development Corporation (the ILDC), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the ILDC's financial statements, and have issued our report thereon dated XXXXX, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the ILDC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the ILDC's internal control. Accordingly, we do not express an opinion on the effectiveness of the ILDC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the ILDC's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ILDC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ILDC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buffalo, New York  
XXXXXX, 2020

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**INDEPENDENT ACCOUNTANT'S REPORT**

To the Members of the Board of Directors  
Buffalo and Erie County Industrial Land Development Corporation  
95 Perry Street, Suite 403  
Buffalo, New York 14203

We have examined the Buffalo and Erie County Industrial Land Development Corporation (the ILDC) compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law (collectively, the "Investment Guidelines") during the period January 1, 2019 through December 31, 2019. Management of the ILDC is responsible for the ILDC's compliance with the specified requirements. Our responsibility is to express an opinion on the ILDC's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the ILDC complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the ILDC complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the ILDC's compliance with specified requirements.

In our opinion, the ILDC complied, in all material respects, with the Investment Guidelines during the period of January 1, 2019 through December 31, 2019.

This report is intended solely for the information and use of the Board of Directors, management and others within the ILDC and the New York State Authorities Budget Office and is not intended to be and should not be used by anyone other than these specified parties.

Buffalo, New York  
XXXX XX, 2020

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP  
BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP**

**2019 ANNUAL REPORT**  
**(For purposes of Section 2800(2) of the Public Authorities Law)**

### **Description of the Agency:**

The Erie County Industrial Development Agency (ECIDA) is a public benefit corporation that provides tax incentives, financing programs, export assistance, land development and other economic development services to the City of Buffalo and Erie County, New York.

The ECIDA has two other affiliated not-for-profit organizations as follows:

- 1) **Buffalo and Erie County Regional Development Corporation (“RDC”)**. This is a lending corporation created by an Economic Development Administration grant with matching funds from the City of Buffalo and Erie County.
- 2) **Buffalo and Erie County Industrial Land Development Corporation (“ILDC”)**. The ILDC was restructured in 2009 to allow it to issue tax-exempt interest debt on behalf of Erie County to assist local not-for-profit organizations finance development projects at a lower cost. On behalf of Erie County, the ILDC also operates the Erie County Business Development Fund, a micro-loan program funded from HUD Community Development Block Grant sources.

These corporations are related since they are managed by the same personnel. The ECIDA and RDC share the same Board of Directors as their oversight body. The ILDC board is comprised of five ECIDA Board members. None of these corporations is owned by another corporation.

### **Purpose of the Annual Report:**

As an industrial development agency, the ECIDA and its affiliates are required to comply with New York State’s Public Authorities Law. Under this Law, the ECIDA and its affiliates are required to submit a comprehensive annual report that includes information on:

1. Operations and accomplishments
2. Financial Reports
3. Mission Statement & Measurements
4. Bonds and notes outstanding
5. Compensation (for those earning \$100,000 +)
6. Projects undertaken during the year
7. Property Report
8. Code of Ethics
9. An assessment of internal control structure and effectiveness
10. Legislation that forms the statutory basis of the authority
11. Board structure
12. By-Laws
13. Listing of material changes in operations and programs
14. Four-year Financial Plan
15. Board Performance Evaluations
16. Assets/Services bought or sold without competitive bidding

## 17. Description of material pending litigation

In compliance with the Public Authorities Law, the following required information is presented for the fiscal year ended December 31, 2019.

### **1. Operations & Accomplishments:**

A report on the 2019 operations and accomplishments of the ECIDA and its affiliates is posted on the ECIDA's website at <http://www.ecidany.com/about-us-corporate-reports>.

### **2. Financial Reports:**

#### **i) Audited Financial Statements:**

The audited financial statements for the ECIDA and its affiliates are posted on the ECIDA's website at <http://www.ecidany.com/about-us-corporate-reports> while the financial statement certification is included on page 8.

The financial statements are audited on an annual basis by ECIDA's external auditors, Freed Maxick CPAs, P.C. In their opinion, the financial statements present fairly, in all material respects, the financial position of the ECIDA and its affiliates as of December 31, 2019, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principals generally accepted in the United States of America.

#### **ii) Grants & Subsidy Programs:**

The ECIDA and its affiliates are recipients of various pass-through Federal, State and Local grant programs that are utilized for land development, loan, and other economic development programs. Details of the various grants are outlined in the notes to the audited financial statements.

In accomplishing its mission, the ECIDA does not receive any operational funding or subsidies from Federal, State, County or local sources. Instead, the ECIDA relies primarily upon administrative fees charged to those businesses that utilize its products and services.

#### **iii) Operating & Financial Risks:**

The following outline some of the operating and financial risks that impact the ECIDA and its affiliates:

- New York State Legislation – The New York State Legislature can impose various restrictions on the ability of Industrial Development Agencies to provide tax incentives which could significantly impact the revenue of the ECIDA.
- Collectability of loans receivable – The RDC and ILDC operate various revolving loan programs and as such their financial results are impacted by the collectability of the related loans.

- Litigation – To provide various tax incentives or grants, the ECIDA takes a leasehold or ownership interest in various properties and is often brought into various lawsuits that could impact the ECIDA’s financial results.
- Regulations – The ECIDA, RDC and ILDC are subject to various regulations including those imposed by the NYS Authorities Budget Office and the Federal Economic Development Administration. These regulations may increase the cost of compliance or impact the financial position of the Agency.
- Local economic conditions – Since the ECIDA relies upon fees generated from various projects that it assists, a reduction in the number and/or size of those projects would significantly impact the Agency’s revenues.

The ECIDA mitigates a portion of the above risks through prudent financial management, external legal guidance and comprehensive insurance coverage.

iv) Current bond ratings:

The ECIDA and ILDC act as conduits for tax-exempt bond financings by various not-for-profit and other eligible borrowers. As a conduit bond issuer, the ECIDA and ILDC do not issue bonds on their own behalf and therefore are not rated by municipal bond rating agencies.

v) Long-term liabilities including leases and employee benefit plans:

The ECIDA has long-term liabilities that are recorded on its financial statements related to its participation as a conduit under certain New York State loan programs as outlined in the notes to the ECIDA audited financial statements. The ECIDA does not have any long-term liabilities under employee benefit plans as ECIDA employees are not covered by any defined benefit pension plans or provided with any post-retirement benefits.

The ECIDA has a lease for its office space and three minor long-term leases for office equipment. All are recorded as operating leases in the audited financial statements.

**3. Mission Statement & Performance Measurements:**

The ECIDA’s Mission Statement & Measurements Report for 2019 is included in Attachment 1. This document will be reviewed and approved by the Board at the March 25, 2020 Board meeting.

**4. Schedule of Bonds and Notes Outstanding:**

Attachment 2 summarizes the ECIDA’s and ILDC’s bonds and notes outstanding at December 31, 2019. The indebtedness shown on these schedules is conduit debt and is **not** an obligation of the ECIDA, ILDC, Erie County or New York State. Neither the ECIDA nor the ILDC records the assets or liabilities resulting from completed bond and note issues in their accounts since their primary function is to facilitate the financing between the borrowing companies and the bond and note holders.

## **5. Compensation Schedule:**

See Attachment 3 for a list of ECIDA employees who had a salary exceeding \$100,000 during 2019. Attachment 3A is a summary of benefits provided to those staff as per the New York State Public Authorities Reporting Information System (PARIS). Biographies for these individuals are posted on the ECIDA website at <http://www.ecidany.com/staff-directory>. Salaries and benefit information for other ECIDA staff are also reported under the PARIS system.

None of the directors of the ECIDA or its affiliates receive any compensation for their services as directors. None of the officers of the ECIDA or its affiliates receive any compensation for their services as officers beyond their compensation as employees. None of the ECIDA affiliates had any employees during 2019.

## **6. Projects Undertaken by the Corporation during 2019:**

Attachment 4 details the tax-exempt bonds and tax abatements that were approved during 2019. Attachment 4A details the loans that were funded in 2019.

## **7. Listing of Certain Property of the Corporation:**

Attachment 5 provides information regarding the real property holdings of the ECIDA and its affiliates. This listing excludes the hundreds of properties in which the ECIDA has technical title in order to convey certain tax or other benefits. The properties presented are those where the ECIDA and its affiliates have “real” beneficial ownership.

## **8. Code of Ethics:**

The Corporation’s Code of Ethics is posted on the ECIDA’s website at <http://www.ecidany.com/about-us-corporate-policies>.

## **9. Assessment of the Effectiveness of Internal Control Structure and Procedures:**

Management’s Assessment of the Effectiveness of Internal Controls of the ECIDA, RDC and ILDC is posted on the ECIDA’s website at <https://www.ecidany.com/about-us-corporate-reports>.

The ECIDA, RDC and ILDC’s external auditors have conducted an audit of the internal control over financial reporting and their report is included in the audited financial statements posted on the ECIDA’s website at <https://www.ecidany.com/about-us-corporate-reports>.

## **10. Legislation that forms the Statutory Basis of the Authority:**

### **ECIDA**

Industrial development agencies (“IDAs”) are formed under Article 18-A of New York State General Municipal Law, as public benefit corporations. IDAs were created to

actively promote, encourage, attract and develop job and recreational opportunities and economically-sound commerce and industry in cities, towns, villages and counties throughout New York State (the "State"). IDAs are empowered to provide financial assistance to private entities through tax incentives in order to promote the economic welfare, prosperity and recreational opportunities for residents of a municipality ("Benefited Municipality").

Section 891a of the General Municipal Law outlines the composition of the Erie County IDA membership and additional powers granted to the ECIDA. A copy of this specific legislation can be found at the following address:

[http://public.leginfo.state.ny.us/LAWSSEAF.cgi?QUERYTYPE=LAWS+&QUERYDATA=\\$\\$GMU891-A\\$\\$@TXGMU0891-A+&LIST=LAW+&BROWSER=EXPLORER+&TOKEN=35134270+&TARGET=VIEW](http://public.leginfo.state.ny.us/LAWSSEAF.cgi?QUERYTYPE=LAWS+&QUERYDATA=$$GMU891-A$$@TXGMU0891-A+&LIST=LAW+&BROWSER=EXPLORER+&TOKEN=35134270+&TARGET=VIEW)

### RDC & ILDC

The RDC & ILDC are local development corporations which are formed and empowered to conduct certain projects pursuant to Not-For-Profit Corporation Law §1411. Distinguished from IDAs (which exist as public benefit corporations), LDCs are established as charitable corporations that are empowered to construct, acquire, rehabilitate and improve for use by others, industrial or manufacturing plants in the territory in which its operations are principally to be conducted ("Benefited Territory") and to make loans. LDCs can provide financial assistance for the construction, acquisition, rehabilitation, improvement, and maintenance of facilities for others in its Benefited Territory. Specific LDC powers include the ability to: (i) disseminate information and furnish advice, technical assistance and liaison services to Federal, State and local authorities; (ii) to acquire by purchase, lease, gift, bequest, devise or otherwise, real or personal property; and (iii) to borrow money and to issue negotiable bonds, notes and other obligations. LDCs are empowered to sell, lease, mortgage or otherwise dispose of or encumber facilities or any real or personal property or any interest therein.

A copy of this specific legislation can be found at the following address:

[http://public.leginfo.state.ny.us/LAWSSEAF.cgi?QUERYTYPE=LAWS+&QUERYDATA=\\$\\$NPC1411\\$\\$@TXNPC01411+&LIST=LAW+&BROWSER=EXPLORER+&TOKEN=35134270+&TARGET=VIEW](http://public.leginfo.state.ny.us/LAWSSEAF.cgi?QUERYTYPE=LAWS+&QUERYDATA=$$NPC1411$$@TXNPC01411+&LIST=LAW+&BROWSER=EXPLORER+&TOKEN=35134270+&TARGET=VIEW)

## **11. Description of the Authority and its Board Structure:**

### i) Names of Committees and Committee Members:

The ECIDA and its affiliates operate several committees as outlined on the ECIDA website at <http://www.ecidanyc.com/about-us-board-committees>. Attachment 6 outlines the committee members.

