



MEETING NOTICE

**Thursday, October 26, 2023
Warneck Pump Station
23557 NYS Rt. 37
Watertown, New York**

Governance Committee – 9:30 AM

Board of Directors – 10:30 AM

Pursuant to Open Meetings Law, members of the public have the right to attend the Meeting telephonically via Zoom by dialing into the following access line, or view the proceedings using the following link:

Dial In Number: 1-646-876-9923 Meeting ID: 891 4579 7502 Passcode: 320671

<https://us02web.zoom.us/j/89145797502?pwd=aGo5dDVzYVpDQVZGOXdnVnVYSFIMdz09>

Board Member McGrath will be participating via Zoom at:
15 West 200 South, Salt Lake City, UT 84101

**The Public May View and Listen to the Meeting
Live Stream at www.danc.org.**



AGENDA
BOARD OF DIRECTORS MEETING
Thursday, October 26, 2023 – 10:30 AM
Warneck Pump Station
23557 NYS Rt. 37
Watertown, New York

1. Call to Order
2. Call the Roll
3. Privilege of the Floor
4. Approve the Minutes of September 28, 2023 Board Meeting
5. Chairperson's Report
6. Executive Director's Report
7. Finance Report – Chief Financial Officer
Approving Financials for the month ending August 2023
8. Governance -
 - a. Resolution No. 2023-10-77, Approving Ethics Policy
9. Technical Services Summary Report
 - a. Jefferson / St. Lawrence County, Municipalities of Lewis County –
 - I. Brown Point Facility Management Solutions, LLC (US Customs & Border Patrol) , Operations & Maintenance, Water Quality Operation & Maintenance for Sewer Facilities (renewed 5 year contract for services), Total Agreement Amount of \$48,185, 10/16/23 – 07/16/23, Jefferson County
 - II. Town of Rutland, Operations & Maintenance, Water Quality Operation & Maintenance for Water District #1 (renewed 5 years contract for services), Total Agreement Amount of \$135,112, 01/01/24 – 12/31/28, Jefferson County
 - III. Rt. 3 Sewer Corridor, Operations & Maintenance, Water Quality Operations/Maintenance & Administrative Service Agreement, Total Agreement Amount of \$112,099, 01/01/24 – 12/31/24, Jefferson County

- IV. Town of Henderson, Technical Services Agreement, NBRC Grant Administration (NBRC23GNY08 – Henderson Sewer District No. 01, Total Agreement Amount of \$20,000, 10/26/23 – 12/31/25, Jefferson County
- V. Clayton Improvement Association, Technical Services Agreement, NBRC Grant Administration (NBRC23GNY11) – Lafargeville Redevelopment, Total Agreement Amount of \$10,000, 10/26/23 – 03/31/25, Jefferson County
- VI. City of Ogdensburg, SCADA Services Agreement, Ogdensburg Waste Water Treatment Plant SCADA Services Agreement Amendment 2, Total Agreement Amount of \$115,800, 10/11/23 – 03/31/24, St. Lawrence County
- VII. Village of Lyons Falls, SCADA Services Agreement, Cherry Street Pump Station Control Panel Replacement, Total Agreement Amount of \$48,500, 11/01/23 – 11/01/24, Lewis County
- VIII. Hand in Hand Early Childhood Center, Technical Services Agreement, NBRC Technical Services, Total Agreement Amount, \$25,000, 10/01/2023 – 9/30/2025, Lewis County
- IX. Hand in Hand Early Childhood Center, Technical Services Agreement, NBRC Grant Administration NBRC23GBNY02, Total Agreement Amount, \$25,000, 10/01/2023 – 9/30/2025, Lewis County

10. Water Quality –

- a. Resolution No. 2023-10-78, Army Water Line Pipeline Replacement Project, Phase II, Office of Local Defense Community Cooperation, Grant

11. Regional Development –

- a. Loan Report -
- b. Resolution No. 2023-10-79, 2023 Home Program Year, Authorizing Contracts
- c. Resolution No. 2023-10-80, Housing Revolving Loan Fund, 302 Globe LLC, Loan
- d. Resolution No. 2023-10-81, Regional Tourism Transformational Community Revolving Loan Fund, Raven Acres LLC, Loan Ratification

12. Additional Resolution –

- a. Resolution No. 2023-10-82, Amendment 1, Village of Malone, Water Quality Management Services

13. Next Meeting – December 14, 2023

14. Adjourn



MINUTES
BOARD OF DIRECTORS MEETING
Thursday, September 28, 2023 – 10:30 AM
Warneck Pump Station
James W. Wright Conference Room
23557 NYS Rt 37, Watertown, New York

The Development Authority of the North Country Board of Directors met in regular session in person and via Zoom Videoconference at the Warneck Pump Station, 23557 NYS Rt 37, Watertown, New York on Thursday, September 28, 2023 at 10:30 AM.

Members Present

Voting

Margaret Murray, Chairperson
Thomas Hefferon
Alex MacKinnon
Dennis Mastascusa
Kenneth Bibbins
Mary Doheny*
Mark Hall
Eric Virkler

Non-Voting

Nancy Henry
Stephen Hunt
Brian McGrath*

*Attended via videoconferencing.

Members Absent

Staff Present:

Carl Farone, Executive Director
Jennifer Staples, Chief Financial Officer
Carrie Tuttle, Chief Operating Officer
Stephen Bohmer, Director of Information Technology
Dawn Caccavo, Comptroller
Michelle Capone, Director of Regional Development
Thomas Haynes, Assistant Director of Engineering
Laurie Marr, Director of Communications and Public Affairs
Brian Nutting, Director of Water Quality
Regina Rybka-Lagattuta, Director of Human Resources
Shawn Thornton, Director of Materials Management
David Wolf, Director of Telecommunications
Angela Marra, Executive Assistant
Tonya Cumoletti, Administrative Associate

Guests:

Jennifer Granzow, Counsel, Wladis Law Firm

1. Chairperson Murray called the meeting to order at 10:30 AM.
2. Chairperson Murray requested a roll call.
 - A quorum of voting and non-voting members was established.
3. Privilege of the Floor -
4. Upon a motion by M. Hall, and seconded by D. Mastascusa, the minutes from the August 24, 2023 Board Meeting were approved.
5. Chairperson's Report
 - a. Strategic Planning - Staff will propose the strategic objectives for fiscal year 2025.
 - b. With J. Hollenbeck having recently stepped down from the Board, M. Murray appointed Nancy Henry to the Audit Committee of the Authority, ensuring there would be four Board Members on the committee.
6. Executive Director's Report
 - a. Open House –

C. Farone reported the Open House was a huge success. The focus this year was on Authority business operations with emphasis on the Southern Expansion. Just over 100 people visited, and most of them participated in a site tour.
 - b. Telecom – USAC Audit –

C. Farone stated that the Authority provides services to the NCTP, North Country Telemedicine Project, which is a consortium of 44 hospitals in Jefferson, Lewis and St. Lawrence Counties. These hospitals receive a subsidy from USAC to pay for this service. Because of this funding, USAC conducts audits of the Authority. They have just completed the 2020 audit with no findings, and everything complies with FCC rules and regulations.
 - c. Request for Proposals – Audit Services –

C. Farone reported that in accordance with the Audit Committee's recommendation, following their meeting at the end of July, a request for proposals was issued. Proposals will be returned by October 10th, and a meeting of the Audit Committee will take place before the October 26th meeting so a report can be made regarding a new audit firm.
 - d. City of Watertown – Disinfection Byproducts –

C. Farone stated that C. Tuttle, B. Nutting and C. Farone attended a meeting yesterday with Watertown City officials and their engineer from GHD. As a result of a yearlong pilot process, the consultant believes that the city needs to proceed with all three projects; granulated activated carbon, ozonation, and the sedimentation tank, to increase their methodology for treatment. The city's next step will be to work with the Department of Health to ensure this is acceptable and see what the next step should be. Once this has been fully

accepted, they are estimating the final design would be completed in the fourth quarter of 2024, construction should begin in 2025, with the full project cost being close to \$50 million. The results are what had been anticipated, and the project is continuing to move forward.

7. Finance Report – Chief Financial Officer

J. Staples reviewed the July year to date financials. The Statement of Net Position reflects a change in assets and liabilities, including deferred overflows and net position of an overall increase of \$2.9 million over fiscal year end March 2023 mainly due to the Army Water Line Pipeline Replacement Project. Assets increased under capital assets because we are booking the invoices received from our contractor to the capital asset account under construction in progress. Under liabilities, long-term liabilities increased due to us drawing funds from the EFC loan as we pay the contractor, and then booking it under long-term liabilities.

Under the Change in Net Position for all units, total operating revenue is running slightly under target versus the year to date budget. MMF projected tons was 79,925, versus the actual of 79,346, for a difference of 579 tons under projection. Operating Expense shows depreciation and amortization is under budget by \$704,000 due to the way we spread the budget over 12 months equally and because of the large projects ongoing at MMF, Telecom, and Water Quality that have not yet been capitalized. Waste diversion is over budget \$59,000 due to advertising for household hazardous waste collection events as well as the disposal of items collected at these events. Repairs and maintenance is over budget by \$8,000 associated with a water main break resulting in an emergency repair cost of \$14,000. Computer expenses are over budget, mainly due to the timing of invoices and the budget being spread equally over 12 months.

Under Non-Operating Revenue and Expense, total Interest Income, is under budget by \$42,000 but the true interest income is \$706,000. The market adjustment is a negative \$109, mainly associated with MMF investments. As these investments mature, investments are being purchased at a higher rate, which will continue to reduce the negative market adjustments. Interest Expense is under budget because interest payments associated with the Army Water Line will not be made until December while the first interest payment on the Army Sewer Line was made in September for drawn funds only. The debt issuance cost of \$50,500 is associated with the Army Water Line replacement project and these costs cannot be capitalized, as per GASB requirements.

In summary, the change in net position is a loss of \$1 million versus a year-to-date budget loss of \$1.9 million.

Upon a motion by K. Bibbins, and seconded by E. Virkler, financials ending July 31, 2023, were unanimously approved.

8. Finance –

- a. Resolution No. 2023-09-67, amending the FYE 2024 Administrative Capital Budget for Fleet Vehicles (Project 10034) by \$45,500; from \$419,042 to \$464,542. Furthermore, the additional costs of \$45,500 shall

be paid from insurance proceeds of \$36,670 and Administrative Funding of \$8,830.

Upon a motion T. Hefferon and seconded by A. Mackinnon, Resolution No. 2023-09-67, Capital Budget Amendment FYE 2024, Administrative Division, Vehicle Replacement, was unanimously approved.

9. Materials Management –

- a. Resolution No. 2023-09-68, amending the Materials Management Division Capital Budget for the FYE 2024 Southern Expansion Landfill Gas Phase 1 and Phase 2 Tie In (Project 20212) to increase the budget from \$600,000 to \$990,000. Furthermore, this increase shall be funded from the Landfill Gas Reserve.

A. MacKinnon asked if you look at the total package of what it will cost to handle the gas, and then at the income from the electricity generated, this is not profitable. C. Tuttle responded that there are multiple reasons why we have the landfill gas collection system, and that making money is nice but the main driver is the safety and environmental perspective. Collecting the methane minimizes the potential for a fire, reduces greenhouse gas emissions and reduces odors for our host community. New York State recently presented information about the Climate Leadership Community Protection Act and the legislation that is driving toward reducing these emissions.

A. MacKinnon asked if it was safe to say that something has to be done with the methane, and while creating electricity is not profitable, it is still a positive. C. Farone stated that the gas collection would be done regardless and at least it is generating some income because if we were to flare it, it would generate nothing.

Upon a motion by D. Mastascusa and seconded by A. MacKinnon, Resolution No. 2023-09-68, Capital Project Budget Amendment, Materials Management Division, Southern Expansion Landfill Gas Phase 1 – 2 Tie In, was unanimously approved.

- a. Resolution No. 2023-09-69, amending the FYE 2024 Materials Management Facility Budget, GL 5770 expense from \$5,000 to \$73,000.

C. Tuttle stated that when the landfill was opened in 1992, mechanics brought their own tools. We have since decided to standardized our system to Authority owned and supplied tools. An assessment of the tools needed for each job class has been done and we believe this change will help alleviate inconsistencies. This purchase will be paid from the Tip Fee Stabilization Fund.

M. Hall asked if we give a tool allowance to our mechanics. C. Tuttle responded that this account has \$5,000 and was previously handled like an allowance, but the tools purchased were then Authority owned tools and

it was split between three maintenance technicians and was not enough. Going forward we would still have a tool budget, but would be in line with this system and used to replace tools as needed.

M. Murray asked about this pricing being through state contract as compared to off contract. C. Tuttle replied that it was over \$100,000, or 40% more if we were not purchasing off state contract. C. Farone added that our lead mechanic currently owns all his own tools and will be taking them all with him in a few years when he retires. We are not the same organization we were 30 years ago, we cannot operate that way, and we need to have Authority owned tools.

K. Bibbins asked if going forward, would all tools on the property be owned by the Authority. C. Tuttle responded for several reasons, to include accountability and safety, these will all be Authority owned tools. She further stated that after several months of internal discussions we are able to identify what we need. Staff would be assigned tools and will be accountable for these tools when they leave their employment with us.

K. Bibbins asked about the vehicle lifts included within the contract, and how many we currently own. C. Tuttle explained that we do not currently buy any lifts.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2023-09-69, FYE 2024 Operating Budget Amendment, Materials Management Division, was unanimously approved.

10. Telecommunications –

- a. Resolution No. 2023-09-70, approving the revised Telecommunications Interconnection Policy, as attached to and incorporated in this resolution.

Upon a motion by D. Mastascusa and seconded by A. MacKinnon, Resolution No. 2023-09-70, Adopting Updated Interconnection Policy, Telecommunications Division, was unanimously approved.

- b. Resolution No. 2023-09-71, authorizing the Authority Executive Director to obtain a letter of credit from a Qualifying Institution to be selected by the Executive Director, in the principal amount not to exceed \$3,636,938. This resolution further authorizes the Executive Director to negotiate and approve all terms, conditions, and other details of the Letter of Credit, and to execute and deliver all documents and take all other necessary actions to obtain the Letter of Credit, provided however that the Authority's obligations relating to the Letter of Credit shall be special limited obligations, payable solely from the Development Authority's telecommunications network revenues, assets and proceeds. The Executive Director is authorized to establish bank accounts to support such Letter of Credit as required.

A. MacKinnon asked C. Farone to repeat what was said about Community Bank. C. Farone restated that the Weiss Rating is what the federal

government uses to evaluate the strength of a bank as opposed to the typical Standard's & Poor's or Fitch. He continued by stating that the Standard's & Poor's rating for Community Bank is very positive, but the Weiss Rating is not. This resolution will authorize the Executive Director to obtain a letter of credit for a qualified banking firm and to establish bank accounts as required to obtain the LOC.

