



Board Resolution No. 2023-12-83
December 14, 2023

**PUBLIC AUTHORITIES REPORTING INFORMATION SYSTEM (PARIS)
FIVE YEAR BUDGET AND FINANCIAL PLAN FOR FYE 2025
ANNUAL SUBMISSION**

Whereas, the Public Authorities Accountability Act requires Authorities to submit and publish a five year budget projection and financial plan, and

Whereas, the five year projection shall reflect the Authorities known, anticipated, and projected finances and incorporates its annual five year capital improvement plan, and

Whereas, the five year budget and financial plan is to be posted in PARIS no later than 90 days prior to the start of the fiscal year, and

Now, therefore be it

RESOLVED, the Development Authority of the North Country herewith authorizes and directs the Chief Financial Officer to submit the PARIS five year budget and financial plan for FYE 2025 as attached hereto and shall direct said plan to be posted to the Authority's website.

Budget Report for Development Authority of the North Country

Fiscal Year Ending: 03/31/2025

Run Date: 12/07/2023
 Status: UNSUBMITTED
 Certified Date: N/A

Budget & Financial Plan

Budgeted Revenues, Expenditures, And Changes in Current Net Assets.

	Last Year (Actual) 2023	Current Year (Estimated) 2024	Next Year (Adopted) 2025	Proposed 2026	Proposed 2027	Proposed 2028
REVENUE & FINANCIAL SOURCES						
Operating Revenues						
Charges For Services	\$23,508,929.00	\$23,974,161.00	\$26,135,233.00	\$28,452,473.00	\$28,917,983.00	\$30,473,689.00
Rental And Financing Income	\$445,801.00	\$518,760.00	\$518,760.00	\$518,760.00	\$518,760.00	\$518,760.00
Other Operating Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Non-Operating Revenues						
Investment Earnings	\$299,001.00	\$1,914,392.00	\$2,243,595.00	\$2,243,595.00	\$2,243,595.00	\$2,243,595.00
State Subsidies/Grants	\$669,387.00	\$599,975.00	\$230,000.00	\$180,000.00	\$14,945,000.00	\$130,000.00
Federal Subsidies/Grants	\$1,007,470.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Municipal Subsidies/Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Public Authority Subsidies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Nonoperating Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Proceeds From The Issuance Of Debt	\$0.00	\$15,732,322.00	\$2,999,819.00	\$0.00	\$0.00	\$0.00
Total revenues and financing sources	\$25,930,588.00	\$42,739,610.00	\$32,127,407.00	\$31,394,828.00	\$46,625,338.00	\$33,366,044.00
EXPENDITURES						
Operating Expenditures						
Salaries And Wages	\$8,974,298.00	\$10,509,424.00	\$10,994,707.00	\$11,324,548.00	\$11,664,285.00	\$12,014,213.00
Other Employee Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Professional Services Contracts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplies And Materials	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Operating Expenses	\$11,274,387.00	\$13,071,669.00	\$12,383,064.00	\$13,239,196.00	\$13,194,605.00	\$13,369,476.00
Non-Operating Expenditures						
Payment Of Principal On Bonds And Financing Arrangements	\$774,085.00	\$691,476.00	\$1,082,674.00	\$2,133,566.00	\$2,402,199.00	\$2,509,595.00
Interest And Other Financing Charges	\$618,928.00	\$975,448.00	\$1,461,178.00	\$1,325,460.00	\$1,347,774.00	\$1,246,924.00
Subsidies To Other Public Authorities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Capital Asset Outlay	\$7,045,126.00	\$22,622,835.00	\$47,329,277.00	\$20,641,710.00	\$18,377,955.00	\$17,744,573.00
Grants And Donations	\$507,985.00	\$16,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Nonoperating Expenses	(\$156,280.00)	\$140,280.00	\$0.00	\$0.00	\$0.00	\$0.00
Total expenses	\$29,038,529.00	\$48,027,132.00	\$73,250,900.00	\$48,664,480.00	\$46,986,818.00	\$46,884,781.00
Capital Contributions	\$5,484,450.00	\$4,437,227.00	\$40,522,655.00	\$17,692,540.00	\$2,080,540.00	\$15,547,935.00
Excess (Deficiency) Of Revenues And Capital Contributions Over Expenses	\$2,376,509.00	(\$850,295.00)	(\$600,838.00)	\$422,888.00	\$1,719,060.00	\$2,029,198.00

Budget Report for Development Authority of the North Country

Fiscal Year Ending: 03/31/2025

Run Date: 12/07/2023
Status: UNSUBMITTED
Certified Date:N/A

The authority's budget, as presented to the Board of Directors, is posted on the following website:

[Additional Comments](#)

Consolidated (All Companies)

	FYE 2023 ACTUAL	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:						
Customer Billings	\$ 23,508,929	\$ 23,974,161	\$ 26,135,233	\$ 28,452,473	\$ 28,917,983	\$ 30,473,689
Deferred Income	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000
Interest Income	\$ 299,001	\$ 1,914,392	\$ 2,243,595	\$ 2,243,595	\$ 2,243,595	\$ 2,243,595
Loan Interest Income	\$ 445,801	\$ 518,760	\$ 518,760	\$ 518,760	\$ 518,760	\$ 518,760
Grant Income	\$ 1,676,857	\$ 599,975	\$ 230,000	\$ 180,000	\$ 14,945,000	\$ 130,000
Proceeds for the Issuance of Debt	\$ -	\$ 15,732,322	\$ 2,999,819	\$ -	\$ -	\$ -
Total Revenue	\$ 25,930,588	\$ 42,739,610	\$ 32,127,407	\$ 31,894,828	\$ 47,125,337	\$ 33,866,044
OPERATING EXPENSES						
Personnel	\$ 8,974,298	\$ 10,509,424	\$ 10,994,707	\$ 11,324,548	\$ 11,664,285	\$ 12,014,213
Operations & Maintenance	\$ 9,167,433	\$ 10,558,661	\$ 10,556,574	\$ 10,725,429	\$ 10,897,282	\$ 11,072,190
Host Community Benefits	\$ 1,114,246	\$ 1,151,037	\$ 1,184,426	\$ 1,206,033	\$ 996,536	\$ 1,006,501
Administration	\$ 916,322	\$ 3,711,883	\$ 3,772,202	\$ 3,833,588	\$ 3,896,062	\$ 3,959,644
Contingency	\$ -	\$ 55,275	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Bad Debt	\$ 76,386	\$ -	\$ -	\$ -	\$ -	\$ -
Admin Offset	\$ -	\$ (2,405,187)	\$ (3,190,138)	\$ (2,585,855)	\$ (2,655,275)	\$ (2,728,859)
Total Operating Expenses	\$ 20,248,686	\$ 23,581,093	\$ 23,377,771	\$ 24,563,744	\$ 24,858,889	\$ 25,383,689
NON OPERATING EXP						
Principal Payments	\$ 774,085	\$ 691,476	\$ 1,082,674	\$ 2,133,566	\$ 2,402,199	\$ 2,509,595
Interest Expense	\$ 618,928	\$ 975,448	\$ 1,461,178	\$ 1,325,460	\$ 1,347,774	\$ 1,246,924
Bond Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants & Donations	\$ 507,985	\$ 16,000	\$ -	\$ -	\$ -	\$ -
Other Non-Operating Expenses	\$ (156,280)	\$ 140,280	\$ -	\$ -	\$ -	\$ -
Capital Asset Outlay	\$ 7,045,126	\$ 22,622,835	\$ 47,329,277	\$ 20,641,710	\$ 18,377,955	\$ 17,744,573
Total Expenditures	\$ 29,038,530	\$ 48,027,132	\$ 73,250,900	\$ 48,664,480	\$ 46,986,818	\$ 46,884,781
Capital Contributions	\$ 5,484,450	\$ 4,437,227	\$ 40,522,655	\$ 17,692,540	\$ 2,080,540	\$ 15,547,935
Excess	\$ 2,376,509	\$ (850,295)	\$ (600,838)	\$ 922,887	\$ 2,219,060	\$ 2,529,198