### ii) Lists of Board Meetings & Attendance:

A list of the various Board meetings and Board attendance is outlined on Attachment 7.

iii) Description of major authority units, subsidiaries:

The ECIDA and its affiliates do not have any subsidiaries.

iv) Number of Employees:

The ECIDA had 18 full-time employees in 2019.

v) Organizational Chart:

The ECIDA's organizational chart is posted on the ECIDA's website at: [https://www.ecidany.com/documents/Press\\_Room/Organizational%20Chart%20-%20as%20of%20June%202019.pdf](https://www.ecidany.com/documents/Press_Room/Organizational%20Chart%20-%20as%20of%20June%202019.pdf)

**12. Bylaws:**

The Bylaws for the ECIDA and its affiliates are posted on the ECIDA's website at <http://www.ecidany.com/about-us-corporate-policies>.

**13. Listing of Material Changes in Operations and Programs:**

ECIDA finished work on several projects at the former Bethlehem Steel site in Lackawanna, NY, including a rail line relocation and water line improvements. The ILDC continued work to develop an Infrastructure/Utility Master Plan and Generic Environmental Impact Statement to prepare the 148-acre vacant brownfield site for private investment and redevelopment.

The ECIDA and ILDC entered into a memorandum of understanding with several other public and private partners to implement the Erie County Opportunity Zone marketing initiative. A \$25,000 grant was utilized to engage a consultant for marketing and investment attraction services to promote Erie County's twenty-three Opportunity Zones to regional and national investors.

No new policies were approved in 2019.

**14. Four-Year Financial Plan:**

A copy of the four-year financial plan is posted on the ECIDA's website at <https://www.ecidany.com/about-us-corporate-reports>.

**15. Board Performance Evaluations:**

The ECIDA Board of Directors conducted a Board Performance Evaluation in 2019 and forwarded the results to the Authority Budget Office. The surveys are not subject to disclosure under Article six of the Public Officers Law.

**16. Assets/Services bought or sold without competitive bidding:**

Attachments 8, 8A, and 8B are Procurement Reports that are filed under PARIS for the ECIDA, RDC, and ILDC respectively. These reports outline the assets and services



purchased through competitive and non-competitive bidding for all procurements in excess of \$5,000.

**17. Description of material pending litigation:**

The audited financial statements for the ECIDA, RDC, and ILDC outline any material pending litigation. The audited financial statements are posted on the ECIDA's website at <http://www.ecidany.com/about-us-corporate-reports>.

## **Certification Pursuant to Section 2800(3) of the Public Authorities Law**

Pursuant to Section 2800 (3) of the Public Authorities Law, each of the undersigned officers of Erie County Industrial Development Agency, Buffalo and Erie County Regional Development Corporation, and the Buffalo and Erie County Industrial Land Development Corporation does hereby certify with respect to the annual financial report of the Corporation (the “Annual Financial Report”) posted on the ECIDA’s website at <http://www.ecidany.com/about-us-corporate-reports> that based on the officer’s knowledge:

1. The information provided in the Annual Financial Report is accurate, correct and does not contain any untrue statement of material fact;
2. Does not omit any material fact which, if omitted, would cause the financial statements contained in the Annual Financial Report to be misleading in light of the circumstances under which such statements are made; and
3. Fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in such financial statements.

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Steven Weathers  
President & CEO

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Mollie Profic  
CFO

ECIDA Bonds

Attachment #2

Id	Trustee	ProjectName	Bond Amount	Year Start Balance 2019	Year End Balance 2019	Principal Paid 2019	Interest Rate	Bond/Loan Number	Bond Maturity
2516	Bank of New York Mellon	Our Lady of Victory Renaissance Corporation	\$11,860,000	\$ 8,660,000	\$ 8,235,000	\$ 425,000	0.053		4/1/32
2360	New York Housing Finance Agency	2009 Shoreline Apartments LLC	\$9,000,000	\$ 1,229,571			0.055	5003	11/30/41
2591	M&T Bank	Canisius High School	\$22,250,000	\$ 12,000,000	\$ 11,170,000	\$ 830,000	var	1012768	2/1/38
2491	M&T Bank	Hydro-Air Components, Inc.	\$9,800,000	\$ 3,985,000	\$ 3,535,000	\$ 450,000	Var.	1034103	4/1/26
860	M&T Bank	Canterbury Woods	\$58,610,000	\$ 2,035,000	\$ 275,000	\$ 1,760,000	0.06	2374	2/1/28
10140	M&T Bank	Joint Schools Construction Board 2012A Refinancing	\$209,540,000	\$148,515,000	\$131,620,000	\$ 16,895,000	var.	G018	5/1/26
10194	M&T Bank	Joint Schools Construction Board 2013 Refund of 2009A Bonds	\$62,540,000	\$ 61,315,000	\$ 61,060,000	\$ 255,000	var	254	5/1/28
2712	M&T Bank	Joint Schools Construction Board Phase IV - 2009	\$294,905,000	\$ 155,785,000	\$ -	\$ 155,785,000	var	5980	5/1/31
10134	M&T Bank	Joint Schools Construction Project - 2011 Bonds	\$277,875,000	\$ 191,560,000	\$ 174,245,000	\$ 17,315,000	var.	G005, G006	5/1/32
10291	M&T Bank	Joint Schools Construction Board (Refund of 2007A & 2008A bonds) - Series 2015A	\$236,975,000	\$ 201,220,000	\$ 190,415,000	\$ 10,805,000	var.	H378	2029
10342	M&T Bank	Joint Schools Construction Board-Series 2016A (Refund of 2009A Bonds)	\$133,580,000	\$ 132,175,000	\$ 132,175,000	\$ -	2.17		2031
1055	U.S. Bank	Affinity Sutton Place, LP	\$9,995,000	\$ 5,656,743	\$ -	\$ 5,656,743	var.	ERIIND03x2	6/1/33
1747	U.S. Bank	Elmwood Square Preservation L.P.	\$6,085,000	\$ 3,205,916	\$ -	\$ 3,205,916	var.	ERICNTIND04	9/20/45
1035	Huntington National Bank	Child & Family Services of Erie County	\$4,200,000	\$ 1,285,000	\$ 955,000	\$ 330,000	var.	ERIENYCHL002 ; 5082022935	6/1/22
1036	Huntington National Bank	People, Inc.	\$13,685,000	\$ 635,000	\$ 375,000	\$ 260,000	.0722; var	ERIENYPEOPLE; 5082023104	6/1/22
10216	U.S. Bank National Association	Medaille College 2013 Refund of ECIDA 2003 Bond	\$18,240,000	\$ 15,605,000			fixed	1036945, 1036947, 1036962	2/16/35
1062	M&T Bank	Niagara Maryland Development, LLC	\$2,500,000	\$ 955,000	\$ 790,000	\$ 165,000	var	295088FM5	6/1/23
				\$ 945,822,230	\$ 714,850,000	\$ 214,137,659			

ILDC Bonds

Attachment #2

Id	Bank	ProjectName	Bond Amount	Year Start Balance 2019	Year End Balance 2019	Principal Paid 2019	Interest Rate	Loan Number	Bond Maturity
10018	Key Bank	134 High Street, LLC	\$24,050,000	\$20,532,851	\$20,144,509	\$388,342	1.9	2000 19408	2022
2736	M&T Bank	Buffalo State Foundation Corp.	\$44,285,000	\$39,150,000	\$38,920,000	\$860,000		1033116, 1033117, 1033115, 1033121, 1033114, 1033123, 1033120, 1033122	2041
10111	M&T Bank	Cantalician Center for Learning Series A	\$9,525,000	\$6,746,251	\$6,312,084	\$434,167	var.	1034105	2033
10036	M&T Bank	Iskalo Development/2780 Delaware	\$6,000,000	\$3,617,077	\$0	\$3,617,077	3.83	9966072323	2030
10338	M&T Bank	854 Ellicott Street, LLC	\$44,328,500	\$44,328,500			2.95	99-6641368-3	2051
10290	The Bank of New York Mellon	Orchard Park CCRC, Inc. a/k/a Fox Run	\$44,490,000	\$40,850,000	\$39,620,000	\$1,230,000	1-5%		2037
10296	M&T Bank	Canisius College of Buffalo, New York - Refund of 2004-2005 DASNY Bonds - Series 2015A	\$30,760,000	\$23,115,000	\$22,325,000	\$790,000	Libor rate: 1.3375	3233822	2033
10296	M&T Bank	Canisius College of Buffalo, New York - Refund of 2004-2005 DASNY Bonds - Series 2015B	\$16,195,000	\$16,195,000	\$16,195,000	\$0	Libor rate: 1.4075	3233830	2040
10316	Key Bank	Buffalo Academy of Science Charter School	\$3,250,000	\$1,969,976	\$1,574,614	\$395,362	3.08	9014559613- 000000001	4/30/23
2758	M&T Bank	Enterprise Charter School	\$7,345,000	\$6,610,000	\$6,485,000	\$125,000	7.5	1032851	2040
10371	M&T Bank	Tapestry Charter School	\$33,900,000	\$33,900,000	\$33,500,000	\$400,000			2052
10375	U.S. Bank	Charter School for Applied Technologies	\$22,995,000	\$22,225,000	\$21,290,000	\$935,000		220612000	2035
10278	The Bank of New York Mellon	Catholic Health System	\$93,800,000	\$88,880,000			5		2045
10398	M&T Bank	Medaille College 2018 Series Refunding of 2010 Bonds	\$9,350,000	\$ 9,350,000					2038
10399	Wilmington Trust	Global Concepts Charter School	\$6,185,000	\$ 6,185,000	\$ 5,975,000	\$ 210,000	4 & 5%	131876-000	10/1/37
				\$363,654,655	\$212,341,207	\$9,384,948			

**Erie County Industrial Development Agency**  
 Compensation Schedule  
 Year Ended: December 31, 2019

The following employees had a salary greater than \$100,000 in 2019:

Name	Title	Salary	Performance Compensation *	Payroll Taxes**	Benefits	Total
Steven Weathers	President & Chief Executive Officer	\$ 169,770	5,783	10,921	43,799	\$ 230,273
John Cappellino	Executive VP, Director of Business Development and Marketing	\$ 137,261	6,011	10,453	38,951	\$ 192,676
Karen Fiola	Manager, Tax Incentive Products	\$ 103,629	4,538	8,411	27,634	\$ 144,212

\* Paid under Board-approved "ECIDA Employee Compensation Program" and 2019 ECIDA Budget.

