



## **MEETING NOTICE**

**Thursday, August 22, 2024  
Materials Management Facility  
23400 NYS Route 177  
Rodman, New York**

### **Materials Management Main Conference Room & Zoom Videoconference**

**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: 872 0908 6223 Passcode: 513599**

**<https://us02web.zoom.us/j/87209086223?pwd=kez0Hg4wfkasKcahoHjpEX47hazY4p.1>**

Board Member McGrath may be participating via Zoom at:  
6627 B Arthur Road, Lowville, NY 13367

**The Public May View and Listen to the Meeting Live Stream at  
[www.danc.org](http://www.danc.org).**





**AGENDA**  
**BOARD OF DIRECTORS MEETING**  
**Thursday, August 22, 2024 – 10:30 AM**  
**Materials Management Facility**  
**23400 NYS Route 177**  
**Rodman, New York**

1. Call to Order
2. Call the Roll
3. Privilege of the Floor
4. Approve the Minutes of June 27, 2024 Board Meeting
5. Chairperson's Report
6. Executive Director's Report
7. Finance Report – Chief Financial Officer  
Approving Financials for the month ending June, 2024
8. Governance
  - a. Resolution No. 2024-08-55, Authorizing Acceptance of Empire State Development Grant, Next Move NY
9. Technical Services Summary Report
10. Regional Development –
  - a. Loan Report -
  - b. Resolution No. 2024-08-56, 2024 Home Program Year, Authorizing Contracts
  - c. Resolution No. 2024-08-57, Affordable Rental Housing Program, North Country Rural Preservation Associates LP, Loan Modification
  - d. Resolution No. 2024-08-58, Economic Development Fund, Clark House Preservation Inc., Loan
  - e. Resolution No. 2024-08-59, Economic Development Fund, Massena Arts and Theater Association Inc., Loan

- f. Resolution No. 2024-08-60, North Country Economic Development Fund, Board Agreement, Extension
  - g. Resolution No. 2024-08-61, North Country Redevelopment Loan Fund, Alex Morgia, or New Company to be Formed, Loan Assumption
11. Executive Session– for the purpose of:
- a. Discussion regarding the employment history of a particular person or matters leading to the appointment or employment of a particular person.
12. Staff Presentation – Army Sewer Line – After Action Board Briefing
13. Next Board Meeting/Strategic Planning – September 26, 2024
14. Adjourn

**NOTE: New York State Ethics Training will be conducted following the Board Meeting.**



**MINUTES**  
**BOARD OF DIRECTORS MEETING**  
**Thursday, June 27, 2024 – 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, June 27, 2024 at 10:30 AM.

**Members Present**

Voting

Mary Doheny \*  
Alex MacKinnon  
Dennis Mastascusa  
Kenneth Bibbins  
Mark Hall  
Thomas Hefferon  
Eric Virkler

Non-Voting

Steve Hunt  
Brian McGrath\*

\*Attended via videoconferencing.

**Members Absent**

Margaret Murray, Chairperson  
Nancy Henry

**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, Director of Engineering  
Jacqueline LeClair, Assistant Director of Telecommunications  
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  
Thomas Smith, EFPR Group  
Cyril Mouaikel, RBC Wealth Management  
John Nuber, RBC Wealth Management

1. Treasurer McKinnon called the meeting to order at 10:30 AM.
2. Treasurer McKinnon requested a roll call.
  - A quorum of voting and non-voting members was established.
3. Privilege of the Floor -
4. Upon a motion by D. Mastascusa and seconded by M. Hall, the minutes from the May 23, 2024 Board Meeting were unanimously approved.
5. Chairperson's Report
  - a. The next Board Meeting will be held on August 22<sup>nd</sup> at 10:30 AM at the Materials Management Facility in Rodman, please note the change of venue.
  - b. The New York State Commission on Ethics & Lobbying in Government requires Ethics training for board members every two years. Staff will be scheduling Ethics training with Board Members during the months of August and/or September.

B. McGrath stated that it had been previously mentioned about a group photo at the August Board meeting, and it is his intention to attend the August 22<sup>nd</sup> meeting in person.

6. Executive Director's Report

- a. US Army War College -

C. Farone shared that he had the privilege of attending the US Army War College National Security Seminar from June 2 – 6. This seminar introduced guests, like himself, to leaders in the US Armed Forces, and in turn permitted US Army War College students a better understanding of community needs. Each day started with a presentation from experts in national security for the 160 participants. They then broke into smaller groups which allowed for blunt, open, honest conversations about the main presentation. C. Farone stated this was a fascinating experience that strengthened his resolve and support for all members of the armed services with the main takeaway being to support our troops any way we can.
- b. Authority Employees Volunteer at Riverfest–

C. Farone reported that several Authority employees volunteered to support this year's Riverfest on Friday, June 7<sup>th</sup>. This event provides Fort Drum soldiers and their families an opportunity to visit Alexandria Bay and relax for the day. This event was co-sponsored by the Association of the United States Army (AUSA), with the Authority's Project Development Specialist (Matt Siver) currently serving as president of this organization.
- c. City of Watertown – Disinfection Byproducts Project–

C. Farone reported that he and Brian Nutting attended a Disinfection Byproducts Stakeholder meeting on June 12<sup>th</sup> to discuss the status of the City

of Watertown's Disinfection Byproducts project. The consulting engineer reported that the project is at 30% design and the city is applying for a \$17 million DCIP grant. During the meeting Authority staff brought up that the city's disinfection byproducts have been within the requirements for the last two years, but this is cyclical being in and out of compliance over the last 15 years. It was also mentioned that the city is compliant, but the outside users are not. This is a regional network issue and we need to ensure that the city council understands all users on the city system need water that meets EPA standards.

d. Jefferson County Broadband–

C. Farone stated that he, Carrie Tuttle, and Dave Wolf attended Jefferson County's Finance & Rules Committee meeting on June 25<sup>th</sup> to provide an update on our efforts to close the digital divide in Jefferson County. The legislators appeared pleased with the progress made to date. Substantial progress has been made, but our network won't be built out until 2026.

M. Hall commented that this is impressive. C. Farone replied that we are very excited and everyone seems pleased with the results so far. Jefferson County is setting aside \$1 million in ARPA funding to put toward the last mile connectivity.

e. Staff Updates -

C. Farone shared the following staff achievements:

- T. Goodrich, T. Hunter, S. Fowler, B. Scott, and J. Mosher passed their wastewater lab class taken at SUNY Morrisville, as a step toward their IIA Wastewater Operator certification.
- B. Ward earned his 3A Wastewater Operator License.
- N. Thomas graduated from Jefferson Leadership Institute (JLI).
- E. Ackley and S. Brown earned their Notary Public designation.
- D. Shue earned his 5 Year Longevity Award with the Authority.

Board updates –

- A. Mackinnon was recently recognized for his clock making capabilities.
  - B. McGrath has been selected for Crane's New York Business 2024 notable LGBTQIA leaders for a second year in a row.
  - M. Hall was recently recognized by the Adirondack Almanac as a longtime volunteer and community leader who leads by example.
- Congratulations to all!

A. MacKinnon shared a story about a group of his cows getting onto Fort Drum's impact area and their assistance in getting them back where they belong and Fort Drum being a great neighbor over the years.

7. FYE 2024 Investment Report – RBC

J. Staples introduced the Authority's investment advisors, Cyril Mouaikel, Managing Director, and John Nuber, Associate Vice President, of RBC Wealth Management, who attended the meeting to provide an investment report to the full Board regarding the investments from the previous fiscal year.

C. Mouaikel stated it has been a pleasure working with the Authority for over 25 years. Through constant meetings with C. Farone and J. Staples, they review

strategy and monthly communication regarding cash flow to ensure everything that can be is invested. After seeing the last 15 years with no interest rates, rates are much higher now and everything reinvested is at a much higher rate, earning the Authority more in interest. Unfortunately, the Authority has many amazing projects going on, leaving little cash to be invested. The economy has been great and there is no anticipated rush for the Federal Reserve to cut rates. It is anticipated that rates will eventually go down and this is why RBC works closely with J. Staples every month on maturities.

J. Nuber continued by reviewing the numbers stating that last year's report was about \$1 million in income, and this year there is about \$1.9 million showing a significant change in the interest rate markets. This year the Authority has moved from \$91.5 million to \$95 million just through the end of March. He expressed a little frustration with Comerica and the inconsistent data they are providing. Investments can only be produced with the data they have, and investments could be improved with a custodian who provides quality data. Currently with Comerica, the evaluations they are providing are not market evaluations. Last year the Authority was earning 2% from the Bank of America investment, and this year is at about 5% showing a great return on investment. With the better interest rates throughout the full year this year we are seeing \$150,000 to \$200,000 each month in income. J. Nuber does not anticipate the interest rates going below 2 again, but recommends a longer investment when it becomes possible following completion of the current projects going on at the Authority.

C. Mouaikel commented on the custody and reporting, stating they do not custody any assets for the Authority as they are only the investment manager. RBC is able to custody the assets, but it is in the Authority policy to have a separate custodian and money manager. The possibility may arise where this can be done for free as RBC's reporting tools are amazing. RBC can work with any custodian the Authority chooses, but it is very important to have good reporting data for them to use rather than them spending many hours and still not be able to tell you these are 100% the correct numbers. Additionally, the fees this year were the lowest they have been in 25 years in terms of percentage of assets, mainly because they have not reinvested as much. Ultimately the Authority is getting amazing execution for everything at a very low cost, and the team at RBC is very proud of this.

C. Mouaikel concluded by stating that the Authority portfolio is in great shape.

C. Mouaikel and J. Nuber left the meeting at 10:56 AM.

C. Farone noted that regarding the custodian, he would like to recommend that the Authority work with the Budget and Finance Committee to issue an RFP for custodial services to potentially replace Comerica with another custodian to house our investments. There have been a few issues over the past year and it seems to be a good time to do a formal RFP and evaluate other options.

K. Bibbins asked if RBC has suggested anyone specific. C. Farone replied that RBC would suggest we go with them, but we do have other local options.

B. McGrath asked the reason that we have the custodial account separate from RBC. C. Farone replied that years ago during a state comptroller audit, the Authority

was required to have an investment advisor that was separate and distinct from the custodian, but we don't have any actual regulations noting this. This would be something for the finance committee to review and ensure we are looking at correctly.

## 8. Independent Audit – EFPR

J. Staples introduced the audit report. She stated that March 31 marked the end of the Authority's fiscal year, and in April the finance team worked to close the year and complete the audit work papers. On May 6 the audit work papers and final trial balance were submitted to the EFPR Group for auditing. The audit concluded in early June and on June 20, Thomas Smith, a partner at the EFPR Group, met with the Audit Committee to review the audit results in detail.

T. Smith continued with offering a high-level review of the audit results on a one-page summary. He stated that this was EFPR's first year as the Authority's auditor and it went very smooth, which he feels speaks to J. Staples and her team. They were able to get the auditors a great deal of clean information very quickly making it easy to go through. He then moved on to review the Board Summary of the Audit and its financial statements, which were reviewed with the Audit Committee last week. All will be issued a "clean unmodified opinion" following today's meeting, meaning that the financial statements are fairly stated, there are no disclosures, and the reports had no misstatements. EFPR also completed the single audit, which is the required compliance audit for federal awards of over \$750,000. There is also an agreed upon procedures report, which is not as detailed as an audit, but was done for the Regional Water Lines, which reviewed operating costs, and investments, and that will be issued a clean unmodified opinion, meaning management and finance are doing an excellent job. The Authority does fall under the Governmental Accounting Standards Board (GASB) so a review must be documented of the internal controls, laws, and regulations. EFPR found nothing within this to be reported resulting in a clean unmodified report.

T. Smith continued his report from a numerical standpoint, reporting the Authority's revenue increased by \$2.4 million, mainly due to increased interest on investments. Expenses increased by \$2.1 million because the Authority, like all others across the state, have to pick up a portion of the New York State pension system which needs to be listed on our financial statements. If not for having to include this in the Authority report, this was a very consistent year. He continued by stating that total net position coming in at \$156 million at year end 2024, the Authority is in a well-managed healthy financial position that the Authority should be proud of.

M. Hall asked if the change in the pension is new. T. Smith replied that this started in 2015 and is in the tenth year for the Authority. He explained that some of the for-profit companies did not have these pension systems on the books so they weren't as profitable as they might appear. Government accounting standards follow for-profit accounting standards, but tend to be a couple years behind. He also stated it is unfortunate because they make every entity in the country comparable, even though they are technically not.

## 9. Finance –

- a. Resolution No. 2024-06-47, accepting the Audited Financial Statements, Single Audit, Agreed Upon Procedures and Report on Investments, as of and for the year ended March 31, 2024.

Upon a motion by E. Virkler and seconded by K. Bibbins, Resolution No. 2024-06-47, Accepting Audited Financial Statements, Single Audit, Agreed Upon Procedures, and Report on Investments for Fiscal Year Ending March 31, 2024, was unanimously approved.

- b. Resolution No. 2024-06-48, approving the Assessment of Effectiveness of Internal Controls of the Development Authority of the North Country, for the fiscal year 2024, as attached to the resolution.

Upon a motion by D. Mastascusa and seconded by K. Bibbins, Resolution No. 2024-06-48, Approving the Assessment of Effectiveness of Internal Controls of the Development Authority of the North Country for Fiscal Year 2024, was unanimously approved.

- c. Resolution No. 2024-06-49, approving the Annual Bond Sales Report for the fiscal year ending March 31, 2024, as attached to and incorporated in this resolution.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2024-06-49, Approving Annual Bond Sales Report of Fiscal Year Ending March 31, 2024, was unanimously approved.

T. Smith left the meeting at 11:10 AM.

J. Staples presented the April financials, noting it was only one month of information with no significant change or activity that needed to be reported and were provided only for the Board's review.