Administration

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 191,100	\$ 220,100	\$ 238,700	\$ 246,100	\$ 251,100
Deferred Income					
Interest Income	\$ 228,580	\$ 234,889	\$ 234,889	\$ 234,889	\$ 234,889
Loan Interest Income					
Grant Income	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds for the Issuance of Debt					
Total Revenue	\$ 419,680	\$ 454,989	\$ 473,589	\$ 480,989	\$ 485,989
OPERATING EXPENSES					
Personnel	\$ 1,946,837	\$ 2,055,242	\$ 2,116,899	\$ 2,180,406	\$ 2,245,819
Operations & Maintenance	\$ 362,563	\$ 369,814	\$ 377,210	\$ 384,754	\$ 392,449
Host Community Benefits	\$ -				
Administration	\$ 258,022	\$ 263,182	\$ 268,446	\$ 273,814	\$ 279,291
Contingency	\$ 15,275				
Bad Debt	\$ -				
Admin Offset	\$ (2,405,187)	\$ (3,190,138)	\$ (2,585,855)	\$ (2,655,275)	\$ (2,728,859)
Total Operating Expenses	\$ 177,509	\$ (501,900)	\$ 176,700	\$ 183,700	\$ 188,700
NON OPERATING EXP					
Principal Payments	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses					
Capital Asset Outlay	\$ 568,758	\$ 982,140	\$ 346,720	\$ 112,415	\$ 308,128
Total Expenditures	\$ 796,267	\$ 530,240	\$ 573,420	\$ 346,115	\$ 546,828
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ (376,587)	\$ (75,251)	\$ (99,831)	\$ 134,874	\$ (60,839)

Solid Waste

	PROJECTED FYE 2024	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 8,490,759	\$ 8,850,422	\$ 9,569,747	\$ 10,289,072	\$ 11,008,397
Deferred Income					
Interest Income	\$ 841,856	\$ 1,164,750	\$ 1,164,750	\$ 1,164,750	\$ 1,164,750
Loan Interest Income	\$ -				
Grant Income	\$ 97,975	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Proceeds for the Issuance of Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 9,430,590	\$ 10,045,172	\$ 10,764,497	\$ 11,483,822	\$ 12,203,147
OPERATING EXPENSES					
Personnel	\$ 2,553,073	\$ 2,629,665	\$ 2,708,555	\$ 2,789,812	\$ 2,873,506
Operations & Maintenance	\$ 4,400,629	\$ 4,444,635	\$ 4,489,082	\$ 4,533,972	\$ 4,579,312
Host Community Benefits	\$ 967,228	\$ 976,900	\$ 986,669	\$ 996,536	\$ 1,006,501
Administration	\$ 1,391,837	\$ 1,405,755	\$ 1,419,813	\$ 1,434,011	\$ 1,448,351
Contingency	\$ 15,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Bad Debt	\$ -				
Admin Offset	\$ -				
Total Operating Expenses	\$ 9,327,767	\$ 9,491,956	\$ 9,639,119	\$ 9,789,331	\$ 9,942,671
NON OPERATING EXP					
Principal Payments	\$ 560,000	\$ 575,000	\$ 600,000	\$ 625,000	\$ 655,000
Interest Expense	\$ 603,663	\$ 582,200	\$ 558,369	\$ 533,169	\$ 507,244
Bond Trustee Fees		\$ -	\$ -	\$ -	\$ -
Grants & Donations					
Other Non-Operating Expenses	\$ -				
Capital Asset Outlay	\$ 2,880,924	\$ 26,650,115	\$ 4,370,000	\$ 2,080,540	\$ 15,547,935
Total Expenditures	\$ 13,372,354	\$ 37,299,271	\$ 15,167,488	\$ 13,028,040	\$ 26,652,850
Capital Contributions	\$ 2,880,924	\$ 26,650,115	\$ 4,370,000	\$ 2,080,540	\$ 15,547,935
Excess	\$ (1,060,840)	\$ (603,985)	\$ (32,991)	\$ 536,321	\$ 1,098,232

Telecommunications

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 6,470,204	\$ 6,631,959	\$ 6,797,758	\$ 6,967,702	\$ 7,141,895
Deferred Income	\$ -		\$ 500,000	\$ 500,000	\$ 500,000
Interest Income	\$ 262,856	\$ 262,856	\$ 262,856	\$ 262,856	\$ 262,856
Loan Interest Income	\$ -				
Grant Income	\$ -	\$ -			
Proceeds for the Issuance of Debt	\$ -				
Total Revenue	\$ 6,733,060	\$ 6,894,815	\$ 7,560,614	\$ 7,730,558	\$ 7,904,751
OPERATING EXPENSES					
Personnel	\$ 2,024,361	\$ 2,205,092	\$ 2,271,245	\$ 2,339,382	\$ 2,409,563
Operations & Maintenance	\$ 2,393,087	\$ 2,269,588	\$ 2,314,980	\$ 2,361,280	\$ 2,408,505
Host Community Benefits	\$ -				
Administration	\$ 876,819	\$ 894,355	\$ 912,242	\$ 930,487	\$ 949,097
Contingency	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Bad Debt	\$ -				
Admin Offset	\$ -				
Total Operating Expenses	\$ 5,319,266	\$ 5,394,035	\$ 5,523,467	\$ 5,656,148	\$ 5,792,165
NON OPERATING EXP					
Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses					
Capital Asset Outlay	\$ 3,077,497	\$ 15,878,966	\$ 14,832,540	\$ 1,232,000	\$ 1,335,000
Total Expenditures	\$ 8,396,763	\$ 21,273,001	\$ 20,356,007	\$ 6,888,148	\$ 7,127,165
Capital Contributions	\$ 1,556,303	\$ 13,872,540	\$ 13,322,540	\$ -	\$ -
Excess	\$ (107,400)	\$ (505,646)	\$ 527,147	\$ 842,410	\$ 777,585