\*\* Represents Employer's Share of FICA taxes (Social Security & Medicare) & NYS Unemployment Insurance taxes

Annual Report for Erie County Industrial Development Agency

Fiscal Year Ending: 12/31/2019

Run Date: 03/03/2020  
Status: UNSUBMITTED  
Certified Date: N/A

Name	Title	Severance Package	Payment For Unused Leave	Club Memberships	Use of Corporate Credit Cards	Personal Loans	Auto	Transportation Allowance	Housing Allowance	Spousal / Dependent Life Insurance	Tuition Assistance	Multi-Year Employment	None of these benefits	Other
Mudie, John	Board of Directors												X	
Nellis, Glenn	Board of Directors												X	
Poloncaz, Mark	Board of Directors												X	
Pridgen, Darius	Board of Directors												X	
Roche, Sr. Denise	Board of Directors												X	
Schoelz, Kenneth	Board of Directors												X	
Specht, Charles	Board of Directors												X	
Wingenter, Art	Board of Directors												X	

Staff

Name	Title	Severance Package	Payment For Unused Leave	Club Memberships	Use of Corporate Credit Cards	Personal Loans	Auto	Transportation Allowance	Housing Allowance	Spousal / Dependent Life Insurance	Tuition Assistance	Multi-Year Employment	None of these benefits	Other
Cappellino, John	Executive VP&Direct or, Business Dev. & Marketing Manager, Tax Incentive Products President & CEO												X	
Fiala, Karen													X	
Weathers, Steve													X	

**Erie County Industrial Development Agency  
Buffalo & Erie County Industrial Land Development Corporation**

Projects Undertaken by the Corporation

Year Ended: December 31, 2019

<u>Company</u>	<u>Net Jobs</u>		<u>Lease Project</u>	<u>Tax-Exempt Bond</u>	<u>Date Approved</u>
	<u>Projected</u>	<u>Projected</u>			
	<u>Jobs - Year</u>	<u>To Be</u>	<u>Amount</u>	<u>Amount</u>	
	<u>2</u>	<u>Created</u>			
1 Rosina - Protein Operation Expansion	140	40	\$ 58,000,000		10/23/2019
2 Moog, Inc.*	357	69	44,300,000		10/23/2019
3 Unifrax 1, LLC/Line 7 Project	37	10	36,000,000		3/27/2019
4 Fedder Lofts, LLC	2	2	25,725,000		6/26/2019
5 Marina Vista/Related Affordable	5	5		23,599,613	2/27/2019
6 Time Release Sciences, Inc.	123	20	22,700,000		8/28/2019
7 Niagara Wind Power & Erie Wind, LLC	3	0	21,464,287		11/20/2019
8 McKesson Corporation	75	13	18,200,000		3/27/2019
9 Steuben Foods, Inc.	591	17	16,854,183		3/27/2019
10 McGuire Development/CAO	39	2	9,416,936		2/27/2019
11 Buffalo High Technology Centre, Inc.	4	4	7,877,447		7/24/2019
12 201 Ellicott, LLC/Braymiller Market	45	45	6,901,900		8/28/2019
13 Michigan Seneca Group, Inc.	35	1	5,712,000		8/28/2019
14 Fisher Price	279	5	4,025,058		7/24/2019
15 ROAR Logistics, Inc.*	63	14	3,425,000		1/23/2019
16 CPI Process Systems	15	2	3,100,000		5/22/2019
17 Derby Warehousing/KPM Exceptional	8	2	1,332,000		7/24/2019
18 Buffalo Material Handling	33	3	1,315,000		6/26/2019
19 Hertel Pacific, LLC/Cypress North Corp.	19	3	935,160		8/28/2019
Total :	<u>1,873</u>	<u>257</u>	<u>\$ 287,283,971</u>	<u>\$ 23,599,613</u>	

\* Indicates an amendatory project.

**ATTACHMENT 4A**

**Buffalo & Erie County Regional Development Corporation**

Projects Undertaken by the Corporation (Loans)

Year Ended: December 31, 2019

<u>Company</u>	<u>Loan Amount</u>	<u>Date Closed</u>
1 WNY Medical Management	\$ 1,400,000	12/19/2019
2 The Petada Co., LLC	225,000	10/16/2019
3 Herb N Garden Farms	140,000	1/4/2019
4 Horace L. Miller dba HLM Landscaping & Snow Removal	48,000	6/6/2019

Total \$ 1,813,000



Erie County Industrial Development Agency  
 Property Report  
 Year Ended: December 31, 2019

Table 1. The following is a listing of all real property owned by the ECIDA and its affiliates at December 31, 2019.

Owner	Address and Location of Property	Full Description of Property	Estimated FMV of Property*
ECIDA	Gateway Trade Center - N.W. Hamburg Turnpike, Lackawanna	Commercial warehouse	\$ 1,140,000
ECIDA	143 Genesee Street, Buffalo, NY 14203	12,803 square foot office facility	1,800,000
ILDC	3445 River Road, Tonawanda, NY 14150	vacant land	20,000
ILDC	2303 Hamburg Turnpike, Lackawanna, NY 14218	137.96 acres of vacant land w/19,368 s.f. building	\$ 1,261,856

Table 2. The following is a listing of personal property (with a fair market value ("FMV") in excess of \$5,000) and all real property that was disposed of during 2019.

Owner	Address and Location of Property	Full Description of Property	Estimated FMV* of Property	Name & Address of Purchaser	Date of Sale	Price Received by ILDC
ILDC	2303 Hamburg Turnpike, Lackawanna, NY 14218	25.69 acres of vacant land	\$ 568,750	Time Release Properties, LLC 205 Dingers Street Buffalo, NY 14206	12-Dec	\$1,050,000

Table 3. The following is a listing of all real property that was acquired during 2019.

Owner	Address and Location of Property	Full Description of Property	Estimated FMV* of Property	Name & Address of Seller	Date of Purchase	Price Paid by ILDC
ILDC	2303 Hamburg Turnpike, Lackawanna, NY 14218	9.91 acres of vacant land	\$ 221,606	Recumseh Redevelopment Inc. 2303 Hamburg Turnpike Lackawanna, NY 14218	12/12/19	\$300,000

Please note that the above listing excludes the hundreds of properties in which the ECIDA has technical title in order to convey certain tax or other benefits.

The properties presented are those where the ECIDA has "real" beneficial ownership.

\* Based on assessed value (adjusted for tax equalization rate if applicable)

**ECIDA/RDC/ILDC Board Committees**  
**(As of 12/31/19)**

**Attachment #6**

Key: E= ECIDA, R=RDC, I=ILDC

Name	Executive	Governance	Compensation	Finance & Audit	Nominating	Policy	Loan	Project Expenditure Committee	Loan Write-Off
Denise Abbott						ER	ER		
Alan Alpert*								ER	
April Baskin*						ER			
Penny Beckwith*				ERI					ERI
Clifford Bell*								ER	
Diane Benczkowski		ERI							
Mark Blue			E		ERI	ER			
Bryon Brown	ER					ER			
Johanna Coleman*						ER			
Richard Cummings*						ER			
Colleen Dipirro*						ER			
Joseph Emminger	ER			ERI			ER		
Dottie Gallagher			E		ERI				
Rebecca Gandour*							ER		
Tyra Johnson-Hux		ERI						ER	ERI
Richard Krebs*						ER			
Brian Kulpa		ERI							
Nancy LaTulip*							ER		
Richard Lipsitz	ER		E		ERI	ER			
Brenda McDuffie	ER	ERI			ERI	ER			
Diane McMahon*								ER	
David McKinley*							ER		
Glenn Nellis	ER			ERI		ER			
Mark Poloncarz	ER		E		ERI			ER	
Darius Pridgen	ER								ERI
Kenneth Schoetz		ERI	E					ER	ERI

**ECIDA/RDC/ILDC Board Committees**  
**(As of 12/31/19)**

**Attachment #6**

Key: E= ECIDA, R=RDC, I=ILDC

Name	Executive	Governance	Compensation	Finance & Audit	Nominating	Policy	Loan	Project Expenditure Committee	Loan Write-Off
Laura Smith*						ER			
Charles Specht				ERI					
David State*		ERI				ER			
Lavon Stephens*						ER			
Michael Szukala*				ERI					
Michael Taylor*							ER		
Art Wingerter				ERI					
Maria Whyte*		ERI				ER			
William Witzleben*				ERI					ERI
Royce Woods*							ER		

\* Non-Board members

2019 ECIDA AND AFFILIATES BOARD MEMBER MEETING LIST

X = ATTENDED

Board	Member	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Notes
ECIDA		1/23/19	2/27/19	3/27/19	No meeting	5/22/19	6/26/19	7/24/19	8/28/19	9/25/19	10/23/19	11/20/19	No meeting	
	Denise Abbott										X	X		Term began 10/23/19
	Hon. April Baskin	X	X	X										Term began 1/23/19 & ended 3/27/19
	Hon. Diane Benczkowski	X	X	X			X			X	X			
	Rev. Mark Blue	X	X	X		X				X	X			
	Hon. Byron Brown			X					X					
	James Doherty													
	Hon. Joseph Emminger	X	X	X				X	X	X	X	X		
	Dottie Gallagher		X	X		X		X	X	X				
	Howard Johnson					X		X	X	X				Term began 5/22/19
	Tyra Johnson			X			X		X	X	X	X		
	Hon. Brian Kulpa	X	X	X		X	X	X	X	X				
	Richard Lipsitz			X		X	X	X	X			X		
	Brenda McDuffie	X	X	X		X	X	X	X	X	X	X		
	John Mudie			X			X	X		X				Term ended 9/25/19
	Hon. Glenn Nellis		X	X		X	X	X	X	X	X	X		
	Hon. Mark Poloncarz	X	X			X	X	X	X	X	X	X		
	Rev. Darius Pridgen		X					X						
	Sr. Denise Roche	X	X	X		X	X	X		X	X	X		
	Kenneth Schoetz	X	X	X		X	X	X	X	X		X		
	Charles Specht		X	X			X		X		X			
	Art Wingerter	X	X			X	X	X	X	X	X	X		

2019 ECIDA AND AFFILIATES BOARD MEMBER MEETING LIST

X = ATTENDED

Board	Member	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
RDC		No meeting	2/27/19	3/27/19	No meeting	5/22/19	No meeting	No meeting	8/28/19	9/25/19	10/23/19	11/20/19	No meeting	
	Denise Abbott										X	X		Term began 10/23/19
	Hon. April Baskin		X	X										Term began 1/23/19 & ended 3/27/19
	Diane Benczkowski		X	X							X			
	Rev. Mark Blue		X	X		X				X	X			
	Hon. Byron Brown			X					X					
	James Doherty													
	Hon. Joseph Emminger		X	X					X	X	X	X		
	Dottie Gallagher		X	X		X								
	Howard Johnson					X			X	X				Term began 5/22/19
	Tyra Johnson			X		X			X	X	X	X		Term began 1/24/18
	Hon. Brian Kulpa		X	X		X			X					
	Richard Lipsitz			X		X			X			X		
	Brenda McDuffie		X	X		X			X	X	X	X		
	John Mudie			X						X				Term ended 9/25/19
	Hon. Glenn Nellis		X	X		X			X	X	X	X		
	Hon. Mark Poloncarz		X			X			X	X	X	X		
	Rev. Darius Pridgen		X											
	Sr. Denise Roche		X	X		X				X	X	X		
	Kenneth Schoetz		X	X		X			X	X		X		
	Charles Specht		X	X					X		X			
	Art Wingerter		X	X		X			X	X	X	X		

2019 ECIDA AND AFFILIATES BOARD MEMBER MEETING LIST

Attachment #7

X = ATTENDED

Board Member	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
ILDC	No meeting	2/27/19	3/27/19	No meeting	5/22/19	6/26/19	No meeting	8/28/19	9/25/19	10/23/19	No meeting	12/18/19	
Denise Abbott										X		X	Term began 10/23/19
Hon. April Baskin		X	X		X			X	X	X			Term began 1/23/19
Hon. Byron Brown													
Hon. Howard Johnson					X			X	X				Term began 5/22/19
Richard Lipsitz			X		X	X		X				X	
John Mudie			X			X			X				Term ended 9/25/19
Hon. Mark Poloncarz		X			X	X		X	X	X		X	
Hon. Peter Savage III		X	X										Term ended 3/27/19
Maria Whyte		X			X	X		X	X	X		X	



Procurement Report for Erie County Industrial Development Agency

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
 Status: UNSUBMITTED  
 Certified Date : N/A

**Procurement Information:**

Question	Response	URL (If Applicable)
1. Does the Authority have procurement guidelines?	Yes	http://www.ecidary.com/about-us-corporate-policies
2. Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	Yes	
3. Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	No	
4. Does the Authority allow for exceptions to the procurement guidelines?	Yes	
5. Does the Authority assign credit cards to employees for travel and/or business purchases?	Yes	
6. Does the Authority require prospective bidders to sign a non-collusion agreement?	No	
7. Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?	Yes	
8. Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-(2)(a) of the State Finance Law, "The Procurement Lobbying Act"?	No	
8a. Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-(10) of the State Finance Law?		
9. If Yes, was a record made of this impermissible contact?	Yes	
9. Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-(9) of the State Finance Law?		

