



To: Janis Cook, Budget Officer
Jim Brick, Finance Committee Chairman

From: Jim Pierce, Wyoming County Business Center, Inc.

Date: August 2, 2019

Re: The Wyoming County Business Center, Inc. (WCBC) funding request of \$70,000.

Attached: Current and Year End Balance Sheet, Current Income Statement, Audited Financial Statements and Annual Report

The Wyoming County Business Center (WCBC) presents the attached funding request for 2020. The WCBC is requesting \$70,000, which is a \$10,000 increase over 2019 budgeted funds.

The WCBC plays a vital role in economic development for Wyoming County especially for the retail and entrepreneurship sectors. The WCBC manages a large part of the Business Attraction Marketing for Wyoming County. The services that it will continue to provide are described in the budget narrative, attached. The WCBC Board of Directors authorizes the request of \$70,000.

ED Services and Site Development: The WCBC plays an integral role in the development of shovel ready sites of both green sites and environmentally challenged property for expanding businesses and business considering locating in Wyoming County.

Business Attraction Marketing: The WCBC's core mission is to attract businesses into and encourage businesses to expand within Wyoming County. In order to stay viable and compete with surrounding counties for prospective businesses looking for areas to relocate or build, the marketing of Wyoming County's economic development features is critical. The WCBC has been successful, through its marketing efforts, to attract a hotel developer to Warsaw with a currently active project. The Indus Hospitality Group is not only investing in a 67 room Microtel but simultaneously the Company is building a Taco Bell. These two projects will bring revenue through tax dollars and would not have been possible without the marketing tools implemented by the WCBC. The WCBC is currently working with of potential developers interested in building and investing in Wyoming County.

FastTrac Entrepreneurship Development Program: It is vital that we continue to have an entrepreneurship program in the WCBC because it is a core component of economic development and job creation in a rural county. The FastTrac New Venture entrepreneurship training program has been extremely successful. Since the inception of the program (9 years ago), there have been 159 educated participants in the program, 144 graduates, 79 businesses have started, creating 144 jobs

and are a great source of new tax base both for real property and sales tax. Our Fast Trac program has also received national recognition for the professionalism of our program, expertise of our facilitators and the high success rate of our small business graduates.

Microloan Program: The WCBC has managed the microloan program since 2011. This valuable program allows us to lend funds to small businesses that are already established or just starting up. The low interest loans offered help small business owners get the tools and working capital they need to make their business viable. It is important to our small business community to be able to keep this program going. Currently we have 13 active microloans.

Thank you for consideration of the WCBC funding request. We look forward to continuing our working relationship with the Board of Supervisors to help grow Wyoming County's economy.

Proposed 2020 Budget Wyoming County Business Center

Revenue	2019 Budget	2020 Requested Budget
Wyoming County Board of Supervisors		
ED Services and Site Development	15,000	15,000
Business Attraction Marketing	15,000	25,000
FastTrac Entrepreneurship Program	10,000	10,000
LDC Administration	<u>20,000</u>	<u>20,000</u>
Total Wyoming County Funding	\$60,000	\$70,000
FastTrac Participant Fee	6,000	6,000
FastTrac Sponsors	4,500	4,500
Micro Loan Interest	3,000	3,000
Fees from activities	400	400
Interest Income	<u>2,000</u>	<u>4,000</u>
Total Other Funding	\$ 15,900	\$ 17,900
Total Revenue	<u>\$ 75,900</u>	<u>\$ 87,900</u>
Expenses		
Accounting/Audit	9,500	9,600
Insurance	500	600
Postage	200	200
Professional/Consultant Fees	1,000	1,000
Legal Fees	5,000	5,000
Publications/ Subscriptions	300	500
Office Supplies	600	1,000
Meeting/ Mileage Expense	200	200
Equipment	200	200
Business Attraction Marketing	15,000	25,000
Administration of WCBC	20,000	20,000
Website, Internet and Email Maintenance	250	350
Micro Loan Underwriting	2,150	3,250
FastTrac Delivery and Administration	21,000	21,000
Total Expenses	<u>\$ 75,900</u>	<u>\$87,900</u>
Budget Balance	0	0