Upon a motion by K. Bibbins, and seconded by M. Hall, financials ending April 30, 2024, were unanimously approved.

10. Governance –

11. Technical Services Summary Report –

a. Non-Lewis County Contracts –

- I. Town of DeKalb, SSA, WWTP Improvement Project SCADA Amendment 1, Total Agreement Amount of \$120,000.00, 6/01/24 – 12/31/25, St. Lawrence County
- II. Town of DeKalb, O&M, Operations and Maintenance Service Agreement, Total Agreement Amount of \$279,861.00, 7/1/24 – 12/31/29. St. Lawrence County
- III. Town of Fine, O&M, Town of Fine Water System Operation and Maintenance, GIS and SCADA Support, Total Agreement Amount \$55,500.00, 7/1/24 – 12/31/29, St. Lawrence County

- IV. Village of Alexandria Bay, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Jefferson County
- V. Village of Antwerp, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Jefferson County
- VI. Village of Canton, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$8,700.00, 6/1/24 – 5/31/29, St. Lawrence County
- VII. Village of Cape Vincent, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Jefferson County
- VIII. Village of Chaumont, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Jefferson County
- IX. Village of Glen Park, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Jefferson County
- X. Village of Lyons Falls, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Lewis County
- XI. Village of Port Leyden, GIS, GIS Web-Based Hosting Services Agreement (renewed 5 year contract for services), Total Agreement Amount \$4,600.00, 6/1/24 – 5/31/29, Lewis County

Upon a motion by E. Virkler, and seconded by D. Mastascusa, Board Contract Summary Table items numbered I through IX for the month of June was approved. M. Hall abstained from this vote.

b. Lewis County Contracts –

- XII. Lewis County, TSA, Former Lyons Falls School Redevelopment Amendment, Total Agreement Amount of \$20,000.00, 6/01/24 – 12/31/25, Lewis County

Upon a motion by M. Hall, and seconded by K. Bibbins, Board Contract Summary Table item numbered II for the month of June was approved. E. Virkler abstained from this vote.

K. Bibbins asked what the services during this construction consisted of. C. Tuttle responded project management.

12. Materials Management –

- a. Resolution No. 2024-06-50, authorizing the Executive Director to engage in necessary professional services and pay required fees in order to register and sell carbon credit offsets associated with the landfill extension. Furthermore, it is resolved that the Chief Financial Officer will report the retail of such sales annually to the Authority Board of Directors once sales commence.

A. MacKinnon asked who would be interested in buying these credits, or will we never know. C. Farone responded that he believes we will know who, and that in the past these have been purchased by entities who produce pollution, such as large manufacturing facilities, and are trying to offset that. T. Hefferon added that there are brokers specifically for these deals.

B. McGrath asked about the 10% management fee and the per carbon offset of \$.22, and is that what equals \$300,000. C. Farone responded that we have conservatively estimated a 10% fee (\$175,000) and the \$.22 activation fee (\$100,000), and we also need to hire a consulting engineer (\$30,000) to help put all the paperwork together, make sure our meters are correct, and verify the information we have supplied to a verifier. We then have to pay a verifier (\$15,000) to verify what is submitted to Climate Action Reserve (CAR), and all of that adds up to \$300,000. There are many players each getting a piece of this pie, but ultimately the Authority will receive the lion share of revenue.

Upon a motion by M. Hall and seconded by K. Bibbins, Resolution No. 2024-06-50, Authorizing the Sale of Carbon Credits, Material Management Facility, was unanimously approved.

### 13. Regional Development –

- a. Loan Report –

M. Capone reported that the loan portfolio is looking well. One property, DGGL Properties, will be reviewed in an upcoming resolution as they are past due and will make their interest current when the loan converts to permanent financing. Otherwise, all loans are being paid as agreed and anyone previously reported as past due has made their payments and caught up.

- b. Resolution No. 2024-06-51, modifies the condition of a loan to DGGL Properties LLC to remove the condition to pay down the Conifer Bateman Associates debt by \$100,000 with all other terms and conditions remaining the same. Furthermore, the Development Authority of the North Country does hereby authorize DGGL Properties LLC to assume the outstanding principal and accrued interest of the Conifer Bateman Associates debt upon conversion to permanent financing, and authorizes the Executive Director or Chief Financial Officer to execute all necessary documents.

Upon a motion by T. Hefferon and seconded by E. Virkler, Resolution No. 2024-06-51, Affordable Rental Housing Program, DGGL Properties, LLC, Loan Modification, was unanimously approved.

- c. Resolution No. 2024-06-52, extends the term of the Jefferson County Historical Society loan for an additional six months subject to the Term Sheet attached to the resolution.

Upon a motion by D. Mastascusa and seconded by T. Hefferon, Resolution No. 2024-06-52, Economic Development Fund, Jefferson County Historical Society, Loan Extension, was unanimously approved.

- d. Resolution No. 2024-06-53, consents to WNC Inc. withdrawing from Carthage Apartments LLC to be replaced by a DiMarco family entity to be formed, and subject to NYS Housing Trust Fund's similar consent.

Upon a motion by T. Hefferon and seconded by M. Hall, Resolution No. 2024-06-53, Consent to Release Investor Member, Carthage Apartments LLC, was unanimously approved.

- e. Resolution No. 2024-06-54, authorizes a loan in the amount of up to \$400,000 from the Economic Development Loan Fund to Clayton Improvement Association LTD at the terms and conditions outlined on the Term Sheet attached to the resolution, and further authorizes the Executive Director or the Chief Financial Officer to execute all documents necessary to make the loan. Furthermore, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by M. Hall and seconded by D. Mastascusa, Resolution No. 2024-06-54, Economic Development Fund, Jefferson County Historical Society, Loan Extension, was unanimously approved.

S. Hunt asked if the Restore Grant is not being reflected in the project because we are not considering it as far as the scope of work for this. M. Capone responded yes, this project has the ability to do partial disbursements from New York Main Street and NBRC. They have about a \$1 million gap and could take on \$300,000 in project debt, but are submitting applications to the Small Building Program and several other programs to fill the final gap. S. Hunt further stated this is a great project as it is an anchor building in LaFargeville. M. Capone also stated that it does have current tenants with the post office and a hair stylist, but would also add housing to LaFargeville.

A. MacKinnon stated this was the end of today's official business.

#### 14. Strategic Planning FY24 – Progress Update: June 2024

As per a previous request made by Board Member M. Hall, C. Farone provided an update on objectives 1 -11 of the annually issued Authority Strategic Plan to report to the Board what has been accomplished in 2024. C. Farone also stated this report would be emailed to the Board following today's meeting.

M. Hall shared his appreciation for this update, and stated that this really shows the success of the Authority and hopes there is value in reviewing this. C. Farone expressed that he feels there is a lot of value, and thinks it will help from a staff perspective to better develop quantifiable and reportable goals in the future.

A. MacKinnon stated that he felt it was a great idea to review this as the Board spends a lot of time developing the plan and it was good to see the results.

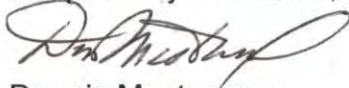
15. Next Board Meeting Date – August 22, 2024

M. Hall shared that Patrick Kelly, the CEO of St. Lawrence County IDA, was awarded the New York State Economic Developer of the year by the New York State Economic Development Council.

16. Adjourn -

Upon a motion by K. Bibbins and seconded by M. Hall, the meeting was adjourned at 11:56 AM.

Respectfully submitted,



Dennis Mastascusa  
Board Secretary

**DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY**  
**For the Three Months Ending Sunday, June 30, 2024**

	<u>YTD ACTUAL</u>	<u>3/31/2024 Total</u>
<b>STATEMENT OF NET POSITION</b>		
<b>ASSETS</b>		
Cash and Cash Equivalents	\$5,543,015.77	\$6,067,488.46
Accounts Receivable	3,697,279.19	3,208,620.84
Unbilled Revenue	681,607.95	612,707.45
Interest Receivable	222,340.94	213,335.41
Loans Receivable, net	33,109,223.03	32,746,122.74
Inventory	18,462.41	18,462.41
Prepaid Expense	537,899.87	637,294.13
Investments	14,112,875.33	14,755,025.39
Funds Held In Trust	782,296.32	885,207.58
OPEB Reserve Fund	5,882,734.12	5,854,813.97
Restricted Assets	86,472,458.67	86,624,366.83
Leased Property	18,287.50	20,781.25
Operating Lease ROU/SUB Assets, Net	268,108.64	268,108.64
Capital Assets, net	89,291,605.01	88,912,234.71
<b>Total Assets</b>	<b>240,638,194.75</b>	<b>240,824,569.81</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	3,494,419.00	3,494,419.00
OPEB	198,029.00	198,029.00
Total Deferred Outflows of Resources	3,692,448.00	3,692,448.00
<b>TOTAL ASSETS PLUS DEFERRED OUTFLOWS</b>	<b>244,330,642.75</b>	<b>244,517,017.81</b>
<b>LIABILITIES</b>		
Accounts Payable	819,152.59	1,947,330.20
Grants & Passthroughs Payable	716,091.02	751,086.61
Community Benefits Payable	244,731.54	188,092.68
Interest Payable	223,117.38	264,774.78
Accrued Expenses	779,846.14	660,758.00
OPEB Liability	4,853,985.35	4,728,237.44
Net Pension Liability	4,365,120.00	4,365,120.00
Unearned Income	7,767,931.50	7,923,346.34
Lease Obligation	18,287.50	20,781.25
Current Portion of Oper Lease/SUB Liability	264,295.94	264,295.94
Funds Held for Others	11,087,083.08	11,087,083.08
Due to US ARMY	749,985.00	749,985.00
Landfill Closure & Post Closure	18,376,290.40	17,926,450.67
Long-term Liabilities	34,866,880.90	34,358,061.77
<b>Total Liabilities</b>	<b>85,132,798.34</b>	<b>85,235,403.76</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	269,550.00	269,550.00
OPEB	2,035,355.00	2,035,355.00
Total Deferred Inflows of Resources	2,304,905.00	2,304,905.00
<b>TOTAL LIABILITIES PLUS DEFERRED INFLOWS</b>	<b>87,437,703.34</b>	<b>87,540,308.76</b>
<b>NET POSITION</b>		
Invested In Capital Assets, Net	55,788,724.32	55,918,173.15
Restricted for:		
Community Rental Housing Program	13,210,212.54	13,369,120.20
Community Development Loan Fund	10,202,090.44	10,175,162.63
Affordable Housing Program	22,753,154.20	22,661,333.44
Army Water & Sewer	1,800,000.00	1,800,000.00
Regional Waterline	377,189.88	377,189.88
Reserve For Liner	16,427,911.08	15,705,312.70
Reserve for Replacement	4,302,664.42	4,639,425.31
Reserve For Wetland Mitigation	326,984.29	325,942.58
OATN Reserve	4,596,764.82	4,506,052.82
Landfill Closure & Post Closure Prefunding	8,141,250.27	8,186,837.52
<b>Total Restricted</b>	<b>82,138,221.94</b>	<b>81,746,377.08</b>
Board Designated for:		
Infrastructure Development	223,107.42	223,107.42
Capital Reserve	217,464.55	691,330.77
Tip Fee Stabilization	3,137,352.19	3,103,795.56
Landfill Gas Reserve	1,275,576.86	1,359,889.06
Economic Development Fund	5,391,741.04	5,352,962.22
Affordable Housing Program	3,000,000.00	3,000,000.00
Supplemental Insurance / Admin. Reserve	4,000,000.00	4,000,000.00
<b>Total Board Designated</b>	<b>17,245,242.06</b>	<b>17,731,085.03</b>
Undesignated	1,720,751.09	1,581,073.79
<b>Total Net Postion</b>	<b>156,892,939.41</b>	<b>156,976,709.05</b>
<b>Total Liabilities, Deferred Outflows &amp; Net Position</b>	<b>244,330,642.75</b>	<b>244,517,017.81</b>

**DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY**  
**For the Three Months Ending Sunday, June 30, 2024**

	<u>YTD ACTUAL</u>	<u>3/31/2024 Total</u>
<b>CHANGE IN NET POSITION</b>		
<b>OPERATING REVENUE:</b>		
Customer Billings	7,273,729.74	24,398,383.84
Grant Revenue	13,443.17	1,854,058.75
Loan Interest Income	107,296.75	458,660.22
Other Income	187,741.92	712,173.80
<b>Total Operating Revenue</b>	<b>7,582,211.58</b>	<b>27,423,276.61</b>
<b>OPERATING EXPENSES</b>		
Depreciation & Amortization	2,796,222.28	10,447,867.31
Salaries	1,928,070.97	7,213,316.03
Fringe Benefits	933,313.75	3,571,237.32
Operation & Maintenance	872,917.18	3,276,603.46
Waste Diversion	28,093.60	549,369.72
Wastewater Treatment	488,346.75	1,779,448.24
Closure & Post Closure Costs	451,129.73	1,266,768.14
Community Benefits	452,257.30	1,040,863.40
Water Purchases	213,428.37	738,869.25
Office & Administration	139,674.36	396,178.38
Insurance	159,950.04	599,899.54
Utilities	30,205.60	179,229.38
Bad Debt Expense	13,093.17	(27,825.86)
Materials & Supplies	38,546.85	318,454.42
Professional Fees	52,904.04	204,582.51
Repairs & Maintenance	40,617.50	159,289.24
Automobile	123,091.39	418,993.64
Computer Expenses	163,145.61	310,815.17
NYS Administrative Assessment	0.00	122,000.00
<b>Total Operating Expenses</b>	<b>8,925,008.49</b>	<b>32,565,959.29</b>
<b>Total Operating Income</b>	<b>(1,342,796.91)</b>	<b>(5,142,682.68)</b>
<b>NON-OPERATING REVENUE (EXPENSE)</b>		
Interest Income	979,387.36	2,982,456.90
Gain on Sale of Fixed Assets	63,610.41	263,649.85
Gain on Trade-In of Fixed Assets	501,940.00	83,000.00
Interest Expense	(285,910.50)	(859,958.02)
Debt Issuance Costs	0.00	(93,280.00)
<b>Total Non-Operating Expense, Net</b>	<b>1,259,027.27</b>	<b>2,375,868.73</b>
<b>CHANGE IN NET ASSETS</b>	<b>(83,769.64)</b>	<b>(2,766,813.95)</b>

**DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY**  
**For the Three Months Ending Sunday, June 30, 2024**

	ADMIN	MATERIALS MGMT	TELECOM	ARMY SEWER	ARMY WATER	REGIONAL WATER	WQ CONTRACTS	ENGINEERING	REGIONAL DEVELOPMENT	TOTAL
<b>STATEMENT OF NET POSITION</b>										
<b>ASSETS</b>										
Cash and Cash Equivalents	\$5,543,015.77									\$5,543,015.77
Accounts Receivable	1,069.82	1,309,150.02	1,796,381.88	42,121.47	208,183.87		140,437.70	159,326.12	40,608.31	3,697,279.19
Unbilled Revenue				198,007.69	54,874.06	101,828.47	166,428.19	72,901.57	87,567.97	681,607.95
Interest Receivable	6,938.17	61,203.70	55,614.12						98,584.95	222,340.94
Loans Receivable, net									33,109,223.03	33,109,223.03
Inventory		18,462.41								18,462.41
Prepaid Expense	485,268.29		52,631.58							537,899.87
Investments	2,693,790.62	4,346,325.52	2,091,095.05						4,981,664.14	14,112,875.33
Funds Held In Trust		782,296.32								782,296.32
OPEB Reserve Fund	5,882,734.12									5,882,734.12
Restricted Assets		45,679,052.55	9,249,388.24	1,829,591.99	997,959.27	404,947.14			28,311,519.48	86,472,458.67
Leased Property									18,287.50	18,287.50
Operating Lease ROU/SUB Assets, Net	268,108.64									268,108.64
Capital Assets, net	1,253,865.47	41,309,110.06	22,523,643.25	7,218,687.63	14,378,122.56	2,608,176.04				89,291,605.01
<b>Total Assets</b>	<b>16,134,790.90</b>	<b>93,505,600.58</b>	<b>35,768,754.12</b>	<b>9,288,408.78</b>	<b>15,639,139.76</b>	<b>3,114,951.65</b>	<b>306,865.89</b>	<b>232,227.69</b>	<b>66,647,455.38</b>	<b>240,638,194.75</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>										
Pension	3,494,419.00									3,494,419.00
OPEB	198,029.00									198,029.00
Total Deferred Outflows of Resources	3,692,448.00									3,692,448.00
<b>TOTAL ASSETS PLUS DEFERRED...</b>	<b>19,827,238.90</b>	<b>93,505,600.58</b>	<b>35,768,754.12</b>	<b>9,288,408.78</b>	<b>15,639,139.76</b>	<b>3,114,951.65</b>	<b>306,865.89</b>	<b>232,227.69</b>	<b>66,647,455.38</b>	<b>244,330,642.75</b>
<b>LIABILITIES</b>										
Accounts Payable	366,703.76	156,548.63	75,773.92	123,592.59	64,199.87	32,333.82				819,152.59
Grants & Passthroughs Payable	(123,022.97)		842,026.10						(2,912.11)	716,091.02
Community Benefits Payable		244,731.54								244,731.54
Interest Payable		149,576.45				73,540.93				223,117.38
Accrued Expenses	431,961.56	106,354.83	127,673.45	14,006.02	16,012.79	852.54	47,511.23	35,473.72		779,846.14
OPEB Liability	4,853,985.35									4,853,985.35
Net Pension Liability	4,365,120.00									4,365,120.00
Unearned Income			7,465,931.50						302,000.00	7,767,931.50
Lease Obligation									18,287.50	18,287.50
Current Portion of Oper Lease/SUB Lia...	264,295.94									264,295.94
Funds Held for Others				749,985.00					11,087,083.08	11,087,083.08
Due to US ARMY										749,985.00
Landfill Closure & Post Closure		18,376,290.40								18,376,290.40
Long-term Liabilities	764,000.00	16,977,932.60		4,146,984.26	11,000,329.00	1,377,635.04			600,000.00	34,866,880.90
Internal: Due To/Due From	636,686.43	12,656.34	786,566.27	(1,818,478.80)	211,709.01	(169,195.16)	73,210.16	172,760.90	94,084.65	
Total Liabilities	11,559,730.07	36,024,090.79	9,297,971.24	3,216,089.27	11,365,791.60	1,241,626.24	120,721.39	208,234.62	12,098,543.12	85,132,798.34
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Pension	269,550.00									269,550.00
OPEB	2,035,355.00									2,035,355.00
Total Deferred Inflows of Resources	2,304,905.00									2,304,905.00
<b>TOTAL LIABILITIES PLUS DEFERR...</b>	<b>13,864,635.07</b>	<b>36,024,090.79</b>	<b>9,297,971.24</b>	<b>3,216,089.27</b>	<b>11,365,791.60</b>	<b>1,241,626.24</b>	<b>120,721.39</b>	<b>208,234.62</b>	<b>12,098,543.12</b>	<b>87,437,703.34</b>
<b>NET POSITION</b>										
Invested in Capital Assets, Net	1,253,865.47	24,331,177.67	22,523,643.25	3,071,703.37	3,377,793.56	1,230,541.00				55,788,724.32
Restricted for:										
Community Rental Housing Program									13,210,212.54	13,210,212.54
Community Development Loan Fund									10,202,090.44	10,202,090.44
Affordable Housing Program									22,753,154.20	22,753,154.20
Army Water & Sewer				900,000.00	900,000.00					1,800,000.00
Regional Waterline						377,189.88				377,189.88
Reserve For Liner	16,427,911.08									16,427,911.08
Reserve for Replacement	4,302,664.42									4,302,664.42
Reserve For Wetland Mitigation	326,984.29									326,984.29
OATN Reserve			4,596,764.82							4,596,764.82
Landfill Closure & Post Closure Prefund...		8,141,250.27								8,141,250.27
Total Restricted		29,198,810.06	4,596,764.82	900,000.00	900,000.00	377,189.88			46,165,457.18	82,138,221.94
Board Designated for:										
Infrastructure Development				223,107.42						223,107.42
Capital Reserve		127.28		217,337.27						217,464.55
Tip Fee Stabilization		3,137,352.19								3,137,352.19
Landfill Gas Reserve		1,275,576.86								1,275,576.86
Economic Development Fund									5,391,741.04	5,391,741.04
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	4,413,056.33		440,444.69					8,391,741.04	17,245,242.06
Undesignated	708,738.36	(461,534.27)	(649,625.19)	1,660,171.45	(4,445.40)	265,594.53	186,144.50	23,993.07	(8,285.96)	1,720,751.09
Total Net Position	5,962,603.83	57,481,509.79	26,470,782.88	6,072,319.51	4,273,348.16	1,873,325.41	186,144.50	23,993.07	54,548,912.26	156,892,939.41
<b>Total Liabilities, Deferred Outflows...</b>	<b>19,827,238.90</b>	<b>93,505,600.58</b>	<b>35,768,754.12</b>	<b>9,288,408.78</b>	<b>15,639,139.76</b>	<b>3,114,951.65</b>	<b>306,865.89</b>	<b>232,227.69</b>	<b>66,647,455.38</b>	<b>244,330,642.75</b>

**DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY**  
**For the Three Months Ending Sunday, June 30, 2024**

	<u>ADMIN</u>	<u>MATERIALS MGMT</u>	<u>TELECOM</u>	<u>ARMY SEWER</u>	<u>ARMY WATER</u>	<u>REGIONAL WATER</u>	<u>WQ CONTRACTS</u>	<u>ENGINEERING</u>	<u>REGIONAL DEVELOPMENT</u>	<u>TOTAL</u>
<b>CHANGE IN NET POSITION</b>										
<b>OPERATING REVENUE:</b>										
Customer Billings		2,979,675.53	1,730,909.84	824,654.57	889,576.34	101,828.47	477,954.13	211,400.00	57,730.86	7,273,729.74
Grant Revenue									13,443.17	13,443.17
Loan Interest Income									107,296.75	107,296.75
Other Income	70,800.03	94,386.53	726.50	902.49					20,926.37	187,741.92
<b>Total Operating Revenue</b>	<b>70,800.03</b>	<b>3,074,062.06</b>	<b>1,731,636.34</b>	<b>825,557.06</b>	<b>889,576.34</b>	<b>101,828.47</b>	<b>477,954.13</b>	<b>211,400.00</b>	<b>199,397.15</b>	<b>7,582,211.58</b>
<b>OPERATING EXPENSES</b>										
Depreciation & Amortization	65,179.71	1,391,999.02	1,040,882.92	80,744.14	175,611.25	41,805.24				2,796,222.28
Salaries	351,859.77	434,979.51	419,337.00	126,264.77	109,779.88	11,267.57	297,766.94	102,807.81	74,007.72	1,928,070.97
Fringe Benefits	178,456.36	228,365.03	166,166.44	62,302.23	53,462.16	5,077.65	161,696.60	41,770.37	36,016.91	933,313.75
Operation & Maintenance	4,072.50	190,047.54	624,774.50	17,189.09	1,031.58	3,092.30	1,748.28	22,387.42	8,573.97	872,917.18
Waste Diversion		28,093.60								28,093.60
Wastewater Treatment		138,335.03		350,011.72						488,346.75
Closure & Post Closure Costs		451,129.73								451,129.73
Community Benefits		244,731.54							207,525.76	452,257.30
Water Purchases				121.00	182,530.29	30,777.08				213,428.37
Office & Administration	66,241.64	21,785.70	13,280.89	29,105.50	155.44	33.50	1,684.82	3,974.26	3,412.61	139,674.36
Insurance	5,400.00	63,875.01	48,350.01	14,900.01	9,675.00	1,725.00	11,600.01	4,425.00		159,950.04
Utilities		13,394.31	755.65	8,536.61	2,547.68	4,971.35				30,205.60
Bad Debt Expense			7,009.22						6,083.95	13,093.17
Materials & Supplies		38,546.85								38,546.85
Professional Fees	41,974.34	4,859.73	3,430.42	172.45	92.86				2,374.24	52,904.04
Repairs & Maintenance		646.85		29,182.97	5,937.10	4,850.58				40,617.50
Automobile	30.99	8,222.97	26,977.25	82,217.14				5,643.04		123,091.39
Computer Expenses	125,594.95	954.60	3,730.49	390.06				32,475.51		163,145.61
Admin Allocation	(712,248.08)	289,457.61	176,993.65	102,634.95	64,672.13	4,914.51	11,752.09	14,814.77	47,008.37	
Engineering Allocation		19,228.60	8,805.76	4,307.91	3,948.15	375.77	1,204.40	(37,945.81)	75.22	
Water Quality Allocation				(54,361.52)	14,845.88	1,366.29	38,149.35			
<b>Total Operating Expenses</b>	<b>126,562.18</b>	<b>3,568,653.23</b>	<b>2,540,494.20</b>	<b>853,719.03</b>	<b>624,289.40</b>	<b>110,256.84</b>	<b>525,602.49</b>	<b>190,352.37</b>	<b>385,078.75</b>	<b>8,925,008.49</b>
<b>Total Operating Income</b>	<b>(55,762.15)</b>	<b>(494,591.17)</b>	<b>(808,857.86)</b>	<b>(28,161.97)</b>	<b>265,286.94</b>	<b>(8,428.37)</b>	<b>(47,648.36)</b>	<b>21,047.63</b>	<b>(185,681.60)</b>	<b>(1,342,796.91)</b>
<b>NON-OPERATING REVENUE (EX...</b>										
Interest Income	79,985.78	492,874.64	117,671.41	14,761.50	8,051.72	5,969.73			260,072.58	979,387.36
Gain on Sale of Fixed Assets	80,200.00	(21,689.59)	5,100.00							63,610.41
Gain on Trade-In of Fixed Assets		501,940.00								501,940.00
Interest Expense		(130,932.66)		(66,251.64)	(85,965.77)	(2,760.43)				(285,910.50)
<b>Total Non-Operating Expense, Net</b>	<b>160,185.78</b>	<b>842,192.39</b>	<b>122,771.41</b>	<b>(51,490.14)</b>	<b>(77,914.05)</b>	<b>3,209.30</b>			<b>260,072.58</b>	<b>1,259,027.27</b>
<b>CHANGE IN NET ASSETS</b>	<b>104,423.63</b>	<b>347,601.22</b>	<b>(686,086.45)</b>	<b>(79,652.11)</b>	<b>187,372.89</b>	<b>(5,219.07)</b>	<b>(47,648.36)</b>	<b>21,047.63</b>	<b>74,390.98</b>	<b>(83,769.64)</b>