Army Sewer Line

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 3,321,293	\$ 3,995,251	\$ 4,439,065	\$ 4,243,675	\$ 4,714,327
Deferred Income	\$ -				
Interest Income	\$ 30,900	\$ 30,900	\$ 30,900	\$ 30,900	\$ 30,900
Loan Interest Income	\$ -				
Grant Income	\$ -				
Proceeds for the Issuance of Debt	\$ 3,891,477	\$ 2,804,454			
Total Revenue	\$ 7,243,670	\$ 6,830,605	\$ 4,469,965	\$ 4,274,575	\$ 4,745,227
OPERATING EXPENSES					
Personnel	\$ 721,490	\$ 743,135	\$ 765,429	\$ 788,392	\$ 812,044
Operations & Maintenance	\$ 1,680,120	\$ 1,713,722	\$ 1,747,997	\$ 1,782,957	\$ 1,818,616
Host Community Benefits	\$ -				
Administration	\$ 531,803	\$ 542,439	\$ 553,288	\$ 564,353	\$ 575,640
Contingency	\$ -				
Bad Debt	\$ -				
Admin Offset	\$ -				
Total Operating Expenses	\$ 2,933,413	\$ 2,999,296	\$ 3,066,713	\$ 3,135,702	\$ 3,206,300
NON OPERATING EXP					
Principal Payments	\$ -	\$ 386,565	\$ 546,114	\$ 583,384	\$ 623,198
Interest Expense	\$ 94,983	\$ 439,941	\$ 345,138	\$ 429,489	\$ 392,219
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses	\$ 2,280				
Capital Asset Outlay	\$ 4,207,693	\$ 3,004,803	\$ 512,000	\$ 126,000	\$ 523,510
Total Expenditures	\$ 7,238,369	\$ 6,830,605	\$ 4,469,965	\$ 4,274,575	\$ 4,745,227
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ 5,301	\$ 0	\$ (0)	\$ 0	\$ (0)

Army Water Line

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 2,147,895	\$ 2,976,489	\$ 3,835,043	\$ 3,484,001	\$ 3,550,985
Deferred Income					
Interest Income	\$ 16,900	\$ 16,900	\$ 16,900	\$ 16,900	\$ 16,900
Loan Interest Income					
Grant Income				\$ 14,815,000	
Proceeds for the Issuance of Debt	\$ 11,840,845	\$ 195,365			
Total Revenue	\$ 14,005,640	\$ 3,188,754	\$ 3,851,943	\$ 18,315,901	\$ 3,567,885
OPERATING EXPENSES					
Personnel	\$ 677,007	\$ 697,317	\$ 718,237	\$ 739,784	\$ 761,977
Operations & Maintenance	\$ 1,014,502	\$ 1,034,792	\$ 1,055,488	\$ 1,076,598	\$ 1,098,130
Host Community Benefits	\$ -				
Administration	\$ 247,786	\$ 252,742	\$ 257,797	\$ 262,952	\$ 268,212
Contingency	\$ -				
Bad Debt	\$ -				
Admin Offset	\$ -				
Total Operating Expenses	\$ 1,939,295	\$ 1,984,851	\$ 2,031,521	\$ 2,079,334	\$ 2,128,318
NON OPERATING EXP					
Principal Payments	\$ -		\$ 863,639	\$ 1,067,190	\$ 1,101,845
Interest Expense	\$ 225,500	\$ 390,650	\$ 376,333	\$ 342,377	\$ 307,721
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses					
Capital Asset Outlay	\$ 11,887,963	\$ 813,253	\$ 580,450	\$ 14,827,000	\$ 30,000
Total Expenditures	\$ 14,052,758	\$ 3,188,754	\$ 3,851,943	\$ 18,315,901	\$ 3,567,885
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ (47,118)	\$ 0	\$ 0	\$ 0	\$ (0)

Regional Water Line

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 389,627	\$ 398,857	\$ 407,397	\$ 416,185	\$ 425,227
Deferred Income					
Interest Income	\$ 15,900	\$ 15,900	\$ 15,900	\$ 15,900	\$ 15,900
Loan Interest Income					
Grant Income					
Proceeds for the Issuance of Debt					
Total Revenue	\$ 405,527	\$ 414,757	\$ 423,297	\$ 432,085	\$ 441,127
OPERATING EXPENSES					
Personnel	\$ 51,246	\$ 52,783	\$ 54,367	\$ 55,998	\$ 57,678
Operations & Maintenance	\$ 210,645	\$ 216,964	\$ 223,473	\$ 230,177	\$ 237,083
Host Community Benefits					
Administration	\$ 25,013	\$ 25,513	\$ 26,024	\$ 26,544	\$ 27,075
Contingency					
Bad Debt					
Admin Offset					
Total Operating Expenses	\$ 286,904	\$ 295,261	\$ 303,864	\$ 312,719	\$ 321,836
NON OPERATING EXP					
Principal Payments	\$ 81,476	\$ 71,109	\$ 73,813	\$ 76,626	\$ 79,552
Interest Expense	\$ 51,302	\$ 48,387	\$ 45,620	\$ 42,740	\$ 39,740
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses					
Capital Asset Outlay					
Total Expenditures	\$ 419,682	\$ 414,757	\$ 423,297	\$ 432,085	\$ 441,127
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ (14,155)	\$ 0	\$ (0)	\$ 0	\$ 0

Water Sewer Contracts

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 1,921,277	\$ 1,998,128	\$ 2,078,053.20	\$ 2,161,175.33	\$ 2,247,622.34
Deferred Income					
Interest Income					
Loan Interest Income					
Grant Income					
Proceeds for the Issuance of Debt					
Total Revenue	\$ 1,921,277	\$ 1,998,128	\$ 2,078,053	\$ 2,161,175	\$ 2,247,622
OPERATING EXPENSES					
Personnel	\$ 1,554,651	\$ 1,601,291	\$ 1,649,329	\$ 1,698,809	\$ 1,749,773
Operations & Maintenance	\$ 287,492	\$ 293,242	\$ 299,107	\$ 305,089	\$ 311,191
Host Community Benefits					
Administration	\$ 90,675	\$ 92,489	\$ 94,338	\$ 96,225	\$ 98,150
Contingency					
Bad Debt					
Admin Offset					
Total Operating Expenses	\$ 1,932,818	\$ 1,987,021	\$ 2,042,774	\$ 2,100,123	\$ 2,159,114
NON OPERATING EXP					
Principal Payments					
Interest Expense					
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses					
Capital Asset Outlay					
Total Expenditures	\$ 1,932,818	\$ 1,987,021	\$ 2,042,774	\$ 2,100,123	\$ 2,159,114
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ (11,541)	\$ 11,107	\$ 35,279	\$ 61,052	\$ 88,508

Regional Development

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 307,951	\$ 307,951	\$ 307,951.00	\$ 307,951.00	\$ 307,951.00
Deferred Income					
Interest Income	\$ 517,400	\$ 517,400	\$ 517,400	\$ 517,400	\$ 517,400
Loan Interest Income	\$ 518,760	\$ 518,760	\$ 518,760	\$ 518,760	\$ 518,760
Grant Income	\$ 502,000	\$ 200,000	\$ 150,000	\$ 100,000	\$ 100,000
Proceeds for the Issuance of Debt					
Total Revenue	\$ 1,846,111	\$ 1,544,111	\$ 1,494,111	\$ 1,444,111	\$ 1,444,111
OPERATING EXPENSES					
Personnel	\$ 463,254	\$ 477,152	\$ 491,466	\$ 506,210	\$ 521,396
Operations & Maintenance	\$ 113,563	\$ 115,834	\$ 118,151	\$ 120,514	\$ 122,924
Host Community Benefits	\$ 183,809	\$ 207,526	\$ 219,364	\$ -	\$ -
Administration	\$ 182,659	\$ 186,312	\$ 190,038.24	\$ 193,839.00	\$ 197,715.78
Contingency					
Bad Debt					
Admin Offset					
Total Operating Expenses	\$ 943,285	\$ 986,824	\$ 1,019,019	\$ 820,563	\$ 842,036
NON OPERATING EXP					
Principal Payments					
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Trustee Fees					
Grants & Donations	\$ 16,000	\$ -	\$ -	\$ -	\$ -
Other Non-Operating Expenses	\$ 138,000	\$ -	\$ -	\$ -	\$ -
Capital Asset Outlay					
Total Expenditures	\$ 1,097,285	\$ 986,824	\$ 1,019,019	\$ 820,563	\$ 842,036
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ 748,826	\$ 557,287	\$ 475,092	\$ 623,548	\$ 602,075