A. MacKinnon asked where the other lender is located. C. Farone responded that it is PNC Bank, and while he is unsure of where their headquarters are located, they do have a presence in New York State.

A. MacKinnon asked if this is stating the Authority would need to change all accounts from Community Bank to another potential bank. C. Farone replied that if we were to go with another local lending institution they may want us to deposit with that institution, but it is his hope that PNC Bank will be used and this would not be required.

B. McGrath recused himself from this discussion.

M. Hall confirmed that the Authority may have to open an account with PNC. C. Farone stated that at this point in time there are no accounts being required of us with them. M. Hall asked if the worst case scenario would mean opening and additional account, but not moving all accounts. C. Farone confirmed this is correct.

J. Staples stated that PNC Bank headquarters are in Pittsburg.

Upon a motion by K. Bibbins and seconded by E. Virkler, Resolution No. 2023-09-71, Authorizing Letter of Credit to Secure Obligations Relating to National Telecommunication and Information Administration Grant, was unanimously approved.

11. Water Quality –

- a. Resolution No. 2023-09-72, amending the FYE 2024 Water Quality Budget as follows; increasing Shop Tools (GL 5706) and Customer Billings under Company 41 each by \$16,413, increasing Shop Tools (GL 5706) and Customer Billings under Company 42 each by \$11,418, and increasing Shop Tools (GL 5706) under Company 44 each by \$29,383.

Upon a motion by M. Hall and seconded by D. Mastascusa, Resolution No. 2023-09-72, FYE 2024 Operating Budget, Water Quality Division, was unanimously approved.

12. Regional Development –

- a. Loan Report –

M. Capone reported that all loans are being paid as agreed. The zoo has brought their loan current after our last meeting and will be meeting in October with stakeholders, local leaders, and community members to get feedback for the future direction of the zoo. She has spoken with their executive director and he is working on obtaining financial support from the city and the county. This became a bigger problem when the city pulled \$1 million in committed funding which would have been part of their strategic plan implementation.

Johnson Newspaper is still past due; however they did make one payment that brings them current through April. M. Capone stated that she and Patrick Kelly are going to be meeting with them to discuss next steps.

M. Doheny was experiencing connectivity issues at this point in the meeting.

- b. Resolution No. 2023-09-73, extending the term of the DGGL Properties LLC loan for an additional 6 months, or upon conversion to permanent financing, whichever occurs first subject to the Term Sheet attached to the resolution.

Upon a motion by D. Mastascusa and seconded by M. Hall, Resolution No. 2023-09-73, Approving Affordable Rental Housing Program, DGGL Properties LLC, Loan Extension, was unanimously approved.

- c. Resolution No. 2023-09-74, extending the term of the Jefferson County Historical Society loan for an additional 3 months subject to the Term Sheet attached to the resolution.

Upon a motion by A. MacKinnon and seconded by D. Mastascusa Resolution No. 2023-09-74, Economic Development Fund, Jefferson County Historical Society, Loan Extension, was unanimously approved.

- d. Resolution No. 2023-09-75, approving a loan of up to \$200,000 from the Community Development Loan Fund to Tug Hill Artisan Roasters, LLC subject to the Terms and Conditions Sheet attached to the resolution, and further authorizes the executive Director or Chief Financial Officer to execute all documents necessary to make the loan. Furthermore, this is considered a Type II Action under the State Environmental (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by D. Mastascusa and seconded by E. Virkler, Resolution No. 2023-09-75, Community Development Loan Fund, Tug Hill Artisan Roasters LLC, Loan, was unanimously approved.

- e. Resolution No. 2023-09-76, rescinding Resolution No. 2020-05-64, and further authorizing the Executive Director to transfer funds between the Community Development Loan Fund and the Farmland Drainage/Value-Added Agriculture Loan Program, as needed, with such transactions to be reported on at the next Authority Board Meeting.

Upon a motion by E. Virkler and seconded by D. Mastascusa, Resolution No. 2023-09-76, Community Development Loan Fund, Farmland Drainage Loan

Fund/Value-Added Agriculture Loan Fund, Rescind Resolution, was unanimously approved.

13. Next Board Meeting Date – October 26, 2023

14. Adjourn -

a. Upon a motion by H. Hall, and seconded by K. Bibbins, the meeting was adjourned at 11:21 PM.

15. FYE 2025 Strategic Planning –

C. Farone began the presentation and stated what is being discussed today will be incorporated into our fiscal year 2025 budget. From the Authority's perspective, there are two significant strategic assets that shape the way we operate, scale and experience of execution. He continued by stating this plan is similar to that from last year with many multi-year projects and objectives such as:

1. Investment in Human Resources, with continued emphasis on succession planning, training, performance reviews and employee engagement.
2. Enterprise Resource Planning (ERP) upgrade will take place over fiscal years 2024 – 2025 from plan to implementation.
3. Enhance Information Technology Resiliency – ensuring consistency and uninterrupted operations

A. MacKinnon asked if this was about emails where you just click on it and open the part, or is just clicking on it enough. S. Bohmer responded that it depends on the thread but it can be as simple as clicking on it. There are always things running in the background that can potentially harm or allow access to your computer. A. MacKinnon further stated that you can get a very official looking email and you have to debate whether to open it. S. Bohmer stated this is especially dangerous for us being a public authority because our information is out there making it easy for the attacker to read the news or look at our website and see what we are doing. They can then draft an email that may appear as something expected, but it is from the wrong person. C. Farone commented that testing has become a priority and our IT department is making this more difficult because their simulation attempts are becoming more difficult to differentiate.

4. Streamline Admin Practices, by centralizing procurement activities, creating a position for an Administration Coordinator, and continued focus on procedure development to better train staff.
5. Maximize Materials Management Facility, by maximizing our air space, pursuing additional revenue resources, and develop in-house subject matter experts regarding environment compliance.

M. Hall asked what it means to sell the carbon credits. C. Farone explained that it is offsetting another industry that is generating pollution. M. Hall asked if we are then paid in cash. C. Farone confirmed that yes, it is cash, and in years past, we have been able to recognize between \$1 million and \$1.5 million from these credits but are currently looking at \$200,000 to \$300,000. The key is that we are doing a good thing for the environment that we are not required to do. These credits are

then able to be quantified, measured, and sold on the open market through Environmental Advisors, a firm we retained for this process.

6. Increase Waste Diversion – Materials Management, by assisting local operations, such as Geiter Done, to become operational, by developing relationships with local previously untapped opportunities, and by developing educational programs.

A. MacKinnon stated that when he drove by the other day Geiter Done does not appear to be operational, but the facility is being maintained. C. Farone confirmed that they have hired a manager; however, the permitting process is taking longer because they applied for an expanded permit that would cover everything they would like to do. A. MacKinnon asked if there was any idea when this might be open because he has had concerns from people who have many tires and are asking when they will be able to recycle them. C. Tuttle responded that the ball is currently in DEC's court, and they are supportive of this project. Pre-planning conversations have taken place with the region and they want this project up and going. There are a few zoning ordinances to be changed within the town which had to go through their planning board. We believe they are in the final submission stages with the necessary documentation for DEC to complete the application, meaning the review process can begin. If everything is submitted and approved, we hope to see them operational within the next couple of months. M. Capone added that the North Country Economic Development Fund did approve a loan of up to \$225,000 towards an equipment purchase, subject to the permit being approved to operate the facility.

A. MacKinnon further commented that another big issue in the area is used mattresses. C. Farone confirmed that their shredder would be able to take care of mattresses.

7. Materials Management – Critical Capital Project, reviewing estimated construction costs from 2025 through 2061. This page clearly shows why the Authority has been prudent and conservative to ensure we have enough money in the bank to actually pay for these investments in cash.
8. Increase Telecom Capabilities in Service Area, continue assisting the tri-county area, find ways to best utilize the upwards of \$30 million we have to deliver this service, and implement strategy to best manage fiber and central office leases over the next five years.
9. Telecom – Critical Capital Projects, commence work using the NTIA and NBRC grants, which will keep many Authority divisions busy.
10. Position Water Quality to Meet Municipal Demands, ensuring consistent, uninterrupted operations by increasing the number of licensed staff, implementing the staffing plan, and assisting customers with regulatory compliance.

M. Hall asked if we ever hire young people and train them ourselves for these positions. C. Farone responded that yes, we do hire technical staff with minimal to no experience or licenses, who can work their way up. C. Tuttle confirmed that most new hires do not have licenses. C. Farone explained that our training plan is key and they can then see the upward mobility within the Authority. C. Tuttle further

stated that we have not had luck hiring young people because they don't know enough about what they don't want to do.

Continuing with Objective 10, Water Quality – Critical Capital Projects, many of these projects should be completed by the end of this fiscal year. When Phase I of the Army Water Line is completed we will begin work on Phase II. We will continue to apply for additional grant funding. The relining of the Army Sewer line is anticipated to be completed within FYE 2024, and we will continue to work with the City of Watertown regarding the disinfection by-products issue.

11. Provide Engineering Support Services, implementing three-year regional GIS project to include 25 local government partners, deliver additional data layers and hosting to generate additional income, and utilizing additional efficiencies with other Authority divisions while reducing reliance on external consultants.

M. Hall commented if staff are learning tasks internally, it is an educational process but they are going to understand more fully when they go to implement these practices in the future.

12. Environmental Stewardship and Sustainability, continue working with CC Environmental & Planning on a Natural Resource Management Plan, good stewards do the least amount of harm within their operations, continue working with a focus on “people, planet, profit”.
13. Regional Development Strategic Initiatives, developing strategy to redevelop vacant COR site, continued collaboration with Telecom and Engineering staff to write grants, help expand broadband services, and assist with grant administration.
14. Enhance Working Relationship with Fort Drum, assist in implementing strategic initiatives, by using Drum Country NY regional marketing initiative, continue to provide critical infrastructure, work together collectively toward a common goal, working with partners and rebuild relationships as staffing on Fort Drum changes.
15. Assist Municipal Partners – Improve Housing Stock, helping with funding applications, working with Jefferson County to implement HOME ARP and assisting with the homeless housing funding.
16. Utilize Loan Funds to Spur Investment in the North Country, continuing to work with agencies and organizations to promote low interest loans to businesses while continuing to bridge state grants.
17. Utilize Grant Funds to Implement Economic Development Programs, continuing to explore partnerships with the North Country Regional Economic Development Council and Empire State Development to address workplace development issues by focusing on soldiers that are getting out of the Army including their spouses. We will utilize Drum Country NY to promote potential initiatives to make a better connection between them and the job opportunities that exist in the North Country.

C. Farone further commented that New York State has a new regional competition for \$10 million dollars to identify a challenge within the region and then offer a unique solution to that challenge. S. Hunt further stated that the challenges have

already been identified by the state and are then provided to the region, and one of them is workforce. Many employers identified a need for workforce and the Regional Economic Development Council has identified that as their challenge, with the solution possibly being the transitioning soldiers at Fort Drum. They are now developing a plan to explain how the \$10 million could be used to create that pipeline so that transitioning soldiers stay in New York State. The Development Authority can assist in trying to identify projects to justify the need for \$10 million. M. Capone added that this not only fits the Authority's mission but also leverages our relationship with Fort Drum and the surrounding counties.

18. Increase Public Presence with Elected Officials, explain what we do, that we are here to help, and hopefully they can help us when we are in need as well.

M. Hall commented it is awesome to have a plan moving forward for what we want to focus on. For the Board members, especially those new to the Board, it could also be very helpful to see our successes from the past and see what we have accomplished or review last year's objectives.

K. Bibbins asked what cycle this report is done on. C. Farone responded the Strategic Plan is presented annually. C. Farone also stated that there is a 10 year strategic plan covering from 2018 – 2028 that outlines the objectives of the Authority. M. Hall stated it would be interesting to go back and look at last year. C. Tuttle stated that there is also an annual performance review process, but it more lines up with the end of our fiscal year rather than the presentation of the Strategic Plan.

The meeting concluded at 12:36 PM.

Respectfully submitted,

Dennis Mastascusa

Dennis Mastascusa
Board Secretary

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
For the Five Months Ending Thursday, August 31, 2023

	<u>YTD ACTUAL</u>	<u>3/31/2023 Total</u>
STATEMENT OF NET POSITION		
ASSETS		
Cash and Cash Equivalents	\$8,551,623.40	\$7,010,511.59
Accounts Receivable	3,685,912.70	4,382,832.12
Unbilled Revenue	482,212.31	605,761.13
Interest Receivable	226,629.32	188,912.79
Loans Receivable, net	32,443,315.43	31,012,696.12
Inventory	16,280.29	16,280.29
Prepaid Expense	253,143.21	538,195.29
Investments	16,997,576.56	15,615,005.87
Funds Held In Trust	947,315.79	837,843.15
OPEB Reserve Fund	5,788,531.10	5,766,267.74
Restricted Assets	82,416,520.77	84,587,130.01
Leased Property	26,600.00	30,756.25
Operating Lease ROU Assets, Net	66,564.62	66,564.62
Capital Assets, net	81,255,017.90	77,044,799.06
Total Assets	233,157,243.40	227,703,556.03
DEFERRED OUTFLOWS OF RESOURCES		
Pension	3,833,170.00	3,833,170.00
OPEB	234,811.00	234,811.00
Total Deferred Outflows of Resources	4,067,981.00	4,067,981.00
TOTAL ASSETS PLUS DEFERRED OUTFLOWS	237,225,224.40	231,771,537.03
LIABILITIES		
Accounts Payable	2,089,318.08	1,617,628.12
Grants & Passthroughs Payable	732,189.67	775,496.99
Community Benefits Payable	170,113.28	186,265.41
Interest Payable	255,813.64	115,633.30
Accrued Expenses	869,994.39	608,636.83
OPEB Liability	4,661,428.64	4,462,715.00
Net Pension Liability	(1,725,909.00)	(1,725,909.00)
Unearned Income	8,590,696.12	8,829,844.30
Lease Obligation	26,600.00	30,756.25
Current Portion of Operating Lease Liability	66,266.94	66,266.94
Funds Held for Others	10,800,487.71	10,800,487.71
Due to US ARMY	749,985.00	749,985.00
Landfill Closure & Post Closure	17,225,249.17	16,701,482.53
Long-term Liabilities	25,738,376.86	20,774,477.53
Total Liabilities	70,250,610.50	63,993,766.91
DEFERRED INFLOWS OF RESOURCES		
Pension	5,953,092.00	5,953,092.00
OPEB	2,081,166.00	2,081,166.00
Total Deferred Inflows of Resources	8,034,258.00	8,034,258.00
TOTAL LIABILITIES PLUS DEFERRED INFLOWS	78,284,868.50	72,028,024.91
NET POSITION		
Invested In Capital Assets, Net	56,930,641.25	57,684,321.74
Restricted for:		
Community Rental Housing Program	13,196,653.01	13,162,260.08
Community Development Loan Fund	9,761,434.17	9,702,562.68
Affordable Housing Program	22,355,297.67	22,360,402.54
Army Water & Sewer	1,800,000.00	1,800,000.00
Regional Waterline	404,884.96	404,884.96
Reserve For Liner	12,703,019.19	11,832,162.81
Reserve for Replacement	4,781,298.31	5,183,354.81
Reserve For Wetland Mitigation	323,548.51	321,895.21
OATN Reserve	7,051,022.66	6,950,830.37
Landfill Closure & Post Closure Prefunding	8,272,127.85	8,349,464.01
Total Restricted	80,649,286.33	80,067,817.47
Board Designated for:		
Infrastructure Development	223,107.42	223,107.42
Capital Reserve	779,895.41	867,620.93
Tip Fee Stabilization	4,877,803.02	4,836,637.74
Landfill Gas Reserve	1,372,172.33	1,404,728.55
Economic Development Fund	5,291,362.84	5,314,978.75
Affordable Housing Program	3,000,000.00	3,000,000.00
Supplemental Insurance / Admin. Reserve	4,000,000.00	4,000,000.00
Total Board Designated	19,544,341.02	19,647,073.39
Undesignated	1,816,087.30	2,344,299.52
Total Net Position	158,940,355.90	159,743,512.12
Total Liabilities, Deferred Outflows & Net Position	237,225,224.40	231,771,537.03