**Summary of All Units  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$29,138,507.00	\$7,239,867.00	\$7,273,729.74	\$33,862.74
	Grant Revenue	7,754,351.00	1,521,921.00	13,443.17	(1,508,477.83)
	Loan Interest Income	701,839.00	175,461.00	107,296.75	(68,164.25)
	Other Income	1,988,284.00	497,072.01	187,741.92	(309,330.09)
	<b>Total Operating Revenue</b>	<b>39,582,981.00</b>	<b>9,434,321.01</b>	<b>7,582,211.58</b>	<b>(1,852,109.43)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	12,354,296.00	2,658,051.00	2,796,222.28	138,171.28
	Amortization, Lease ROU	120,000.00	0.00	0.00	0.00
	Salaries	7,748,163.00	1,937,043.00	1,928,070.97	(8,972.03)
	Fringe Benefits	3,551,084.00	887,787.00	933,313.75	45,526.75
	Operation & Maintenance	3,660,257.50	916,353.65	874,031.93	(42,321.72)
	Waste Diversion	207,750.00	51,939.00	28,093.60	(23,845.40)
	Wastewater Treatment	2,019,087.00	504,771.00	487,232.00	(17,539.00)
	Closure & Post Closure Costs	1,757,503.00	439,377.00	451,129.73	11,752.73
	Water Purchases	903,702.00	225,927.00	213,428.37	(12,498.63)
	Community Benefits	1,189,089.00	452,917.00	452,257.30	(659.70)
	Office & Administration	489,454.00	162,356.99	139,674.36	(22,682.63)
	Insurance	639,800.00	159,954.00	159,950.04	(3.96)
	Utilities	215,500.00	53,874.00	30,205.60	(23,668.40)
	Bad Debt Expense	0.00	0.00	13,093.17	13,093.17
	Materials & Supplies	333,500.00	83,373.00	38,546.85	(44,826.15)
	Professional Fees	568,654.00	142,164.00	52,904.04	(89,259.96)
	Repairs & Maintenance	186,100.00	46,527.03	40,617.50	(5,909.53)
	Automobile	527,646.00	131,913.00	123,091.39	(8,821.61)
	Computer Expenses	449,891.50	112,478.37	163,145.61	50,667.24
	Grants	200,000.00	50,001.00	0.00	(50,001.00)
	Admin Allocation	0.00	3.00	0.00	(3.00)
	NYS Administrative Assessment	125,051.00	0.00	0.00	0.00
	Contingency	72,380.00	18,093.99	0.00	(18,093.99)
	<b>Total Operating Expenses</b>	<b>37,318,908.00</b>	<b>9,034,904.03</b>	<b>8,925,008.49</b>	<b>(109,895.54)</b>
	<b>Total Operating Income</b>	<b>2,264,073.00</b>	<b>399,416.98</b>	<b>(1,342,796.91)</b>	<b>(1,742,213.89)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	2,376,901.00	594,231.00	979,387.36	385,156.36
	Gain on Sale of Fixed Assets	149,000.00	37,251.00	63,610.41	26,359.41
	Gain on Trade-In of Fixed Ass...	860,000.00	215,001.00	501,940.00	286,939.00
	Interest Expense	(1,300,862.00)	(325,218.00)	(285,910.50)	39,307.50
	Debt Issuance Costs	(100,000.00)	(25,002.00)	0.00	25,002.00
	<b>Total Non-Operating Expe...</b>	<b>1,985,039.00</b>	<b>496,263.00</b>	<b>1,259,027.27</b>	<b>762,764.27</b>
	<b>CHANGE IN NET POSITION</b>	<b>4,249,112.00</b>	<b>895,679.98</b>	<b>(83,769.64)</b>	<b>(979,449.62)</b>

**Summary of All Units  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

<u>GL</u>	<u>Account Description</u>	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>Actual YTD</u>	<u>YTD Variance Over (Under)</u>
-----------	----------------------------	--------------------------	-----------------------	-----------------------	--

**Administration**  
**Change In Net Position**  
**For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Other Income	\$283,200.00	\$70,800.00	\$70,800.03	\$0.03
	<b>Total Operating Revenue</b>	<b>283,200.00</b>	<b>70,800.00</b>	<b>70,800.03</b>	<b>0.03</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	307,400.00	76,851.00	65,179.71	(11,671.29)
	Amortization, Lease ROU	120,000.00	0.00	0.00	0.00
	Salaries	1,440,305.00	360,075.00	351,859.77	(8,215.23)
	Fringe Benefits	712,044.00	178,014.00	178,456.36	442.36
	Operation & Maintenance	7,443.00	1,863.00	4,072.50	2,209.50
	Office & Administration	153,001.00	78,239.00	66,241.64	(11,997.36)
	Insurance	21,600.00	5,400.00	5,400.00	0.00
	Professional Fees	118,565.00	29,640.00	41,974.34	12,334.34
	Automobile	1,026.00	258.00	30.99	(227.01)
	Computer Expenses	304,516.00	76,131.00	125,594.95	49,463.95
	Admin Allocation	(2,534,259.00)	(633,564.00)	(712,248.08)	(78,684.08)
	Contingency	30,000.00	7,500.00	0.00	(7,500.00)
	<b>Total Operating Expenses</b>	<b>681,641.00</b>	<b>180,407.00</b>	<b>126,562.18</b>	<b>(53,844.82)</b>
	<b>Total Operating Income</b>	<b>(398,441.00)</b>	<b>(109,607.00)</b>	<b>(55,762.15)</b>	<b>53,844.85</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	301,595.00	75,399.00	79,985.78	4,586.78
	Gain on Sale of Fixed Assets	104,000.00	26,001.00	80,200.00	54,199.00
	<b>Total Non-Operating Expe...</b>	<b>405,595.00</b>	<b>101,400.00</b>	<b>160,185.78</b>	<b>58,785.78</b>
	<b>CHANGE IN NET POSITION</b>	<b>7,154.00</b>	<b>(8,207.00)</b>	<b>104,423.63</b>	<b>112,630.63</b>

**Materials Management  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$12,282,557.00	\$3,025,878.00	\$2,979,675.53	(\$46,202.47)
	Grant Revenue	150,351.00	37,587.00	0.00	(37,587.00)
	Other Income	1,662,049.00	415,511.01	94,386.53	(321,124.48)
	<b>Total Operating Revenue</b>	<b>14,094,957.00</b>	<b>3,478,976.01</b>	<b>3,074,062.06</b>	<b>(404,913.95)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	6,121,400.00	1,332,036.00	1,391,999.02	59,963.02
	Salaries	1,805,214.00	451,305.00	434,979.51	(16,325.49)
	Fringe Benefits	881,776.00	220,446.00	228,365.03	7,919.03
	Operation & Maintenance	1,166,003.00	291,506.01	191,162.29	(100,343.72)
	Waste Diversion	207,750.00	51,939.00	28,093.60	(23,845.40)
	Wastewater Treatment	600,000.00	150,000.00	137,220.28	(12,779.72)
	Closure & Post Closure Costs	1,757,503.00	439,377.00	451,129.73	11,752.73
	Community Benefits	981,563.00	245,391.00	244,731.54	(659.46)
	Office & Administration	94,861.00	23,718.99	21,785.70	(1,933.29)
	Insurance	255,500.00	63,876.00	63,875.01	(0.99)
	Utilities	90,000.00	22,500.00	13,394.31	(9,105.69)
	Materials & Supplies	333,500.00	83,373.00	38,546.85	(44,826.15)
	Professional Fees	354,102.00	88,527.00	4,859.73	(83,667.27)
	Repairs & Maintenance	13,600.00	3,399.00	646.85	(2,752.15)
	Automobile	32,800.00	8,201.01	8,222.97	21.96
	Computer Expenses	27,195.00	6,801.00	954.60	(5,846.40)
	Admin Allocation	1,029,777.00	257,445.00	289,457.61	32,012.61
	Engineering Allocation	50,624.00	12,657.00	19,228.60	6,571.60
	NYS Administrative Assessment	54,216.00	0.00	0.00	0.00
	Contingency	17,380.00	4,344.99	0.00	(4,344.99)
	<b>Total Operating Expenses</b>	<b>15,874,764.00</b>	<b>3,756,843.00</b>	<b>3,568,653.23</b>	<b>(188,189.77)</b>
	<b>Total Operating Income</b>	<b>(1,779,807.00)</b>	<b>(277,866.99)</b>	<b>(494,591.17)</b>	<b>(216,724.18)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	1,138,309.00	284,580.00	492,874.64	208,294.64
	Gain on Sale of Fixed Assets	45,000.00	11,250.00	(21,689.59)	(32,939.59)
	Gain on Trade-In of Fixed Ass...	860,000.00	215,001.00	501,940.00	286,939.00
	Interest Expense	(582,200.00)	(145,551.00)	(130,932.66)	14,618.34
	<b>Total Non-Operating Expe...</b>	<b>1,461,109.00</b>	<b>365,280.00</b>	<b>842,192.39</b>	<b>476,912.39</b>
	<b>CHANGE IN NET POSITION</b>	<b>(318,698.00)</b>	<b>87,413.01</b>	<b>347,601.22</b>	<b>260,188.21</b>

**Telecommunications**  
**Change In Net Position**  
**For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$6,533,703.00	\$1,633,425.00	\$1,730,909.84	\$97,484.84
	Grant Revenue	2,450,000.00	612,501.00	0.00	(612,501.00)
	Other Income	12,000.00	3,000.00	726.50	(2,273.50)
	<b>Total Operating Revenue</b>	<b>8,995,703.00</b>	<b>2,248,926.00</b>	<b>1,731,636.34</b>	<b>(517,289.66)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	4,393,100.00	919,200.00	1,040,882.92	121,682.92
	Salaries	1,698,786.00	424,698.00	419,337.00	(5,361.00)
	Fringe Benefits	612,163.00	153,045.00	166,166.44	13,121.44
	Operation & Maintenance	2,107,091.00	526,775.01	624,774.50	97,999.49
	Office & Administration	77,239.00	19,308.00	13,280.89	(6,027.11)
	Insurance	193,400.00	48,351.00	48,350.01	(0.99)
	Utilities	5,500.00	1,374.00	755.65	(618.35)
	Bad Debt Expense	0.00	0.00	7,009.22	7,009.22
	Professional Fees	40,383.00	10,098.00	3,430.42	(6,667.58)
	Automobile	90,260.00	22,566.99	26,977.25	4,410.26
	Computer Expenses	40,765.00	10,191.00	3,730.49	(6,460.51)
	Admin Allocation	629,714.00	157,428.00	176,993.65	19,565.65
	Engineering Allocation	18,555.00	4,638.00	8,805.76	4,167.76
	NYS Administrative Assessment	29,991.00	0.00	0.00	0.00
	Contingency	25,000.00	6,249.00	0.00	(6,249.00)
	<b>Total Operating Expenses</b>	<b>9,961,947.00</b>	<b>2,303,922.00</b>	<b>2,540,494.20</b>	<b>236,572.20</b>
	<b>Total Operating Income</b>	<b>(966,244.00)</b>	<b>(54,996.00)</b>	<b>(808,857.86)</b>	<b>(753,861.86)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	269,397.00	67,350.00	117,671.41	50,321.41
	Gain on Sale of Fixed Assets	0.00	0.00	5,100.00	5,100.00
	<b>Total Non-Operating Expe...</b>	<b>269,397.00</b>	<b>67,350.00</b>	<b>122,771.41</b>	<b>55,421.41</b>
	<b>CHANGE IN NET POSITION</b>	<b>(696,847.00)</b>	<b>12,354.00</b>	<b>(686,086.45)</b>	<b>(698,440.45)</b>

**Water Quality**  
**Change In Net Position**  
**For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$9,424,252.00	\$2,356,065.00	\$2,294,013.51	(\$62,051.49)
	Grant Revenue	5,000,000.00	833,334.00	0.00	(833,334.00)
	Other Income	3,610.00	903.00	902.49	(0.51)
	<b>Total Operating Revenue</b>	<b>14,427,862.00</b>	<b>3,190,302.00</b>	<b>2,294,916.00</b>	<b>(895,386.00)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	1,532,396.00	329,964.00	298,160.63	(31,803.37)
	Salaries	2,180,853.00	545,214.00	545,079.16	(134.84)
	Fringe Benefits	1,086,919.00	271,731.00	282,538.64	10,807.64
	Operation & Maintenance	224,970.50	57,521.63	23,061.25	(34,460.38)
	Wastewater Treatment	1,419,087.00	354,771.00	350,011.72	(4,759.28)
	Water Purchases	903,702.00	225,927.00	213,428.37	(12,498.63)
	Office & Administration	116,191.00	29,046.00	30,979.26	1,933.26
	Insurance	151,600.00	37,902.00	37,900.02	(1.98)
	Utilities	120,000.00	30,000.00	16,055.64	(13,944.36)
	Professional Fees	6,400.00	1,599.00	265.31	(1,333.69)
	Repairs & Maintenance	172,500.00	43,128.03	39,970.65	(3,157.38)
	Automobile	379,120.00	94,779.00	82,217.14	(12,561.86)
	Computer Expenses	24,865.50	6,215.37	390.06	(5,825.31)
	Admin Allocation	654,641.00	163,662.00	183,973.68	20,311.68
	Engineering Allocation	42,221.00	10,554.00	9,836.23	(717.77)
	NYS Administrative Assessment	37,321.00	0.00	0.00	0.00
	<b>Total Operating Expenses</b>	<b>9,052,787.00</b>	<b>2,202,014.03</b>	<b>2,113,867.76</b>	<b>(88,146.27)</b>
	<b>Total Operating Income</b>	<b>5,375,075.00</b>	<b>988,287.97</b>	<b>181,048.24</b>	<b>(807,239.73)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	84,200.00	21,051.00	28,782.95	7,731.95
	Interest Expense	(718,662.00)	(179,667.00)	(154,977.84)	24,689.16
	Debt Issuance Costs	(100,000.00)	(25,002.00)	0.00	25,002.00
	<b>Total Non-Operating Expe...</b>	<b>(734,462.00)</b>	<b>(183,618.00)</b>	<b>(126,194.89)</b>	<b>57,423.11</b>
	<b>CHANGE IN NET POSITION</b>	<b>4,640,613.00</b>	<b>804,669.97</b>	<b>54,853.35</b>	<b>(749,816.62)</b>