Engineering

	FYE 2024 PROJECTED	Proposed Budget FYE 2025	Proposed Budget FYE 2026	Proposed Budget FYE 2027	Proposed Budget FYE 2028
REVENUE:					
Customer Billings	\$ 734,055	\$ 756,077	\$ 778,759	\$ 802,122	\$ 826,185
Deferred Income					
Interest Income					
Loan Interest Income					
Grant Income					
Proceeds for the Issuance of Debt					
Total Revenue	\$ 734,055	\$ 756,077	\$ 778,759	\$ 802,122	\$ 826,185
OPERATING EXPENSES					
Personnel	\$ 517,505	\$ 533,030	\$ 549,021	\$ 565,492	\$ 582,456
Operations & Maintenance	\$ 96,061	\$ 97,982	\$ 99,942	\$ 101,941	\$ 103,980
Host Community Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Administration	\$ 107,270	\$ 109,415	\$ 111,604	\$ 113,836	\$ 116,112
Contingency	\$ -				
Bad Debt	\$ -				
Admin Offset	\$ -				
Total Operating Expenses	\$ 720,836	\$ 740,428	\$ 760,567	\$ 781,268	\$ 802,548
NON OPERATING EXP					
Principal Payments					
Interest Expense					
Bond Trustee Fees					
Grants & Donations					
Other Non-Operating Expenses					
Capital Asset Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 720,836	\$ 740,428	\$ 760,567	\$ 781,268	\$ 802,548
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Excess	\$ 13,219	\$ 15,649	\$ 18,192	\$ 20,854	\$ 23,637



**Board Resolution No. 2023-12-84
December 14, 2023**

**ADMINISTRATIVE DIVISION
FYE 2024 CAPITAL PROJECT BUDGET AMENDMENT
ENTERPRISE RESOURCE PLANNING SYSTEM REPLACEMENT**

Whereas, the Development Authority of the North Country adopted a Capital Budget for the Administrative Division for FYE 2024 pursuant to **Resolution No. 2023-02-06**, and

Whereas, the five year capital plan included \$500,000 for the replacement of the Development Authority's Enterprise Resource Planning (ERP) system in FYE 2025, and

Whereas, an ERP system is critical to the business functions of the Development Authority as this software is utilized to manage daily business activities such as financial accounting and reporting, budgeting, procurement, and project management, and

Whereas, the Development Authority has been using Microsoft Dynamic SL as its ERP system for in excess of 25 years, and

Whereas, Microsoft has announced that it will stop providing mainstream support for Microsoft Dynamics SL in January 2024 and will no longer provide solutions or resolve security concerns in June 2028, and

Whereas, due to the upcoming end of life of Microsoft Dynamics SL, the Development Authority is required to invest in a new ERP system to meet its current and future business requirements, and

Whereas, in an effort to expedite the implementation of a new ERP system, Authority staff recommend the appropriation of \$500,000 for the replacement of its Enterprise Resource Planning (ERP) System.

Now, therefore be it

RESOLVED, that the Development Authority of the North Country hereby amends the FYE 2024 Administrative Division Capital Budget, to establish a new capital project for Enterprise Resource Planning System Replacement in the amount of \$500,000, to be funded from Administrative Reserves.

Development Authority of the North Country
 Technical Services Summary Report
 December 2023

NON-LEWIS COUNTY CONTRACTS

Company	Customer	Contract Type	Description of Services/Contract Title	Current Agreement (\$)	New Agreement / Amendment (\$)	Total Agreement	Start Date	End Date	County
44	Town of Lisbon	O&M	Water Quality Operation & Maintenance for Water and Sewer Facilities (renewed 5 year contract for services)		\$ 203,094.00	\$ 203,094.00	1/1/2024	12/31/2028	St. Lawrence
60	Town of Edwards	TSA	Lead Service Line Inventory		\$ 7,500.00	\$ 7,500.00	1/1/2024	11/1/2024	St. Lawrence
60	Ogdensburg Bridge and Port Authority	TSA	NBRC Grant Administration (NBRC23GNY09)		\$ 20,000.00	\$ 20,000.00	1/1/2024	12/31/2025	St. Lawrence
60	Jefferson County	TSA	Demolition and Revitalization of Deferiet Paper Mill Site		\$ 15,000.00	\$ 15,000.00	1/1/2024	1/1/2025	Jefferson
60	Jefferson County	TSA	Demolition of Former Abbass Foods Warehouse Leray		\$ 15,000.00	\$ 15,000.00	1/1/2024	1/1/2025	Jefferson
60	Town Wilna	SSA	Natural Bridge Water Treatment Plant Controls Upgrade		\$ 39,500.00	\$ 39,500.00	1/1/2024	1/1/2025	Jefferson
60	Village of Rensselaer Falls	TSA	Demolition and Revitalization 209 Rensselaer Street		\$ 10,000.00	\$ 10,000.00	1/1/2024	1/1/2025	St. Lawrence
60	Town of Potsdam	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 4,500.00	\$ 4,500.00	1/1/2024	12/31/2028	St. Lawrence
60	Town of Brownville	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 4,500.00	\$ 4,500.00	1/1/2024	12/31/2028	Jefferson
60	Town of Lyme	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 4,500.00	\$ 4,500.00	1/1/2024	12/31/2028	Jefferson
60	Town of Fine	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 4,500.00	\$ 4,500.00	1/1/2024	12/31/2028	St. Lawrence
60	Town of Colton	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 4,500.00	\$ 4,500.00	1/1/2024	12/31/2028	St. Lawrence
60	Town of Clayton	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 8,500.00	\$ 8,500.00	1/1/2024	12/31/2028	Jefferson
60	Franklin County	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 8,500.00	\$ 8,500.00	1/1/2024	12/31/2028	Franklin
60	Town of Malone	GIS	GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services)		\$ 8,500.00	\$ 8,500.00	1/1/2024	12/31/2028	Franklin
42	Town of Pamela	WSA	Water Service Agreement Town of Pamela Amendment 2 Extend Term to 3/31/2054				2/10/2014	3/31/2054	Jefferson

LEWIS COUNTY CONTRACTS

Company	Customer	Contract Type	Description of Services/Contract Title	Current Agreement (\$)	New Agreement / Amendment (\$)	Total Agreement	Start Date	End Date	County
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Contract Types

- GIS - GIS Services
- MS - WQ Management Services
- O&M - WQ Operations & Maintenance
- SSA - SCADA Services
- TSA - Technical Services
- WSA - Water Service Agreement

Contract Criteria

- 1 Annual Contract amount is less than \$100K or renewal of an existing service
- 2 Service requested is within the Authority's Tri-County Area
- 3 Board Resolution No 2016-08-93 authorized ED to enter into contracts as the NBRC LDD in Jefferson, Lewis, St Lawrence and Franklin Counties
ED shall report such contracts to the Board