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
For the Five Months Ending Thursday, August 31, 2023

	<u>YTD ACTUAL</u>	<u>3/31/2023 Total</u>
<u>CHANGE IN NET POSITION</u>		
OPERATING REVENUE:		
Customer Billings	10,899,198.27	25,331,367.41
Waste Diversion Revenue	0.00	188,880.93
Grant Revenue	617,676.64	1,676,857.09
Loan Interest Income	189,367.83	445,800.97
Other Income	312,128.51	798,915.41
Total Operating Revenue	12,018,371.25	28,441,821.81
OPERATING EXPENSES		
Depreciation & Amortization	4,219,010.62	10,452,423.06
Salaries	2,836,024.39	6,789,324.40
Fringe Benefits	1,277,712.27	2,057,501.53
Operation & Maintenance	1,479,497.61	3,114,059.64
Recycling Transfer Station	0.00	157,506.23
Waste Diversion	231,735.05	595,701.94
Wastewater Treatment	816,382.54	1,668,210.07
Closure & Post Closure Costs	541,916.64	1,276,972.24
Community Benefits	588,806.38	1,169,859.08
Water Purchases	408,937.40	872,949.42
Office & Administration	207,224.75	249,388.86
Insurance	246,416.65	544,933.51
Utilities	52,340.90	215,967.28
Bad Debt Expense	(22,829.27)	76,385.67
Materials & Supplies	116,809.08	320,415.78
Professional Fees	110,012.48	187,949.73
Repairs & Maintenance	81,080.94	204,848.26
Automobile	153,716.23	333,271.03
Computer Expenses	157,155.10	291,441.22
Grants	0.00	507,984.90
NYS Administrative Assessment	0.00	122,000.00
Total Operating Expenses	13,501,949.76	31,209,093.85
Total Operating Income	(1,483,578.51)	(2,767,272.04)
NON-OPERATING REVENUE (EXPENSE)		
Interest Income	885,347.83	299,001.20
Gain on Sale of Fixed Assets	79,535.02	66,122.66
Interest Expense	(233,180.56)	(618,927.95)
Debt Issuance Costs	(51,280.00)	(20,000.00)
Total Non-Operating Expense, Net	680,422.29	(273,804.09)
CHANGE IN NET ASSETS	(803,156.22)	(3,041,076.13)

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
For the Five Months Ending Thursday, August 31, 2023

	ADMIN	MATERIALS MGMT	TELECOM	ARMY SEWER	ARMY WATER	REGIONAL WATER	WQ CONTRACTS	ENGINEERING	REGIONAL DEVELOPMENT	TOTAL
STATEMENT OF NET POSITION										
ASSETS										
Cash and Cash Equivalents	\$8,551,623.40									\$8,551,623.40
Accounts Receivable	1,004.30	1,140,548.98	1,919,852.62	257,195.74	154,824.64		119,959.86	17,374.14	75,152.42	3,685,912.70
Unbilled Revenue				101,946.78	46,986.45	63,731.18	165,472.50	58,160.17	45,915.23	482,212.31
Interest Receivable	9,785.80	56,472.36	63,476.59						96,894.57	226,629.32
Loans Receivable, net									32,443,315.43	32,443,315.43
Inventory		16,280.29							16,280.29	16,280.29
Prepaid Expense	247,938.23		5,204.98							253,143.21
Investments	3,072,006.18	6,661,062.58	2,004,370.19						5,260,137.61	16,997,576.56
Funds Held In Trust		947,315.79								947,315.79
OPEB Reserve Fund	5,788,531.10									5,788,531.10
Restricted Assets		41,563,497.90	9,732,695.19	1,775,000.09	968,181.86	508,140.05			27,869,005.68	82,416,520.77
Leased Property									26,600.00	26,600.00
Operating Lease ROU Assets, Net	66,564.62							4,171.53		66,564.62
Capital Assets, net	812,810.08	42,670,819.82	22,804,196.37	3,409,013.04	8,818,028.18	2,735,978.88				81,255,017.90
Total Assets	18,550,263.71	93,055,997.72	36,529,795.94	5,543,155.65	9,988,021.13	3,307,850.11	285,432.36	79,705.84	65,817,020.94	233,157,243.40
DEFERRED OUTFLOWS OF RESOURCES										
Pension	3,833,170.00									3,833,170.00
OPEB	234,811.00									234,811.00
Total Deferred Outflows of Resources	4,067,981.00									4,067,981.00
TOTAL ASSETS PLUS DEFERRED...	22,618,244.71	93,055,997.72	36,529,795.94	5,543,155.65	9,988,021.13	3,307,850.11	285,432.36	79,705.84	65,817,020.94	237,225,224.40
LIABILITIES										
Accounts Payable	4,914.19	161,074.51	171,368.02	343,414.63	1,389,664.32	18,795.41		87.00		2,089,318.08
Grants & Passthroughs Payable			900,736.10						(168,546.43)	732,189.67
Community Benefits Payable		170,113.28								170,113.28
Interest Payable	120.80	255,692.84								255,813.64
Accrued Expenses	591,430.55	76,019.84	112,791.34	27,910.57	27,910.57			33,931.52		869,994.39
OPEB Liability	4,661,428.64									4,661,428.64
Net Pension Liability	(1,725,909.00)									(1,725,909.00)
Unearned Income			7,944,696.12						646,000.00	8,590,696.12
Lease Obligation									26,600.00	26,600.00
Current Portion of Operating Lease Lia...	66,266.94									66,266.94
Funds Held for Others				749,985.00					10,800,487.71	10,800,487.71
Due to US ARMY										749,985.00
Landfill Closure & Post Closure		17,225,249.17								17,225,249.17
Long-term Liabilities	814,000.00	17,588,997.00			5,280,322.33	1,455,057.53			600,000.00	25,738,376.86
Internal: Due To/Due From	4,459,972.60	(1,081,805.79)	(39,926.13)	(1,731,518.96)	(1,441,990.79)	(112,611.55)	(358,336.54)	44,865.38		261,351.78
Total Liabilities	8,872,224.72	34,395,340.85	9,089,665.45	(610,208.76)	5,255,906.43	1,361,241.39	(358,336.54)	78,883.90	12,165,893.06	70,250,610.50
DEFERRED INFLOWS OF RESOURCES										
Pension	5,953,092.00									5,953,092.00
OPEB	2,081,166.00									2,081,166.00
Total Deferred Inflows of Resources	8,034,258.00									8,034,258.00
TOTAL LIABILITIES PLUS DEFERR...	16,906,482.72	34,395,340.85	9,089,665.45	(610,208.76)	5,255,906.43	1,361,241.39	(358,336.54)	78,883.90	12,165,893.06	78,284,868.50
NET POSITION										
Invested In Capital Assets, Net	812,810.08	25,081,823.03	22,804,196.37	3,409,013.04	3,537,705.85	1,280,921.35		4,171.53		56,930,641.25
Restricted for:										
Community Rental Housing Program									13,196,653.01	13,196,653.01
Community Development Loan Fund									9,761,434.17	9,761,434.17
Affordable Housing Program									22,355,297.67	22,355,297.67
Army Water & Sewer				900,000.00	900,000.00					1,800,000.00
Regional Waterline						404,884.96				404,884.96
Reserve For Liner		12,703,019.19								12,703,019.19
Reserve for Replacement		4,781,298.31								4,781,298.31
Reserve For Wetland Mitigation		323,548.51								323,548.51
OATN Reserve			7,051,022.66							7,051,022.66
Landfill Closure & Post Closure Prefund...		8,272,127.85								8,272,127.85
Total Restricted		26,079,993.86	7,051,022.66	900,000.00	900,000.00	404,884.96			45,313,384.85	80,649,286.33
Board Designated for:										
Infrastructure Development				223,107.42						223,107.42
Capital Reserve		506,330.90		273,564.51						779,895.41
Tip Fee Stabilization		4,877,803.02								4,877,803.02
Landfill Gas Reserve		1,372,172.33								1,372,172.33
Economic Development Fund									5,291,362.84	5,291,362.84
Affordable Housing Program									3,000,000.00	3,000,000.00
Supplemental Insurance / Admin. Reser...	4,000,000.00									4,000,000.00
Total Board Designated	4,000,000.00	6,756,306.25		496,671.93					8,291,362.84	19,544,341.02
Undesignated	898,951.91	742,533.73	(2,415,088.54)	1,347,679.44	294,408.85	260,802.41	643,768.90	(3,349.59)	46,380.19	1,816,087.30
Total Net Position	5,711,761.99	58,660,656.87	27,440,130.49	6,153,364.41	4,732,114.70	1,946,608.72	643,768.90	821.94	53,651,127.88	158,940,355.90
Total Liabilities, Deferred Outflows...	22,618,244.71	93,055,997.72	36,529,795.94	5,543,155.65	9,988,021.13	3,307,850.11	285,432.36	79,705.84	65,817,020.94	237,225,224.40

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
For the Five Months Ending Thursday, August 31, 2023

	ADMIN	MATERIALS MGMT	TELECOM	ARMY SEWER	ARMY WATER	REGIONAL WATER	WQ CONTRACTS	ENGINEERING	REGIONAL DEVELOPMENT	TOTAL
CHANGE IN NET POSITION										
OPERATING REVENUE:										
Customer Billings		4,597,867.64	2,704,660.18	1,378,274.53	1,020,355.10	156,802.07	739,321.86	182,745.77	119,171.12	10,899,198.27
Grant Revenue	(257.50)		583,115.74						34,818.40	617,676.64
Loan Interest Income									189,367.83	189,367.83
Other Income	87,000.05	181,348.57	9,391.81	1,504.16			1,797.60		31,086.32	312,128.51
Total Operating Revenue	86,742.55	4,779,216.21	3,297,167.73	1,379,778.69	1,020,355.10	156,802.07	741,119.46	182,745.77	374,443.67	12,018,371.25
OPERATING EXPENSES										
Depreciation & Amortization	99,648.85	2,111,200.40	1,624,603.48	136,366.54	174,338.86	69,376.22		3,476.27		4,219,010.62
Salaries	535,237.15	693,886.28	583,334.47	234,133.96	170,271.74	15,912.74	407,497.11	68,689.22	127,061.72	2,836,024.39
Fringe Benefits	265,255.92	326,087.83	202,094.33	116,588.51	80,017.56	6,902.34	191,771.09	34,182.17	54,812.52	1,277,712.27
Operation & Maintenance	4,802.02	350,637.37	1,028,626.85	42,257.34	1,034.72	2,230.80	10,686.59	28,656.92	10,565.00	1,479,497.61
Waste Diversion		231,735.05								231,735.05
Wastewater Treatment		202,596.36		613,786.18						816,382.54
Closure & Post Closure Costs		541,916.64								541,916.64
Community Benefits		404,997.20							183,809.18	588,806.38
Water Purchases				748.75	363,542.82	44,645.83				408,937.40
Office & Administration	102,009.05	26,827.31	21,516.91	37,941.37	918.33	112.01	2,245.82	11,793.28	3,860.67	207,224.75
Insurance	8,041.65	100,625.00	74,583.35	22,000.00	16,125.00	2,583.35	15,541.65	6,916.65		246,416.65
Utilities		20,018.09	1,691.36	16,968.35	7,185.76	6,477.34				52,340.90
Bad Debt Expense			(33,902.44)							(22,829.27)
Materials & Supplies		116,809.08							11,073.17	116,809.08
Professional Fees	71,964.14	16,077.81	8,379.67	332.09	178.82				13,079.95	110,012.48
Repairs & Maintenance		3,398.92		32,792.82	11,859.87	33,029.33				81,080.94
Automobile	1,141.20	7,208.35	29,847.21	107,005.06				8,514.41		153,716.23
Computer Expenses	105,060.07	512.00	5,673.66	16,414.93				29,494.44		157,155.10
Admin Allocation	(1,045,885.31)	431,009.33	263,353.93	154,058.90	79,591.89	7,321.20	16,838.74	22,381.96	71,329.36	
Engineering Allocation		21,505.70	6,951.91	7,310.78	6,102.08	654.27	3,229.05	(45,942.05)	188.26	
Water Quality Allocation				(74,396.49)	24,921.48	1,695.18	47,779.83			
Total Operating Expenses	147,274.74	5,607,048.72	3,816,754.69	1,464,309.09	936,088.93	190,940.61	695,589.88	168,163.27	475,779.83	13,501,949.76
Total Operating Income	(60,532.19)	(827,832.51)	(519,586.96)	(84,530.40)	84,266.17	(34,138.54)	45,529.58	14,582.50	(101,336.16)	(1,483,578.51)
NON-OPERATING REVENUE (EX...										
Interest Income	125,014.41	312,901.40	130,722.40	13,430.41	7,325.68	9,170.22			286,783.31	885,347.83
Gain on Sale of Fixed Assets	59,285.02	20,250.00								79,535.02
Interest Expense		(227,491.90)				(5,688.66)				(233,180.56)
Debt Issuance Costs				(780.00)	(50,500.00)					(51,280.00)
Total Non-Operating Expense, Net	184,299.43	105,659.50	130,722.40	12,650.41	(43,174.32)	3,481.56			286,783.31	680,422.29
CHANGE IN NET ASSETS	123,767.24	(722,173.01)	(388,864.56)	(71,879.99)	41,091.85	(30,656.98)	45,529.58	14,582.50	185,447.15	(803,156.22)