Procurement Report for Erie County Industrial Development Agency

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

**Procurement Transactions Listing:**

<b>1.</b>	<b>Vendor Name</b>	360 PSG.com	<b>Address Line1</b>	455 Commerce Drive
	<b>Type of Procurement</b>	Technology - Consulting/Development or Support	<b>Address Line2</b>	Suite 3
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
	<b>Award Date</b>	7/14/2009	<b>State</b>	NY
	<b>End Date</b>		<b>Postal Code</b>	14228
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$19,515.00	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$19,515.00	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Website development and hosting.

<b>2.</b>	<b>Vendor Name</b>	Bergmann Associates	<b>Address Line1</b>	280 E. Borad Street
	<b>Type of Procurement</b>	Design and Construction/Maintenance	<b>Address Line2</b>	Suite 200
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	ROCHESTER
	<b>Award Date</b>	7/18/2016	<b>State</b>	NY
	<b>End Date</b>	12/31/2018	<b>Postal Code</b>	14604
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$298,505.17	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$79,128.34	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Engineering, design, construction, and administrative/inspection services for the Bethlehem rail relocation project.



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<b>3. Vendor Name</b>	Blue Cross/Blue Shield of WNY	<b>Address Line1</b>	Payment Process Center
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	PO Box 644366
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	PITTSBURGH
<b>Award Date</b>	2/1/2019	<b>State</b>	PA
<b>End Date</b>	1/1/2020	<b>Postal Code</b>	15264
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$180,785.12	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$180,785.12	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Health insurance for employees.

<b>4. Vendor Name</b>	Buffalo Business First	<b>Address Line1</b>	14016 Collections Center Drive
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	CHICAGO
<b>Award Date</b>		<b>State</b>	IL
<b>End Date</b>		<b>Postal Code</b>	60693
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$42,107.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Targeted advertising campaign in local weekly business publication.

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<b>5. Vendor Name</b>	Buffalo Niagara Manufacturing Alliance	<b>Address Line1</b>	169 Bullis Road
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	COWLESVILLE
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14037
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$6,065.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Sponsorship (\$5,000), annual membership dues (\$975), and event registrations (\$90).

<b>6. Vendor Name</b>	Buffalo Urban Development Corporation	<b>Address Line1</b>	95 Perry Street
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	Suite 404
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14203
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$100,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Grant support for the Buffalo Building Reuse project.

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<b>7. Vendor Name</b>	Chubb & Son, a Division of Federal Insurance Company	<b>Address Line1</b>	P.O. Box 382001
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	PITTSBURGH
<b>Award Date</b>	12/29/2018	<b>State</b>	PA
<b>End Date</b>	12/31/2019	<b>Postal Code</b>	15250
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$15,564.00	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$15,564.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Excess liability and excess crime insurance.

<b>8. Vendor Name</b>	Copier Fax Business Technologies, Inc.	<b>Address Line1</b>	465 Ellcott Street
<b>Type of Procurement</b>	Commodities/Supplies	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
<b>Award Date</b>	12/14/2018	<b>State</b>	NY
<b>End Date</b>	12/14/2023	<b>Postal Code</b>	14203
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$43,139.59	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$43,139.59	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	DocuWare software (\$31,499.77), DocuWare annual maintenance charges (\$6,308.36), and copier charges (\$5,331.46).

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<b>9. Vendor Name</b>	DeLage Landen Financial Services, Inc.	<b>Address Line1</b>	PO Box 41602
<b>Type of Procurement</b>	Technology - Hardware	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	PHILADELPHIA
<b>Award Date</b>	12/14/2018	<b>State</b>	PA
<b>End Date</b>	12/14/2023	<b>Postal Code</b>	19101
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$6,264.30	<b>Province/Region</b>	
<b>Amount Expended For Fiscal Year</b>	\$6,264.30	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Lease for office copiers.

<b>10. Vendor Name</b>	Dell Marketing, L.P.	<b>Address Line1</b>	P.O. Box 643561
<b>Type of Procurement</b>	Technology - Software	<b>Address Line2</b>	
<b>Award Process</b>	Purchased Under State Contract	<b>City</b>	PITTSBURGH
<b>Award Date</b>		<b>State</b>	PA
<b>End Date</b>		<b>Postal Code</b>	15264
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	
<b>Amount Expended For Fiscal Year</b>	\$21,189.27	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Software licenses.

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<b>11. Vendor Name</b>	Earthlink Business (Windstream)	<b>Address Line1</b>	P.O. Box 88104
<b>Type of Procurement</b>	Telecommunication Equipment or Services	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	CHICAGO
<b>Award Date</b>	1/21/2011	<b>State</b>	IL
<b>End Date</b>		<b>Postal Code</b>	60680
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$14,637.46	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$14,637.46	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Telephone and internet service provider

<b>12. Vendor Name</b>	Empire State Development	<b>Address Line1</b>	633 Third Avenue
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	NEW YORK
<b>Award Date</b>	3/7/2008	<b>State</b>	NY
<b>End Date</b>	9/30/2023	<b>Postal Code</b>	10017
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$192,102.76	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$192,102.76	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Rent for offices at 95 Perry Street.

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<b>13. Vendor Name</b>	Fireman's Fund Insurance Companies	<b>Address Line1</b>	P.O. Box 3914
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	CAROL STREAM
<b>Award Date</b>	12/31/2018	<b>State</b>	IL
<b>End Date</b>	12/31/2019	<b>Postal Code</b>	60132
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$11,220.00	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$11,220.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Excess liability insurance policy.

<b>14. Vendor Name</b>	Freed Maxick CPAs, P.C.	<b>Address Line1</b>	P.O. Box 8000
<b>Type of Procurement</b>	Financial Services	<b>Address Line2</b>	Dept. 644
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
<b>Award Date</b>	9/27/2017	<b>State</b>	NY
<b>End Date</b>	3/31/2020	<b>Postal Code</b>	14267
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$25,750.00	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$25,750.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Audit services.

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<b>15. Vendor Name</b>	Guardian	<b>Address Line1</b>	7 Hanover Street
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	NEW YORK
<b>Award Date</b>	2/1/2019	<b>State</b>	NY
<b>End Date</b>	1/1/2020	<b>Postal Code</b>	10004
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$18,584.48	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$18,584.48	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Dental insurance for ECIDA employees.

<b>16. Vendor Name</b>	Harris Beach, PLLC	<b>Address Line1</b>	Larkin at Exchange
<b>Type of Procurement</b>	Legal Services	<b>Address Line2</b>	726 Exchange Street, Suite 1000
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
<b>Award Date</b>	1/12/2009	<b>State</b>	NY
<b>End Date</b>	5/1/2022	<b>Postal Code</b>	14210
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$147,955.77	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$147,955.77	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Legal services.

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<b>17. Vendor Name</b>	Invest Buffalo Niagara	<b>Address Line 1</b>	257 W. Genesee Street
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	Suite 600
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14202
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	
<b>Amount Expended For Fiscal Year</b>	\$122,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Membership dues (\$50,000) and sponsorship of the Canadian Lead Generation initiative (\$72,000).

<b>18. Vendor Name</b>	Key Resource Group	<b>Address Line 1</b>	135 Delaware Avenue
<b>Type of Procurement</b>	Staffing Services	<b>Address Line2</b>	Suite 407
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
<b>Award Date</b>	9/6/2017	<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14202
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$11,077.85	<b>Province/Region</b>	
<b>Amount Expended For Fiscal Year</b>	\$11,077.85	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Temporary office staff services.



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<b>19. Vendor Name</b>	Lincoln Life & Annuity	<b>Address Line1</b>	P.O. Box 7247-0347
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	PHILADELPHIA
<b>Award Date</b>	2/1/2019	<b>State</b>	PA
<b>End Date</b>	1/1/2020	<b>Postal Code</b>	19170
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$13,925.86	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$13,925.86	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Life insurance, long-term disability, and accidental death & dismemberment insurance policies for ECIDA employees.

<b>20. Vendor Name</b>	Management Recruiters of Williamsville	<b>Address Line1</b>	701 Seneca Street
<b>Type of Procurement</b>	Staffing Services	<b>Address Line2</b>	Suite 603
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
<b>Award Date</b>	3/1/2019	<b>State</b>	NY
<b>End Date</b>	4/30/2019	<b>Postal Code</b>	14210
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$9,000.00	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$9,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Job search services for the ECIDA credit analyst position.

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<b>21. Vendor Name</b>	NYSIF Workers' Compensation	<b>Address Line1</b>	P.O. Box 5238
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	NEW YORK
<b>Award Date</b>	1/1/2019	<b>State</b>	NY
<b>End Date</b>	12/31/2019	<b>Postal Code</b>	10008
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$6,983.60	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$6,983.60	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Worker's compensation insurance.

<b>22. Vendor Name</b>	National Development Council	<b>Address Line1</b>	One Battery Park Plaza
<b>Type of Procurement</b>	Other Professional Services	<b>Address Line2</b>	24 Whitehall Street, Suite 710
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	NEW YORK
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	10004
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$60,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Technical assistance for community and economic development programs.

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<b>23. Vendor Name</b>	New York State Economic Development Council (NYSEDC)	<b>Address Line1</b>	111 Washington Avenue
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	6th Floor
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	ALBANY
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	12210
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$6,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Sponsorships for the IDA Academy (\$3,000) and the 2020 Economic Development Conference (\$3,000).

<b>24. Vendor Name</b>	Patterson Stevens, Inc.	<b>Address Line1</b>	P.O. Box 117
<b>Type of Procurement</b>	Design and Construction/Maintenance	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	TONAWANDA
<b>Award Date</b>	5/29/2018	<b>State</b>	NY
<b>End Date</b>	7/31/2019	<b>Postal Code</b>	14150
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$430,454.91	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$84,548.72	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Rail improvements at Sumitomo USA.

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<b>25.</b>	<b>Vendor Name</b>	Philadelphia Insurance Companies	<b>Address Line1</b>	P.O. Box 70251
	<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	PHILADELPHIA
	<b>Award Date</b>	12/31/2018	<b>State</b>	PA
	<b>End Date</b>	1/1/2020	<b>Postal Code</b>	19176
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$41,672.62	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$41,672.62	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Directors & officers insurance, municipal package insurance, and general liability insurance.

<b>26.</b>	<b>Vendor Name</b>	Print2Web, LLC	<b>Address Line1</b>	712 Main Street
	<b>Type of Procurement</b>	Other Professional Services	<b>Address Line2</b>	Suite 113A
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
	<b>Award Date</b>	1/16/2018	<b>State</b>	NY
	<b>End Date</b>		<b>Postal Code</b>	14202
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$7,547.00	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$7,547.00	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Printed annual report, calendars, and post card mailings and design work.

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<b>27.</b>	<b>Vendor Name</b>	Tartaglia Railroad Services, Inc.	<b>Address Line1</b>	5867 East Molloy Road
	<b>Type of Procurement</b>	Design and Construction/Maintenance	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	SYRACUSE
	<b>Award Date</b>	9/25/2017	<b>State</b>	NY
	<b>End Date</b>	9/30/2018	<b>Postal Code</b>	13211
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$2,870,639.69	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$576,319.53	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Construction and improvements on the Bethlehem rail project- Phase II.

<b>28.</b>	<b>Vendor Name</b>	The Buffalo News	<b>Address Line1</b>	PO Box 650
	<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
	<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
	<b>Award Date</b>		<b>State</b>	NY
	<b>End Date</b>		<b>Postal Code</b>	14240
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>		<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$21,486.37	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Public hearing notices and RFP notices.

Procurement Report for Erie County Industrial Development Agency

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

<b>29.</b>	<b>Vendor Name</b>	Travelers Insurance	<b>Address Line1</b>	P.O. Box 660317
	<b>Type of Procurement</b>	Other Professional Services	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	DALLAS
	<b>Award Date</b>	12/29/2018	<b>State</b>	TX
	<b>End Date</b>	12/29/2020	<b>Postal Code</b>	75266
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$8,125.00	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$8,125.00	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Crime insurance.

