

**Buffalo Urban Development Corporation**

**Investment Report**

For the year ended December 31, 2017

# **Buffalo Urban Development Corporation**

## **2017 Annual Investment Report**

### **Purpose of Report:**

Under Section 2925(6) of the Public Authorities Law, BUDC is required to annually prepare and approve an Investment Report. The Investment Report is to include: BUDC's Investment Guidelines (see below), the results of the annual independent 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, 2017 and was approved by the BUDC Board of Directors at their March 27, 2018 meeting.

### **Investment Guidelines:**

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

BUDC's Investment Guidelines were approved by the BUDC Board of Directors at their March 27, 2018 meeting and are posted on the BUDC website at <http://www.buffalourbandevelopment.com/budc-corporate-policies>. The Investment Guidelines are consistent with the Guidelines adopted on March 28, 2017.

### **Investment Audit:**

BUDC's auditors have audited the corporation's compliance with the Investment Guidelines for Public Authorities. In their report dated March 19, 2018 Freed Maxick CPAs have indicated that BUDC complied, in all material respects, with these Investment Guidelines.

# Buffalo Urban Development Corporation (BUDC) and Affiliates

## Buffalo Brownfield Resoration Corporation (BBRC)

Annual Investment Report

For the year ended December 31, 2017

Account Type	Financial Institution	G/L Balance		Interest Rate* Dec 2017	Investment		Restricted	Purpose
		1/1/2017	12/31/2017		Income	Fees		
<b><u>BUDC Accounts:</u></b>								
1 Interest Checking	KeyBank	1,780,244	3,023,649	0.10%	12,036	-		General BUDC Checking account.
2 Interest Checking	KeyBank	-	112,671	0.02%	155	-	√	BUDC Imprest account.
3 Interest Checking	KeyBank	560,797	2,400,036	-	-	-	√	Downtown Loan Fund
4 Interest Checking	KeyBank	0.01	0.01	-	-	-		Northland Corridor account
5 Interest Checking	KeyBank	2,287,283	797,594	0.10%	2,191	-	√	Restricted account for City of Buffalo real estate development**
6 Interest Checking	KeyBank	106,713	100,530	0.05%	53	-	√	Restricted account for eligible Erie County Development Projects***
		<u>\$ 4,735,037</u>	<u>\$ 6,434,481</u>		<u>\$ 14,436</u>	<u>\$ -</u>		
<b><u>BBRC Accounts:</u></b>								
7 Interest Checking	KeyBank	9,134	16,070	0.00%	-	-		General BBRC Checking account
		<u>\$ 9,134</u>	<u>\$ 16,070</u>		<u>\$ -</u>	<u>\$ -</u>		
<b><u>683 Northland LLC Accounts:</u></b>								
8 Interest Checking	KeyBank	-	149,602	0.15%	147	-		General 683 Northland Checking account
9 Interest Checking	KeyBank	-	2,000,025	0.15%	25	-	√	Interest Reserve account (Prefunded)
10 Interest Checking	KeyBank	-	-	0.00%	-	-	√	Construction account
11 Escrow	Citibank	-	5,921,039	0.00%	-	-	√	Temporary escrow account for tax credit closing proceeds
		<u>\$ -</u>	<u>\$ 8,070,666</u>		<u>\$ 172</u>	<u>\$ -</u>		
<b><u>683 WTC, LLC Accounts:</u></b>								
12 Interest Checking	KeyBank	-	-	0.00%	-	-		General 683 WTC Checking account
		<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>		
		<u>\$ 4,744,171</u>	<u>\$ 14,521,217</u>		<u>\$ 14,608</u>	<u>\$ -</u>		

### Notes:

All accounts are FDIC guaranteed and secured by collateral posted by the depository or its agent for balances above the FDIC limit.

\* The Interest Rate is the annualized rate for the month of December 2017 and is prior to the deduction of fees (if any).

\*\* This account is known as the Buffalo Brownfields Redevelopment Fund (BBRF) and is held by the ECIDA on behalf of BUDC.

\*\*\* This account is known as the Regionally Significant Projects (RSP) Fund and is held by the ECIDA on behalf of BUDC.