Board Resolution No. 2023-12-85
December 14, 2023

FYE 2024 OPERATING BUDGET AMENDMENT
MATERIALS MANAGEMENT DIVISION

Whereas, the Development Authority of the North Country adopted an Operating Budget for FYE 2024 pursuant to **Resolution No. 2023-02-08**, and

Whereas, the FYE 2024 budget included \$300,000 for “Mattress Recycling” (GL 6018), and

Whereas, that budget line item has historically been utilized to transport mattresses from the county transfer stations to a facility in Tonawanda, NY where the mattresses are disassembled and recycled, and

Whereas, the Authority completed an evaluation of the mattress recycling program in February of 2022 and determined that developing a privately operated mattress recycling or shredding center in the Authority’s service area would be the best option as it would significantly decrease costs and greenhouse gas emissions since mattresses would no longer be required to be transported to Tonawanda, and

Whereas, the FYE 2024 budget assumed that a local, more feasible option for mattress recycling would be available at the former Recycling Transfer Station in Harrisville by December 31, 2023, and

Whereas, a local option for mattress recycling is not anticipated to be available until April 2024, and

Whereas, once the local facility is operational and has established pricing, the Authority will re-evaluate its options for mattresses to determine if recycling locally is feasible, since mattress recycling is not mandated by any regulatory statute, and

Whereas, the estimated costs of mattress recycling through the remainder of FYE 2024 is expected to increase by \$126,000; from \$300,000 to \$426,000, and

Whereas, the additional cost of this expense will be paid for through utilization of the tip fee stabilization fund.

Now, therefore be it

RESOLVED, that the Development Authority of the North Country hereby amends the FYE 2024 Materials Management Facility Budget as follows:

<u>Expense</u>	<u>Current Budget</u>	<u>Amended Budget</u>	<u>Change</u>
Mattress Recycling	\$ 300,000	\$426,000	\$ 126,000

and further be it

RESOLVED, the additional cost of this expense will be paid for through utilization of the tip fee stabilization fund.



Board Resolution No. 2023-12-86
December 14, 2023

FYE 2024 CAPITAL BUDGET AMENDMENT
TELECOMMUNICATIONS DIVISION

Whereas, the Development Authority of the North Country adopted a Capital Project Budget for FYE 2024 pursuant to **Resolution No. 2023-02-10**, and

Whereas, the FYE 2024 capital budget included \$300,000 for “Wireless Tower Service” (Project 30688), and

Whereas, that budget line item has historically been utilized to construct fiber and deliver service to new cell towers in the telecom fiber footprint, and

Whereas, existing wireless service providers on the Authority’s telecommunications network have requested an increase in bandwidth to 91 cell towers. Such request will require the purchase and installation of additional equipment to provide the additional bandwidth requested; resulting in unanticipated equipment costs of \$150,000, and

Whereas, the additional bandwidth is being requested to pre-provision carrier wireless networks for 5G deployment, and

Whereas, the additional revenue over the contract term will offset the additional capital costs.

Now, therefore be it

RESOLVED, that the Development Authority of the North Country hereby amends the FYE 2024 Telecom Capital Budget as follows:

<u>Capital Project</u>	<u>Current Budget</u>	<u>Amended Budget</u>	<u>Change</u>
Wireless Tower Service	\$ 300,000	\$450,000	\$ 150,000



**Board Resolution No. 2023-12-87
December 14, 2023**

**FRANKLIN COUNTY TELECOMMUNICATION PROJECT
CAPITAL PROJECT AUTHORIZATION
TELECOMMUNICATIONS DIVISION**

Whereas, Franklin County has hired a consultant to apply for a ConnectALL Municipal Infrastructure Program Grant to fund the design and construction of approximately 50 miles of fiber to connect unserved homes and businesses between Chateaugay and Brainardsville, NY, at an estimated cost of \$2,750,000, and

Whereas, Franklin County has 2,539 households (10.4%) in the county that are unserved by broadband according to the New York State Public Service Commission Broadband map, and

Whereas, a majority of Franklin County has no access to cell service for public safety access to 911 in the event of an emergency, and

Whereas, to meet the grant requirements the fiber optic facilities must be owned and operated as an Open Access Telecommunication Network (OATN), and

Whereas, Franklin County does not have the capacity to develop, own and operate an OATN, and

Whereas, Franklin County has requested that if they are successful in obtaining a grant and constructing the fiber optic facilities noted above, that the Development Authority of the North Country accept ownership and operate such fiber optic facilities as an OATN once constructed, and

Whereas, the Development Authority currently owns and operates 120 miles of telecommunications infrastructure in Franklin County, and

Whereas, the Authority is the designated Local Development District as defined by the Northern Border Regional Commission to assist Franklin County with economic development, and

Whereas, this project will: 1) enhance emergency services by improving cell tower back-haul/improved cell coverage in Franklin County; 2) provide broadband to approximately 371 unserved residential customers and twelve anchor institutions, decreasing the percentage of unserved households in the county by 15%; 3) interconnect to the Authority's network allowing all services to be on-net; and 4) provide additional network revenue, and

Whereas, the project meets the Authority's Strategic Initiative 1, to pursue telecommunications infrastructure development and maintenance in fostering regional economic growth or increased community development as well as enhance public safety in the North Country, and

Whereas, although the project will generate revenue from cell tower back-haul, businesses, anchor institutions, and residential services, the exact amount of the anticipated revenue at this time is unknown, and

Whereas, to guarantee that the additional 50 miles of telecommunications infrastructure in Franklin County will not have a negative financial impact on the Authority's OATN, the Authority will require a twenty year agreement with Franklin County that ensures the Authority is reimbursed by Franklin County for expenses incurred that are in excess of revenue in any year of the agreement. Such reimbursement applies only to expenses incurred and revenue generated on the additional 50 miles of telecommunications infrastructure in Franklin County.

Now, upon the recommendation of the Telecommunications Committee, therefore be it

RESOLVED, the Development Authority of the North Country board of directors authorizes the Executive Director to negotiate and execute an agreement with Franklin County to accept ownership and operate approximately 50 miles of fiber in Franklin County between Chateauguay and Brainardsville. Said agreement shall be for 20 years and shall require that Franklin County reimburse the Development Authority of the North Country for expenses incurred that are in excess of revenue in any year of the agreement. Such reimbursement applies only to expenses incurred and revenue generated on the additional 50 miles of telecommunications infrastructure in Franklin County.



**Board Resolution No. 2023-12-88
December 14, 2023**

**HAMILTON COUNTY TELECOMMUNICATION PROJECT
CAPITAL PROJECT AUTHORIZATION
TELECOMMUNICATIONS DIVISION**

Whereas, the Development Authority of the North Country was approached by Hamilton County to construct, own and operate 12 miles of fiber to connect public emergency towers between Morehouse, NY and Lake Pleasant, NY, and

Whereas, the estimated cost to construct such fiber optic facilities is \$550,000, and

Whereas, Hamilton County has agreed to provide \$550,000 to complete the project, and

Whereas, the project will: 1) enhance emergency services by improving cell tower back-haul/improved cell coverage in Hamilton County; 2) provide broadband to approximately 65 unserved and underserved residential customers; 3) interconnect to the Authority's network allowing all services to be on-net, and 4) provide additional network revenue, and

Whereas, revenue generated from cell tower back-haul plus residential services will exceed the operating costs and generate a positive cash flow, and

Whereas, the project meets the Authority's Strategic Initiative 1 to pursue telecommunications infrastructure development and maintenance in fostering regional economic growth or increased community development as well as enhance public safety in the north country, and

Now, upon the recommendation of the Telecommunications Committee, therefore be it

RESOLVED, the Development Authority of the North Country board of directors authorizes the Executive Director to execute an agreement with Hamilton County in the amount of \$550,000 to construct, own and operate 12 miles of fiber to connect public emergency towers between Morehouse, NY and Lake Pleasant, NY, and further be it

RESOLVED, upon execution of said agreement, the Development Authority of the North Country board of directors herewith authorizes the establishment of a new capital project in the amount of \$550,000 (Hamilton County Public Emergency Project).



