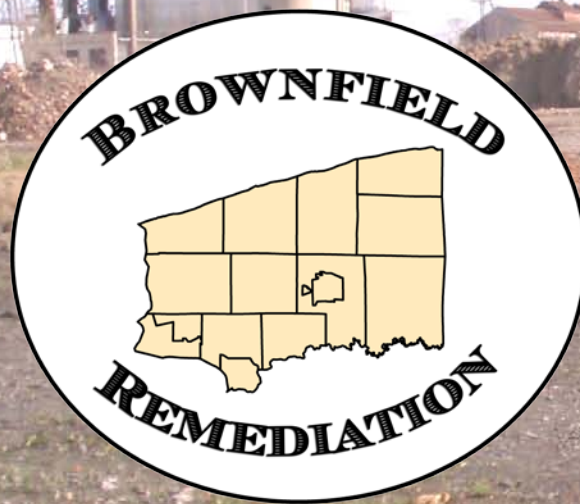


# **NIAGARA COUNTY BROWNFIELD DEVELOPMENT CORPORATION**



## **2011 INVESTMENT REPORT**

**SUBMITTED: DECEMBER 13, 2011**

# INVESTMENT SUMMARY

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The Niagara County Brownfield Development Corporation (NCBDC) adopted investment guidelines as required by Section 2925 of the New York Public Authorities Law. The guidelines were adopted to govern the investment and reinvestment of Investment Funds and the sale and liquidation of investments, as well as the monitoring, maintenance, accounting, reporting and internal controls by and of the NCBDC with respect to such investment, sale, reinvestment and liquidation.

In accordance with these guidelines, an annual investment report is required that includes the following information:

- a. The investment guidelines required by Section 2925(3) of the Public Authorities Law and any amendments to such Guidelines since the last investment report;
- b. An explanation of the Investment Guidelines and amendments;
- c. The results of the Annual Investment Audit;
- d. The investment income record of the Corporation;
- e. 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 Corporation since the date of the last investment report; and,
- f. A description of new and existing investments and a description of the selection of investment bankers, brokers, agents, dealers or auditors.

The Investment Guidelines included in the NCBDC incorporation in October 2008 and later adopted by the NCBDC in December 2008, remain in full effect and no amendments were made to the guidelines during the 2011 Fiscal Year.

During the 2011 fiscal year, the NCBDC managed the Niagara County Brownfields Cleanup Revolving Loan Fund (BCRLF) program. In 2011, two loans totaling \$634,900 to Santaorsa Holdings Inc. were completed; a \$350,000 grant to the City of Lockport was ongoing; two new grants totaling \$400,000 were awarded to the Town of Cambria Housing Authority, and one new \$200,000 grant to the City of Lockport was approved. The loans and grants issued through the BCRLF program are not considered investments, therefore, the NCBDC made no investments during Fiscal Year 2011.

The NCBDC intends to conduct a 2011 annual independent certified audit of the NCBDC operations. As part of the audit, all expenses incurred and obligations undertaken will be reviewed, including the one loan and two grant projects. The Fiscal Year 2010 annual independent certified audit concluded that the NCBDC did not hold any investments as of September 30, 2010.

Upon incorporation of the NCBDC in October 2008, the Corporation was funded with a \$1 million grant awarded to Niagara County from USEPA. In October 2009, Niagara County received a \$900,000 Brownfields Cleanup Revolving Loan Fund grant from the USEPA through the American Recovery and Reinvestment Act. The total funds available to the NCBDC since inception total \$1.9 million. A summary of the budget is included in table 1 below.

**Table 1. Budget Summary for 2011 Fiscal Year (October 1, 2010 – September 30, 2011)**

<b>Category</b>	<b>2011 Amount Expended</b>	<b>Cumulative Amount Expended</b>	<b>Cumulative Amount Obligated</b>	<b>EPA Grant Amount</b>	<b>Amount Unobligated</b>
Project Expenses	\$543,227.79	\$726,050.00	\$748,850.00	\$1,710,000.00	\$235,100.00
<i>Programmatic Expenses</i>					
Audit Services	\$3,500.00	\$7,000.00	N/A	N/A	N/A
Financial Services	\$4,534.29	\$9,330.19	N/A	N/A	N/A
Insurance	\$2,400.00	\$7,200.00	N/A	N/A	N/A
Legal Services	\$11,337.74	\$64,647.13	N/A	N/A	N/A
<b>Total Programmatic Expenses</b>	<b>\$21,772.03</b>	<b>\$88,177.32</b>	<b>N/A</b>	<b>\$190,000.00</b>	<b>\$101,822.68</b>
<b>Total Expenses</b>	<b>\$564,999.82</b>	<b>\$814,227.32</b>	<b>\$748,850.00</b>	<b>\$1,900,000.00</b>	<b>\$336,922.68</b>

The NCBDC has no paid staff and board members serve without compensation. At the end of Fiscal Year 2011, the NCBDC did not own any property. No fees, commissions or other charges were paid to an investment banker, broker, agent, dealer or advisor rendering investment associated services to the NCBDC since the date of incorporation.