**Army Sewer  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$4,033,530.00	\$1,008,384.00	\$824,654.57	(\$183,729.43)
	Other Income	3,610.00	903.00	902.49	(0.51)
	<b>Total Operating Revenue</b>	<b>4,037,140.00</b>	<b>1,009,287.00</b>	<b>825,557.06</b>	<b>(183,729.94)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	570,300.00	93,810.00	80,744.14	(13,065.86)
	Salaries	566,711.00	141,678.00	126,264.77	(15,413.23)
	Fringe Benefits	284,481.00	71,121.00	62,302.23	(8,818.77)
	Operation & Maintenance	157,850.50	39,462.63	17,189.09	(22,273.54)
	Wastewater Treatment	1,419,087.00	354,771.00	350,011.72	(4,759.28)
	Water Purchases	4,500.00	1,125.00	121.00	(1,004.00)
	Office & Administration	104,967.00	26,238.00	29,105.50	2,867.50
	Insurance	59,600.00	14,901.00	14,900.01	(0.99)
	Utilities	65,000.00	16,251.00	8,536.61	(7,714.39)
	Professional Fees	4,156.00	1,038.00	172.45	(865.55)
	Repairs & Maintenance	85,000.00	21,249.00	29,182.97	7,933.97
	Automobile	379,120.00	94,779.00	82,217.14	(12,561.86)
	Computer Expenses	24,865.50	6,215.37	390.06	(5,825.31)
	Admin Allocation	365,269.00	91,317.00	102,634.95	11,317.95
	Engineering Allocation	14,975.00	3,744.00	4,307.91	563.91
	Water Quality Allocation	(389,068.00)	(97,269.00)	(54,361.52)	42,907.48
	NYS Administrative Assessment	15,922.00	0.00	0.00	0.00
	<b>Total Operating Expenses</b>	<b>3,732,736.00</b>	<b>880,431.00</b>	<b>853,719.03</b>	<b>(26,711.97)</b>
	<b>Total Operating Income</b>	<b>304,404.00</b>	<b>128,856.00</b>	<b>(28,161.97)</b>	<b>(157,017.97)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	39,800.00	9,951.00	14,761.50	4,810.50
	Interest Expense	(439,938.00)	(109,986.00)	(66,251.64)	43,734.36
	Debt Issuance Costs	(50,000.00)	(12,501.00)	0.00	12,501.00
	<b>Total Non-Operating Expe...</b>	<b>(450,138.00)</b>	<b>(112,536.00)</b>	<b>(51,490.14)</b>	<b>61,045.86</b>
	<b>CHANGE IN NET POSITION</b>	<b>(145,734.00)</b>	<b>16,320.00</b>	<b>(79,652.11)</b>	<b>(95,972.11)</b>

**Army Water Line  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$3,006,989.00	\$751,746.00	\$889,576.34	\$137,830.34
	Grant Revenue	5,000,000.00	833,334.00	0.00	(833,334.00)
	<b>Total Operating Revenue</b>	<b>8,006,989.00</b>	<b>1,585,080.00</b>	<b>889,576.34</b>	<b>(695,503.66)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	779,500.00	190,506.00	175,611.25	(14,894.75)
	Salaries	558,282.00	139,572.00	109,779.88	(29,792.12)
	Fringe Benefits	272,730.00	68,181.00	53,462.16	(14,718.84)
	Operation & Maintenance	10,000.00	2,502.00	1,031.58	(1,470.42)
	Water Purchases	769,630.00	192,408.00	182,530.29	(9,877.71)
	Office & Administration	4,464.00	1,116.00	155.44	(960.56)
	Insurance	38,700.00	9,675.00	9,675.00	0.00
	Utilities	25,000.00	6,249.00	2,547.68	(3,701.32)
	Professional Fees	1,744.00	435.00	92.86	(342.14)
	Repairs & Maintenance	55,000.00	13,752.03	5,937.10	(7,814.93)
	Admin Allocation	230,106.00	57,528.00	64,672.13	7,144.13
	Engineering Allocation	14,363.00	3,591.00	3,948.15	357.15
	Water Quality Allocation	112,125.00	28,032.00	14,845.88	(13,186.12)
	NYS Administrative Assessment	10,308.00	0.00	0.00	0.00
	<b>Total Operating Expenses</b>	<b>2,881,952.00</b>	<b>713,547.03</b>	<b>624,289.40</b>	<b>(89,257.63)</b>
	<b>Total Operating Income</b>	<b>5,125,037.00</b>	<b>871,532.97</b>	<b>265,286.94</b>	<b>(606,246.03)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	21,700.00	5,424.00	8,051.72	2,627.72
	Interest Expense	(230,268.00)	(57,567.00)	(85,965.77)	(28,398.77)
	Debt Issuance Costs	(50,000.00)	(12,501.00)	0.00	12,501.00
	<b>Total Non-Operating Expe...</b>	<b>(258,568.00)</b>	<b>(64,644.00)</b>	<b>(77,914.05)</b>	<b>(13,270.05)</b>
	<b>CHANGE IN NET POSITION</b>	<b>4,866,469.00</b>	<b>806,888.97</b>	<b>187,372.89</b>	<b>(619,516.08)</b>

**Regional Water Line  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$416,090.00	\$104,025.00	\$101,828.47	(\$2,196.53)
	<b>Total Operating Revenue</b>	<b>416,090.00</b>	<b>104,025.00</b>	<b>101,828.47</b>	<b>(2,196.53)</b>
<b>OPERATING EXPENSES</b>					
	Depreciation & Amortization	182,596.00	45,648.00	41,805.24	(3,842.76)
	Salaries	35,374.00	8,844.00	11,267.57	2,423.57
	Fringe Benefits	17,033.00	4,257.00	5,077.65	820.65
	Operation & Maintenance	8,500.00	3,401.00	3,092.30	(308.70)
	Water Purchases	129,572.00	32,394.00	30,777.08	(1,616.92)
	Office & Administration	380.00	96.00	33.50	(62.50)
	Insurance	6,900.00	1,725.00	1,725.00	0.00
	Utilities	30,000.00	7,500.00	4,971.35	(2,528.65)
	Professional Fees	500.00	126.00	0.00	(126.00)
	Repairs & Maintenance	32,500.00	8,127.00	4,850.58	(3,276.42)
	Admin Allocation	17,445.00	4,362.00	4,914.51	552.51
	Engineering Allocation	2,258.00	564.00	375.77	(188.23)
	Water Quality Allocation	5,795.00	1,449.00	1,366.29	(82.71)
	NYS Administrative Assessment	1,870.00	0.00	0.00	0.00
	<b>Total Operating Expenses</b>	<b>470,723.00</b>	<b>118,493.00</b>	<b>110,256.84</b>	<b>(8,236.16)</b>
	<b>Total Operating Income</b>	<b>(54,633.00)</b>	<b>(14,468.00)</b>	<b>(8,428.37)</b>	<b>6,039.63</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	22,700.00	5,676.00	5,969.73	293.73
	Interest Expense	(48,456.00)	(12,114.00)	(2,760.43)	9,353.57
	<b>Total Non-Operating Expe...</b>	<b>(25,756.00)</b>	<b>(6,438.00)</b>	<b>3,209.30</b>	<b>9,647.30</b>
	<b>CHANGE IN NET POSITION</b>	<b>(80,389.00)</b>	<b>(20,906.00)</b>	<b>(5,219.07)</b>	<b>15,686.93</b>

**Water Sewer Contracts  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$1,967,643.00	\$491,910.00	\$477,954.13	(\$13,955.87)
	<b>Total Operating Revenue</b>	<b>1,967,643.00</b>	<b>491,910.00</b>	<b>477,954.13</b>	<b>(13,955.87)</b>
<b>OPERATING EXPENSES</b>					
	Salaries	1,020,486.00	255,120.00	297,766.94	42,646.94
	Fringe Benefits	512,675.00	128,172.00	161,696.60	33,524.60
	Operation & Maintenance	48,620.00	12,156.00	1,748.28	(10,407.72)
	Office & Administration	6,380.00	1,596.00	1,684.82	88.82
	Insurance	46,400.00	11,601.00	11,600.01	(0.99)
	Admin Allocation	41,821.00	10,455.00	11,752.09	1,297.09
	Engineering Allocation	10,625.00	2,655.00	1,204.40	(1,450.60)
	Water Quality Allocation	271,148.00	67,788.00	38,149.35	(29,638.65)
	NYS Administrative Assessment	9,221.00	0.00	0.00	0.00
	<b>Total Operating Expenses</b>	<b>1,967,376.00</b>	<b>489,543.00</b>	<b>525,602.49</b>	<b>36,059.49</b>
	<b>Total Operating Income</b>	<b>267.00</b>	<b>2,367.00</b>	<b>(47,648.36)</b>	<b>(50,015.36)</b>
<b>NON-OPERATING REVENUE...</b>					
<b>CHANGE IN NET POSITION</b>					
		<b>267.00</b>	<b>2,367.00</b>	<b>(47,648.36)</b>	<b>(50,015.36)</b>

**Engineering**  
**Change In Net Position**  
**For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$643,335.00	\$160,833.00	\$211,400.00	\$50,567.00
	<b>Total Operating Revenue</b>	<b>643,335.00</b>	<b>160,833.00</b>	<b>211,400.00</b>	<b>50,567.00</b>
<b>OPERATING EXPENSES</b>					
	Salaries	324,356.00	81,087.00	102,807.81	21,720.81
	Fringe Benefits	124,032.00	31,008.00	41,770.37	10,762.37
	Operation & Maintenance	119,750.00	29,937.00	22,387.42	(7,549.58)
	Office & Administration	31,137.00	7,785.00	3,974.26	(3,810.74)
	Insurance	17,700.00	4,425.00	4,425.00	0.00
	Professional Fees	1,000.00	249.00	0.00	(249.00)
	Automobile	24,440.00	6,108.00	5,643.04	(464.96)
	Computer Expenses	51,800.00	12,951.00	32,475.51	19,524.51
	Admin Allocation	52,672.00	13,167.00	14,814.77	1,647.77
	Engineering Allocation	(111,819.00)	(27,954.00)	(37,945.81)	(9,991.81)
	NYS Administrative Assessment	3,523.00	0.00	0.00	0.00
	<b>Total Operating Expenses</b>	<b>638,591.00</b>	<b>158,763.00</b>	<b>190,352.37</b>	<b>31,589.37</b>
	<b>Total Operating Income</b>	<b>4,744.00</b>	<b>2,070.00</b>	<b>21,047.63</b>	<b>18,977.63</b>
<b>NON-OPERATING REVENUE...</b>					
<b>CHANGE IN NET POSITION</b>		<b>4,744.00</b>	<b>2,070.00</b>	<b>21,047.63</b>	<b>18,977.63</b>

**Regional Development  
Change In Net Position  
For the Three Months Ending Sunday, June 30, 2024**

GL	Account Description	Annual Budget	YTD Budget	Actual YTD	YTD Variance Over (Under)
<b>OPERATING REVENUE:</b>					
	Customer Billings	\$254,660.00	\$63,666.00	\$57,730.86	(\$5,935.14)
	Grant Revenue	154,000.00	38,499.00	13,443.17	(25,055.83)
	Loan Interest Income	701,839.00	175,461.00	107,296.75	(68,164.25)
	Other Income	27,425.00	6,858.00	20,926.37	14,068.37
	<b>Total Operating Revenue</b>	<b>1,137,924.00</b>	<b>284,484.00</b>	<b>199,397.15</b>	<b>(85,086.85)</b>
<b>OPERATING EXPENSES</b>					
	Salaries	298,649.00	74,664.00	74,007.72	(656.28)
	Fringe Benefits	134,150.00	33,543.00	36,016.91	2,473.91
	Operation & Maintenance	35,000.00	8,751.00	8,573.97	(177.03)
	Community Benefits	207,526.00	207,526.00	207,525.76	(0.24)
	Office & Administration	17,025.00	4,260.00	3,412.61	(847.39)
	Bad Debt Expense	0.00	0.00	6,083.95	6,083.95
	Professional Fees	48,204.00	12,051.00	2,374.24	(9,676.76)
	Computer Expenses	750.00	189.00	0.00	(189.00)
	Grants	200,000.00	50,001.00	0.00	(50,001.00)
	Admin Allocation	167,455.00	41,865.00	47,008.37	5,143.37
	Engineering Allocation	419.00	105.00	75.22	(29.78)
	<b>Total Operating Expenses</b>	<b>1,109,178.00</b>	<b>432,955.00</b>	<b>385,078.75</b>	<b>(47,876.25)</b>
	<b>Total Operating Income</b>	<b>28,746.00</b>	<b>(148,471.00)</b>	<b>(185,681.60)</b>	<b>(37,210.60)</b>
<b>NON-OPERATING REVENUE...</b>					
	Interest Income	583,400.00	145,851.00	260,072.58	114,221.58
	<b>Total Non-Operating Expe...</b>	<b>583,400.00</b>	<b>145,851.00</b>	<b>260,072.58</b>	<b>114,221.58</b>
	<b>CHANGE IN NET POSITION</b>	<b>612,146.00</b>	<b>(2,620.00)</b>	<b>74,390.98</b>	<b>77,010.98</b>



**Board Resolution No. 2024-08-55**  
**August 22, 2024**

**AUTHORIZING ACCEPTANCE OF  
EMPIRE STATE DEVELOPMENT GRANT  
NEXT MOVE NY**

Whereas, in January 2024, Governor Hochul announced that the North Country Regional Economic Development Council was the recipient of a \$10 million challenge grant for its Next Move NY initiative, and

Whereas, Next Move NY is an award-winning strategy to strengthen workforce opportunities for transitioning soldiers and their families by matching them with employment opportunities across the region, and

Whereas, the Development Authority of the North Country was identified as a Project Sponsor for several of the proposed strategies of the Challenges Competition Proposal, and

Whereas, pursuant to **Resolution No. 2024-03-38** the Board of Directors of the Development Authority of the North Country authorized the Executive Director, or designee, to submit an application to Empire State Development for funding in an amount up to \$4 million to implement the following strategies contained within the Next Move NY initiative:

- Establish Administrative Framework and Leadership, to include three new staff
- Establish a job matching portal
- Establish a career readiness, job and apprenticeship matching program
- Establish a veteran employment ambassador program
- Establish a soldier recruitment and training incentive program for employers, and

Whereas, the Development Authority submitted a grant application in the amount of \$3,974,070 to Empire State Development to implement the strategies detailed above to support the Next Move NY initiative for a period of five years, and

Whereas, if awarded such grant, Executive Management recommend that immediate action be taken to commence implementation of the Next Move NY initiative.