**Summary of All Units
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$26,335,598.00	\$10,973,175.85	\$10,899,198.27	(\$73,977.58)
	Grant Revenue	1,906,278.00	794,285.00	617,676.64	(176,608.36)
	Loan Interest Income	518,760.00	216,155.00	189,367.83	(26,787.17)
	Other Income	786,266.00	327,610.00	312,128.51	(15,481.49)
	Total Operating Revenue	29,546,902.00	12,311,225.85	12,018,371.25	(292,854.60)
OPERATING EXPENSES					
	Depreciation & Amortization	12,225,200.00	5,093,835.00	4,219,010.62	(874,824.38)
	Salaries	7,276,009.00	3,031,695.80	2,836,024.39	(195,671.41)
	Fringe Benefits	3,233,415.25	1,347,271.40	1,277,712.27	(69,559.13)
	Operation & Maintenance	3,716,762.75	1,548,670.25	1,487,875.89	(60,794.36)
	Waste Diversion	423,415.50	176,421.50	231,735.05	55,313.55
	Wastewater Treatment	2,038,486.00	849,370.00	808,004.26	(41,365.74)
	Closure & Post Closure Costs	1,460,136.00	608,390.00	541,916.64	(66,473.36)
	Water Purchases	940,049.00	391,690.00	408,937.40	17,247.40
	Community Benefits	1,212,757.18	612,534.10	588,806.38	(23,727.72)
	Office & Administration	585,102.32	243,830.25	207,224.75	(36,605.50)
	Insurance	591,400.00	246,415.00	246,416.65	1.65
	Utilities	216,000.00	90,000.00	52,340.90	(37,659.10)
	Bad Debt Expense	0.00	0.00	(22,829.27)	(22,829.27)
	Materials & Supplies	328,510.00	136,874.15	116,809.08	(20,065.07)
	Professional Fees	373,646.50	155,695.95	110,012.48	(45,683.47)
	Repairs & Maintenance	163,943.50	68,311.40	81,080.94	12,769.54
	Automobile	437,850.00	182,438.35	153,716.23	(28,722.12)
	Computer Expenses	381,560.00	158,982.50	157,155.10	(1,827.40)
	Grants	154,000.00	64,165.00	0.00	(64,165.00)
	NYS Administrative Assessment	125,050.00	52,105.00	0.00	(52,105.00)
	Contingency	77,000.00	32,081.65	0.00	(32,081.65)
	Total Operating Expenses	35,960,293.00	15,090,777.30	13,501,949.76	(1,588,827.54)
	Total Operating Income	(6,413,391.00)	(2,779,551.45)	(1,483,578.51)	1,295,972.94
NON-OPERATING REVENUE...					
	Interest Income	1,914,392.00	797,660.00	885,347.83	87,687.83
	Gain on Sale of Fixed Assets	224,000.00	93,335.00	79,535.02	(13,799.98)
	Interest Expense	(1,053,965.00)	(439,150.00)	(233,180.56)	205,969.44
	Debt Issuance Costs	(2,280.00)	(950.00)	(51,280.00)	(50,330.00)
	Total Non-Operating Expe...	1,082,147.00	450,895.00	680,422.29	229,527.29
	CHANGE IN NET POSITION	(5,331,244.00)	(2,328,656.45)	(803,156.22)	1,525,500.23

Administration
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Grant Revenue	\$0.00	\$0.00	(\$257.50)	(\$257.50)
	Other Income	191,100.00	79,625.00	87,000.05	7,375.05
	Total Operating Revenue	191,100.00	79,625.00	86,742.55	7,117.55
OPERATING EXPENSES					
	Depreciation & Amortization	285,800.00	119,085.00	99,648.85	(19,436.15)
	Salaries	1,318,952.00	549,560.00	535,237.15	(14,322.85)
	Fringe Benefits	627,885.00	261,615.00	265,255.92	3,640.92
	Operation & Maintenance	7,870.00	3,280.00	4,802.02	1,522.02
	Office & Administration	231,838.00	96,610.85	102,009.05	5,398.20
	Insurance	19,300.00	8,040.00	8,041.65	1.65
	Professional Fees	97,035.00	40,434.15	71,964.14	31,529.99
	Automobile	2,130.00	890.00	1,141.20	251.20
	Computer Expenses	255,686.00	106,535.00	105,060.07	(1,474.93)
	Admin Allocation	(2,405,187.00)	(1,002,165.00)	(1,045,885.31)	(43,720.31)
	Contingency	22,000.00	9,166.65	0.00	(9,166.65)
	Total Operating Expenses	463,309.00	193,051.65	147,274.74	(45,776.91)
	Total Operating Income	(272,209.00)	(113,426.65)	(60,532.19)	52,894.46
NON-OPERATING REVENUE...					
	Interest Income	228,580.00	95,240.00	125,014.41	29,774.41
	Gain on Sale of Fixed Assets	104,000.00	43,335.00	59,285.02	15,950.02
	Total Non-Operating Expe...	332,580.00	138,575.00	184,299.43	45,724.43
	CHANGE IN NET POSITION	60,371.00	25,148.35	123,767.24	98,618.89

Materials Management
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$11,296,725.00	\$4,706,970.00	\$4,597,867.64	(\$109,102.36)
	Grant Revenue	97,975.00	40,825.00	0.00	(40,825.00)
	Other Income	550,884.00	229,535.00	181,348.57	(48,186.43)
	Total Operating Revenue	11,945,584.00	4,977,330.00	4,779,216.21	(198,113.79)
OPERATING EXPENSES					
	Depreciation & Amortization	5,819,000.00	2,424,585.00	2,111,200.40	(313,384.60)
	Salaries	1,736,654.00	723,605.00	693,886.28	(29,718.72)
	Fringe Benefits	816,419.00	340,175.00	326,087.83	(14,087.17)
	Operation & Maintenance	1,198,810.00	499,512.50	359,015.65	(140,496.85)
	Waste Diversion	423,415.50	176,421.50	231,735.05	55,313.55
	Wastewater Treatment	650,000.00	270,835.00	194,218.08	(76,616.92)
	Closure & Post Closure Costs	1,460,136.00	608,390.00	541,916.64	(66,473.36)
	Community Benefits	1,028,948.00	428,725.00	404,997.20	(23,727.80)
	Office & Administration	104,599.00	43,586.65	26,827.31	(16,759.34)
	Insurance	241,500.00	100,625.00	100,625.00	0.00
	Utilities	90,000.00	37,500.00	20,018.09	(17,481.91)
	Materials & Supplies	328,510.00	136,874.15	116,809.08	(20,065.07)
	Professional Fees	78,464.50	32,693.50	16,077.81	(16,615.69)
	Repairs & Maintenance	15,000.00	6,250.00	3,398.92	(2,851.08)
	Automobile	17,300.00	7,210.00	7,208.35	(1.65)
	Computer Expenses	16,790.00	6,995.00	512.00	(6,483.00)
	Admin Allocation	991,199.00	413,000.00	431,009.33	18,009.33
	Engineering Allocation	45,483.00	18,950.00	21,505.70	2,555.70
	NYS Administrative Assessment	54,539.00	22,725.00	0.00	(22,725.00)
	Contingency	30,000.00	12,500.00	0.00	(12,500.00)
	Total Operating Expenses	15,146,767.00	6,311,158.30	5,607,048.72	(704,109.58)
	Total Operating Income	(3,201,183.00)	(1,333,828.30)	(827,832.51)	505,995.79
NON-OPERATING REVENUE...					
	Interest Income	841,856.00	350,775.00	312,901.40	(37,873.60)
	Gain on Sale of Fixed Assets	120,000.00	50,000.00	20,250.00	(29,750.00)
	Interest Expense	(603,663.00)	(251,525.00)	(227,491.90)	24,033.10
	Total Non-Operating Expe...	358,193.00	149,250.00	105,659.50	(43,590.50)
	CHANGE IN NET POSITION	(2,842,990.00)	(1,184,578.30)	(722,173.01)	462,405.29

Telecommunications
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$6,249,057.00	\$2,603,775.00	\$2,704,660.18	\$100,885.18
	Grant Revenue	1,306,303.00	544,295.00	583,115.74	38,820.74
	Other Income	12,000.00	5,000.00	9,391.81	4,391.81
	Total Operating Revenue	7,567,360.00	3,153,070.00	3,297,167.73	144,097.73
OPERATING EXPENSES					
	Depreciation & Amortization	4,734,400.00	1,972,665.00	1,624,603.48	(348,061.52)
	Salaries	1,516,770.00	631,990.00	583,334.47	(48,655.53)
	Fringe Benefits	507,591.00	211,500.00	202,094.33	(9,405.67)
	Operation & Maintenance	2,158,293.50	899,294.85	1,028,626.85	129,332.00
	Office & Administration	61,311.50	25,553.55	21,516.91	(4,036.64)
	Insurance	179,000.00	74,585.00	74,583.35	(1.65)
	Utilities	6,000.00	2,500.00	1,691.36	(808.64)
	Bad Debt Expense	0.00	0.00	(33,902.44)	(33,902.44)
	Professional Fees	98,189.00	40,911.65	8,379.67	(32,531.98)
	Automobile	85,700.00	35,710.00	29,847.21	(5,862.79)
	Computer Expenses	32,214.00	13,425.00	5,673.66	(7,751.34)
	Admin Allocation	605,606.00	252,335.00	263,353.93	11,018.93
	Engineering Allocation	12,690.00	5,290.00	6,951.91	1,661.91
	NYS Administrative Assessment	30,901.00	12,875.00	0.00	(12,875.00)
	Contingency	25,000.00	10,415.00	0.00	(10,415.00)
	Total Operating Expenses	10,053,666.00	4,189,050.05	3,816,754.69	(372,295.36)
	Total Operating Income	(2,486,306.00)	(1,035,980.05)	(519,586.96)	516,393.09
NON-OPERATING REVENUE...					
	Interest Income	262,856.00	109,525.00	130,722.40	21,197.40
	Total Non-Operating Expe...	262,856.00	109,525.00	130,722.40	21,197.40
	CHANGE IN NET POSITION	(2,223,450.00)	(926,455.05)	(388,864.56)	537,590.49

Water Quality
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$7,776,482.00	\$3,240,205.85	\$3,294,753.56	\$54,547.71
	Other Income	3,610.00	1,505.00	3,301.76	1,796.76
	Total Operating Revenue	7,780,092.00	3,241,710.85	3,298,055.32	56,344.47
OPERATING EXPENSES					
	Depreciation & Amortization	1,377,600.00	574,000.00	380,081.62	(193,918.38)
	Salaries	2,007,215.00	836,355.80	827,815.55	(8,540.25)
	Fringe Benefits	997,179.25	415,493.90	395,279.50	(20,214.40)
	Operation & Maintenance	202,289.25	84,288.80	56,209.45	(28,079.35)
	Wastewater Treatment	1,388,486.00	578,535.00	613,786.18	35,251.18
	Water Purchases	940,049.00	391,690.00	408,937.40	17,247.40
	Office & Administration	133,140.00	55,469.25	41,217.53	(14,251.72)
	Insurance	135,000.00	56,250.00	56,250.00	0.00
	Utilities	120,000.00	50,000.00	30,631.45	(19,368.55)
	Professional Fees	5,692.00	2,373.30	510.91	(1,862.39)
	Repairs & Maintenance	148,943.50	62,061.40	77,682.02	15,620.62
	Automobile	311,220.00	129,673.35	107,005.06	(22,668.29)
	Computer Expenses	31,926.00	13,302.50	16,414.93	3,112.43
	Admin Allocation	592,662.00	246,945.00	257,810.73	10,865.73
	Engineering Allocation	42,413.00	17,670.00	17,296.18	(373.82)
	NYS Administrative Assessment	36,215.00	15,090.00	0.00	(15,090.00)
	Total Operating Expenses	8,470,030.00	3,529,198.30	3,286,928.51	(242,269.79)
	Total Operating Income	(689,938.00)	(287,487.45)	11,126.81	298,614.26
NON-OPERATING REVENUE...					
	Interest Income	63,700.00	26,540.00	29,926.31	3,386.31
	Interest Expense	(450,302.00)	(187,625.00)	(5,688.66)	181,936.34
	Debt Issuance Costs	(2,280.00)	(950.00)	(51,280.00)	(50,330.00)
	Total Non-Operating Expe...	(388,882.00)	(162,035.00)	(27,042.35)	134,992.65
	CHANGE IN NET POSITION	(1,078,820.00)	(449,522.45)	(15,915.54)	433,606.91

Army Sewer
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$3,317,683.00	\$1,382,368.75	\$1,378,274.53	(\$4,094.22)
	Other Income	3,610.00	1,505.00	1,504.16	(0.84)
	Total Operating Revenue	3,321,293.00	1,383,873.75	1,379,778.69	(4,095.06)
OPERATING EXPENSES					
	Depreciation & Amortization	581,900.00	242,460.00	136,366.54	(106,093.46)
	Salaries	478,629.00	199,430.00	234,133.96	34,703.96
	Fringe Benefits	242,861.25	101,193.45	116,588.51	15,395.06
	Operation & Maintenance	99,188.25	41,325.10	42,257.34	932.24
	Wastewater Treatment	1,388,486.00	578,535.00	613,786.18	35,251.18
	Water Purchases	4,500.00	1,875.00	748.75	(1,126.25)
	Office & Administration	110,840.00	46,176.70	37,941.37	(8,235.33)
	Insurance	52,800.00	22,000.00	22,000.00	0.00
	Utilities	65,000.00	27,085.00	16,968.35	(10,116.65)
	Professional Fees	3,451.00	1,438.30	332.09	(1,106.21)
	Repairs & Maintenance	64,538.50	26,889.35	32,792.82	5,903.47
	Automobile	311,220.00	129,673.35	107,005.06	(22,668.29)
	Computer Expenses	31,926.00	13,302.50	16,414.93	3,112.43
	Admin Allocation	354,175.00	147,575.00	154,058.90	6,483.90
	Engineering Allocation	14,729.00	6,135.00	7,310.78	1,175.78
	Water Quality Allocation	(304,659.00)	(126,945.00)	(74,396.49)	52,548.51
	NYS Administrative Assessment	15,728.00	6,555.00	0.00	(6,555.00)
	Total Operating Expenses	3,515,313.00	1,464,703.75	1,464,309.09	(394.66)
	Total Operating Income	(194,020.00)	(80,830.00)	(84,530.40)	(3,700.40)
NON-OPERATING REVENUE...					
	Interest Income	30,900.00	12,875.00	13,430.41	555.41
	Interest Expense	(173,500.00)	(72,290.00)	0.00	72,290.00
	Debt Issuance Costs	(2,280.00)	(950.00)	(780.00)	170.00
	Total Non-Operating Expe...	(144,880.00)	(60,365.00)	12,650.41	73,015.41
	CHANGE IN NET POSITION	(338,900.00)	(141,195.00)	(71,879.99)	69,315.01

