

North Country Alliance Local Development Corporation  
Profit & Loss  
Budget 2020, Actual 2020, and Budget 2021

		ESD SBRLF			RBEG			UDC			Unclassified			USDA IRP			TOTAL			Notes to budget attached
		Budget 2020	Actual 2020	Budget 2021	Budget 2020	Actual 2020	Budget 2021	Budget 2020	Actual 2020	Budget 2021	Budget 2020	Actual 2020	Budget 2021	Budget 2020	Actual 2020	Budget 2021	Budget 2020	Actual 2020	Budget 2021	
Income																				
	Application Fees	0	0	0	0	0	0	500	300	400	0	0	0	500	300	400	1,000	600	800	4 applications at \$200 each
	Bank Interst Income	670	294	294	51	41	41	394	138	138	428	103	103	792	270	270	2,335	846	846	Assumes bank deposit average from 2020 (Should exceed) (Deposit interest down due to COVID-19 delays in processing)
	Committment Fees	0	0	0	0	188	0	3,750	2,156	3,000	0	0	0	3,750	1,369	3,000	7,500	3,712	6,000	Assumes \$400,000 in closings at 1.5%
	Late Fees	300	358	358	0	94	94	0	0	0	0	0	0	700	569	569	1,000	1,020	1,021	Assumes FY 2020 Budget
	Loan Interest Income	39,412	25,019	32,771	2,977	1,983	3,959	11,436	11,328	19,335	0	0	0	65,841	53,957	59,656	119,666	92,287	115,721	Based on current loans with no new loans (FY 2020 impacted by COVID 19 P&I moratoriums)
	Membersip Dues Income	0	0	0	0	0	0	0	0	0	14,625	14,750	14,750	0	0	0	14,625	14,750	14,750	Assumes FY 2020 membership in notes
	Other Income																			
	NCA Meetings	0	0	0	0	0	0	0	0	0	7,000	0	7,000	0	0	0	7,000	0	7,000	Based on Annual Meeting Sponsorships and Fall Forum from 2019
	NCREDC Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Recovery of Bad Debt			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	The NCA may show a recovery in FY 2021 from LKR Enerprises although that figure is unknown
Total Income		40,382	25,670	33,423	3,028	2,305	4,094	16,080	13,922	22,873	22,053	14,853	21,853	71,583	56,464	63,895	153,126	113,215	146,138	
Gross Profit		40,382	25,670	33,423	3,028	2,305	4,094	16,080	13,922	22,873	22,053	14,853	21,853	71,583	56,464	63,895	153,126	113,215	146,138	
Expense																				
	Audit	1,802	1,743	1,547	0	0	0	689	666	1,271	0	0	0	2,809	2,716	2,707	5,300	5,125	5,525	Based on contract of \$5,400 with a \$125 legal letter
	Conference Calls	286	239	197	0	0	0	109	92	162	0	0	0	445	373	345	840	704	704	We utilize the conference number for Communications Committee and BOD meeting
	Dues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No longer pay any dues
	General & Administrative																			
	Legal	1,000	0		0	0	0	0	1,000	500	0	0	0	1,000	0	500	2,000	1,000	1,000	
	Registration Fee (CHAR 500)	264	315	273	0	0	0	101	120	224	0	0	0	411	490	478	775	925	975	Based on contract \$700 with \$275 filing fee
	Supplies	73	0	0	0	0	0	28	945	300	0			114		200	215	945	500	Credit reports for FY 2020 were higher due to COVID-19 Working Capital Program
	NCREDC Plan	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	NCREDC is no longer billing through the NCA
	UCC Filings	88	10	73	0	0	0	34	0	60	0	0	0	138	22	127	260	32	260	Assumes UCC Filings from 2019
	Website	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Covered under CITEC Portfolio Management
	Insurance																			
	Surety Bond	0	0	0	0	0	0	0	0	0	0	0	0	1,646	1,645	1,645	1,846	1,645	1,645	Based on current policy
	D&O Policy	485	485	399	0	0	0	185	185	328	0	0	0	755	755	698	1,425	1,425	1,425	Based on current policy
	Interest Paid to ESD	17,500	8,750	17,500	0	0	0	0	0	0	0	0	0	0	0	0	17,500	8,750	17,500	Assumes both interest only payments
	Interest Paid to USDA	0	0	0	0	0	0	0	0	0	0	0	0	15,287	15,287	13,794	15,287	15,287	13,794	Based on 1% of USDA Loans Payable of \$1,379,450.48
	Meeting Expenses	0	0	0	0	0	0	0	0	0	7,000	491	7,000	0	0	0	7,000	491	7,000	Based on FY 2019 in lieu of meetings in 2020
	Portfolio Management																			
	DANC	16,893	16,892	13,912	0	0	0	6,459	6,459	11,427	0	0	0	26,333	26,333	24,345	49,684	49,684	49,684	Assumes FY 2020 Freeze
	CITEC	3,917	3,917	3,226	0	0	0	1,498	1,498	2,650	0	0	0	6,106	6,106	5,645	11,520	11,521	11,521	Assumes FY 2020 Freeze
Total Expense		42,306	32,350	37,127	0	0	0	9,102	10,966	16,922	7,000	491	7,000	55,043	53,728	50,484	113,452	97,535	111,533	
Net Income		-1,924	-6,680	-3,704	3,028	2,305	4,094	6,978	2,956	5,951	15,053	14,362	14,853	16,540	2,737	13,411	39,675	15,680	34,605	
																				NCA 2020 Expense Allocations
																				USDA
																				49%
																				ESD
																				28%
																				UDC
																				23%
																				100%