Now, therefore be it

**RESOLVED, subject to an award by New York State, the Development Authority of the North Country does hereby authorize:**

- 1. The Executive Director or designee to negotiate and execute the grant agreement with New York State.**

- 2. The Executive Director or designee to take all actions necessary to implement said grant pursuant to Next Move NY Implementation Proposal submitted to Empire State Development.**
- 3. The Chief Financial Officer to establish a separate Operating Company within Regional Development, which shall be named Next Move NY.**
- 4. The Fiscal Year 2025 Next Move NY Budget and line items contained therein, as proposed and set forth in Appendix A, are hereby approved and adopted. Said budget includes the creation of three new positions to staff the Next Move NY initiative.**
- 5. The creation of a bank account, if required by the grant. The Chairperson, Treasurer, Executive Director, Chief Financial Officer, and Comptroller shall be named as authorized signatories on such bank account and that all documents required as evidence of this authority be executed by the appropriate Authority Officers/personnel. The Deputy Comptroller, Accountant I and Accounting Associate be designated authorized representatives for the purpose of initiating electronic transfers of Authority funds, when authorized by the designated Authority Officers/personnel, and that all documents required as evidence of such authority be executed by Authority Officers/personnel.**
- 6. The Chief Financial Officer to utilize the Economic Development Fund to fund the cash flow needs of the Next Move New York initiative in an amount not to exceed \$600,000.**

**NEXT MOVE NY  
BUDGET FYE 2025  
APPENDIX A**

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ESTIMATED BUDGET</u> <u>(9.1.24 - 3.31.25)</u>
	<b>Revenue</b>	
4183	NY State Grants	\$ 665,236.07
	<b>Total Grant Revenue</b>	<b>\$ 665,236.07</b>
	<b>Salaries</b>	
5001	Regional Development Wages	\$ 150,359.85
	<b>Total Salaries</b>	<b>\$ 150,359.85</b>
	<b>Fringe Benefits</b>	
5031	FICA Expense	\$ 9,035.82
5032	Pension Expense	\$ 18,232.80
5033	Health Insurance	\$ 33,459.27
5034	Workers Comp	\$ 195.47
5035	Disability Insurance	\$ 561.17
5042	Post Retire Overhead	\$ 10,334.19
5054	Employee Physicals & Screening	\$ 678.00
	<b>Total Fringe Benefits</b>	<b>\$ 72,496.71</b>
	<b>Office &amp; Administrative</b>	
5053	Misc Employee Costs	\$ 291.67
5102	Office Rent (Watertown)	\$ 13,125.00
5104	Office Supplies	\$ 1,500.00
5112	Telephone	\$ 150.00
5114	Cellular Services	\$ 840.00
5120	Dues & Subscriptions	\$ 875.00
5202	Employee Mileage Reimbursement	\$ 3,908.33
5204	Empl. Meals & Incidental	\$ 1,458.33
5206	Empl. Lodging	\$ 1,633.33
5270	Travel & Meeting Expense	\$ 1,750.00
5370	Training & Development	\$ 2,500.00
5508	Cleaning Services	\$ 1,166.67
5570	Other General Expense	\$ 1,000.00
6104	Sponsorships	\$ 5,000.00
5924	Legal	\$ 2,000.00
5128	Programming & Software	\$ 1,200.00
<b>6190</b>	Admin Allocation	\$ 30,659.06
	<b>Total Office &amp; Admin</b>	<b>\$ 69,057.40</b>
	<b>Professional Fees</b>	
5970	Consulting-Next Move NY Marketing	\$ 80,000.00
5970	Consulting-Next Move NY CRM	\$ 130,000.00
5123	Advertising/Promotion	\$ 52,500.00
	<b>Total Professional Fees</b>	<b>\$ 262,500.00</b>
	<b>Automobile</b>	
5601	Auto/Light Truck Rep. & Maint.	\$ 100.00
5602	Auto/Light Truck Fuel	\$ 2,030.44
	Vehicle Insurance	\$ 1,166.67
	<b>Total Automobile</b>	<b>\$ 3,297.10</b>
	<b>Equipment</b>	
1440 (Asset)	Vehicle	\$ 37,500.00
5130	Office Equipment	\$ 2,500.00
5170	Other Office Expenses (Furniture)	\$ 12,500.00
5124	Computer Equipment	\$ 11,275.00
	<b>Equipment</b>	<b>\$ 63,775.00</b>
6120	<b>Grants</b>	\$ 43,750.00
	<b>Total Expenses</b>	<b>665,236.07</b>
	<b>Change in Net Assets</b>	<b>0.00</b>

**Note:**

- 1 Next Move NY Administrative Allocation will reduce Affordable Rental Housing Administrative Allocation by like amount
- 2 Vehicle will be purchased as a capital asset, therefore capitalized and depreciated.
- 3 Expenditures authorized above shall be recorded pursuant to principles set by the Governmental Accounting Standards Board.









**Board Resolution No. 2024-08-56**  
**August 22, 2024**

**2024 HOME PROGRAM YEAR  
AUTHORIZING CONTRACTS**

Whereas, the Administrative Board for the North Country HOME Consortium met and awarded funding from its 2024 Housing and Urban Development (HUD) HOME allocation in the amount of \$766,272.03, and

Whereas, the following organizations will receive HOME contracts for funding:

<b>Organization</b>	<b>Amount</b>	<b>Use of Funds</b>
Neighbors of Watertown	\$220,000	Owner Occupied Rehabilitation
North Country Affordable Housing	\$220,000	Owner Occupied Rehabilitation
Frontier Housing	\$173,454.03	Owner Occupied Rehabilitation
Neighbors of Watertown	\$112,818	CHDO set-aside funds for new rental project in City of Watertown
DANC	\$35,000	Grant Administration
Jefferson County	\$5,000	Grant Administration

Whereas, the Administrative Board also awarded previously unallocated CHDO set-aside funds from 2020, 2021, 2022, and 2023 totaling \$607,182 to Neighbors of Watertown for its permanent supportive housing project in the City of Watertown, and

Whereas, the Development Authority of the North Country will enter into an Agreement with Neighbors of Watertown Inc. for a total grant of \$720,000 for a rental project in the City of Watertown, 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 HOME contracts based upon awards made by the North Country HOME Consortium Administrative Board.**





**Board Resolution No. 2024-08-57**  
**August 22, 2024**

**AFFORDABLE RENTAL HOUSING PROGRAM**  
**NORTH COUNTRY RURAL PRESERVATION ASSOCIATES LP**  
**LOAN MODIFICATION**

Whereas, **Resolution No. 2011-03-12** authorized a loan of \$500,000 to North Country Rural Preservation Associates LP to help purchase and renovate six USDA affordable housing properties located throughout Jefferson and St. Lawrence Counties totaling 182 units, and

Whereas, the resolution term sheet provided for a loan term of 15 years with loan repayments made from available cash flow, and

Whereas, the Commitment Letter and Promissory Note reflect repayments from available cash flow in equal installments of \$41,833 annually for 15 years with a maturity of 30 years, and

Whereas, upon review of such loan documentation, it is the recommendation of staff that the loan be modified to reflect a loan amortization and maturity of 30 years, and

Whereas, the current loan balance is \$229,680.87, and

Whereas, this resolution reconciles the loan term from 15 years to 30 years with a maturity of March 2043 which is consistent with the mortgage, and with all other loan terms and conditions remaining the same.

Now, therefore be it

**RESOLVED**, the Development Authority of the North Country does hereby modify the loan term from 15 years to 30 years for the loan to North Country Rural Preservation Associates LP in the amount of \$500,000, and authorizes the Executive Director to execute any documentation required to effectuate such change.



## TERM SHEET

<b>Borrower:</b>	North Country Rural Preservation Associates, LP
<b>Fund:</b>	Affordable Rental Housing Program
<b>Amount:</b>	\$500,000, current balance \$229,680.87
<b>Term:</b>	30 years
<b>Interest Rate:</b>	3%
<b>Repayment:</b>	Loan repayment will be cash flow based calculated annually.
<b>Security:</b>	Scattered locations located in Canton, Carthage, LaFargeville, and Dexter totaling 182 units, subordinate only to the primary lender and NYSHTF





**Board Resolution No. 2024-08-58**  
**August 22, 2024**

**ECONOMIC DEVELOPMENT FUND**  
**CLARK HOUSE PRESERVATION INC.**  
**LOAN**

Whereas, Clark House Preservation Inc. is requesting a loan of up to \$50,000 from the Economic Development Fund to bridge a Community Capital Assistance Program grant to restore and renovate the Clark House in Waddington (St. Lawrence County), and

Whereas, Clark House Preservation is a not-for-profit 501(c)(3) organization and the project is eligible for funding through the Economic Development Fund, and

Whereas, the grant funds will be used for architect/engineering services to complete design work for the project at the Clark House, and

Whereas, the Development Authority's Engineering Division has a contract with Clark House Preservation to provide grant administration and project management, and

Whereas, the project is transformational to downtown Waddington.

Now, therefore be it

**RESOLVED, the Development Authority of the North Country does hereby authorize a loan in the amount of up to \$50,000 from the Economic Development Fund to Clark House Preservation Inc. at the terms and conditions outlined on the attached Term Sheet, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make the loan, and further be it**

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



## TERM SHEET

<b>Borrower:</b>	Clark House Preservation Inc.
<b>Fund:</b>	Economic Development Fund
<b>Amount:</b>	up to \$50,000
<b>Term:</b>	12 months
<b>Interest Rate:</b>	½ Wall Street Journal Prime plus 1 set at closing
<b>Repayment:</b>	Monthly interest only payments
<b>Security:</b>	Assignment of Community Capital Assistance Program grant payments.
<b>Conditions:</b>	Proof of CCAP Grant of \$125,000 Proof of building liability insurance



## Economic Development Loan Fund

**BORROWER:** Clark House Preservation, Inc.

**BUSINESS LOCATION:** 12-14 Main Street, Waddington, NY 13694 (parcel #21.024-5-13)

**OWNERSHIP:** 501 C 3 not for profit

**OFFICERS:**

Russell Strait	President
James Thew	Vice President
John Tenbusch	Secretary
Daphne Pickert	Treasurer

**AMOUNT:** up to \$50,000.00

**TERM:** 12 months

**RATE:** ½ Wall Street Journal Prime plus 1 set at closing, (5.25% as of 8/9/2024)

**PAYMENTS:** Monthly interest only payments.

**COLLATERAL:** Assignment of grant proceeds

**USE OF FUNDS:** \$50,000 to bridge NYS Grant, upon receipt of grant proceeds will pay-off loan.

**GUARANTORS:** None

**EMPLOYEES:**

Current:	0 FTE
Years 1-3:	0 FTE
Total:	0 FTE

**USE OF FUNDS:**

**SOURCES OF FUNDS**

**USES OF FUNDS**

CCAP Grant	\$125,000.00	Architect/Engineer	\$125,000.00
Total Sources	\$125,000.00	Total Uses	\$125,000.00

\*\*Authority funds to bridge CCAP grant funding. Clark House Preservation feels that \$50,000 is sufficient to bridge vendor payments as it submits for periodic reimbursements.

Community Capital Assistance Program Grant-Approved and term extended

## Economic Development Loan Fund

### PROJECT:

The Clark House Preservation Inc is requesting up to \$50,000 from the Economic Development Loan Fund to bridge a NYS Community Capital Assistance Program grant to pay for architecture and engineering costs associated with their restoration and renovation of the Clark House in Waddington (St. Lawrence County).

The Clark House Preservation Inc. was formed in 2003. It was created to purchase and preserve the Clark House located on the main street in Waddington. In the two decades since acquiring title to the property, CHP has spent over \$400,000 to demolish deteriorated sections of the structure, re-support walls and floors, install new roof and windows, update lighting, heating and plumbing.

CHP is in the process of finalizing funding to renovate and revitalize the property. It is their goal when completed, to turn the facility into a boutique hotel with approximately 9 rooms. The ground floor would have a lobby, meeting and banquet space. They would also look to have 4 one-bedroom apartments on the second and third floors. These would be below market-rate, handicapped-accessible units for seniors. The building would have an elevator.

The project is transformational to the downtown area of the Village of Waddington. The group has received several grant commitments. At this time, their architect/engineer is completing design work and will have a better handle on project costs by the beginning of 2025. At that time, staff will meet with SLC IDA staff, and other lenders to structure a larger lending package.

The Development Authority's Engineering Staff is providing grant administration and project management.

### FINANCIALS:

#### Historical

	<u>2022</u>	<u>2023</u>
Total Revenue	\$11,855	\$5,375
Gross Profit	\$10,600	\$5,375
Operating Expenses	<u>\$10,649</u>	<u>\$13,283</u>
Net Income	(\$49)	(\$7,908)

- The historical financial information for 2022 and 2023 was internally prepared.
- In 2022, the group received corporate contributions of \$5,000 and program income of \$4799. In 2023, the group received rental income from The Gallery, a group of local artists/crafters. The rental income in 2023 was \$4,500. Other income was a utility reimbursement and vendor sales.