**Board Resolution No. 2023-12-89
December 14, 2023**

**REGIONAL AND LOCAL ASSISTANCE CAPACITY GRANT
AUTHORIZATION
TELECOMMUNICATIONS DIVISION**

Whereas, the New York State ConnectAll office/Empire State Development (ESD) has secured a Regional and Local Assistance Capacity Grant to allow local municipalities to verify the accuracy of the FCC Broadband Map to assure the ConnectAll Signature Programs Funding is spent in the areas of the most need, and

Whereas, the ConnectAll office determined the best use of the funds was to provide them to planning regions across the State, and

Whereas, the Development Authority is the Northern Border Regional Commission Local Development District (LDD) for Jefferson, Lewis, St. Lawrence and Franklin Counties, and

Whereas, the ConnectAll Office has requested the Authority apply for the funds for its LDD region, and

Whereas, the grant funds will be used to field verify the FCC mapping data and provide updated and accurate mapping of the unserved in the four county region, and

Whereas, the Regional and Local Assistance Capacity Grant will result in the development of a more accurate and detailed broadband map for our county partners, and

Whereas, the grant requires a 10% match which will be funded by Authority staff time.

Now, therefore be it

RESOLVED, the Development Authority of the North Country board of directors authorizes Carl E. Farone Jr., Executive Director, the Authorized Official to submit an application in the amount of \$70,000 to be matched with \$7,000 in Authority staff time to the New York State ConnectAll office/Empire State Development (ESD), and be it further,

RESOLVED, if awarded, the Development Authority of the North Country board of directors authorizes Carl E. Farone Jr., Executive Director, the Authorized Official to make and sign an agreement with Empire State Development to receive a Regional and Local Assistance Capacity Grant to verify the accuracy of the FCC Broadband map for a total project cost of \$77,000, \$70,000 which will be funded by the grant.



**Board Resolution No. 2023-12-90
December 14, 2023**

**ARMY SEWER LINE
FYE 2024 OPERATING BUDGET AMENDMENT
WATER QUALITY DIVISION**

Whereas, the Development Authority of the North Country adopted an Operating Budget for the Army Sewer Line for FYE 2024 pursuant to **Resolution No. 2023-02-11**, and

Whereas, the FYE 2024 budget authorized expenditures of \$60,000 for Chemicals (GL 5815), and

Whereas, the Army Sewer Line utilizes sodium hypochlorite to reduce odors and control hydrogen sulfide, and

Whereas, there has been an 81% increase in the price of sodium hypochlorite, increasing from \$1.50 per gallon to \$2.72 per gallon from FYE 2023 to FYE 2024 due to a widespread shortage in supply, and

Whereas, in accordance with Authority bylaws internal budget modifications have been processed to increase the budget from \$60,000 to \$74,609.60, and

Whereas, it is estimate that an additional \$50,309.40 will be needed for chemicals through the remainder of the fiscal year bringing the total budget for Chemicals to \$124,919, and

Whereas, the additional Army Sewer Line expenses of \$50,309.40 will be offset by Customer Billings.

Now, therefore be it

RESOLVED, that the Development Authority of the North Country hereby amends the FYE 2024 Army Sewer Line Budget as follows:

	<u>Current Budget</u>	<u>Amended Budget</u>
Customer Billings (GL 4001)	\$ 3,317,683.00	\$3,367,992.40
Chemicals (GL 5815)	\$ 74,609.60	\$ 124,919.00



**Board Resolution No. 2023-12-91
December 14, 2023**

**REGIONAL TOURISM TRANSFORMATIONAL COMMUNITY
REVOLVING LOAN FUND
SUNSHINE DAYDREAM RETREATS LLC
LOAN RATIFICATION**

Whereas, **Resolution No. 2013-08-12** establishes the Regional Tourism Transformational Community Revolving Loan Fund, and

Whereas, the Regional Loan Review Committee has the authorization to commit loans of up to \$250,000 with the Authority Board ratifying the loan at its next meeting, and

Whereas, the Regional Loan Review Committee met December 6, 2023 to review an application from Sunshine Daydream Retreats, LLC requesting \$250,000.00 from the Regional Tourism Transformational Community Revolving Loan Fund in order to make improvements and add two additional cabins at their facility located at 114 State Route 28, Inlet, NY (Hamilton County), and

Whereas, the Regional Loan Committee felt that the improvements to be made at Black Bear Lodges meet the objectives of the Fund, and

Whereas, the Regional Loan Review Committee approves a commitment of \$250,000 from the Regional Tourism Transformational Community Revolving Loan Fund at the terms and conditions attached.

Now, therefore be it

RESOLVED, Development Authority of the North Country does hereby ratify a loan in the amount of \$250,000 from the Regional Tourism Transformational Community Revolving Loan Fund to Sunshine Daydream Retreats LLC, d/b/a Black Bear Lodges, at the terms and conditions outlined on the attached Term Sheet, and further authorizes the Executive Director or the Chief Financial Officer to execute all documents necessary to make the loan, and further be it

RESOLVED, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

TERM SHEET

Borrower:	Sunshine Daydream Retreats LLC (d/b/a Black Bear Lodges)
Loan Fund:	Regional Tourism Transformational Community Revolving Loan Fund [Empire State Development Funds]
Amount:	\$250,000.00
Loan Term:	20 years
Loan Rate:	1%
Loan Payment:	6 months interest-only, monthly principal and interest to term out loan over 234 months
Collateral:	Third mortgage and assignment of rents and leases on 114 State Route 28, Inlet, NY 13360; 3rd lien on all machinery and equipment, furniture and fixtures, inventory, accounts receivable, and general intangibles of Sunshine Daydream Retreats LLC.
Conditions:	<ul style="list-style-type: none">• Cash equity of a minimum of \$100,000 has been committed to project.• Labor peace does not apply as it will have less than 15 FTE.• Personal Guaranty of Bryan Davidson and Lynn Walsh.• Copy of bank appraisal, if required.• All required permits and approvals, if any additional needed.• Adirondack Bank loan of \$650,000.