**Army Water Line
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$2,147,895.00	\$894,957.50	\$1,020,355.10	\$125,397.60
	Total Operating Revenue	2,147,895.00	894,957.50	1,020,355.10	125,397.60
OPERATING EXPENSES					
	Depreciation & Amortization	626,300.00	260,960.00	174,338.86	(86,621.14)
	Salaries	456,735.00	190,310.00	170,271.74	(20,038.26)
	Fringe Benefits	220,272.00	91,780.00	80,017.56	(11,762.44)
	Operation & Maintenance	21,418.00	8,927.50	1,034.72	(7,892.78)
	Water Purchases	817,052.00	340,440.00	363,542.82	23,102.82
	Office & Administration	15,050.00	6,270.85	918.33	(5,352.52)
	Insurance	38,700.00	16,125.00	16,125.00	0.00
	Utilities	25,000.00	10,415.00	7,185.76	(3,229.24)
	Professional Fees	1,741.00	725.00	178.82	(546.18)
	Repairs & Maintenance	37,750.00	15,729.15	11,859.87	(3,869.28)
	Admin Allocation	183,063.00	76,275.00	79,591.89	3,316.89
	Engineering Allocation	14,117.00	5,880.00	6,102.08	222.08
	Water Quality Allocation	97,424.00	40,595.00	24,921.48	(15,673.52)
	NYS Administrative Assessment	10,973.00	4,570.00	0.00	(4,570.00)
	Total Operating Expenses	2,565,595.00	1,069,002.50	936,088.93	(132,913.57)
	Total Operating Income	(417,700.00)	(174,045.00)	84,266.17	258,311.17
NON-OPERATING REVENUE...					
	Interest Income	16,900.00	7,040.00	7,325.68	285.68
	Interest Expense	(225,500.00)	(93,960.00)	0.00	93,960.00
	Debt Issuance Costs	0.00	0.00	(50,500.00)	(50,500.00)
	Total Non-Operating Expe...	(208,600.00)	(86,920.00)	(43,174.32)	43,745.68
	CHANGE IN NET POSITION	(626,300.00)	(260,965.00)	41,091.85	302,056.85

**Regional Water Line
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$389,627.00	\$162,345.00	\$156,802.07	(\$5,542.93)
	Total Operating Revenue	389,627.00	162,345.00	156,802.07	(5,542.93)
OPERATING EXPENSES					
	Depreciation & Amortization	169,400.00	70,580.00	69,376.22	(1,203.78)
	Salaries	34,638.00	14,435.00	15,912.74	1,477.74
	Fringe Benefits	16,608.00	6,925.00	6,902.34	(22.66)
	Operation & Maintenance	6,300.00	2,625.00	2,230.80	(394.20)
	Water Purchases	118,497.00	49,375.00	44,645.83	(4,729.17)
	Office & Administration	250.00	105.00	112.01	7.01
	Insurance	6,200.00	2,585.00	2,583.35	(1.65)
	Utilities	30,000.00	12,500.00	6,477.34	(6,022.66)
	Professional Fees	500.00	210.00	0.00	(210.00)
	Repairs & Maintenance	46,655.00	19,442.90	33,029.33	13,586.43
	Admin Allocation	16,798.00	7,000.00	7,321.20	321.20
	Engineering Allocation	2,492.00	1,040.00	654.27	(385.73)
	Water Quality Allocation	6,201.00	2,585.00	1,695.18	(889.82)
	NYS Administrative Assessment	1,765.00	735.00	0.00	(735.00)
	Total Operating Expenses	456,304.00	190,142.90	190,940.61	797.71
	Total Operating Income	(66,677.00)	(27,797.90)	(34,138.54)	(6,340.64)
NON-OPERATING REVENUE...					
	Interest Income	15,900.00	6,625.00	9,170.22	2,545.22
	Interest Expense	(51,302.00)	(21,375.00)	(5,688.66)	15,686.34
	Total Non-Operating Expe...	(35,402.00)	(14,750.00)	3,481.56	18,231.56
	CHANGE IN NET POSITION	(102,079.00)	(42,547.90)	(30,656.98)	11,890.92

**Water Sewer Contracts
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$1,921,277.00	\$800,534.60	\$739,321.86	(\$61,212.74)
	Other Income	0.00	0.00	1,797.60	1,797.60
	Total Operating Revenue	1,921,277.00	800,534.60	741,119.46	(59,415.14)
OPERATING EXPENSES					
	Salaries	1,037,213.00	432,180.80	407,497.11	(24,683.69)
	Fringe Benefits	517,438.00	215,595.45	191,771.09	(23,824.36)
	Operation & Maintenance	75,383.00	31,411.20	10,686.59	(20,724.61)
	Office & Administration	7,000.00	2,916.70	2,245.82	(670.88)
	Insurance	37,300.00	15,540.00	15,541.65	1.65
	Admin Allocation	38,626.00	16,095.00	16,838.74	743.74
	Engineering Allocation	11,075.00	4,615.00	3,229.05	(1,385.95)
	Water Quality Allocation	201,034.00	83,765.00	47,779.83	(35,985.17)
	NYS Administrative Assessment	7,749.00	3,230.00	0.00	(3,230.00)
	Total Operating Expenses	1,932,818.00	805,349.15	695,589.88	(109,759.27)
	Total Operating Income	(11,541.00)	(4,814.55)	45,529.58	50,344.13
NON-OPERATING REVENUE...					
	CHANGE IN NET POSITION	(11,541.00)	(4,814.55)	45,529.58	50,344.13

Engineering
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$734,055.00	\$305,855.00	\$182,745.77	(\$123,109.23)
	Total Operating Revenue	734,055.00	305,855.00	182,745.77	(123,109.23)
OPERATING EXPENSES					
	Depreciation & Amortization	8,400.00	3,500.00	3,476.27	(23.73)
	Salaries	367,950.00	153,315.00	68,689.22	(84,625.78)
	Fringe Benefits	149,555.00	62,317.50	34,182.17	(28,135.33)
	Operation & Maintenance	130,500.00	54,377.45	28,656.92	(25,720.53)
	Office & Administration	35,889.00	14,960.00	11,793.28	(3,166.72)
	Insurance	16,600.00	6,915.00	6,916.65	1.65
	Professional Fees	1,000.00	415.00	0.00	(415.00)
	Automobile	21,500.00	8,955.00	8,514.41	(440.59)
	Computer Expenses	44,194.00	18,410.00	29,494.44	11,084.44
	Admin Allocation	51,386.00	21,410.00	22,381.96	971.96
	Engineering Allocation	(101,133.00)	(42,140.00)	(45,942.05)	(3,802.05)
	NYS Administrative Assessment	3,395.00	1,415.00	0.00	(1,415.00)
	Total Operating Expenses	729,236.00	303,849.95	168,163.27	(135,686.68)
	Total Operating Income	4,819.00	2,005.05	14,582.50	12,577.45
NON-OPERATING REVENUE...					
CHANGE IN NET POSITION		4,819.00	2,005.05	14,582.50	12,577.45

**Regional Development
Change In Net Position
For the Five Months Ending Thursday, August 31, 2023**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
OPERATING REVENUE:					
	Customer Billings	\$279,279.00	\$116,370.00	\$119,171.12	\$2,801.12
	Grant Revenue	502,000.00	209,165.00	34,818.40	(174,346.60)
	Loan Interest Income	518,760.00	216,155.00	189,367.83	(26,787.17)
	Other Income	28,672.00	11,945.00	31,086.32	19,141.32
	Total Operating Revenue	1,328,711.00	553,635.00	374,443.67	(179,191.33)
OPERATING EXPENSES					
	Salaries	328,468.00	136,870.00	127,061.72	(9,808.28)
	Fringe Benefits	134,786.00	56,170.00	54,812.52	(1,357.48)
	Operation & Maintenance	19,000.00	7,916.65	10,565.00	2,648.35
	Community Benefits	183,809.18	183,809.10	183,809.18	0.08
	Office & Administration	18,324.82	7,649.95	3,860.67	(3,789.28)
	Bad Debt Expense	0.00	0.00	11,073.17	11,073.17
	Professional Fees	93,266.00	38,868.35	13,079.95	(25,788.40)
	Computer Expenses	750.00	315.00	0.00	(315.00)
	Grants	154,000.00	64,165.00	0.00	(64,165.00)
	Admin Allocation	164,334.00	68,475.00	71,329.36	2,854.36
	Engineering Allocation	547.00	230.00	188.26	(41.74)
	Total Operating Expenses	1,097,285.00	564,469.05	475,779.83	(88,689.22)
	Total Operating Income	231,426.00	(10,834.05)	(101,336.16)	(90,502.11)
NON-OPERATING REVENUE...					
	Interest Income	517,400.00	215,580.00	286,783.31	71,203.31
	Total Non-Operating Expe...	517,400.00	215,580.00	286,783.31	71,203.31
	CHANGE IN NET POSITION	748,826.00	204,745.95	185,447.15	(19,298.80)



Board Resolution No. 2023-10-77
October 26, 2023

APPROVING ETHICS POLICY

Whereas, the Development Authority of the North Country operates according to Board policies and administrative guidelines as may be amended from time to time, and

Whereas, the Ethics Policy of the Development Authority of the North Country is posted on the Development Authority's website, and

Whereas, executive management has reviewed and recommends approval of the Ethics Policy, as amended, and

Whereas, executive management directed a review of such amended policy by Authority counsel to ensure compliance, consistency, and compatibility New York State guidelines.

Now, therefore be it

RESOLVED, that the Development Authority of the North Country does hereby approve the Ethics Policy, attached hereto and incorporated in this Resolution.

Development Authority of the North Country Governance Policies



Subject: Ethics Policy
Adopted: October 26, 2023
Resolution: 2023-10-77

ETHICS POLICY

TABLE OF CONTENTS

SECTION 1.0 INTRODUCTION.....	2
SECTION 2.0 RESPONSIBILITIES OF BOARD MEMBERS AND EMPLOYEES OF THE AUTHORITY	2
SECTION 3.0 IMPLEMENTATION OF THIS ETHICS POLICY	3
SECTION 4.0 PENALTIES	3
SECTION 5.0 REPORTING UNETHICAL BEHAVIOR.....	3
SECTION 6.0 RECORD OF REVISIONS.....	4

SECTION 1.0 INTRODUCTION

1.1 This Ethics Policy (“Policy” or “Code of Ethics”) of the Development Authority of the North Country (“Authority”) applies to all Board Members and to all employees (including Officers) of the Authority, whether full time, part time, under contract, on probation, or temporary. This Policy serves as a guide for official conduct and is intended to enhance ethical and professional performance while preserving public confidence in the Authority's mission.

SECTION 2.0 RESPONSIBILITIES OF BOARD MEMBERS AND EMPLOYEES OF THE AUTHORITY

2.1 Board Members and employees shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial or personal interest, including other employment, that could impair independence of judgment, or prevent the proper exercise of official duties.

2.2 Board Members and employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available to Board Members or employees through their official positions that could create any conflict between their public duties and interests and their private interests.

2.3 Board Members and employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the Authority.

2.4 Board Members and employees shall not use or attempt to use their positions with the Authority to secure unwarranted privileges for themselves, members of their families or others, including employment with the Authority or contracts for materials or services with the Authority.

2.5 Board Members and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust.

2.6 Board Members and employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.

2.7 Board Members and employees shall manage all matters within the scope of the Authority's mission independent of any other affiliations or employment. Board Members, including ex officio Board Members, and employees employed by more than one government or governmental agency shall strive to fulfill their professional responsibility to the Authority without bias and shall support the Authority's mission to the fullest.

2.8 Board Members and employees shall not use Authority property, including, but not limited to, equipment, telephones, vehicles, computers, or other resources, or disclose information acquired in the course of their official duties in a manner which is inconsistent with State or local law or policy, or the Authority's mission, goals or policies.

2.9 Board Members and employees are prohibited from appearing or practicing before the Authority for two (2) years following employment with the Authority, consistent with the New York Public Officers Law.

SECTION 3.0 IMPLEMENTATION OF THIS ETHICS POLICY

3.1 This Ethics Policy shall be provided to all Board Members and employees upon the commencement of employment or appointment and shall be reviewed annually by the Authority's ~~Governance Committee~~Board of Directors. Board Members and employees, from time to time, shall also be provided with additional information related to official conduct and professional/ethical performance as the Authority's Governance Committee or Ethics Officer deems appropriate.

3.2 The Authority has designated its Compliance Officer to serve as the Authority's Ethics Officer. The Authority's Ethics Officer reports to the Executive Director and the Authority's Governance Committee and has the following duties:

- Counsel in confidence with Authority Board Members and employees who seek advice about ethical or professional behavior.
- Receive complaints, forward complaints to the Executive Director, and assist the Executive Director in the formal confidential investigation of complaints about ~~possible-alleged~~ ethics violations. In ~~the~~ instances where a complaint involves alleged conduct of the Executive Director, the complaint shall be forwarded by the Ethics Officer to the Authority's Governance Committee within the business day of receipt, and an investigation will commence with support from outside counsel, if appropriate, which shall conduct the investigation with the assistance of the Ethics Officer.
- Prepare an investigative report of findings for referral to and action by the Executive Director (or, in instances where the complaint involves conduct of the Executive Director, send the formal summary of record to the Chair of the ~~by the~~ Authority's Governance Committee).
- In conjunction with the Executive Director (or, in instances where a complaint involves alleged conduct of the Executive Director, in conjunction with the Governance Committee), dismissed ~~ed~~ complaints found to be without substance. Such dismissed complaints will be preserved by the Ethics Officer on a formal summary of record in an electronic confidential file.
- Record the receipt of Gifts received by any Board Member or employee. Board Members and employees who receive Gifts shall notify the Ethics Officer within 48 hours of receipt of the Gift.

SECTION 4.0 PENALTIES

4.1 In addition to any penalty contained in any other provision of law, an Authority Board Member or employee who knowingly and intentionally violates any provisions of this Policy may be removed in the manner provided for in law, rules or regulations.

SECTION 5.0 REPORTING UNETHICAL BEHAVIOR

5.1 Employees and Board Members are required to report possible unethical behavior by a Board Member or employee of the Authority to the Ethics Officer immediately or as soon as possible. Employees and Board Members may file ethics complaints anonymously and are protected from any form of retaliation by the policies adopted by the Authority, including the Authority's Whistleblower Policy and Procedures.