<b>30.</b>	<b>Vendor Name</b>	VOIP Supply, LLC	<b>Address Line1</b>	80 Pineview Drive
	<b>Type of Procurement</b>	Technology - Hardware	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
	<b>Award Date</b>	3/11/2019	<b>State</b>	NY
	<b>End Date</b>		<b>Postal Code</b>	14228
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$7,874.79	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$7,874.79	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Phone system hardware and software.

Procurement Report for Erie County Industrial Development Agency

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

<b>31. Vendor Name</b>	W.B. Mason Co., Inc.	<b>Address Line1</b>	P.O. Box 981101
<b>Type of Procurement</b>	Commodities/Supplies	<b>Address Line2</b>	
<b>Award Process</b>	Authority Contract - Non-Competitive Bid	<b>City</b>	BOSTON
<b>Award Date</b>	1/1/2018	<b>State</b>	MA
<b>End Date</b>	12/31/2018	<b>Postal Code</b>	02298
<b>Fair Market Value</b>	\$13,558.17	<b>Plus 4</b>	
<b>Amount</b>	\$13,558.17	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$13,558.17	<b>Country</b>	United States
<b>Explain why the Fair Market Value Is Less than the Amount</b>		<b>Procurement Description</b>	Office supplies.

<b>32. Vendor Name</b>	Westminster Economic Development Initiative	<b>Address Line1</b>	436 Grant Street
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14213
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$5,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value Is Less than the Amount</b>		<b>Procurement Description</b>	Program event sponsorships.



Public Authorities Reporting Information System

Procurement Report for Erie County Industrial Development Agency

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

**Additional Comments**





Procurement Report for Buffalo and Erie County Regional Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
 Status: UNSUBMITTED  
 Certified Date : N/A

**Procurement Information:**

Question	Response	URL (if Applicable)
1. Does the Authority have procurement guidelines?	Yes	http://www.ecidany.com/about-us-corporate-policies
2. Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	Yes	
3. Are the Authority allow for exceptions to the procurement guidelines?	No	
4. Does the Authority assign credit cards to employees for travel and/or business purchases?	Yes	
5. Does the Authority require prospective bidders to sign a non-collusion agreement?	Yes	
6. Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?	No	
7. Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-(2)(a) of the State Finance Law, "The Procurement Lobbying Act"?	Yes	
8. Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-(10) of the State Finance Law?	No	
8a. If Yes, was a record made of this impermissible contact?		
9. Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-(9) of the State Finance Law?	Yes	

Procurement Report for Buffalo and Erie County Regional Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

**Procurement Transactions Listing:**

<b>1.</b>	<b>Vendor Name</b>	Erie County IDA	<b>Address Line1</b>	95 Perry Street
	<b>Type of Procurement</b>	Staffing Services	<b>Address Line2</b>	Suite 403
	<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
	<b>Award Date</b>		<b>State</b>	NY
	<b>End Date</b>		<b>Postal Code</b>	14203
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>		<b>Province/Region</b>	
	<b>Amount Expended For Fiscal Year</b>	\$353,526.79	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Management fee to Erie County IDA for staffing services.

<b>2.</b>	<b>Vendor Name</b>	Freed Maxick CPAs, P.C.	<b>Address Line1</b>	P.O. Box 8000
	<b>Type of Procurement</b>	Other Professional Services	<b>Address Line2</b>	Dept. 644
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
	<b>Award Date</b>	9/27/2017	<b>State</b>	NY
	<b>End Date</b>	3/31/2020	<b>Postal Code</b>	14267
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$15,000.00	<b>Province/Region</b>	
	<b>Amount Expended For Fiscal Year</b>	\$15,000.00	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Audit services.

Procurement Report for Buffalo and Erie County Regional Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

<b>3.</b>	<b>Vendor Name</b>	Harris Beach, PLLC	<b>Address Line1</b>	Larkin at Exchange Street
	<b>Type of Procurement</b>	Legal Services	<b>Address Line2</b>	726 Exchange Street, Ste. 1000
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
	<b>Award Date</b>	1/12/2009	<b>State</b>	NY
	<b>End Date</b>	5/1/2022	<b>Postal Code</b>	14210
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$6,721.46	<b>Province/Region</b>	
	<b>Amount Expended For Fiscal Year</b>	\$6,721.46	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Legal services not related to loan closings (loan committees meetings, general counsel work, etc.).

<b>4.</b>	<b>Vendor Name</b>	Harter Secrest & Emery, LLP	<b>Address Line1</b>	1600 Bausch & Lomb Place
	<b>Type of Procurement</b>	Legal Services	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	ROCHESTER
	<b>Award Date</b>	5/1/2016	<b>State</b>	NY
	<b>End Date</b>	5/1/2019	<b>Postal Code</b>	14604
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$22,056.86	<b>Province/Region</b>	
	<b>Amount Expended For Fiscal Year</b>	\$22,056.86	<b>Country</b>	United States
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Legal services for loans.

Procurement Report for Buffalo and Erie County Regional Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

<b>S.</b>	<b>Vendor Name</b>	Hurwitz & Fine, P.C.	<b>Address Line1</b>	1300 Liberty Building
	<b>Type of Procurement</b>	Legal Services	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
	<b>Award Date</b>	5/1/2019	<b>State</b>	NY
	<b>End Date</b>	5/1/2022	<b>Postal Code</b>	14202
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$61,967.37	<b>Province/Region</b>	
	<b>Amount Expended For</b>	\$61,967.37	<b>Country</b>	United States
	<b>Fiscal Year</b>		<b>Procurement Description</b>	Legal services for loans.
	<b>Explain why the Fair Market Value is Less than the Amount</b>			

Additional Comments

Procurement Report for Buffalo and Erie County Industrial Land Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

**Procurement Information:**

Question	Response	URL (if Applicable)
1. Does the Authority have procurement guidelines?	Yes	http://www.ecidany.com/about-us-corporate-policies
2. Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	Yes	
3. Does the Authority allow for exceptions to the procurement guidelines?	No	
4. Does the Authority assign credit cards to employees for travel and/or business purchases?	No	
5. Does the Authority require prospective bidders to sign a non-collusion agreement?	Yes	
6. Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?	No	
7. Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-(2)(a) of the State Finance Law, "The Procurement Lobbying Act"?	Yes	
8. Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-(10) of the State Finance Law?	No	
8a. If Yes, was a record made of this impermissible contact?		
9. Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-(9) of the State Finance Law?	Yes	

**Procurement Transactions Listing:**

<b>1.</b>	<b>Vendor Name</b>	AECOM USA, Inc.	<b>Address Line1</b>	1178 Paysphere Circle
	<b>Type of Procurement</b>	Other Professional Services	<b>Address Line2</b>	
	<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	CHICAGO
	<b>Award Date</b>	4/13/2018	<b>State</b>	IL
	<b>End Date</b>	6/1/2019	<b>Postal Code</b>	60674
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>	\$307,025.00	<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$180,383.54	<b>Country</b>	
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Bethlehem Steel infrastructure master plan and Generic Environmental Impact Statement (\$152,264.38) and work regarding TMP land acquisition (\$28,119.16).

<b>2.</b>	<b>Vendor Name</b>	Empire State Development	<b>Address Line1</b>	95 Perry Street, 5th Floor
	<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
	<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
	<b>Award Date</b>		<b>State</b>	NY
	<b>End Date</b>		<b>Postal Code</b>	14203
	<b>Fair Market Value</b>		<b>Plus 4</b>	
	<b>Amount</b>		<b>Province/Region</b>	United States
	<b>Amount Expended For Fiscal Year</b>	\$18,175.60	<b>Country</b>	
	<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Grant application fee and public hearing expense reimbursement.

Procurement Report for Buffalo and Erie County Industrial Land Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date: N/A

<b>3. Vendor Name</b>	Erie County Industrial Development Agency	<b>Address Line1</b>	95 Perry Street
<b>Type of Procurement</b>	Staffing Services	<b>Address Line2</b>	Suite 403
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	BUFFALO
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14203
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$77,247.21	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Management fee to Erie County IDA for staffing services.

<b>4. Vendor Name</b>	Harris Beach, PLLC	<b>Address Line1</b>	Larkin at Exchange
<b>Type of Procurement</b>	Legal Services	<b>Address Line2</b>	726 Exchange Street, Suite 1000
<b>Award Process</b>	Authority Contract - Competitive Bid	<b>City</b>	BUFFALO
<b>Award Date</b>	1/12/2009	<b>State</b>	NY
<b>End Date</b>	5/1/2022	<b>Postal Code</b>	14210
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>	\$209,991.30	<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$209,991.30	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Legal services (\$59,991.30) and deposit for Angola Airport land purchase (\$150,000.00).

Procurement Report for Buffalo and Erie County Industrial Land Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

<b>5. Vendor Name</b>	Lackawanna City Treasurer	<b>Address Line1</b>	714 Ridge Road
<b>Type of Procurement</b>	Other	<b>Address Line2</b>	
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	LACKAWANNA
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14218
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$77,995.14	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	City of Lackawanna sewer tax for the Bethlehem Steel property.

<b>6. Vendor Name</b>	Law Office of Ralph C. Lorigo (Escrow Agent)	<b>Address Line1</b>	101 Slade Avenue
<b>Type of Procurement</b>	Legal Services	<b>Address Line2</b>	
<b>Award Process</b>	Non Contract Procurement/Purchase Order	<b>City</b>	WEST SENECA
<b>Award Date</b>		<b>State</b>	NY
<b>End Date</b>		<b>Postal Code</b>	14224
<b>Fair Market Value</b>		<b>Plus 4</b>	
<b>Amount</b>		<b>Province/Region</b>	United States
<b>Amount Expended For Fiscal Year</b>	\$5,000.00	<b>Country</b>	United States
<b>Explain why the Fair Market Value is Less than the Amount</b>		<b>Procurement Description</b>	Deposit for the Angola Airport site purchase.





Procurement Report for Buffalo and Erie County Industrial Land Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/02/2020  
Status: UNSUBMITTED  
Certified Date : N/A

**Additional Comments**

**Erie County Industrial Development Agency  
Buffalo & Erie County Regional Development Corporation  
Buffalo & Erie County Industrial Land Development Corporation**

**Investment Reports**

For the year ended December 31, 2019

**Erie County Industrial Development Agency  
Buffalo & Erie County Regional Development Corp. (RDC)  
Buffalo & Erie County Industrial Land Development Corp. (ILDC)**

**2019 Annual Investment Report**

**Purpose of Report:**

Under Section 2925(6) of the Public Authorities Law, the ECIDA and its affiliates (RDC & ILDC) are required to prepare and approve an annual Investment Report. The investment report is to include: ECIDA's Investment Guidelines (see below), the results of the annual independent investment audit (see below), a list of the total investment income received by the corporation and a list of the fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the corporation since the last Investment Report.

The attached schedule details the corporation's investment income and related fees for the year ended December 31, 2019 and were approved by the Board of each corporation on March 25, 2020.

**Investment Guidelines:**

In accordance with Section 2925 of the Public Authorities Law, the ECIDA and its affiliates are required to adopt Investment Guidelines which detail its operative policy and instructions to staff regarding the investing, monitoring and reporting of funds of the corporation. In addition, the ECIDA is subject to the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law. The ECIDA's affiliates have elected to follow the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law as a "best practice."

The Investment Guidelines were approved by the Board of each corporation on March 25, 2020 and are posted on the ECIDA website at <https://www.ecidany.com/about-us-corporate-policies>. The Investment Guidelines for the ECIDA and its affiliates are consistent with the prior Guidelines adopted on March 27, 2019.

**Investment Audit:**

The auditors for the ECIDA and its affiliates have audited the corporation's compliance with the Investment Guidelines for Public Authorities. In their report dated March \_\_, 2020, Freed Maxick CPAs indicated that the Agency complied, in all material respects, with these Investment Guidelines.