Budget Narrative

Revenue

Wyoming County Board of Supervisors – The funding from the Wyoming County Board of Supervisors as in previous years will be used for:

Economic Development Services and Site Development- \$15,000

The WCBC, through its Board of Directors and IDA as administrators will assist with economic development for entrepreneurship development and assisting retail projects looking to grow and expand.

More specifically:

1. Encourage and assist in the establishment and expansion of businesses that will create or retain jobs for county residents and generate additional tax revenues.
2. Promote and encourage the economic development of Wyoming County in cooperation with local governing bodies and other development and business groups.
3. Market the attractiveness of Wyoming County as a place to live, work, and operate a business.
4. Assist with Retail and Community-based Organization Projects.
5. Construct, purchase, acquire, rehabilitate and improve buildings or real estate in the County for use by retail, commercial and industrial businesses. The WCBC's activities may include the acquisition and development and the revitalization of downtown areas, including blighted or contaminated properties.
6. Maintain and improve a healthy county economy and enhance the quality of life for Wyoming County residents.
7. Increase the awareness, knowledge, and support of economic development by the business sector, elected officials, and the general public.
8. Serve as a charitable entity for private donations, gifts and bequests of personal and real property to be used to advance economic development opportunities within the County. Leverage tax credits available through the WCBC to acquire assets, including land, for nominal funds to support economic development programs.

Business Attraction Marketing - \$ 25,000 (An increase of \$10,000)

The WCBC continues to follow and improve the Economic Development Marketing Plan that provides a road map of the best marketing practices that are available to attract new businesses to Wyoming County. Given the strength of Wyoming County's agriculture one of the main industry targets for the marketing efforts has been agribusiness; along with manufacturing and tourism. The comprehensive marketing plan has been in place over 4 years with additional marketing tools being implemented as funding is available. In 2015 and 2016 the WCBC was able to fund brochures, white sheets for Ag, industry and green energy, create marketing videos for Manufacturing, Agriculture and Tourism, and develop a website landing page. In 2018 the IDA created a new website which now houses the WCBC along with the IDA and the Business Assistance Corporation. With the three entities under one website it makes it easier for businesses and visitors to find all the services we offer for economic development in Wyoming County. The WCBC has been successful, through its marketing efforts, to attract a hotel developer to Warsaw with a currently active project. The Indus Hospitality Group is not only investing in a 67 room Microtel but simultaneously the Company is building a Taco Bell. These two projects will bring revenue through tax dollars and would not have been possible without the marketing tools implemented by the WCBC. The WCBC is currently working with of potential developers interested in building and investing in Wyoming County. The

additional funds requested would allow the WCBC to not only continue its current marketing plan but explore and invest in additional ways to bring even more business development to the County.

FastTrac Entrepreneurship Development Program - \$10,000

It is vital that we continue to have an entrepreneurship program in the WCBC because it's a core component of economic development and job creation in a rural county. The FastTrac New Venture entrepreneurship training program has been extremely successful. Since the inception of the program (9 years ago), There have been 159 educated participants in the program, 144 graduates, 79 businesses have started, creating 144 jobs and are a great source of new tax base both for real property and sales tax.

Wyoming County Business Center Administration - \$20,000

This represents the cost associated with administering the WCBC. The estimated cost for staff time dedicated to the administration of the WCBC is \$95,000. The Wyoming County IDA provides the Administrative Service at less than half of the actual cost and provides the remaining cost as in kind.

Other Funding

FastTrac Participant Fee

Participants that register for the FastTrac program pay a tuition investment of \$300. Anticipated fees to be collected are \$ 6,000.