SECTION 6.0 RECORD OF REVISIONS

Revision Date	Resolution #
February 24, 2005	2005-02-01
March 30, 2006	2006-03-07
April 10, 2007	2007-03-21
March 27, 2008	2008-03-11
March 13, 2009	2009-03-20
October 22, 2015	2015-10-102
October 26, 2023	2023-10-XX

Development Authority of the North Country
 Technical Services Summary Report
 October 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	Brown Point Facility Management Solutions, LLC (US Customs & Border Patrol)	O&M	Water Quality Operation & Maintenance for Sewer Facilities (renewed 5 year contract for services)	\$ -	\$ 48,185.00	\$ 48,185.00	10/16/2023	7/16/2028	Jefferson
44	Town of Rutland	O&M	Water Quality Operation & Maintenance for Water District #1 (renewed 5 year contract for services)	\$ -	\$ 135,112.00	\$ 135,112.00	1/1/2024	12/31/2028	Jefferson
44	Rt. 3 Sewer Corridor	O&M	Water Quality Operations/Maintenance & Administrative Service Agreement	\$ -	\$ 112,099.00	\$ 112,099.00	1/1/2024	12/31/2024	Jefferson
60	Town of Henderson	TSA	NBRC Grant Administration (NBRC23GNY08) - Henderson Sewer District No. 01	\$ -	\$ 20,000.00	\$ 20,000.00	10/26/2023	12/31/2025	Jefferson
60	Clayton Improvement Association	TSA	NBRC Grant Administration (NBRC23GNY11) - Lafargeville Redevelopment	\$ -	\$ 10,000.00	\$ 10,000.00	10/26/2023	3/31/2025	Jefferson
60	City of Ogdensburg	SSA	Ogdensburg Waste Water Treatment Plant SCADA Services Agreement Amendment 2	\$ 112,000.00	\$ 3,800.00	\$ 115,800.00	10/11/2023	3/31/2024	St. Lawrence
60	Village of Lyons Falls	SSA	Cherry Street Pump Station Control Panel Replacement	\$ -	\$ 48,500.00	\$ 48,500.00	11/1/2023	11/1/2024	Lewis
11	Hand in Hand Early Childhood Center	TSA	NBRC Technical Services	\$ -	\$ 25,000.00	\$ 25,000.00	10/1/2023	9/30/2025	Lewis
11	Hand in Hand Early Childhood Center	TSA	NBRC Grant Administration NBRC23GBNY02)	\$ -	\$ 25,000.00	\$ 25,000.00	10/1/2023	9/30/2025	Lewis

LEWIS COUNTY CONTRACTS

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

Contract Types

- GIS - GIS Services
- MS - WQ Management Services
- O&M - WQ Operations & Maintenance
- SSA - SCADA Services
- TSA - Technical Services

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. 2023-10-78
October 26, 2023

ARMY WATER LINE PIPELINE REPLACEMENT PROJECT
PHASE II
OFFICE OF LOCAL DEFENSE COMMUNITY COOPERATION
GRANT

Whereas, the Development Authority of the North Country owns and operates an 11.2 mile 20 inch ductile iron water transmission main that provides water services to Fort Drum, and the Towns of Champion, LeRay and Pamela, known as the Army Water Line, and

Whereas, the Development Authority completed an integrity assessment of the Army Water Line and discovered that certain sections require replacement, and

Whereas, the integrity assessment identified sections of waterline requiring replacement as high (Phase I), medium (Phase II) and low (Phase III), and

Whereas, Phase I of the Army Water Line Pipeline Replacement Project has commenced and replacement of approximately 12,872 feet of pipe will be substantially completed by November 30, 2023, and

Whereas, Phase II of the Army Water Line Pipeline Replacement Project includes replacement of approximately 12,210 feet of 20 inch ductile iron water transmission main, and

Whereas, the estimated cost to complete professional engineering services for design, environmental services and permitting for Phase II is estimated to cost \$174,400, and

Whereas, the Authority is applying to the Office of Local Defense Community Cooperation (OLDCC), formerly known as the Office of Economic Adjustment (OEA), for funding for such professional engineering design services, and

Whereas, the total project to be submitted to OLDCC is approximately \$193,800 with \$174,400 being the grant amount requested from the OLDCC, and

Whereas, the grant requires a 10% match from the Development Authority of up to \$19,400 and

Whereas, the Development Authority will utilize staff time to fund the match, and

Whereas, it was determined by the Authority and OLDCC that the Director of Regional Development, as program administrator, should execute the appropriate agreements for said grant.

Now, therefore be it

RESOLVED, the Development Authority of the North Country does hereby authorize the Director of Regional Development to submit an application to the Office of Local Defense Community Cooperation for up to \$193,800 comprised of up to a \$174,400 grant and \$19,400 in matching funds, and be it further

RESOLVED, if awarded such grant, the Development Authority of the North Country does hereby authorize the Director of Regional Development to execute the grant agreement with the Office of Local Defense Community Cooperation and implement the grant, and be it further

RESOLVED, if awarded such grant, the Development Authority of the North Country does hereby authorize the Chief Financial Officer to establish a Phase II Army Water Line Pipeline Replacement Capital Project in the amount of \$193,800.



Board Resolution No. 2023-10-79
October 26, 2023

2023 HOME PROGRAM YEAR
AUTHORIZING CONTRACTS

Whereas, the Administrative Board for the North Country HOME Consortium met on March 9, 2023 and awarded funding from its 2023 Housing and Urban Development (HUD) HOME allocation in the amount of \$767,843, and

Whereas, the HOME awards will be made contingent upon a Release of Funds notice received by Jefferson County from HUD, and

Whereas, North Country Affordable Housing will receive \$361,422 in project and administration funds to assist approximately 11 eligible homeowners located in Jefferson County with home repairs, and

Whereas, Neighbors of Watertown will receive \$361,421 in project and administration funds to assist approximately 11 eligible homeowners located in the City of Watertown with home repairs, and

Whereas, the Development Authority of the North Country, as Grant Administrator, must enter into a contractual agreement with awardees in order to disburse HOME funding and provide ongoing monitoring of HOME projects on behalf of the Consortium.

Now, therefore be it

RESOLVED, the Development Authority of the North Country does hereby authorize the Executive Director or Chief Financial Officer to execute contracts based upon awards made by the North Country HOME Consortium Administrative Board.

2023 HOME CONSORTIUM FUNDING AWARDS

**SUBJECT TO RELEASE OF FUNDS BY HUD*

Organization	Amount	Use of Funds
North Country Affordable Housing	\$361,422	Owner-occupied rehabilitation, Jefferson County
Neighbors of Watertown	\$361,421	Owner-occupied rehabilitation, City of Watertown
Development Authority of the North Country	\$35,000	Grant Administration
Jefferson County	\$10,000	Grant Administration

**There were no CHDO applicants/awards in 2023. \$135,502 will carry-forward to 2023.*



Board Resolution No. 2023-10-80
October 26, 2023

HOUSING REVOLVING LOAN FUND
302 GLOBE LLC
LOAN

Whereas, 302 Globe LLC is requesting \$400,000 in permanent financing from the Housing Revolving Loan Fund to substantially renovate a building located at 302 Court Street, Watertown (formerly known as the Globe Mall) into 11 market rate apartments and first floor commercial space, and

Whereas, the Development Authority would provide an \$800,000 construction period loan to bridge a \$400,000 loan from the Watertown Local Development Corporation to be paid to the Development Authority upon project completion making the Authority's permanent loan \$400,000, and

Whereas, the development team renovating 302 Court Street also successfully renovated 259 JB Wise Place utilizing the Development Authority's North Country Redevelopment Fund, and

Whereas, the use of the funds meets the criteria for the Housing Revolving Loan Fund.

Now, therefore be it

RESOLVED, the Development Authority of the North Country does hereby authorize a construction loan from the Housing Revolving Loan Fund to 302 Globe LLC in the amount of \$800,000 to be paid down to \$400,000 by the Watertown Local Development Corporation upon completion of the project subject to the attached Term Sheet, and authorizes the Executive Director or Chief Financial Officer to execute all necessary documents, 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:	302 Globe LLC
Loan Fund:	Housing Revolving Loan Fund
Amount:	\$800,000 construction to be paid down to \$400,000 at project completion by Watertown Local Development Corporation
Loan Term:	First twelve months interest only then P&I to amortize loan over remaining 228 months.
Loan Rate:	½ Wall Street Journal Prime plus 1 set 5 days prior to loan closing.
Guarantors:	5G Real Estate Group, 13G Real Estate Group, David M. Wilke
Collateral:	Co-proportional second mortgage and assignment of leases and rents with Watertown Local Development Corporation on real estate located at 302 Court Street, Watertown, NY 13601. Lien on all machinery, equipment, furniture, fixtures, inventory, accounts receivable and general intangibles of business.
Conditions:	<ul style="list-style-type: none">• Owner Cash Equity of \$254,200 documented by affidavit• Watertown Savings Bank commitment of up to \$1,152,000• Watertown Local Development Corporation loan of \$400,000• Third party broker opinion or as completed appraisal with a minimum value of \$1,952,000.• Recapture Provision over 10 years on grant portion• Guarantees from 5G Real Estate Group LLC, 13G Real Estate Group LLC, and David M. Wilke• Copies of invoices and cancelled checks or bank statements• Loan will be disbursed as construction loan• All required permits and approvals

Development Authority of the North Country
October 18, 2023

BORROWER:	302 Globe, LLC (Pennsylvania Corp.)
BUSINESS ADDRESS:	1721 Cochran Road, Suite 200, Pittsburgh, PA 15220
PROJECT ADDRESS:	302 Court Street, Watertown, NY 13601 (parcel #7-03-201.000)
OWNERSHIP:	5G Real Estate Group – 56.7% (owned by Rosedale Associates, LLC, 72.44%, and Rosedale Diesel, LLC, 27.56%) 13G Real Estate Group- 33.3% (owned by Chetantya Holdings, 70%, and John Zihley, 30%) Dan Queri-10%
PROGRAM:	Housing Revolving Loan Fund
AMOUNT REQUESTED:	up to \$400,000 permanent (\$800,000 construction loan)
LOAN TERM:	240 months
INTEREST RATE/PAYMENTS:	½ Wall Street Journal Prime plus 1 set 5 days prior to loan closing; First twelve months interest only then P&I to amortize loan over remaining 228 months.
PRIMARY COLLATERAL:	Co-proportional second mortgage with Watertown Local Development Corporation on real estate located at 302 Court Street, Watertown, NY 13601. Lien on all machinery, equipment, furniture, fixtures, inventory, accounts receivable and general intangibles of business.
GUARANTORS:	5G Real Estate Group, 13G Real Estate Group, David M. Wilke
JOB:	Current: 0 <i>jobs will be created by</i> Year 1: 1 <i>tenants</i> Year 2: 1 Year 3: 0 Total New: 2 FTE (Project Manager, Finance Officer, additional management position, Leasing Staff)

Development Authority of the North Country
October 18, 2023

SOURCES:		USES:	
Development Authority of the North Country	\$400,000	Real Estate	\$ 285,000
Watertown Local Development Corp	\$400,000	Improvements*	\$2,625,000
Watertown Savings Bank	\$1,152,000	Working Capital	\$ 50,000
National Grid	\$100,000		
ESD Grant	\$558,000		
Owner Cash	<u>\$350,000</u>		
Total Sources	\$2,960,000	Total Uses	<u>\$2,960,000</u>

**Of the total budget for improvements, \$1,392,000 is for the housing component.*

Owner Cash/Equity - \$285,000 toward purchase of building, balance cash

Watertown Local Development Corp-Pending-20 years at 6%

Watertown Savings Bank-Pending-assumes 7.75% for 20 years.

National Grid-Grant-Verbal approval

PROJECT OVERVIEW:

Mr. Queri is investing in 302 Court Street, Watertown, also known as the former Globe Mall. The building was acquired on March 7, 2023. The 28,000 s/f vacant building is 3 stories on approximately .4 acres of land. The HLRF will provide funding for the construction of the 11 market rate apartments.

In addition, the Development Authority will provide a total of \$800,000 in construction financing to be paid down by proceeds from the Watertown Local Development Corporation upon completion of the project. WLDC currently has funds invested and cannot easily liquidate the cash in the short-term. In addition, by lending the funds, DANC (1) earns interest on the funds which will be invested short-term, and (2) will have less work to manage the construction funding than when it is a participation loan.

302 Globe, LLC is a real estate development company investing into qualified opportunity zones in New York, Pennsylvania, and other areas as defined by Management. The Company's objectives are to create apartments and commercial space and rehabilitate them into quality space, improving the communities where the property is located. The company was formed in Pennsylvania.

Mr. Queri recently completed a similar project at 259 JB Wise Place. DANC provided a North Country Redevelopment Loan/Grant of \$500,000. This project renovated a 3-story, 26,000 square foot vacant building on approximately .5 acres of land at 259 JB Wise Place. This location is adjacent to 302 Court Street. The project resulted in 13 market rate apartments of which 12 are leased. The Watertown Local Development Corporation located its offices in some of the commercial space. The work completed has substantially renovated the building and footprint of the building in the JB Wise area.

The proposed 11 units in 302 Court Street are all one bedroom/large studios that will include high-efficiency heating and air conditioning, LED lighting, fitness room, onsite storage, clubroom, rooftop patio, and onsite parking. Heat and electric will be included in the rents. Mr. Queri proposes that 4 units will be at \$1500/mo, 4 units at \$1600/mo, and 3 at \$1800/mo. As mentioned all will be one bedroom/large studios but of varying sizes.

Development Authority of the North Country
October 18, 2023

The commercial space is approximately 14,000 s/f. The applicant has a medical/professional firm committed to occupy 10,000 s/f at \$14 s/f. He will look to identify another firm to occupy the remaining 4,000 s/f. Proposed lease rate is \$14/sf.

The applicants began environmental remediation in March 2023. This included demolition and removal of materials including HVAC and lights. Phase Two demo will begin later this fall/early winter which will include removing the elevator. The asbestos remediation was completed under the previous ownership. He hopes to have the building buttoned-up before winter with windows. Mr. Queri hopes to have the project completed by August 2024.

Rosedale Associates, LLC is owned by Bernard T. Wilke, 20%, Bernard E. Wilke, 20%, Dennis F. Wilke, 20%, Chetanya Holdings, Inc., 20%, and MMBJL August 2019 Family Trust, 20%. 13G Real Estate Group is owned by Chetantya Holdings, 70%, and John Zbihley, 30%. Mr. Queri and his investors look to invest in properties located in Qualified Opportunity Zones, or QOZ. The QOZ program was created by the 2017 Tax Cuts and Jobs Act to encourage economic growth in underserved communities through tax incentives for investors who utilize "Opportunity Funds" to invest in the Zones.

MANAGEMENT:

302 Globe, LLC was formed to redevelop 302 Court Street. Although this is a newly formed LLC, the members have successfully developed projects in Watertown, 259 JB Wise Place, and Syracuse, NY. Queri-Genesee, LLC owns and manages The Bradford in Syracuse, NY; a 23 unit apartment project that opened in 2009 and 437 Partners, LLC successfully developed a 2 apartment and 2,500sf project in 2019. Individually Daniel Queri has developed and owns multiple projects in Syracuse, NY and served as the development consultant to the Near Westside Initiative, Inc. developing space for public broadcasting station, non-profits and literacy organizations, for profit business, 200 seat performance space and apartments. 5G Real Estate Group LLC has successfully invested in multiple projects in Pittsburgh and regionally in the United States. The LLC will initially employ 2 people; Project Manager and Finance Officer and at the completion of the project will add management and leasing staff.