# Erie County Industrial Development Agency (ECIDA)

Annual Investment Report

For the year ended December 31, 2019

Account Type	Financial Institution	G/L Balance		Interest Rate* Dec 2019	2019 Investment		Restricted	Purpose
		1/1/2019	12/31/2019		Income	Fees		
1 Checking	M&T Bank	1,554,196	1,166,759	0.03%	527	-		General ECIDA Checking account
2 Savings	M&T Bank	5,171,577	6,409,760	0.65%	38,183	-		General ECIDA Savings account
3 Checking	M&T Bank	468,624	411,957	0.03%	122	-	✓	ECIDA UDAG Fund checking/investment account
4 Savings	M&T Bank	10,113,059	11,034,672	0.65%	68,130	-	✓	ECIDA UDAG Fund Savings/investment account
5 Checking	M&T Bank	131,441	153,503	0.03%	38	-	✓	Restricted account for Erie County shortline railroad related activities
6 Savings	M&T Bank	2,045,460	979,274	0.65%	12,421	-	✓	Restricted account for BLCP, Riverbend and Northland development
7 Savings	M&T Bank	1,219,329	1,525,156	0.65%	7,705	-	✓	Restricted account for North Youngmann Commerce Center & designated Erie County projects
8 Savings	M&T Bank	17,068	-	0.00%	84	-	✓	Restricted account for Buffalo Economic Renaissance Corporation**
9 Savings	M&T Bank	102,960	17,531	0.65%	669	-	✓	Restricted account for Buffalo Urban Development Corporation
10 Savings	M&T Bank	1,942,236	2,747,105	0.65%	13,699	-	✓	Restricted account for Infrastructure Improvements in the Main Street District
11 Savings	M&T Bank	909,358	1,516,590	0.65%	7,943	-	✓	Restricted account for Infrastructure Improvements in the Seneca Street Corridor District
12 Preferred Custody Account	Chitbank	1,000,000	1,000,000	0.00%	-	-	✓	Held in escrow in accordance with Gemcor II sale agreement
		<u>\$ 24,675,308</u>	<u>\$ 26,962,308</u>		<u>\$ 149,521</u>	<u>\$ -</u>		

**Notes:**

\* The Interest Rate is the annualized rate for the month of December 2019 and is prior to the deduction of any fees.

\*\* Account closed September 2019 after funds were fully disbursed.

**Buffalo & Erie County Regional Development Corporation (RDC)**  
**Annual Investment Report**  
**For the year ended December 31, 2019**

Account Type	Financial Institution	G/L Balance		Interest Rate** Dec 2019	2019			
		1/1/2019	12/31/2019		Investment Income	Fees	Purpose	
1 Checking	M&T Bank	437,405	1,086,466	0.03%	216	-	√	EDA Loan Fund Checking/investment account
2 Savings	M&T Bank	5,525,855	6,563,749	0.65%	37,894	-	√	EDA Loan Fund Savings/investment account
		<u>\$ 5,963,260</u>	<u>\$ 7,650,215</u>		<u>\$ 38,110</u>	<u>\$ -</u>		

**Notes:**

\* The Interest Rate is the annualized rate for the month of December 2019 and is prior to the deduction of any fees.

# Buffalo & Erie County Industrial Land Development Corporation (ILDC)

## Annual Investment Report

For the year ended December 31, 2019

Account Type	Financial Institution	G/L Balance		Interest Rate** Dec. 2019	2019		Restricted	Purpose
		1/1/2019	12/31/2019		Investment Income	Fees		
1 Checking	M&T Bank	189,138	186,326	0.03%	54	\$ -	√	Erie County BDF Microenterprise Loan account
2 Checking	M&T Bank	38,825	21,313	0.03%	14	-	√	General ILDC checking account
		<u>\$ 227,963</u>	<u>\$ 207,639</u>		<u>\$ 68</u>	<u>\$ -</u>		

**Notes:**

\* The Interest Rate is the annualized rate for the month of December 2019 and is prior to the deduction of any fees.

**Erie County Industrial Development Agency (“ECIDA”), Buffalo and Erie County Regional Development Corporation (“RDC”) and Buffalo and Erie County Industrial Land Development Corporation (“ILDC”)**

**INVESTMENT AND DEPOSIT POLICY**

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**ARTICLE I**  
**Scope**

Section 2925 of the Public Authorities Law requires the Erie County Industrial Development Agency (the “Agency”) and its affiliates to adopt by resolution comprehensive investment guidelines which detail its operative policy and instructions to officers and staff regarding the investing, monitoring and reporting of funds of the Agency.

In addition to the requirements set forth in Section 2925 of the Public Authorities Law, the Agency is subject to the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law, which govern the deposit and investment of funds for the Agency’s own use and account.

This investment and deposit policy (“Investment Policy”) is adopted by the Agency pursuant to the foregoing provisions of the Public Authorities Law and General Municipal Law and shall apply to all moneys and other financial resources available for investment on the Agency’s own behalf or, where applicable, on behalf of any other entity or individual.

This Investment Policy shall be applicable to the Erie County Industrial Development Agency and all of its affiliates, including: Buffalo and Erie County Regional Development Corporation (“RDC”); Buffalo and Erie County Industrial Land Development Corporation (“ILDC”) and such other affiliates as may hereafter be established by the Agency and which are determined to be subject to the requirements of Section 2925 of the Public Authorities Law (an “ECIDA Affiliate”) (hereinafter collectively referred to as the “Agency”) upon approval by the respective Boards of each corporation. Unless otherwise indicated, all references to the “Agency” herein shall also include the ECIDA Affiliates.

This Investment Policy is not intended to restrict the normal business activities of the Agency, which include the making of loans to, equity investments in, and/or project expenditures in private companies in furtherance of the corporate purposes of the forgoing entities.

**ARTICLE II**  
**Governing Principles**

A. Investment Objectives.

The primary objectives of the Agency's investment policy are, in order of priority, as follows: (i) to conform with all applicable federal, state and local laws and legal requirements; (ii) to adequately safeguard principal; (iii) to provide sufficient liquidity to meet all operating requirements of the Agency; and (iv) to obtain a reasonable rate of return.

B. Diversification.

As the Agency is subject to the deposit and investment restrictions set forth in Sections 10 and 11 of the General Municipal Law, the opportunity to diversify among types of investments is limited. Subject to these legal restraints, however, the policy of the Agency is to diversify by investment instrument, by maturity and where practicable by financial institution.

C. Internal Controls.

1. All funds received by an officer or employee of the Agency shall be promptly deposited with the depositories designated by the Agency (pursuant to Article III.A of this Investment Policy) for the receipt of such funds.

2. Pursuant to Section 11(7) of the General Municipal Law, the Treasurer, Assistant Treasurer, Chief Financial Officer or Controller of the Agency shall maintain or cause to be maintained a proper record of all books, notes, securities or other evidence of indebtedness held by the Agency for investment and deposit purposes. Such record shall identify the security, the fund for which it is held, the place where kept, the date of sale or other disposition, and the amount received from such sale or other disposition.

3. The Agency is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

D. Authorized Financial Institutions and Dealers.

The Agency shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments that may be outstanding with each financial institution or dealer. All financial institutions with which the Agency conducts business must be creditworthy as determined by criteria established by the Treasurer, Assistant Treasurer, Chief Financial Officer or Controller of the Agency. All banks with which the Agency does business shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Agency. Security dealers not affiliated with a bank



shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers.

E. Purchase of Investments.

The Agency may contract for the purchase of investments directly, including through a repurchase agreement, from an authorized trading partner. All purchased obligations, unless registered or inscribed in the name of the Agency, shall be purchased through, delivered to, and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Agency by the bank or trust company shall be held pursuant to a written custodial agreement as described in Article IV.C.2 of this Policy.

F. Repurchase Agreements.

The Agency may enter into repurchase agreements subject to the following restrictions:

1. All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
2. Trading partners are limited to commercial banks or trust companies authorized to do business in New York State and primary reporting dealers.
3. Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
4. No substitution of securities will be allowed.
5. Obligations purchased pursuant to a repurchase agreement shall be held by a custodian other than the trading partner, pursuant to a written custodial agreement that complies the terms of Article IV.C.2 of this Policy.

**ARTICLE III**  
**Investments**

A. General Policy.

It is the general policy of the Agency that funds not required for immediate expenditure shall be invested as described in Article III.B below. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income, net of fees, to be derived.

**B. Permitted Investments.**

The Treasurer, Assistant Treasurer, Chief Financial Officer and/or Controller are authorized to invest funds not required for immediate expenditure in the following investments permitted under Section 11 of the General Municipal Law:

1. Special time deposit accounts in, or certificates of deposit issued by any commercial bank or trust company that is located in and authorized to do business in New York State, provided that such deposit account or certificate of deposit is secured in the same manner as provided in Article IV.B of this Investment Policy and is payable within such time as the proceeds shall be needed to meet expenditures for which the funds were obtained;
2. Obligations of the United States of America;
3. Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
4. Obligations of the State of New York; and
5. Such other obligations as may be permitted under Section 11 of the General Municipal Law.

All investments as provided in Sections B(2) through B(5) of this Article shall be payable or redeemable at the option of the Agency within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Agency within two years of the date of purchase, and comply with such other requirements as set forth in Section 11 of the General Municipal Law.

**ARTICLE IV**  
**Deposits**

**A. Designation of Depositories.**

The Agency shall, by resolution, designate one or more commercial banks or trust companies for the deposit of Agency funds received by the Agency. Such resolution shall specify the maximum amount that may be kept on deposit at any time with each bank or trust company. Such designations and amounts may be changed at any time by further resolution of the Agency.

**B. Collateralization of Deposits.**

In accordance with Section 10 of the General Municipal Law, all deposits of the Agency (including certificates of deposit and special time deposits) in excess of the amount

insured under the provisions of the Federal Deposit Insurance Act shall be secured as follows:

1. By a pledge of “eligible securities” with an aggregate “market value” as defined by Section 10 of the General Municipal Law, at least equal to the aggregate amount of deposits. A list of eligible securities is attached hereto as Schedule A.
2. By an irrevocable letter of credit issued by a qualified bank (other than the bank with which the money is being deposited or invested) in favor of the Agency for a term not to exceed ninety (90) days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable minimum risk-based capital requirements.
3. By an eligible surety bond payable to the Agency for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations. The terms and conditions of any eligible surety bond shall be subject to Agency Board approval.
4. By a pledge of a pro rata portion of a pool of eligible securities, having in the aggregate a market value at least equal to the amount of deposits from all such officers within the State at such bank or trust company, together with a security agreement from the bank or trust company.
5. By an irrevocable letter of credit issued in favor of the Agency by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization, as security for the payment of 100% of the aggregate amount of the deposits and the agreed upon interest, if any.

C. Safekeeping and Collateralization.

Eligible securities used for collateralizing deposits shall be held by the depository and/or third party bank or trust company subject to security and custodial agreements as described below.

1. Security Agreement Requirements. The security agreement shall provide that eligible securities are being pledged to secure Agency deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Agency to exercise its rights against the pledged securities. In the event that the securities are not registered or

inscribed in the name of the Agency, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the depository or its custodial bank.

2. Custodial Agreement Requirements. The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for the Agency, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The custodial agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The custodial agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities and may include such other terms as the Agency Board deems necessary.

## **ARTICLE V**

### **Monitoring and Reporting Obligations**

The following monitoring and reporting procedures shall be applicable in connection with the deposit and investment of funds subject to this Investment Policy:

A. Monthly Monitoring.

Each cash and investment account statement will be reviewed and reconciled on a monthly basis. The Treasurer, Assistant Treasurer, Chief Financial Officer or Controller will review each account reconciliation for accuracy and will investigate any unusual items noted.

B. Monitoring and Reporting.

Pursuant to Section 2925(5) of the Public Authorities Law, the Treasurer, Assistant Treasurer, Chief Financial Officer or Controller of the Agency shall present a report at each meeting of the Agency Board of Directors which will include the following information: (i) the cash and investment balances of the Agency; (ii) identification of any new investments since the last report; (iii) information concerning the selection of investment bankers, brokers, agents dealers or auditors since the last report; and (iv) the names of the financial institutions holding Agency deposits;.