FastTrac Sponsors

Community Sponsors of the FastTrac program include Tompkins Bank of Castile, Steuben Trust Company, Complete Payroll and Robert D. Strassel Esq. It is anticipated that revenue generated from program sponsorship will be \$4,500.

Micro Loan Interest Income

Interest from loan repayments is anticipated to be \$3,000.

Interest Income

The WCBC anticipates interest income of \$4,000 based on short term investments of cash. This has increased due to the interest rates rising recently.

Expenses

- **Accounting/Audit** – The WCBC will engage an accounting firm to complete the entity's audit as required by the PAAA for an amount not to exceed \$9,600.
- **Insurance** – General liability the amount to cover the WCBC is \$600. Directors, Officers and other insurance needs are covered under the umbrella of the County's insurance policy since the County is the sole sponsor of the WCBC.
- **Postage** – The WCBC estimates that \$200 will be expended on postage.
- **Professional/Consultant Fees** - This \$1,000 expense represents funds that may be utilized for consultant should the need arise, i.e. a business prospect desires a customized analysis of specific data to assist them in a decision to locate the business in Wyoming County.
- **Legal Fees** – Counsel will be used for general services and compliance issues not to exceed \$5,000 for the WCBC. Counsel is made available to the WCBC directors and President and includes legal advice in regards to compliance with the Public Authority and Accountability Act (PAAA), activities such as property acquisition, redevelopment, property disposal and assisting with retail development projects.

- **Publications / Subscriptions-** \$500 Subscriptions to Economic Development and Marketing Information.
- **Office Supplies** – The WCBC will purchase general office supplies, paper, printer toner, etc. estimated to cost \$1,000.
- **Meeting and Mileage Expense** – The WCBC holds Board of Director meetings as needed and is required to hold an Annual Meeting. The WCBC estimates meeting and mileage expense will be \$200.
- **Equipment/Equip Maintenance** – The WCBC anticipates the need upgrade equipment at an estimated cost of \$200
- **Marketing** – The WCBC is responsible for business attraction marketing for a budget amount of \$25,000. Anticipated marketing efforts will include:
 1. Participation in trade shows and other events for select industry targets.
 2. Development and distribution of marketing materials to targeted industries.
 3. Collaboration with the Greater Rochester Enterprise and Buffalo Niagara Enterprise (regional business attraction marketing entities)
 4. Implement other marketing components, advertisements, website, social media, etc., that will be identified as the most appropriate current marketing tools scripted from the marketing plan.
- **Administration of WCBC** – \$20,000, Administrative responsibilities of the WCBC are carried out by the IDA and include, but not limited to, administration of micro loan portfolio, processing of new loans, implementation of the business attraction marketing plan, coordination of the FastTrac New Venture program, compliance with the Public Authority and Accountability Act, annual budget and reports, preparation of minutes, coordination of meetings, preparation of monthly financials and work with the accountant on the tax return, annual audit, managing of current loan portfolio and short-term investments and reporting to the Wyoming County Board of Supervisors’ Planning Committee. The estimated cost for staff time dedicated to the administration of the WCBC is \$95,000. The Wyoming County IDA provides the Administrative Service at less than one third of the actual cost and provides the remaining cost as in kind.
- **Website, Internet and Email Maintenance** \$350, upgrades, updates and IT services will need to be conducted on these items.
- **Micro Loan Program Underwriting** – This \$3,250 expense is for consulting services for underwriting and credit analysis of loan applicants.
- **FastTrac Entrepreneurship Program Delivery and Administration-** \$21,000- The FastTrac Entrepreneurship Training Program has been extremely successful. Since the inception of the program (9 years ago), 79 businesses have started, creating 144 jobs and are a great source of new tax base both for real property and sales tax. The plan is to continue with our cycle of two ten-week programs in 2020, one in the spring and one in the fall. Administration will include marketing and advertising the program, payment of facilitators and business coaches, office supplies (paper, easels), training manuals, postage and printing.