Managing Partner/Guarantor-David Wilke is the Founder and Managing Partner of Wilke & Associates, CPA and Small Business Advisors. His entire career has been dedicated to being an advocate for privately held businesses and Certified Public Accounting. His skills have been proven in tax planning, business planning and business consulting. David earned his Bachelor of Science in Business Administration with a concentration in Accounting and Finance and his Master in Business Administration from Duquesne University. Since the founding of Wilke & Associates, David has grown the client base from 1 to over 2,000 clients and his staff has grown from 1 to over 40 employees. David has been nominated as Entrepreneur of year and Accountant Advocate of the year by the SBA. David currently serves on the Board of Light of Life Rescue Mission of Pittsburgh.

Member, 10%- Dan Queri has 25 years of experience in the development and management of real estate in the office, retail, shopping center, theme park and apartment businesses. He chose this type of business as an extension of his construction background which is where he learned all of the facets of development and management. Many years with The Pyramid Companies and The Disney Companies offered the best direct and indirect work experience and education and provided the freedom for professional and personal growth.

The organizational structure is consistent with most real estate LLC's. David Wilke will be Manager of the LLC and Dan Queri will be a member of the LLC. A standard and tailored Operating Agreement is in place which defines the roles, responsibilities and structure of the

Development Authority of the North Country
October 18, 2023

organization. The time devoted will vary as the project is built and goes through lease-up. The initial year after completion will require extensive time securing leases and placing tenants in apartments as well as securing and placing the commercial tenant(s). Once fully stabilized the management team will have daily monitoring of the property to insure a safe and healthy work and living environment.

FINANCIAL ANALYSIS:

FYE December 31	Projected	Projected	Projected
302 Globe LLC	Year 1	Year 2	Year 3
Revenues	\$114,333	\$378,667	\$389,920
Gross Profit	\$114,333	\$378,667	\$389,920
Expenses	\$43,542	\$92,500	\$93,970
Other Income (Expense)	(\$34,435)	\$371,277	(\$184,643)
Net Income Before Interest	\$36,356	\$657,444	\$111,307
Add: Depreciation	\$31,090	\$74,616	\$74,616
Add: Interest	\$53,345	\$112,107	\$110,027
Total Cash Available for Debt	\$120,791	\$844,167	\$295,950
DANC HLRF	\$33,312	\$33,312	\$33,312
Watertown Local Development	\$34,389	\$34,389	\$34,389
Watertown Savings Bank	\$113,487	\$113,487	\$113,487
Total Debt	\$181,188	\$181,188	\$181,188
Debt Service Coverage Ratio	.67	4.66	1.63

Sales Growth	-----	231%	3%
Gross Profit Ratio	100%	100%	100%
Expenses to Revenue Ratio	38%	24%	24%
Income Ratio	32%	174%	29%

HLRF-20 years @ ½ WSJ Prime plus 1 assumes full principal and interest payments above of \$2,776.03/mo.

Watertown Local Development-20 years at 6%, assumes full principal and interest payments above of \$2,865.72/mo.

Watertown Savings Bank-20 years @ 7.75%, assumes full principal and interest payments above of \$9,457.33/mo.

- The projections were prepared by Wilke CPAs & Advisors LLP for the applicant.
- Revenues in Year One include \$56,000 in gross residential rents and \$58,333 in gross commercial rent. Rents assume 10 units at \$1,600 per month. In year one this assumes rents collected over 3.5 months. Commercial rent assumes 14,000 s/f at \$14 s/f. Year one assumes commercial rents collected over 3.5 months. Residential Revenues in Year Two are for a full year with 100% occupancy, however Commercial Revenue assumes a 5% vacancy. Residential Revenues in Year Three are expected to increase by 1%, while commercial rents are expected to be at 100% occupancy. As of

Development Authority of the North Country
October 18, 2023

today, he has a tenant for 10,000 s/f at \$14 s/f. Projections assumed 10 market rate units, however the application references 11 market rate units.

- Primary expenses will be depreciation of \$74,616 annually, management fees of around \$19,000 annually, leasing fees of around \$14,000 annually, repairs and maintenance of around \$5,000 annually, insurance of around \$11,700 annually, and professional and legal fees of around \$10,000 annually. Real estate taxes are projected at \$4,000. This might be low. The rate per thousand in the City last year was around \$27.60.
- Other Income in Year One includes the National Grid grant, while Year Two includes the Empire State Development grant of \$558,000. Year Three is the first year with stabilized operations.

Cashflow

- Year One assumes full principal and interest payments would be paid, however DANC/WLDC construction loan will be interest-only until it converts to permanent financing.
- If projections hold true there would be more than sufficient cash flow to repay debt. Even if they do not, the guarantor has personal assets to inject into the operations.

FYE December 31	Actual	Actual	Actual
5G Real Estate Group	2020	2021	2022
Revenues	\$6,818	\$20,911	\$7,161
Gross Profit	\$6,818	\$20,911	\$7,161
Expenses	\$28,869	\$51,127	\$46,762
Other Income (Expense)	\$0	(\$4,551)	(\$2,330)
Net Income Before Interest	(\$22,051)	(\$34,767)	(\$41,931)

- Above reflects the ordinary business income (loss) of 5G Real Estate Group. The \$7,161 was interest income. In 2022 the business had net rental real estate loss of \$102,087, ordinary business loss of \$41,931, and net section 1231 gain of \$278,949. \$278,949 was from the sale of 437 Partnership interest. The loss from rental real estate was for three properties including 259 JB Wise Partners.
- Primary expenses are legal and professional of \$45,577 in 2022, and bank charges of \$1,185. In 2021, legal and professional was \$13,500.

Balance Sheet

	At Closing
Current Assets	\$50,000
Fixed Assets	\$2,910,000
Total Asset	\$2,960,000
Current Liabilities	\$0
Long Term Liabilities	\$1,695,800
Total Liabilities	\$1,695,800
Equity	\$504,200
Total Equity and Liabilities	\$2,200,000

Development Authority of the North Country
October 18, 2023

- \$50,000 for working capital including closing costs.
- \$285,000 of the fixed assets was for land. The Borrower acquired the property using cash.
- There are no current liabilities showing as the first year will be interest only payments during construction. Full principal and interest payments are not expected until the second full year.
- Equity includes the owner's cash contribution as well as the National Grid grant.
- The debt to equity ratio is 3.36 which is a good ratio. The equity contribution positions the project for success. In addition, the managing member has the personal ability to bring cash/equity to the project as needed.

5G Real Estate Group	2020	2021	2022
Current Assets	\$285,947	\$191,486	\$164,786
Fixed Assets	\$0	\$0	\$0
Other Assets	\$4,462,494	\$3,551,760	\$3,616,663
Total Asset	\$4,748,441	\$3,743,246	\$3,781,449
Current Liabilities	\$1,007,083	\$100,501	\$3,773
Long Term Liabilities	\$0	\$0	\$0
Total Liabilities	\$1,007,083	\$100,501	\$3,773
Equity	\$3,741,3358	\$3,642,745	\$3,777,676
Total Equity and Liabilities	\$4,748,441	\$3,743,246	\$3,781,449

- As a reminder, 5G Real Estate Group was incorporated in 2020 in Pennsylvania. The 2020, 2021 and 2022 information is from the IRS Form 1065.
- In 2022, current assets included cash of \$103,786 and accounts receivable of \$61,000.
- In 2022, they showed \$3,616,663 in other investments. Other investments are investments and loans into partner companies.
- The liability of \$3,773 in 2022 is due to Rosedale Associates.

MANAGEMENT: Mr. Wilke lists assets of \$16.5 million and liabilities of \$1,046,000. Primary assets are in cash and investments, majority investment interests in privately held companies including Wilke & Associates, LLP, \$6.5 million, real estate, \$2 million, and other assets. His primary liabilities are mortgage on personal residence, \$800,000, and mortgage on rental property, \$256,000.

5G Real Estate Group, LLC is a relatively new company, having just been incorporated in 2020. The Logic Score is low at 25 as a result, with a High Risk Business Failure Assessment. There are no days beyond terms reported, either currently, or historically. It has no derogatory public records, collection accounts, or pending lawsuits. It has no trade lines, thus the inability to provide any days beyond terms information. As mentioned, it was incorporated in 2020 in the state of PA, is active, for profit, has 2 employees, and annual sales of \$631,000.00. It has no UCC filings, and no OFAC records were found.

13G Real Estate Group, LLC was started in June 2022. It showed no income or expenses on the IRS Form 1065 for 2022. It reported cash of \$39,500 and other investments of \$675,500. There were no liabilities. The \$675,000 was QOZ (qualified opportunity zone) stock or partnership interest.

Development Authority of the North Country
October 18, 2023

COLLATERAL:

	Cost	Discount (70%)
302 Court Street with improvements	\$2,625,000	\$1,837,500
Less: Watertown Savings Bank	\$1,152,000	\$1,152,000
Collateral Available after First Mortgage	\$1,473,000	\$685,500
Development Authority of the North Country	\$400,000	\$400,000
Watertown Local Development Corporation	<u>\$400,000</u>	<u>\$400,000</u>
Total Debt	<u>\$800,000</u>	<u>\$800,000</u>
LTV:	54.3%	117%

- *HLRF will require a third party broker opinion or as completed appraisal with a minimum value of \$1,952,000 to have a 1:1 LTV with the grant portion.*
- *2023 assessed value of \$141,400, full market value of \$170,400 [City of Watertown tax records]*

CONDITIONS:

- Owner Cash Equity of \$254,200 documented by affidavit
- Watertown Savings Bank commitment of up to \$1,152,000
- Watertown Local Development Corporation loan of \$400,000
- Third party broker opinion or as completed appraisal with a minimum value of \$1,952,000.
- Recapture Provision over 10 years on grant portion
- Guarantees from 5G Real Estate Group LLC, 13G Real Estate Group LLC, and David M. Wilke
- Copies of invoices and cancelled checks or bank statements
- Loan will be disbursed as construction loan
- All required permits and approvals



Board Resolution No. 2023-10-81
October 26, 2023

**REGIONAL TOURISM TRANSFORMATIONAL COMMUNITY
REVOLVING LOAN FUND
RAVEN ACRES 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 October 16, 2023 to review an application from Raven Acres, LLC requesting \$250,000.00 from the Regional Tourism Transformational Community Revolving Loan Fund in order to construct a RV campground and cabins located at 7346 Brantingham Road, Brantingham, NY (Lewis County), and

Whereas, the Regional Loan Committee felt that the new facility meets 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 Raven Acres LLC 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, that the Development Authority of the North Country accepts the action of the Town of Greig Planning Board taken under the State Environmental Quality Review (SEQRA) and affirms a Negative Declaration for this project.

TERM SHEET

Borrower:	Raven Acres LLC
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 7346 Brantingham Road, Brantingham, NY 13312; 3rd lien on all machinery and equipment, furniture and fixtures, inventory, accounts receivable, and general intangibles of Raven Acres LLC.
Conditions:	<ul style="list-style-type: none">• Cash equity of a minimum of \$250,000 has been committed to project.• Labor peace does not apply as it will have less than 15 FTE.• Personal Guaranty of Michael Dolhof, Larry Dolhof, Donna Dolhof.• Appraisal demonstrating, at a minimum, a 1:1 loan to value of \$2,269,000.• All required permits and approvals, if any additional needed.• Watertown Savings Bank and Pursuit SBA 504 loans have been committed to the project.

TRANSFORMATIONAL TOURISM FUND

Borrower: Raven Acres, LLC

Project Location: 7346 Brantingham Road, Brantingham, NY 13312
(parcel # 276.00-01-19.000)

Borrower Address: 7940 Stone House Lane, Brantingham, NY 13312

Ownership: Michael Dolhof-100%

Loan Amount: up to \$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: Michael Dolhof, Larry Dolhof, Donna Dolhof

Use of Funds: Improvements

Collateral: Third mortgage and assignment of leases and rents

Jobs: Existing: 0 FTE
Years 1-3: 3.5 FTE

Total Project Costs

<i>Sources of Funds</i>		<i>Uses of Funds</i>		
<i>Tourism Loan Fund</i>	\$ 250,000.00	6.7%	Land	\$ 75,000.00
Watertown Savings Bank	\$ 1,250,000.00		Improvements	\$ 2,259,284.00
Pursuit SBA 504	\$ 769,000.00		Contingency	\$ 125,000.00
Cash Equity	\$ <u>250,000.00</u>		Professional fees	\$ <u>59,716.00</u>
Total	\$2,519,000.00		Total	\$2,519,000.00

Watertown Savings Bank – Assumes 8%, 20 years

Pursuit SBA 504-assumes 7.65% rate over 25 years

Cash equity-Cash contributed by applicant

Description of Project

Michael Dolhof is proposing to build Raven Acres, Cabins and RV Resort in Brantingham, NY (Lewis County). It will have cabins and provide recreational vehicle accommodations in a comfortable and enjoyable outdoor recreational experience for individuals and families. The property is 18.8 acres located directly adjacent to the Adirondack Park. Raven Acres will offer a range of amenities and

d/b/a Raven Acres, LLC

Page 2

October 2, 2023

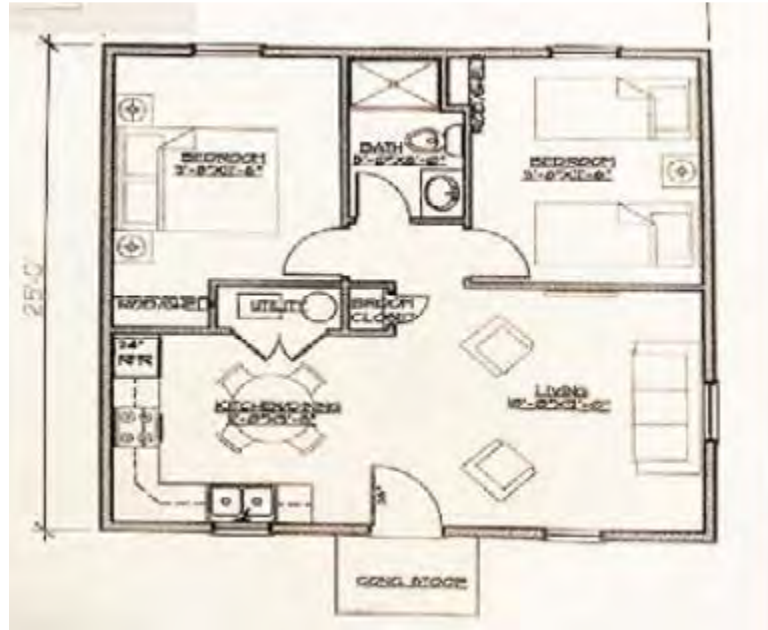
services to cater to the diverse needs of its customers and to take advantage of the many recreational activities adjacent to the location like hiking, fishing, boating, and wildlife observation, as well as trails for all-terrain vehicles, horses and snowmobiles.

Brantingham Lake is a thriving and popular area with seasonal and long-term residents. There are several restaurants in Brantingham including the Pine Tree Tavern, The Coachlight, and the Brantingham Inn and Motel. It is also home to an 18-hole golf course. There are more than 400 seasonal cottages nearby.