TRANSFORMATIONAL TOURISM FUND

Borrower: Sunshine Daydream Retreats, LLC (d/b/a Black Bear Lodges)

Project Location: 114 State Route 28, Inlet, NY 13360 (parcel #59.012-1-19.111)

Borrower Address: 10 Seldon Drive, Rome, NY 13440

Ownership: Lynn Walsh-50%; Bryan Davidson-50%

Loan Amount: \$250,000.00

Term: 20 years

Rate: 1%

Payments: 6 months interest-only, Monthly principal and interest thereafter to amortize over remaining 234 months

Guarantor: Bryan Davidson, Lynn Walsh

Use of Funds: Improvements

Collateral: Third mortgage and assignment of leases and rents

Jobs: Existing: 1 FTE
Years 1-3: 0 FTE

Total Project Costs

<i>Sources of Funds</i>		<i>Uses of Funds</i>	
<i>Tourism Loan Fund</i>	\$ 250,000.00	25% Improvements	\$ 916,309.00
Adirondack Bank	\$ 650,000.00	Fees	\$ 83,691.00
Owner Equity	\$ <u>100,000.00</u>		
Total	\$1,000,000.00	Total	\$1,000,000.00

Adirondack Bank – Rate set at closing for first 5 years to the 5-year Treasury plus 2.75% then adjusting to the 5 year Treasury plus 2.75% for years 6-10. 10 year term/20 year amortization. Assumes 7.13% for underwriting for this loan.

Cash equity-Cash contributed by applicant

Description of Project

Lynn Walsh and Bryan Davidson own Sunshine Daydream Retreats LLC (Borrower) which purchased Black Bear Lodges in 2022. The Borrower is requesting \$250,000 from the Tourism Fund to make improvements to the facility located at 114 State Route 28, Inlet (Hamilton County). The property is



located adjacent to Stiefvater's Lakeside Cottages owned by Sirref Properties LLC. The Tourism Fund provided \$250,000 to Sirref Properties in 2021 for the acquisition of that property.

Black Bear Lodges is located on 2.25 acres of lakefront land on Fourth Lake. It has operated for more than a decade. Black Bear Lodges has 5 lodges. They range in size with one unit from sleeping 12, two units sleeping 10, one unit sleeping 8, and one unit sleeping 4. The Borrower purchased the business for \$2,600,000 in 2022.

The rate for the stay is dependent on the time of year and length of stay. During the summer months, the lodges are available on a weekly basis (Saturday - Saturday) with a check-in time of 3 pm and a check-out time of 10 am. The lodges are available for rental during the winter season from December 1st - March 31st. They also offer rentals in the spring & fall season with a 2 night minimum stay. Upon booking, a 50% deposit is required to secure the reservation. The remaining balance is due 30 days prior to arrival. If someone books within two weeks of their stay, the full balance is due upon booking. A \$250 non-refundable cleaning fee is charged when booking. Payments are non-refundable unless they are able to rebook the lodge which the reservation was cancelled.

Overall, the facilities are in very good condition. This is confirmed by the appraiser who stated, "the subject is considered to be in overall good condition."

Proposed Project



The project proposes to:

- Add a new 4-bedroom lodge with waterfront views and renovate an existing garage space into a year-round one-bedroom rental. This would increase lodging capacity from five to seven lodges.
- Reinforce existing infrastructure which includes roof replacements and central air installations for three lodges to ensure long-term infrastructure readiness.
- Enhance the property which includes extending the driveway and extending the septic system.

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The proposed project will allow the Borrowers to seize on the current high demand and fulfill unmet requests/waitlist which will ensure client satisfaction and loyalty. Through the addition of the two new lodges, they anticipate an additional \$95,000 in revenue. Quotes dated November 2023 were provided for the work to be completed.

Market

As mentioned, the property is located adjacent to Stievator’s Lakeside Cottages, as well as several other lodging facilities. These facilities are primarily commercial rental properties in Inlet, Old Forge, and surrounding communities. The competitors typically provide nightly and weekly vacation rentals, predominately featuring smaller one and two-bedroom cottages.

Competitors

A google search for Inlet lodging lists four locations around Fourth Lake. Two of which were funded by the Tourism Fund and one by the North Country Economic Development Fund. These are:

- Stievator’s Lakeside Cottages-11 1-3 bedroom cottages and 3 4-5 bedroom houses. The cottages that sleep 4 go for \$1050-\$1600/week. The cottage that sleeps 10 goes for \$3200/week. It doesn’t appear that they have a cottage that sleeps 12.
- The Woods Inn-24 uniquely different rooms, Adirondack Guide tents, ADA rooms, a two bedroom lake view cottage, and 4 townhouse 2-story units and an ADA suite.
- Great Pines Lodge-29 modern, rustic, recently remodeled rooms all with lake and mountain views.

There are other lodging options in the area as well.

Management -

Bryan Davidson has extensive sales and managerial expertise from numerous years in the automotive industry and holds a Bachelor’s Degree in Financial Economics from the University of Maryland. Lynn Walsh is a professor and trainer specializing in communication, journalism and social media. She is considered an ethics and trust expert in the industry and has a Bachelor’s Degree in Journalism from Ohio University. Bryan lives in Inlet during the spring/summer/fall to manage the property. They live in San Diego in the winter. The Rome address is the address used for the LLC.

Financial Review

Black Bear Lodges

	2022	11/16/2023	2024	2025	2026
Sales	242,143	295,000	325,000	375,000	375,000
Gross Profit	242,143	295,000	325,000	375,000	375,000
Expenses	241,476	284,948	324,007	329,114	320,534
Other Income/(Exp)	0	(400)	0	0	0
Net Income (Loss) before Taxes	667	9,652	993	45,886	54,466
Add Back:					
Depreciation	100,438	82,706	123,017	128,124	119,544
Interest	65,307	95,033	95,033	95,033	95,033
Cash for Debt Service	166,412	187,391	219,043	269,043	269,043

Tourism Fund	14,116	11,764	14,116	14,116	14,116
Adirondack Bank #1	137,383	114,486	137,383	137,383	137,383
Adirondack Bank #2	61,083	50,903	61,083	61,083	61,083
Total Debt	212,582	177,153	212,582	212,582	212,582
Debt Service Coverage	.78	1.06	1.03	1.27	1.27

Sales Inc (Dec.)	---	22%	10%	15%	---
Gross Profit	---	----	---	---	---
Expenses	100%	97%	100%	88%	85%
Profit Ratio	.2%	3%	.3%	12%	15%

Tourism Fund-\$1,176.37/mo

Adirondack Bank #1-\$11,448.55/mo

Adirondack Bank #2-\$5,090.29/mo

- The existing financials and projections were completed with assistance from D’Arcangelo & Co. LLP.
- The Borrowers raised rates in 2023 which resulted in the increase in revenues by 22% over 2022. The previous owner did not have the rates valued to the market prices in the area. They were able to increase prices with very little guest turnover. Occupancy for the summer of 2023 and winter was/is 100% with a waiting list. Spring and fall are mostly weekends with 50%-100% occupancy depending on the weekend.

<i>2023 rates</i>	Summer Rate (weekly)	Spring/Fall Rate	Winter Rate (12/1-3/31)
Bear Lodge-sleeps 12	\$6,350	\$750/night; \$4,000 weekly	\$16,000
Little Bear-sleeps 4	\$3,250	\$420/night; \$2,200 weekly	\$9,000
Bear’s Den-sleeps 10	\$4,600	\$525/night; \$3,200/week	\$12,000
Bear Paw-sleeps 10	\$4,600	\$525/night; \$3,200/week	\$12,000
Bear Cub-sleeps 8	\$4,000	\$475/night; \$2,800/week	\$11,000

- The Borrower expects 100% occupancy in the summer/winter of 2024. They have also increased reservations in the spring/fall of 2024 with almost every weekend in the fall being booked already. This is why revenues are projected to increase by 10% in 2024 over 2023. In 2025, they will have the two new lodges available for rent which would result in the additional 15% increase in revenues in 2025 over 2024.
- Bryan manages the property year round including check ins/check outs, property maintenance, etc. He hires an outside cleaning company for cleanings. He has no staff. Primary expenses

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in 2023 are: cleaning, \$13,531, depreciation, \$82,706, interest, \$95,033, repairs and maintenance, \$23,212, supplies, \$21,012, taxes, \$24,040, and utilities, \$11,790.