C. Annual Monitoring and Reporting.

1. On an annual basis, the Agency will obtain an independent audit of its financial statements, which shall include an audit of its cash and investments and the Agency's compliance with this Investment Policy. The results of the independent audit shall be made available to the Agency Board at the time of its annual review of this Investment Policy.

2. Pursuant to Section 2925(6) of the Public Authorities Law, Agency staff shall, on an annual basis, prepare and submit for Agency Board approval an investment report

which shall include this Investment Policy, amendments to the Investment Policy since the last investment report, an explanation of the Investment Policy and any amendments, the results of the annual independent audit, the investment income record of the Agency and a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Agency since the last investment report. The investment report will be distributed to those individuals identified in Section 2925(7)(b) of the Public Authorities Law. The Agency shall make available to the public copies of its investment report upon reasonable request therefor.

**ARTICLE VI**  
**Annual Review**

This Investment Policy shall be reviewed and approved by the Agency Board of Directors on an annual basis.

**ARTICLE VIII**  
**Savings Clause**

Nothing contained in Section 2925 of the Public Authorities Law shall be deemed to alter, affect the validity of, modify the terms of or impair any contract, agreement or investment of funds made or entered into by the Agency in violation of, or without compliance with the provisions of Section 2925 of the Public Authorities Law.

Re-adopted this 25th day of March 2020 by the respective Boards of each entity referenced above.

**SCHEDULE A**  
**ELIGIBLE SECURITIES**

Obligations issued by the United States of America, an agency thereof or a United States government sponsored corporation or obligations fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government sponsored corporation.

Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.

Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of the insurance or guaranty.

Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation or such State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.

Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest categories by at least one nationally recognized statistical rating organization.

Obligations of domestic corporations rated one of the two highest rating categories by at least one nationally recognized statistical rating organization.

Any mortgage related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by bank regulatory agencies.

Commercial paper and bankers' acceptances issued by a bank (other than the bank with which the money is being deposited or invested), rated in the highest short term category by at least one nationally recognized statistical rating organization and having maturities of not longer than sixty days from the date they are pledged.

Zero Coupon obligations of the United States government marketed as "Treasury STRIPS".

**Erie County Industrial Development Agency (“ECIDA”), Buffalo and  
Erie County Regional Development Corporation (“RDC”), Buffalo  
and Erie County Industrial Land Development Corporation  
 (“ILDC”)**

**FINANCE & AUDIT COMMITTEE CHARTER**

In addition to the Erie County Industrial Development Agency, this Charter shall also serve as the charter for the Finance & Audit Committees of the Buffalo and Erie County Regional Development Corporation (“RDC”) and Buffalo and Erie County Industrial Land Development Corporation (“ILDC”) (hereinafter collectively referred to as the “Agency”) upon approval by the respective Boards of each corporation.

**ARTICLE I  
Core Functions**

The core functions of the Finance & Audit Committee are set forth in the Bylaws and include: (i) providing assistance to members of the Agency in fulfilling their fiduciary responsibilities relating to accounting, reporting and regulatory compliance practices; (ii) maintaining, by way of regularly scheduled meetings, a direct line of communication between the members of the Agency and the Agency’s independent accountants and auditors to provide for exchanges of views and information; (iii) maintaining, as appropriate, a direct line of communication between the members of the Agency and the governmental authorities having audit authority or fiscal oversight of the Agency; (iv) approving the budget of the Agency for submission to the Board; (v) approving and/or directing the transfers of moneys under the budget; and (vi) recommending to the Board the level of cash reserves and the level of fund balances of the Agency.

**ARTICLE II  
Composition**

Members of the Finance & Audit Committee shall be appointed in accordance with the Bylaws and, to the extent practicable, members of the Finance & Audit Committee should be familiar with corporate financial and accounting practices. The Board shall designate one member of the Finance & Audit Committee to serve as chair of the Finance & Audit Committee. Each member of the Finance & Audit Committee shall serve for a term of one (1) year and until his or her successor shall be appointed and qualified.

At least three members of the Finance & Audit Committee must be an “independent member” within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law, as amended from time to time. Finance & Audit Committee members shall be prohibited from being an employee of the Agency or an immediate family member of an

employee of the Agency. Members of the Finance & Audit Committee shall not engage in any private business transactions with the Agency or receive compensation from any private entity that has material business relationships with the Agency, or be an immediate family member of an individual that engages in private business transactions with the Agency or receives compensation from an entity that has material business relationships with the Agency. In addition, Finance & Audit Committee members who are members of the Agency shall comply with the conflict of interest provisions applicable to public officers under Article 18 of the New York General Municipal Law.

### **ARTICLE III** **Committee Meetings**

The Finance & Audit Committee will meet a minimum of twice each calendar year (at least once prior to the commencement of the annual audit process and once after completion of the annual audit process). Additional meetings may be necessary or appropriate to adequately fulfill the obligations and duties outlined in this Charter. All committee members are expected to attend each meeting, in person or via videoconference. The Finance & Audit Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting notices and agendas will be prepared for each meeting and provided to Finance & Audit Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting. A quorum of the Finance & Audit Committee shall consist of a majority of the members then serving on the Finance & Audit Committee. The affirmative vote of a majority of the members then serving on the Finance & Audit Committee shall constitute an act of the Finance & Audit Committee. Minutes of all meetings shall be recorded by the Secretary or any Assistant Secretary of the Agency. All meetings shall comply with the requirements of the Open Meetings Law.

### **ARTICLE IV** **Committee Responsibilities**

The Finance & Audit Committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) oversight of management's internal controls, compliance and risk assessment practices; (c) special investigations and whistleblower policies; (d) miscellaneous issues related to the financial practices of the Agency; and (e) shall review proposals for the issuance of debt by the Agency and make recommendations regarding such proposed debt issuance.

#### **A. Independent Auditors and Financial Statements**

The Finance & Audit Committee shall:



(i) Recommend to the Board the hiring of independent auditors, establish the compensation to be paid to the auditors retained by the Agency and provide oversight of the audit services provided by the independent auditor.

(ii) Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Agency's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the Finance & Audit Committee. Non-audit services include tasks that directly support the Agency's operations, such as (a) bookkeeping or other services related to the accounting records or financial statements of the Agency; (b) financial information systems design and implementation; (c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (d) actuarial services; (e) internal audit outsourcing services; (f) management functions or human resource services; (g) broker or dealer, investment advisor, or investment banking services; and (h) legal services and expert services unrelated to the audit function.

(iii) Review and approve the Agency's audited financial statements, associated management letter and all other auditor communications.

(iv) Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements of the Agency.

(v) Meet with the Agency's independent auditor at least annually to discuss the financial statements of the Agency, and on an as-needed basis to discuss any significant issues that may have surfaced during the course of the audit.

(vi) Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

#### B. Internal Controls, Compliance and Risk Assessment

The Finance & Audit Committee shall review management's assessment of the effectiveness of the Agency's internal controls and review the actions taken by management on the independent accountants' and auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations, and if applicable, any weaknesses noted.

#### C. Special Investigations

The Finance & Audit Committee shall:

(i) Ensure that the Agency has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers or employees of the Agency or any persons having business dealings with the Agency or breaches of internal control.

(ii) Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing.

(iii) Request and oversee special investigations as needed and/or refer specific issues to the Board or appropriate committee of the Board for further investigation.

D. Other Responsibilities

The Finance & Audit Committee shall obtain information and training needed to enhance the committee members' understanding of the role of the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.

E. Debt Issuance

The Finance & Audit Committee shall review proposals for the issuance of debt and make recommendations regarding such proposed debt issuance.

**ARTICLE V**  
**Committee Reports**

The Finance & Audit Committee shall:

A. report its actions and recommendations to the Board at each regular meeting of the Board following a meeting of the Finance & Audit Committee and when otherwise requested by the Board;

B. report to the Board, at least annually, regarding any proposed changes to this Charter;

C. provide a self-evaluation of the Finance & Audit Committee's functions to the Board on an annual basis; and

D. report to the Board on a periodic basis, at least annually, the findings of its independent auditors. These reports shall include careful consideration of the actions taken by management on the independent auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations. These reports may include the adequacy of the audit effort by the Agency's independent auditors, the financial and regulatory compliance reporting decisions of management, the adequacy of disclosure of information essential to a fair presentation of the financial affairs and regulatory compliance efforts of the Agency, and the organization and quality of the Agency's system of management and internal accounting controls.

**ARTICLE VI**  
**Amendments**

This Charter may be amended upon affirmative vote of a majority of the Board of the Agency.

Re-adopted this 25th day of March 2020 by the respective Boards of each corporation referenced above.

# **Erie County Industrial Development Agency**

## **Credit Card Policy Effective June 15, 2015**

Purpose: To establish the Policy and Procedures for the use of ECIDA corporate credit cards.

### **I. Introduction:**

It is commonplace for organizations to use credit cards for the convenience of making purchases on behalf of the organization. In some instances, purchases can only be made via a credit card as manual checks are not accepted (i.e. hotel reservations, internet purchases). In order to simplify the process for purchasing certain items on behalf of the Erie County Industrial Development Agency (“ECIDA”), the following policy outlines the use of credit cards.

### **II. Authorization**

A resolution will be presented to the board prior to the issuance of the credit card that authorizes

- The approval of the issuance of a credit card and the number and type(s) of credit cards to be used such as general purpose cards or vendor specific cards
- Identify all authorized users
- Set appropriate credit limits
- Establish custody of the cards when not in use
- The uses of the card
- The appropriate internal control structure for monitoring the use of the card
- The approval process for payment of the charges.
- Establish a means to recoup any unauthorized expenditures.

The use of an ECIDA credit card(s) shall be in accordance with, and is not intended to circumvent, the ECIDA’s Procurement Policy and/or the ECIDA’s Travel, Conference, Meals and Entertainment Policy.

The ECIDA shall be permitted to obtain and utilize a credit card(s) as so authorized by the resolution and preferably with the ECIDA’s primary bank. In addition to the ECIDA itself, the individuals authorized to be issued a card are listed on Schedule A, along with the credit limit authorized. Schedule A shall be updated as the individuals authorized and credit limits change. The credit cards will be issued to the specific individuals listed on Schedule A in order to help maintain accountability. Once issued, all cards are to be locked in the Treasurer’s lockbox when not in use. If an individual is no longer designated as a cardholder, and/or leaves ECIDA employment, the card issued to this individual will be cancelled. As determined by the resolution of the ECIDA, only authorized personnel of the ECIDA may be assigned and use the ECIDA Credit Card.

The audit and finance committee will evaluate the use of the cards on a yearly basis to determine the continued need for the card and the nature and type of purchases being made.

### **III. Use of Cards**

All purchases made on the ECIDA's credit card must comply with the ECIDA's Procurement Policy and Travel, Conferences, Meals and Entertainment Policy. The ECIDA credit card may be used only for official business of the ECIDA to pay for actual and necessary expenses incurred in the performance of work-related duties for the ECIDA. The card may be used only for the following purchases:

- Hotel reservations
- Rental car reservations
- Training, conference, luncheons and seminar registrations
- Meals for meetings in which the vendor will not accept a check
- Internet purchases where a vendor will not accept a check

Personal expenses on the ECIDA's credit card are strictly prohibited. A credit card that allows cash advances or cash back from purchases is also prohibited. The card will be issued in the name and liability of the Erie County Industrial Development Agency with the name of the individual authorized on the card.

The employee issued the credit card is responsible for its protection and custody and shall immediately notify the Treasurer or Bookkeeper if the card is lost or stolen.

Employees must immediately surrender the ECIDA credit card upon termination of employment. The ECIDA reserves the right to withhold the final payroll check and payout of accrued leave until the card is surrendered.

### **IV. Recordkeeping**

The use of the ECIDA credit card may be substantiated with a purchase order, receipts and documentation detailing the goods or services purchased, cost, date of the purchase and the official business explanation. Receipts and documentation must be submitted to the Bookkeeper following the purchase to reconcile against the monthly credit cards statement.