Proposed Project



The project proposes to create 4 single bedroom and 8 double bedroom cabins with kitchenettes, a bathroom, comfortable furnishings, and individual parking spaces. They will be heated with ambient floor heating, and have potable water throughout.



Mr. Dolhof also proposes 20 RV sites with hook-ups for water, electricity, and sewer. The sites will accommodate travel trailers, fifth wheelers, lightweight RV's and class A, B, and C recreational vehicles. Power and water hook-ups are provided on easily accessed sites. A bath house adjacent to the pool will provide bathroom and shower facilities.

The park will feature common facilities such as a large heated pool, a pavilion that will house an activities center, a nature education area, laundry facilities that are situated near the road for local

public use as well, out-door gathering spaces, picnic areas, playgrounds, and recreational facilities. The park will also provide amenities like Wi-Fi and a convenience store to enhance the guest experience. Mr. Dolhof will also look to increase experiences for the campers by provided guided nature walks, fishing trips, sightseeing boat trips, and other outdoor activities including fire pits, horseshoes, and live entertainment, among other ideas.

The applicant has stated that all permits have been obtained and that SEQRA has been completed. A negative declaration was issued by the Town Planning Board on June 3, 2021. He proposes to have the projected completed by June 2024. A significant amount of the site work has been completed.

Market (Attached to the write up is additional market information.)

Mr. Dolhof's marketing strategy for accommodations hinges on appealing to two similar markets within the broader category of lodging-RV sites and cabins. He will also take advantage of the location's access to nearby recreational activities and amenities for out of town visitors, and compatibility with the lake community of Brantingham. Seasonal demand is variable, but based around outdoor activities. During the winter months, the area receives an average of 150 inches of snow making Brantingham a popular destination for winter enthusiasts. The winter accommodations,

d/b/a Raven Acres, LLC

Page 4

October 2, 2023

especially cabins, generally sell out in the area during snow season for snowmobilers and skiers. In summer, accommodations on the lake are scarce and highly priced.

Mr. Dolhof will develop an attractive and user-friendly website and will employ targeted digital marketing strategies, including social media advertising, SEO, and email marketing. He will also collaborate with local tourism boards and online travel agencies. He will partner with other local businesses to cross-promote businesses.

Competitors

Mr. Dolhof stated that there are few campsites in his immediate area. Cold Brook Campsites is a 15 minute drive from his site. It is a small, owner operated business with no website or marketing. It does have high occupancy with facilities for campers and RV's. HTR Adirondacks Campground is locate 45 minutes from his site. This facility has many amenities with 75 accommodations including for RVs and cabins, and is located on the Moose River.

Other indirect competitors include:

- Ridgeview Hotel-Lowville-30 minute drive from site, Rates range from \$80-\$175 per night depending on # of people and room type when available.
- The Edge Hotel- Lyons Falls-20 minute drive from site, \$119 per night (2 double beds) when available (est. 80% annual occupancy rate), Jacuzzi rooms \$169 per night plus taxes, event center, restaurant.
- Brantingham Inn & Motel-Small, dated facility.

Air BnB, VRBO, private home and room rentals are also options for visitors to the community. Per Mr. Dolhof, many of these types of reasonably located accommodations that have access to the Brantingham Lake market are priced above \$250 per night giving Raven Acres a competitive price advantage. VRBO occupancy across all available properties estimates with 30 day notice for August 2023 is 80%. VRBO occupancy for 1BR, 1 Bath properties in August 2023 was 92%. It is expected that demand for winter occupancy is similar, but supply is lower since many of the properties are seasonal.

Management -

Michael Dolhof is a lifelong resident of Lewis County with a degree in Construction Management from SUNY Canton in 2005. He has extensive experience supervising federal construction projects and managing Dolhof Construction, which has built many quality homes in Lewis County. Dolhof Construction netted \$11,808 in 2022 and \$17,628 in 2021 per the Schedule C of his tax return. He is also a small, partial owner in Dolhof Hardware Store.

Financial Review

Raven Acres

	Year One	Year Two	Year Three
Sales	670,555	737,611	811,372
Gross Profit	651,655	716,821	788,503
Expenses	469,659	480,130	491,155
Other Income/(Exp)	0	0	0
Net Income (Loss) before Taxes	181,996	236,691	297,348

October 2, 2023

Add Back:			
Depreciation	23,697	23,697	23,697
Interest	110,794	108,043	105,092
Cash for Debt Service	316,487	368,431	426,137
Tourism Fund	14,116	14,116	14,116
Watertown Savings Bank	125,527	125,527	125,527
Pursuit SBA 504	69,097	69,097	69,097
Total Debt	208,740	208,740	208,740
Debt Service Coverage	1.52	1.77	2.04

Sales Inc (Dec.)	---	10%	10%
Gross Profit	.97	.97	.97
Expenses	.70	.65	.61
Profit Ratio	.27	.32	.36

Tourism Fund-\$1,176.37/mo

Watertown Savings Bank-\$10,460.62/mo

Pursuit SBA 504-\$5,758.08/mo

- The projections were completed with assistance from the Small Business Development Center.
- Year One is assumed to begin with July 2024. Peak seasons appear to be July and August, and January and February, although it is projecting year-round revenue. His plan is for the project to have short term rentals (ie daily rentals) versus long-term rentals, however there may be a few long-term rentals.
- Income in Year One is driven by the 2-bedroom cabin rentals of which there are 8 units, \$255,958. The RV sites (20 sites) account for \$245,485, followed by the 1-bedroom cabin rentals (4 units), \$105,732. Other income is from the laundry facility, convenience store, and commission on referrals.
- Lease rates at start-up are:

	Est. Occupancy	Rented Days	Per Night Price
(4) 1-bdrm cabins	52%	190	\$139
(8) 2-bdrm cabins	52%	190	\$169
20 RV Sites	52%	190	\$65

- Cost of goods sold are for the convenience store only.
- Employee wages, taxes and benefits total \$157,760 in Year One. Other primary expenses in Year One are insurance, \$25,200, credit card and banking fees, \$20,112, taxes, \$21,996, and utilities, \$62,400, in addition to debt service.
- Sales are projected to increase by 10% in Year Two over Year One, and by another 10% in Year Three over Year Two.
- Expenses in Year Two appeared low on the projections. After further review, it appears that the employee wages for July 25 and July 26 were incorrect. The underwriter adjusted the projections above to reflect the correct amount. Expenses only increase by 2% in Year Two over Year One, and again by 2% in Year Three over Year Two. This is extremely conservative as they will likely increase by at least 3% annually, if not more in the short term.

d/b/a Raven Acres, LLC

Page 6

October 2, 2023

Cashflow

- Cash flow is based upon projections holding true.

	At Closing
Assets	
Current	184,716
Fixed	2,334,284
Other	0
Total Assets	2,519,000
Liabilities	
Current	42,876
Long Term	2,226,124
Total Liabilities	2,663,000
Equity	250,000
Total Liabilities & Equity	2,913,000

Working Capital	\$141,840
Current Assets	4.3
Debt to Equity	10.65

- Cash includes the \$125,000 for contingency and \$59,716 in professional/closing fees. The contingency is really cash until spent for improvements, if necessary.
- Fixed assets based on cost of land and improvements.
- Liabilities include bank, Pursuit 504, and DANC loans.

Personal Credit:

Mike reports assets of \$1,329,500 and liabilities of \$144,503. Primary assets in cash and other retirement accounts of \$177,000, accounts receivable, \$175,000, real estate, \$705,000, and other personal property, \$149,500. The real estate assets include other properties that Mike owns combined with the Raven Acres property. The accounts receivable are monies owed to Mike from his work through Dolhof Construction. These funds have been reinvested into Raven Acres. He noted that he has spent \$630,000 in Raven Acres to date. Primary liabilities are accounts payable, \$123,000, and installment accounts with balances of \$21,502. He owes \$108,000 to Dolhof True Value Hardware and \$15,500 to TTS Engineering, all expenses related to the current project. He receives income from Dolhof Construction. Mike has a TransUnion credit score of 797. He has no derogatory comments on record. He lists open balances of \$20,086.

Collateral:

- Third mortgage on real estate and all improvements behind Watertown Savings Bank and Pursuit 504 loans on 7346 Brantingham Road, Brantingham, NY 13312 (parcel # 276.00-01-19.000)
- Assignment of Leases and Rents
- Third lien on all assets of Raven Acres LLC

d/b/a Raven Acres, LLC

Page 7

October 2, 2023

	<u>Cost</u>	<u>Discount</u>
Real Property (70%)	\$2,334,284	\$1,633,998
Collateral Available	\$2,334,284	\$1,633,998
Watertown Savings Bank	\$1,250,000	\$1,250,000
Pursuit SBA 504	<u>\$769,000</u>	<u>\$769,000</u>
Total Senior Debt	\$2,019,000	\$2,019,000
Collateral Available-DANC	\$315,284	(\$385,002)
Tourism Fund	\$250,000	\$250,000
Loan to Value	79%	(65%)

Would require an appraisal with a minimum loan to value of \$2,269,000 to satisfy a 1:1 LTV for all lenders. Current fair market value for the land from the Lewis County Tax records is \$44,000.

Contingencies:

- Cash equity has been committed to the project
- Watertown Savings Bank and Pursuit SBA 504 loan have been committed to project
- Appraisal demonstrating at a minimum 1:1 loan to value of \$2,269,000
- All required permits and approvals, if any additional are needed
- Labor Peace does not apply as it has less than 15 FTE employees
- Personal guaranty of Michael Dolhof, Larry Dolhof, and Donna Dolhof



Board Resolution No. 2023-10-82
October 26, 2023

AMENDMENT 1
VILLAGE OF MALONE
WATER QUALITY MANAGEMENT SERVICES

Whereas, pursuant to **Resolution No. 2021-12-131**, the Development Authority of the North Country (Authority) and the Village of Malone (Village) entered into an agreement to provide Management Services for the Village's Water and Wastewater Treatment Facilities, and

Whereas, the Village has requested the Authority to expand the scope of services to include Water Quality Management Services for the Village's Water and Sewer department, including management of two additional Village employees and the assets and infrastructure associated with the Village's water transmission/distribution and sewer collection systems, and,

Whereas, the scope of services provided by the Village's Water and Sewer department will include operation and maintenance tasks associated with the Village's water transmission/distribution and sewer collection systems, and through this amendment the Authority will provide additional Management Services for the Water and Sewer departments, and

Whereas, the Authority's Water Quality Supervisor will assume responsibility for all regulatory reporting requirements associated with the Water and Sewer departments, and

Whereas, the additional annual cost for the Authority to provide Water Quality Management Services for the Village's facilities shall be as follows:

Year 1 (November 1, 2023 – May 31, 2024) - \$10,208
Year 2 (June 1, 2024 - May 31, 2025) - \$17,763
Year 3 (June 1, 2025 - May 31, 2026) - \$18,029
Year 4 (June 1, 2026 - May 31, 2027) - \$18,299

Now, therefore be it

RESOLVED, that the Water Quality Management Services Agreement, by and between the Authority and the Village of Malone, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement.

AMENDMENT 1

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY TECHNICAL SERVICES AGREEMENT MANAGEMENT SERVICES FOR WATER TREATMENT SYSTEM FACILITIES

WITH THE

VILLAGE OF MALONE

WHEREAS, The Development Authority of the North Country (Authority) and the Village of Malone (Village) entered into an Agreement dated June 1, 2022 to provide Management Services for the Village's Waste Water Treatment Facilities, Water Treatment Facilities, and

WHEREAS, the Village has requested the Authority expand the scope of services to include Water Quality Management Services for the Village's water transmission/distribution and sewer collection systems, including management of two additional Village employees and the assets described below, and,

- Approximately 50 miles of water transmission lines
- Approximately 297 hydrants, 574 valve, 6 pressure reducing valves, 3 air relief valves, 2500 service connections
- Approximately 44 miles of sanitary sewer collection lines
- Approximately 755 sanitary sewer manholes
- 1 sanitary sewer lift station
- 3 sanitary sewer siphons
- 1 Sewer Jet Truck
- 1 Trojan Vactor Trailer
- 1 Water Truck (White F250)
- 1 Sewer Truck (Green F250)
- Associated leak detection equipment
- Associated sewer camera equipment

WHEREAS, the scope of services provided by the Village's Water and Sewer department are as described in the table below, and through this amendment the Authority will provide additional Management Services to oversee the completion of these tasks, and

Sewer Department Tasks	Frequency
<u>Daily Maintenance</u> - UDIG-NY requests - Siphon cleaning	7/Week
<u>Weekly Maintenance</u> - Siphon and Lift Station Inspection	1/Week
<u>Monthly Maintenance</u> - Equipment Maintenance	1/Month
<u>Quarterly Maintenance</u> - High pressure sewer jet "problem areas"	4/Year
<u>Annual/Semi-Annual Maintenance</u> - Manhole inspections - CCTV inspection - Sanitary Sewer line flushing	1-2/Year
<u>Reporting & Additional Tasks</u> - NYALERT notifications - Sewer main repairs - Emergency sewer flushing	As necessary

Water Department Tasks	Frequency
<u>Daily Maintenance</u> - UDIG-NY Requests - Water service on/off requests - Water meter installations	7/week
<u>Weekly Maintenance</u> - Inspection of air release valves - Inspection of pressure reducing valve	1/Week
<u>Monthly Maintenance</u> - Hydrant replacements - Valve box replacements - Corporation installation	1/Month
<u>Semi-Annual/Annual Maintenance</u> - Valve exercising and hydrant flushing - Hydrant painting and maintenance - Hydrant Winterization	1-2/Year
<u>Additional Tasks</u> - Oversight of Water main repairs - Valve box cleaning/plug installation - Emergency water call-ins	As necessary

WHEREAS, the Water Quality Supervisor will assume responsibility for all regulatory reporting requirements associated with the water transmission/distribution and sewer collection systems, and

WHEREAS, the additional annual cost for the Authority to provide Water Quality Management Services for the Village's water transmission/distribution and sewer collections systems shall be as follows:

Year 1 (November 1, 2023 – May 31, 2024) – \$10,208
Year 2 (June 1, 2024 - May 31, 2025) - \$17,763
Year 3 (June 1, 2025- May 31, 2026) - \$18,029
Year 4 (June 1, 2026- May 31, 2027) – \$18,299

NOW, THEREFORE, the Authority and the Village agree to amend the Water Quality Management Services Agreement.

The return of one signed copy of this Amendment, together with the formal resolution of approval, constitutes acceptance of this Amendment and shall be written authorization for the Authority to proceed with contract services as agreed upon.

**DEVELOPMENT AUTHORITY
OF THE NORTH COUNTRY**

By: _____ Date: _____
Carl E. Farone, Jr.
Executive Director

VILLAGE OF MALONE

By: _____ Date: _____
Andrea Dumas
Mayor