## Economic Development Loan Fund

- Primary expenses in 2022 were for outside contract services, \$5670, and utilities, \$2886. In 2023, expenses were primarily for facilities and equipment maintenance, \$8595, and utilities, \$1940. There doesn't appear to be an expense for insurance. Even if we do not take a mortgage on the real estate, we should condition proof of insurance on the building.
- The group will fundraise or make donations to make sure that the interest on the loan is paid. At most, the interest would be \$2,625 if the \$50,000 were extended for one year.

### Balance Sheet

	12/31/2022	12/31/2023
Current Assets	\$17,034	\$10,016
Fixed Assets	\$371,112	\$371,112
Total Assets	\$388,146	\$381,128
Current Liabilities	\$0	\$0
Long-Term Liabilities	\$0	\$0
Total Liabilities	\$0	\$0
Net Assets	\$388,146	\$381,128
Total Liabilities & Net Assets	\$388,146	\$381,128

- Cash decreased from \$8410 at the end of 2022 to \$1393 at the end of 2023. They carried an account receivable of \$8536 in both 2022 and 2023
- Fixed assets have not been adjusted for depreciation.
- They have no debt.

### Credit:

The Logic Score for the Clark House Preservation Inc. is a medium risk score of 55, with a warning business failure assessment. There are no days beyond terms reported either currently or historically. The company has no derogatory public records, collection accounts, or pending lawsuits. There are no trade lines established, thus the absence of days beyond terms.

### Collateral Analysis

- Authority doesn't usually take collateral for bridge loans other than the assignment of grant proceeds.
- The assessed value of the property is \$11,300.

### Contingencies:

- CCAP grant of \$125,000
- Proof of insurance on property

### STAFF RECOMMENDATION:

## **Economic Development Loan Fund**

Staff recommends a loan of up to \$50,000 from the Economic Development Loan Fund to the Clark House Preservation, Inc. based upon the terms and conditions above.



**Board Resolution No. 2024-08-59**  
**August 22, 2024**

**ECONOMIC DEVELOPMENT FUND**  
**MASSENA ARTS AND THEATER ASSOCIATION INC.**  
**LOAN**

Whereas, Massena Arts and Theater Association Inc. (MATA) is requesting a loan of up to \$100,000 from the Economic Development Fund to bridge a Downtown Revitalization Initiative Core of the Community grant to complete renovations to the Schine Theater in downtown Massena (St. Lawrence County), and

Whereas, MATA is a not-for-profit 501(c)(3) organization and the project is eligible for funding through the Economic Development Fund, and

Whereas, the project is transformational to downtown Massena.

Now, therefore be it

**RESOLVED**, the Development Authority of the North Country does hereby authorize a loan in the amount of up to \$100,000 from the Economic Development Fund to Massena Arts and Theater Association Inc. at the terms and conditions outlined on the attached Term Sheet, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make the loan, and further be it

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



## TERM SHEET

<b>Borrower:</b>	Massena Arts and Theater Association Inc.
<b>Fund:</b>	Economic Development Fund
<b>Amount:</b>	up to \$100,000
<b>Term:</b>	18 months
<b>Interest Rate:</b>	½ Wall Street Journal Prime plus 1 set at closing
<b>Repayment:</b>	Monthly interest only payments
<b>Security:</b>	Assignment of DRI Core of the Community grant payments.
<b>Conditions:</b>	Proof of cash contribution of \$25,000 Proof of DRI Core of the Community Grant of \$100,000 Proof of building liability insurance



## Economic Development Loan Fund

**BORROWER:** Massena Arts and Theater Association, Inc.

**BUSINESS LOCATION:** 63,65,67 Main Street, Massena, NY 13662 (parcel # 9.067-2-23)

**OWNERSHIP:** 501 C 3 not for profit

**OFFICERS:**

Allison Smith	President
Ryan Murphy	Vice President
Matthew LeBier	Secretary
Justin Cardinal	Treasurer
William Fiacco	Project Advisor

**AMOUNT:** up to \$100,000.00

**TERM:** 18 months

**RATE:** ½ Wall Street Journal Prime plus 1 set at closing, (5.25% as of 8/9/2024)

**PAYMENTS:** Monthly interest only payments.

**COLLATERAL:** Assignment of grant proceeds

**USE OF FUNDS:** \$100,000 to bridge DRI Core of the Community grant, upon receipt of grant proceeds will pay-off loan.

**GUARANTORS:** None

**EMPLOYEES:**

Current:	0 FTE
Years 1-3:	0 FTE
Total:	0 FTE

**USE OF FUNDS:**

**SOURCES OF FUNDS**

**USES OF FUNDS**

DRI Core of the Community	\$ 100,000.00	Improvements	\$125,000.00
Cash	\$ 25,000.00		
<b>Total Sources</b>	<b>\$125,000.00</b>	<b>Total Uses</b>	<b>\$125,000.00</b>

\*\*Authority funds to bridge DRI Core of the Community funding.

## Economic Development Loan Fund

### PROJECT:

The Massena Arts and Theater Association (MATA) is requesting up to \$100,000 from the Economic Development Loan Fund to bridge a DRI Core of the Community grant to begin improvements on the former Schine Theater in downtown Massena. This funding is a small piece of a larger project; however, the consultant is finalizing the project budget and sources of funds. We will meet with the Applicant, St. Lawrence County IDA, and SeaComm FCU once the details are finalized to identify a larger funding package to bridge the grants.

The Massena Arts and Theater Association, Inc., (“MATA”) is a 501c(3) organization, located at 63-67 Main Street, dedicated to a complete restoration of the historic Schine Theatre in the heart of downtown Massena. MATA’s mission is to restore and reimagine the historic gem, breathing new life into downtown Massena and positively impacting the local economy and regional tourism efforts.



Originally built in 1918 as a movie theater in a grand ornate style, the currently vacant and blighted 14,000 sq. ft. building will be transformed from a traditional movie theater to a multi-use community theater and event center. The theater is located on Main Street in downtown immediately across from the Town/Village office building. Design plans will provide this community theater with flexibility for its programs; including traditional community theater offerings, movies, concerts, cabaret shows, and other performances. Additionally, the ability to accommodate conference presentations and other large audience events will fill additional voids that currently exist in the community while providing valuable revenue streams to support the arts & culture programming.

The first step in the restoration process was in June 2015 when MATA purchased the building with the support of a \$50,000 grant from the St. Lawrence River Valley Redevelopment Agency and a low interest loan from SeaComm Federal Credit Union. The current balance on the loan is \$38,271. After purchasing the building, MATA embarked on what would end up being a three-phase restoration plan.

Phase I included a comprehensive environmental study, and asbestos abatement was completed in 2019, as was a Hazardous Material Study. Upon completion of the work, the property was determined to be free of environmental issues, giving the project “shovel-ready” status. Total project costs for this phase exceeded \$300,000, and was made possible by a \$170,000 New York Main Street Grant and MATA fundraising.

Phase II includes crucial facade and stabilization work as well as the restoration and installation of the historic marquee, engagement of an architect to produce as-built and schematic designs for

## Economic Development Loan Fund

the interior renovations and design work for modern mechanicals. This is currently underway and made possible by a grant, donations and fundraising.

In 2024 SeaComm Federal Credit Union donated \$60,000 towards the restoration and return of the Marquee. In 2023 MATA hosted multiple fundraising events which resulted in over \$18,000 in revenue. Thanks to the Village of Massena and the DRI Core of the Community grant it received an award of \$100,000 and MATA will provide a \$33,000 match towards the phase two goals. This work is currently out to bid and set to begin July 2024 and completed by 4Q 2024. The Authority’s funds will bridge the DRI grant for this work to be completed. The following is proposed to be completed with the \$100,000 grant:

1. Marquee Steel Canopy Replacement & Structural Support Improvements,
2. Vestibule and Exterior Sidewalk Replacement,
3. Electrical Upgrades/Restore Power to Marquee, Facade, and other areas of the theater,
4. Replacement of Storefront windows and doors (63 and 67 Main Street).

Upon completion of this project, the DRI Core of the Community funds will be paid and will pay-off the Authority’s loan.



The final phase of the project is still being finalized and MATA has reached out to several other funding sources. The total project is over \$3 million. DANC staff will work with lending partners to identify a funding package to assist in bridging the grants so that the project can be completed. This is a transformational project for downtown Massena.

Brooks Washburn with LaBella is assisting MATA with the grant administration.

### FINANCIALS:

	<b>Historical</b>		
	<u>2022</u>	<u>2023</u>	<u>6/2024</u>
Total Revenue	\$9,069	\$44,067	\$66,224
Operating Expenses	\$9,409	\$18,731	\$40,678
Net Income	(\$340)	\$25,336	\$25,546

- The historical financial information for 2022 and 2023 was internally prepared. The organization has a monthly treasurer’s report that is summarized for each year-end, however there are no compiled or reviewed statements. They have not needed to file a 990 as income has been below \$50,000 and assets less than \$500,000. They will file a 990 for 2024.

## Economic Development Loan Fund

- Income in 2022 was \$7,400 from rent and \$1,669 from donations. In 2023, income was \$11,200 from rent and \$32,867 from donations. They currently have two tenants each paying \$400 a month.
- In reviewing their reports, expenses appear to be related to the building in regard to water bills, mortgage payments, and minor improvements. They did spend \$18,000 in June as the first of three payments to Legacy Collision to rehabilitate the marquee. There didn't appear to be an expense for building insurance, however there is a mortgage on the building. If the loan is approved, we would want proof of building insurance.
- MATA is making a monthly payment to SeaComm of \$455. Loan of \$42,875 closed on 6/29/2021 and matures 7/2036 with an outstanding balance of \$38,271.
- Interest on a \$100,000 loan for one year would be \$5,250. MATA would have sufficient cash to pay this debt.

### Balance Sheet

	4/30/2024
Current Assets	\$64,912
Fixed Assets	\$85,000
<b>Total Assets</b>	<b>\$149,912</b>
Current Liabilities	\$1,500
Long-Term Liabilities	\$36,504
<b>Total Liabilities</b>	<b>\$38,004</b>
Net Assets	\$111,908
<b>Total Liabilities &amp; Net Assets</b>	<b>\$99,912</b>

- The current asset is comprised of cash. They have been fundraising and receiving some rental income from tenants. They have the \$25,000 cash match on hand for the Core of the Community grant.
- The fixed asset is based on an appraisal of the building dated 4/25/2024.
- The debt is the mortgage with SeaComm toward the acquisition of the building.

#### **Credit:**

The Logic Score for MATA is medium risk score of 55, with a warning business failure assessment. There are no days beyond terms reported, current or historical. It has no derogatory public records, collection accounts, or pending lawsuits. It has no trade lines established.

#### **Collateral Analysis**

- Authority doesn't usually take collateral other than the assignment of grant proceeds.
- Assessed value of property is \$35,000 and an appraisal has the value of the building at \$85,000. SeaComm FCU has a mortgage with a balance of \$38,271.

#### **Contingencies:**

## **Economic Development Loan Fund**

- DRI Core of the Community grant of \$100,000
- Proof of owner cash of \$25,000
- Proof of building liability insurance

### **STAFF RECOMMENDATION:**

Staff recommends a loan of up to \$100,000 from the Economic Development Loan Fund to the Massena Arts and Theater Association Inc. based upon the terms and conditions above.





**Board Resolution No. 2024-08-60**  
**August 22, 2024**

**NORTH COUNTRY ECONOMIC DEVELOPMENT FUND  
BOARD AGREEMENT  
EXTENSION**

Whereas, **Resolution No. 2014-08-13** authorized the execution of an Agreement to establish the North Country Economic Development Fund Board, and

Whereas, the North Country Economic Development Fund is a regional revolving loan fund created with \$10 million that the New York Power Authority (NYPA) received from ALCOA as part of its Agreement with NYPA for a long-term power contract with ALCOA, and

Whereas, the North Country Economic Development Fund Board is comprised of representation from Development Authority of the North Country, NYPA, Empire State Development, and the North Country Alliance to oversee the loan activity and fiscal oversight of the Fund on behalf of NYPA, and

Whereas, the Board Agreement outlines the roles and responsibilities of the Board Members in carrying out the objectives of the North Country Economic Development Fund, and

Whereas, NYPA wishes to extend the Board Agreement for an additional 10-year term.

Now, therefore be it

**RESOLVED, the Development Authority of the North Country does hereby authorize the Executive Director to execute the Board Agreement with the New York Power Authority, and be it further**

**RESOLVED, the Development Authority of the North Country does hereby appoint the Executive Director as its representative to the North Country Economic Development Fund Board, said agreement attached hereto and incorporated into this Resolution.**



**AGREEMENT EXTENDING THE NORTH  
COUNTRY ECONOMIC DEVELOPMENT FUND BOARD**

AGREEMENT EXTENDING THE NORTH COUNTRY ECONOMIC DEVELOPMENT FUND BOARD, as of June \_\_, 2024 (“Effective Date”), by and among the POWER AUTHORITY OF THE STATE OF NEW YORK, having an office and principal place of business at 123 Main Street, White Plains, NY 10601, The North Country Alliance Local Development Corporation, having an office at 65 Main Street, Box 8561, Clarkson University, Potsdam, NY 13699-8561 (“NCA”), Empire State Development, having a place of business at Dulles State Office Building, Watertown, NY13601 (“ESD”), and the Development Authority of the North Country, having an Office at 317 Washington Street, Watertown, NY 13601 (“DANC”) (collectively, the “Parties”).

WHEREAS, the Parties are signatories to an agreement entitled North Country Economic Development Fund Board Agreement (“Board Agreement”), dated August 28, 2014;

WHEREAS, the Board Agreement provided for the creation of the North Country Economic Development Fund Board (the “Fund Board”), whose existence is scheduled to expire ten years from the date of the Board Agreement (August 28, 2014); and

WHEREAS, the Parties desire to extend the Fund Board’s existence as provided for in this Agreement; and

WHEREAS, the Parties further desire to increase the amount of the annual administrative fee provided for in the Board Agreement from \$8,000 to \$10,000.