At the end of the each month, the Bookkeeper is to review the monthly card statement and reconcile it with the receipts and documentation received for that month. The bookkeeper should determine that all purchases are supported by documentation. Any variances are to be investigated. Any purchase/charge without appropriate supporting documentation requires a detailed explanation and description and the written approval of the Chief Executive Officer (or Board Chair in the case of CEO changes). Unauthorized or improper purchases will result in credit card revocation and discipline of the employee. The ECIDA shall also take appropriate action to recoup unauthorized or improper expenditures. Once the reconciliation is complete, the bookkeeper will initial the reconciliation to show it has been completed.

Once the credit card has been reconciled, payment via check will be made. All purchases made with the endeavor to do so credit cards shall be paid for within the grace period so that no interest charges or penalties will accrue.

**Schedule A**

<b>Name</b>	<b>Title</b>	<b>Credit Limit Authorized</b>
Mollie Profic	CFO	\$10,000

Re-adopted this 25th day of March 2020 by the Board of the Erie County Industrial Development Agency.

**Erie County Industrial Development Agency (ECIDA), Buffalo and Erie County  
Regional Development Corporation (RDC), and Buffalo and Erie County  
Industrial Land Development Corporation (ILDC)**

**2019 Finance & Audit Committee Self-Evaluation**

**Responsibilities of the Finance & Audit Committee:**

The core responsibilities of the Finance & Audit Committee, as mandated under Section 2825 of the New York Public Authorities Law, are set forth in the Bylaws and include: (i) providing assistance to members of the Agency in fulfilling their fiduciary responsibilities relating to accounting, reporting, and regulatory compliance practices; (ii) maintaining, through regular meetings, direct communication between the members of the Agency and the Agency’s independent accountants and auditors; (iii) maintaining direct communication between members of the Agency and the governmental authorities having audit authority or fiscal oversight of the Agency; (iv) approving the budget of the Agency for submission to the Board; (v) approving and/or directing the transfers of moneys under the budget; (vi) recommending to the Board the level of cash reserves and the level of fund balances of the Agency.

Finance & Audit Committee Self-Evaluation	Yes	No	Pen ding	Comments
1. Are the members of the Finance & Audit Committee appointed in accordance with the Bylaws and do individuals appointed to the Finance & Audit Committee possess the necessary skills to understand the duties and functions of the Finance & Audit Committee and are familiar with corporate financial and accounting practices?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Is each member of the Finance & Audit Committee an “independent member” within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law, as amended from time to time? Did Finance & Audit Committee members, who are members of the Agency, comply with the conflict of interest provisions applicable to public officers under Article 18 of the New York General Municipal Law?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Did the Finance & Audit Committee meet a minimum of twice each calendar year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Finance & Audit Committee met on 2/20/19 (no quorum), 2/27/19, 3/21/19, 7/16/19, 8/22/19, 9/16/19, and 10/9/19.

Finance & Audit Committee Self-Evaluation	Yes	No	Pending	Comments
<p>4. Were meeting notices and agendas prepared for each meeting and provided to Finance &amp; Audit Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting? Were minutes of all meetings recorded by the Secretary or any Assistant Secretary of the Agency? Did all meetings comply with the requirements of the Open Meetings Law?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>5. Did the Finance &amp; Audit Committee develop the Agency's audit practices, which should address independent auditors and financial statements; internal controls, compliance, and risk assessment; special investigations; and other responsibilities?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	See Questions #6-#10 below.
<p>6. Did the Finance &amp; Audit Committee:</p> <p>(a) Recommend to the Board the appointment of independent auditors, establish the compensation to be paid to the auditors, and provide oversight of the audit services provided by the independent auditor?</p> <p>(b) Establish procedures for the engagement of the independent auditors to provide permitted audited services?</p> <p>(c) Review and approve the Agency's audited financial statements, associated management letter, and all other auditor communications?</p> <p>(d) Review significant accounting and reporting issues and understand their impact on the financial statements of the Agency?</p> <p>(e) Meet with the Agency's independent auditor at least annually to discuss the financial statements of the Agency and any issues that may have arisen during the audit?</p> <p>(f) Review and discuss any significant risks reported in the independent audit and assess the responsiveness of management's follow-up activities regarding same?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>In February of 2019, Freed Maxick completed audits of the ECIDA, RDC, and ILDC for the year ended 12/31/18. The auditors issued an unmodified (clean) opinion that the statements fairly presented the financial position of the above referenced corporations/fund. The auditors also indicated that the audits did not uncover any material weaknesses in internal control and there were no instances of non-compliance with generally accepted accounting principles.</p>



Finance & Audit Committee Self-Evaluation	Yes	No	Pending	Comments
<p>7. Did the Finance &amp; Audit Committee review management's assessment of the effectiveness of the Agency's internal controls and review the actions taken by management on the independent accountants' and auditors' suggestions for correcting weaknesses in the Agency's internal controls, regulatory compliance, and organizational structure and operations?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Per the March 2019 audit reports, no significant weaknesses in internal controls were noted.
<p>8. Did the Finance &amp; Audit Committee:</p> <p>(a) Ensure that the Agency has a confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest by directors, officers, or employees of the Agency or anyone having business dealings with the Agency?</p> <p>(b) Develop procedures for the receipt, retention, investigation, or referral of complaints concerning accounting, internal controls, and auditing?</p> <p>(c) Request and oversee special investigations as needed or refer specific issues to the Board or appropriate committee for further investigation?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The ECIDA adopted a Whistleblower Policy in March of 2012. The Policy describes the process for reporting suspected fraudulent activities and describes the protections afforded to individuals who report suspected fraudulent activities. The Policy was re-adopted by the Board of Directors on 3/27/19.
<p>9. Did the Finance &amp; Audit Committee obtain information and training needed to enhance the committee members' understanding of the role of the independent auditor, the risk management process, internal controls, and appropriate level of familiarity in financial reporting standards and processes?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	On 3/21/19, the Committee reviewed an article entitled, "Overseeing the External Auditors" published by the Governance Insights Center.

Finance & Audit Committee Self-Evaluation	Yes	No	Pending	Comments
<p>10. Did the Finance &amp; Audit Committee:</p> <p>(a) Report its actions and recommendations to the Board?</p> <p>(b) Report to the Board at least annually regarding any changes to the Finance &amp; Audit Committee Charter?</p> <p>(c) Provide a self-evaluation to the Board on an annual basis?</p> <p>(d) Report to the Board at least annually on the findings of its independent auditors?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>On 3/27/19, the Audit &amp; Finance Committee reported on its activities to the ECIDA Board of Directors. These activities included the: (1) Audit &amp; Finance Committee self-evaluation; (2) Audit &amp; Finance Committee Charter; (3) draft 2018 financial statements audited by Freed Maxick; (4) Corporate Credit Card Policy; (5) 2018 Public Authorities Annual Report; (6) Investment &amp; Deposit Policy; and (7) 2018 Investment Report.</p>

Finance & Audit Committee Self-Evaluation
<p><b>Other Self-Evaluation Notes</b></p> <p>In addition to the above:</p> <ul style="list-style-type: none"> <li>• During its 3/21/19 meeting, the Committee reviewed drafts of the 2018 audited financial statements for the ECIDA, RDC, and ILDC. The Committee also reviewed the 2018 PAAA Annual Report, 2018 Investment Reports, Investment &amp; Deposit Policy, Finance &amp; Audit Committee Charter, Corporate Credit Card Policy, and the 2018 Finance &amp; Audit Self-Evaluation.</li> <li>• During its 7/16/19 meeting, the Committee discussed the rationale for calculating the ECIDA's administrative fees. The Committee also discussed other options for collecting administrative fees and the generation of new fees. The Committee voted to keep the ECIDA's current schedule for collecting administrative fees.</li> <li>• During its 8/22/19 meeting, ECIDA staff discussed the ECIDA, RDC, and ILDC budget review process and the timelines for obtaining approval for those budgets. The Committee also reviewed drafts of the 2020 ECIDA, RDC, and ILDC operating and capital budgets and three-year forecasts.</li> <li>• During its 9/16/19 meeting, the Committee reviewed drafts of the 2020 ECIDA, RDC, and ILDC operating and capital budgets and three-year forecasts. The Committee also approved an extension for Freed Maxick to provide auditing services to the ECIDA, RDC, and ILDC in 2019.</li> <li>• During the 10/9/19 meeting, Freed Maxick reviewed the ECIDA's 2019 Audit Plan. The Committee also approved a motion to allow Freed Maxick to expand its scope of services to conduct additional testing to satisfy the annual certification of the RDC's Revolving Loan Fund.</li> </ul>



Erie County Industrial Development Agency  
Buffalo & Erie County Regional Development Corporation  
Buffalo & Erie County Industrial Land Development Corporation

**2019 Assessment of the Effectiveness of Internal Controls**

Management of the Erie County Industrial Development Agency (ECIDA), Buffalo & Erie County Regional Development Corporation (RDC) and Buffalo & Erie County Industrial Land Development Corporation (ILDC) is responsible for establishing and maintaining adequate internal controls over financial reporting. The accounting, financial reporting and cash management functions rely on a system of controls outlined in the entities' Financial Policies & Procedures documentation. Internal controls are reviewed continuously, and adjustments are made as needed. Examples of key internal controls are:

- Payroll: The ECIDA's payroll is processed by a third-party processor, Paychex. The CFO and Bookkeeper verify that payments are only made to employees that are entitled to be paid. The RDC and ILDC have no direct employees, therefore there is no payroll. As a service organization Paychex, Inc. undergoes a Service Organization Controls (SOC) audit each year. Their most recent SOC 1 audit asserts that the internal controls in place at Paychex are operating effectively.
  - Risk = Low
- Cash Disbursements: Disbursements are made primarily by check and wire transfer. Invoices require approval by the purchaser prior to payment. Invoices are reviewed by the Senior Accountant prior to processing by the Bookkeeper. Two signatures are required on all checks (CEO, COO, CFO or Assistant Treasurer). All wire transfers require dual approval. The CFO retrieves and reviews all bank statements and reviews all bank reconciliations. Reverse positive pay is used to verify all check disbursements when presented for payment. Only Finance Department staff have access to online banking sites.
  - Risk = Low
- Cash Receipts: Checks received are logged by the Receptionist and forwarded to the Senior Accountant. The Senior Accountant stamps checks "for deposit only", codes the checks and prepares deposits. The Bookkeeper deposits checks at the bank. The CFO reviews and initials deposit slips and deposit receipts and verifies proper account coding. The Bookkeeper records deposits in the general ledger software. Wire/ACH receipts are reviewed and coded by the CFO or Senior Accountant and are recorded in the general ledger software by the Bookkeeper.
  - Risk = Low

All computers are password protected and general ledger software is separately password protected. Access to the general ledger software is restricted to the CFO, Senior Accountant and Bookkeeper.

The ECIDA, RDC and ILDC undergo annual financial statement audits by an independent accounting firm, in accordance with Government Auditing Standards. While auditors are not engaged to perform an audit of internal controls, the auditors do review and test internal controls as part of their audit

procedures. There have been no material weaknesses or significant deficiencies in internal controls nor other management letter recommendations noted by the independent auditors.

In summary, the present internal control structure appears to be sufficient to meet internal control objectives in preventing and detecting errors and irregularities.

This statement certifies that the Erie County Industrial Development Agency, Buffalo & Erie County Regional Development Corporation and Buffalo & Erie County Industrial Land Development Corporation followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2019. To the extent that deficiencies were identified, the authority has developed corrective action plans to reduce any corresponding risk.

**Erie County Industrial Development Agency**  
**Summary of Charges to Corporate Credit Card**  
 For statement period 3/6/2019 to 2/6/2020

Training, Conferences, Seminars & Luncheons	\$ 12,863
Hotel Reservations	7,658
Charges on behalf of BUDC	2,454
Marketing	2,214
Transportation	2,144
Airfare	2,079
Misc.	1,969
	<u>\$ 31,381</u>