- Expenses in 2024-2026 are flat and mirror those in 2023. The only change, year over year is in Depreciation. Even if expenses increased by 3% in 2024 there would still be a 1.0 DSC ratio.

Cashflow

- Cash flow is based upon projections holding true.

	At Closing
Assets	
Current	146,144
Fixed	3,528,673
Other	0
Total Assets	3,674,817
Liabilities	
Current	102,487
Long Term	2,777,367
Total Liabilities	2,879,854
Equity	794,963
Total Liabilities & Equity	3,674,817

Working Capital	\$43,657
Current Assets	1.43
Debt to Equity	3.62

- Cash includes the \$62,453 in checking/savings on 11/16/23 and \$83,691 in working capital at closing.
- Fixed assets based on cost of land and improvements.
- Current liabilities include deposits and the current portion of the new long term debt.
- Long term liabilities include the two Adirondack Bank loans and the new Tourism Loan.
- Equity includes the Borrowers initial contribution into the business.

Personal Credit:

Lynn reports assets of \$2,149,963 and liabilities of \$405,737. Primary assets in real estate, \$1,200,000, and other personal property, \$799,963. The real estate asset includes a condominium in San Diego. Other personal property includes ownership in Sunshine Daydream Rentals LLC and Lynn Walsh LLC. Her primary liability is her mortgage on the condominium. She reflects income of \$60,000 annually. Lynn has a TransUnion credit score of 810. She has one derogatory comment dated 08/2021 for a Macy’s card that was 30 days late. There was no loss and the card was cancelled by Chase. She lists open balances of \$413,013. This is primarily in mortgages of \$404,087.

Bryan reports assets of \$1,900,463 and liabilities of \$405,737. Primary assets are real estate of \$1,200,000, and other assets of \$694,963. He also lists the same condominium as Lynn above, as well as ownership in Sunshine Daydream Retreats, LLC of \$694,963. His primary liability is the mortgage on the condominium above. He does not list any income. Bryan has a TransUnion credit score of

d/b/a Black Bear Lodges

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November 28, 2023

799. He has no derogatory comments. He lists open balances of \$412,839. The primary liability is the mortgage for \$404,087.

Collateral:

- Third mortgage on real estate and all improvements behind two Adirondack Bank loans on 114 State Route 28, Inlet, NY 13360 (parcel #59.012-1-19.111
- Assignment of Leases and Rents
- Third lien on all assets of Sunshine Daydream Retreats, LLC

	<u>Cost</u>	<u>Discount</u>
Real Property (70%)	\$2,458,000	\$1,720,600
Improvements (70%)	\$916,309	\$641,142
Collateral Available	\$3,374,309	\$2,361,742
Adirondack Bank-1st (\$2 million)	\$1,890,000	\$1,890,000
Adirondack Bank-2nd	<u>\$650,000</u>	<u>\$650,000</u>
Total Senior Debt	\$2,540,000	\$2,540,000
Collateral Available-DANC	\$834,309	(\$178,258)
Tourism Fund	\$250,000	\$250,000
Loan to Value	30%	(140%)

Appraisal completed February 18, 2022 for Adirondack Bank by Donato Real Estate Appraisal & Consulting showed an estimated real estate value of \$2,458,000. The property value was \$2,600,000. Current fair market value for the land from the Hamilton County tax records is \$474,528. The full market value from the Hamilton County tax records is \$2,555,389. With the proposed improvements totaling \$916,309, there is more than sufficient value based on the improvements and appraisal to require a new, updated appraisal. This is also supported by the County's fair market value. The bank will still require one and we will request a copy of it for our files.

Contingencies:

- Cash equity has been committed to the project
- Adirondack Bank commitment of \$650,000.
- Copy of the bank appraisal.
- All required permits and approvals, including flood insurance, if needed
- Labor Peace does not apply as it has less than 15 FTE employees
- Personal guaranty of Lynn Walsh and Bryan Davidson



Board Resolution No. 2023-12-92
December 14, 2023

ECONOMIC DEVELOPMENT FUND
JEFFERSON COUNTY HISTORICAL SOCIETY
LOAN EXTENSION

Whereas, **Resolution No. 2021-06-95** authorized a loan of up to \$285,000 from the Economic Development Fund to the Jefferson County Historical Society to bridge New York State grant funding for improvements to their facility in Watertown, and

Whereas, **Resolution No. 2023-09-74** extended the loan for an additional 3-months to December 1, 2023, and

Whereas, the Authority has a participation loan with the Watertown Local Development Corporation which is also providing \$285,000 in construction financing, and

Whereas, the Authority is the lead lender, and

Whereas, the Jefferson County Historical Society has completed their project and is awaiting final disbursements from New York State for its grants, and

Whereas, the Jefferson County Historical Society has requested an additional 4-month extension of this loan to mature April 1, 2024, and

Whereas, all other terms and conditions of the loan will stay the same.

Now, therefore be it

RESOLVED, the **Development Authority of the North Country** does hereby extend the term of the **Jefferson County Historical Society** loan for an additional 4 months subject to the attached **Term Sheet**.

TERM SHEET

Borrower: Jefferson County Historical Society

Loan Fund: Economic Development Fund

Loan Amount: up to \$285,000.00

Term: 24 months, or upon receipt of the final grant funds,
whichever occurs first

Rate: 1.5%, construction interest-only

Payment: Monthly interest-only

Collateral: Assignment of grant proceeds

Conditions: Watertown Local Development financing of \$285,000



Board Resolution No. 2023-12-93
December 14, 2023

COMMUNITY DEVELOPMENT LOAN FUND
THOMPSON PARK CONSERVANCY INC.
LOAN MODIFICATION

Whereas, **Resolution No. 2020-03-42** authorized a loan of \$100,000 from the Community Development Loan Fund to the Thompson Park Conservancy Inc. for working capital, and

Whereas, the Conservancy recently announced significant lay-offs and reduced operations until further notice as it has a shortage in operating cash to meet expenses, and

Whereas, the current principal balance on its loan is \$74,221.52 with a maturity date of May 1, 2030, and

Whereas, the Authority has been asked by the Conservancy to consider a principal and interest moratorium for six months, and

Whereas, all other terms and conditions of the loan will stay the same.

Now, therefore be it

RESOLVED, the Development Authority of the North Country does hereby approve for the Thompson Park Conservancy Inc. a 6-month principal and interest moratorium on its Community Development Loan Fund loan beginning with the October 1, 2023 payment and ending with the March 1, 2024 payment, with all other terms and conditions remaining the same.

TERM SHEET

Borrower: Thompson Park Conservancy Inc.

Loan Fund: Community Development Loan Fund

Loan Amount: \$100,000.00

Term: 120 months

Rate: 5%

Payment: Monthly principal and interest payments

Collateral: Co-proportional third lien on all machinery and equipment, furniture and fixtures, inventory, accounts receivable, and general intangibles of Thompson Park Conservancy.

Conditions: Watertown Local Development financing of \$40,000