NOW, THEREFORE, in consideration of the promises made herein and other valuable consideration, the Parties agree as follows.

1. The Fund Board is extended to August 31, 2034, at which time it shall expire unless extended by written agreement of the Parties.
2. The amount of the annual administrative fee shall be \$10,000 and paid in accordance with Section 9.1 of the Board Agreement.
3. Except as expressly modified herein, all terms of the Fund Agreement shall remain unchanged and in full force and effect.
4. Either the original or copies, including facsimile transmissions, of this Agreement, may be executed in counterparts, each of which shall be an original as against any party whose signature appears on such counterpart and all of which together shall constitute one and the same instrument.

**SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, the Parties have executed this agreement effective the date first above written.

POWER AUTHORITY OF THE STATE OF NEW YORK

By: \_\_\_\_\_  
Name: Eric S. Bowers  
Title: Vice President, Customer Power Supply & Economic Development  
Date: \_\_\_\_\_

THE NORTH COUNTRY ALLIANCE LOCAL DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Name: Eric Virkler  
Title: Vice President  
Date: \_\_\_\_\_

EMPIRE STATE DEVELOPMENT

By: \_\_\_\_\_  
Name: Hope Knight  
Title: President & CEO and Commissioner  
Date: \_\_\_\_\_

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By: \_\_\_\_\_  
Name: Carl E. Farone Jr.  
Title: Executive Director  
Date: \_\_\_\_\_



**Board Resolution No. 2024-08-61**  
**August 22, 2024**

**NORTH COUNTRY REDEVELOPMENT LOAN FUND**  
**ALEX MORGIA, OR NEW COMPANY TO BE FORMED**  
**LOAN ASSUMPTION**

Whereas, **Resolution No. 2015-08-91** established the North Country Redevelopment Fund, and

Whereas, the Regional Loan Review Committee can make commitments for loans up to \$250,000 and grants up to \$250,000 for a total combined grant/loan amount of \$500,000 with the Authority Board ratifying the request at its next meeting, and

Whereas, the Regional Loan Review Committee met August 12, 2024 to review an application from Alex Morgia requesting to assume the North Country Redevelopment Fund loan of Lawler Realty LLC, and

Whereas, **Resolution No. 2016-06-75** approved \$500,000 (\$250,000 grant/\$250,000 loan) to Lawler Realty LLC to renovate the former Madison Barracks Health Club building on Madison Barracks in order to provide additional services for the housing residents, marina, and hotel to enhance the destination located in Sackets Harbor (Jefferson County), and

Whereas, Mr. Morgia is purchasing the real estate from Lawler Realty LLC and will operate the facility as a spa and gym to complement the adjacent Marina Hotel that he is purchasing, and

Whereas, the balance on the loan is \$129,527.58, and

Whereas, Lawler Realty must repay to the Authority a portion of the grant per the recapture provision in the Grant Disbursement Agreement, and

Whereas, the Regional Loan Review Committee approves the assumption of the loan of Lawler Realty LLC by Alex Morgia, or a new company to be formed, at the terms and conditions attached.

Now, therefore be it

**RESOLVED, Development Authority of the North Country does hereby ratify the assumption of the loan of Lawler Realty LLC by Alex Morgia, or a new company to be formed, of a North Country Redevelopment Grant/Loan 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, Development Authority of the North Country releases Lawler Realty LLC, Creekside Lane Apartments LLC, Lawler Commercial Properties Inc.,**

**Madison Barracks Marina Inc., and Michael Lawler from any further obligations with the grant/loan subject to Lawler Realty LLC repaying the Authority a portion of the grant per the recapture provision identified in the Grant Disbursement Agreement.**

## TERM SHEET

Borrower: Alex Morgia, or new company to be formed

Loan Fund: North Country Redevelopment Loan Fund  
[Empire State Development Funds]

Amount: outstanding balance on 8/5/2024 is \$129,527.58

Loan Term: loan matures 11/1/2031

Loan Rate: 1%

Loan Payment: monthly principal and interest payments of \$1,544.06

Collateral: first mortgage and assignment of rents and leases on 201  
Vollum Road, Sackets Harbor, NY 13685 (parcel #81.77-1-  
27.7)

Conditions: Personal Guaranty of Alex Morgia, corporate guaranty of  
operating entity to be formed, if any.  
Lawler Realty to repay DANC a portion of the grant per the  
recapture provision in the Grant Disbursement Agreement

Development Authority of the North Country  
August 13, 2024

<b>BORROWER:</b>	Alex Morgia, <b>or</b> New Company to be Formed
<b>PERSONAL ADDRESS:</b>	301 N. Morgia Drive, Sackets Harbor, NY 13685
<b>PROJECT ADDRESS:</b>	201 Vollum Road, Sackets Harbor, NY 13685 (parcel #81.77-1-27.7)
<b>PROGRAM:</b>	North Country Redevelopment Fund
<b>AMOUNT REQUESTED:</b>	\$129,527.58 loan as of 8/5/2024
<b>LOAN TERM:</b>	Monthly principal and interest. Loan matures 11/1/2031
<b>INTEREST RATE:</b>	1%
<b>PRIMARY COLLATERAL:</b>	First mortgage on real estate located at 201 Vollum Road (parcel #81.77-1-27.7)
<b>OWNERSHIP:</b>	Alex Morgia – 100%
<b>GUARANTORS:</b>	Alex Morgia and any operating company to be formed

SOURCES:		USES:	
DANC-Redevelopment Fund	<u>129,527</u>	Assume Loan	<u>129,527</u>
Total Sources	\$129,527	Total Uses	\$129,527

**PROJECT OVERVIEW:**

Alex Morgia is purchasing several properties from Lawler Realty LLC including the building located at 201 Vollum Road. He is requesting the ability to assume the Redevelopment Loan from Lawler Realty.

Lawler Realty received \$500,000 (\$250,000 loan/\$250,000 grant) from the Redevelopment Fund to renovate, upgrade and reopen the former Madison Barracks Health Club in partnership with the Watertown Family YMCA. The loan closed on October 19, 2016. The term is for 15 years at 1%. The current principal balance is \$129,527.58. There is also a 10-year declining recapture provision on the grant portion. Lawler Realty has held the property for 94 months which equates to a 30% recapture, or \$75,000. This will go down to 20% after October 19, 2024. The YMCA pulled out of the Sackets Harbor location in October 2022.

Alex Morgia owns several businesses in Sackets Harbor including the Harbor House Inn. He is also the mayor for the village. Mr. Morgia plans to purchase, in addition to this property, The Marina Inn & Suites located adjacent to this property. The Marina Inn & Suites includes a hotel, boating marina, and will incorporate the former YMCA building. Mr. Morgia plans to convert this property to a spa and fitness center which will complement the hotel and marina.

Alex Morgia

Development Authority of the North Country  
August 13, 2024

The YMCA building already provides essential amenities to marina customers, including bathroom and shower facilities. It also houses two current tenants who offer dance and sports lessons for children. Once transformed, the spa will offer paid services and gym memberships, as well as space rentals for athletic lessons and activities. The gym will provide keyless access, while the spa will welcome walk-ins during set hours and appointments.

The primary market consists of tourists visiting Sackets Harbor, event attendees, and wedding guests. By keeping the hotel open year-round, Mr. Morgia can add weddings in the shoulder seasons. The new spa and gym will serve hotel and marina customers, as well as locals, offering premium services currently unavailable in the area.

Mr. Morgia faces competition from other accommodations, such as the 1000 Islands Harbor Hotel, as well as chain hotels in Watertown. However, the unique combination of historical charm, personalized service, and comprehensive amenities sets them apart. The strategic location, rebranding efforts, and commitment to high service standards are key factors in their success.



The Marina Inn & Suites operations will be managed by the same team that operates the Harbor House Inn. In his first year operating the hotel, he posted a profit of \$191,000. Mr. Morgia is on track to do 40% more than that this year. He has been able to leverage students and teachers in the summer to provide seasonal help. As he grows the shoulder seasons and winter stays, he will be able to add more full-time, year-round rolls.

The purchase price for the properties is \$2.2 million. Mr. Morgia will pay \$220,000 at closing and \$1,980,000 will be financed by the seller with a mortgage for a term of 5 years amortized over 25 years. Years 1-3 payments will be interest-only at 3.5% per year; years 4-5 principal and interest payments at a rate of 4.5% will be due. In speaking with Mike Campbell with Lawler Realty, Lawler

Realty will allow DANC to retain its first mortgage on the real estate. Lawler will hold a note on the remaining properties. While there is a recapture provision, Mr. Morgia is willing to assume this responsibility from the seller. He is going to invest in the properties and, ultimately, the building will be put to a good use consistent with the original intent of the funding which was to bring a blighted building back into productive use.

**FINANCIAL ANALYSIS:**

**Income Statement**

FYE December 31	<b>Projected</b>	<b>Projected</b>
	<b>Year One</b>	<b>Year Two</b>
Revenues	\$514,935	\$656,685
Expenses	\$288,480	\$277,732
Net Income	\$226,455	\$378,953
Add: Interest	\$67,000	\$52,000

Development Authority of the North Country  
August 13, 2024

Cash Available for Debt Service	\$293,455	\$430,953
DANC Redevelopment Loan	\$18,529	\$18,529
Seller Financing	\$69,300	\$69,300
Total Permanent Loans	\$87,829	\$87,829
<b>Debt Service Coverage Ratio</b>	3.34	4.90

Seller Financing-Interest only first 36 months at 3.5%, \$5775/month  
DANC Redevelopment Loan-15 years at 1%, \$1544.06/mo

- Assumptions based upon the first full year of operation.
- Projected revenue assumes:

Summer Hotel Style Rentals	\$ 365,310	\$ 365,310
Room Rate Average	\$ 275	\$ 275
Summer Season Length (days)	90	90
Occupancy Rate	82%	82%
Room Count	18	18
Winter Room Rentals	\$ 70,875	\$ 212,625
Room Rate Average	\$ 175	\$ 175
Winter Season Length (non-holiday)	225	225
Occupancy Rate	10%	30%
Room Count	18	18
Holiday / Wedding Weekend Rentals	\$ 78,750	\$ 78,750
Room Rate Average	\$ 250	\$ 250
Holiday & Winter Wedding Block	50	50
Occupancy Rate	35%	35%
Room Count	18	18

- He projects the occupancy rate to increase in the winter months due to high demand for fall & spring weddings. They have also taken over the Barracks Inn wedding venue next door to this facility, so they are able to competitively price full package weddings.
- Primary expenses include payroll of \$84,000 in years one and two; taxes of \$32,000 in years one and two; insurance of \$32,000 in years one and two; heat and electric of \$15,000 in years one and two; and credit card processing fees of \$15,480 in year one and \$19,732 in year two. The payroll accounts for 1.5 FTE (likely 2 part-time year-round and 6 part-time seasonal). Mr. Morgia will be sharing the positions of marketing and groundskeeper between the Marina Hotel and the Harbor Hotel which is less than a half mile down the road. He is basing his expenses for the Marina Hotel from his actual expenses for the Harbor Hotel.
- If projections hold true there is sufficient cash flow to repay the Authority's debt. Even in year 4 when the seller's note becomes regular P&I payments of \$11,005 per month. There would be sufficient cash to repay all debt.

Development Authority of the North Country  
August 13, 2024

- It is likely the Applicant will look to refinance the project before the seller’s note is due. There did not appear to be a prepayment penalty in the purchase agreement.

	<b>At Closing</b>
Current Assets	\$0
Fixed Assets	\$2,200,000
Total Asset	\$2,200,000
Current Liabilities	\$17,370
Long Term Liabilities	\$2,092,157
Total Liabilities	\$2,109,527
Equity	\$90,473
Total Equity and Liabilities	\$2,200,000

- The balance sheet assumes that the entire purchase price is going toward fixed assets. The applicant is purchasing 4 parcels which includes the subject parcel of the NCEDF funding.
- The current liability is the current portion of the Redevelopment Loan. The Seller loan is interest only in the first year.
- The long-term debt includes the Seller loan and Redevelopment Loan.
- While the applicant is paying \$220,000 in cash to the Seller at closing, the equity is reduced by assuming the Redevelopment Loan.

**MANAGEMENT:** Mr. Morgia lists \$9.7 million in assets and \$6.8 million in liabilities. Primary assets are in cash and other retirement accounts, and real estate of \$9.4 million. Liabilities are primarily mortgages of \$6.6 million. Mr. Morgia has a TransUnion credit score of 642 with no derogatory comments or public records. He shows total liabilities of \$119,576 with \$83,789 in revolving credit. He lists income of \$220,000 with real estate income of \$500,000.

**COLLATERAL:**

	<b>Market</b>	<b>Discount</b>
Building	\$346,800	
Discounted at 70%		\$242,760
DANC Redevelopment Loan (\$250,000 mortgage)	\$129,527	\$129,527
LTV :	37%	53%

An appraisal dated 6/13/2016 provided a fair market value of \$346,800 for the building prior to the improvements made in 2016. The current assessed value for the land is \$28,300 and the assessed value for the property is \$228,000 with a full market value of \$250,549 per the Jefferson County Real Property Records.

**CONDITIONS:**

- First mortgage on parcel #81.77-1-27.7
- Guaranty of Alex Morgia, and any operating entity to be formed
- Lawler Realty must repay a portion of the grant per the recapture provision in the Grant Disbursement Agreement.

**STAFF RECOMMENDATION:** Staff recommends the assumption of the loan by Alex Morgia with a new company to be formed at the terms and conditions described above. The Regional Loan

Development Authority of the North Country  
August 13, 2024

Committee requires that Lawler Realty repay a portion of the grant per the recapture provision in the Grant Disbursement Agreement.