## Income

### Application Fees

- Budget 2020 - \$1,000
- Actual 2020 - \$600 – Reduced lending due to COVID-19 from conventional loan program.
- **Budget 2021 - \$800 - Budget for 4 loans at \$200 each in 2021.**

**Allocations (Budget 2021) \$400 USDA; \$400 UDC**

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### Bank Interest Income

- Budget 2020 - \$2,335 – Based on previous years deposits and bank interest with daily deposits
- Actual 2020 - \$846 – Bank deposits were delayed and in bulk due to COVID-19.
- **Budget 2021 - \$846 (Assumes the bank deposit average from 2020 at an APY of .15%)**
  - o **This figure should end up being higher towards the budget 2020 figure**

**Allocations (Budget 2021): \$270 USDA IRP, \$294 ESD SBRLF, \$138 UDC, \$103 Unclassified, and \$41**

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### Commitment Fees

- Budget 2020 - \$7,500
- Actual 2020 - \$3,712 Reduced lending due to COVID-19 and waiver of fees for the Emergency COVID-19 Working Capital Program
- **Budget 2021 – \$6,000 Assumes \$400,000 in new lending at 1.5%**

**Allocations (Budget 2021): \$3,000 USDA; \$3,000 UDC \$0 ESD SBRLF; \$0 RBEG**

*(Funding Source allocations are subject to change based on requests).*

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#### **Late Fees**

- Budget 2020 - \$1,000
- Actual 2020 - \$1,020
- **Budget 2021 - \$1,021 (Based on late fees from Actual 2020)**

**Allocations (Budget 2021): \$569 USDA; \$358 ESD SBRLF; \$0 UDC; \$94 RBEG**

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#### **Loan Interest Income**

- Budget 2020 - \$119,666
- Actual 2020 - \$92,287 (Rounded)
  - o Loan interest income was reduced as the NCA provided principal and interest payment relief to customers requesting relief.
- **Budget 2021 - \$115,721 (Rounded) (Does not factor in any additional loan closing in 2021). The projected loan interest income has loans that are delinquent and/or are uncertain to pay removed from the analysis.**

**Allocations (Budget 2021): \$59,656 USDA; \$32,771 ESD SBRLF; \$19,335 UDC; \$3,959 RBEG**

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#### **Membership Dues**

- Budget 2020 - \$14,625
- Actual 2020 - \$14,750 (39 Members \$250, 10 Members \$500)
- **Budget 2021 – Assumes \$14,750 (39 Members \$250, 10 Members \$500)**

#### **ALL unclassified**

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#### **Other Income**

- Budget 2020 – Typically the NCA budgets \$7,000 annually for in person meetings.

- Actual 2020 – Thus far in 2020 the NCA has not had any in person meetings requiring sponsorships. We may receive some sponsorships for the Fall 2020 Forum.
- **Budget 2021**
  - o **Budget \$7,000 in meeting sponsorships (Assumes FY 2019/2020 budget)**
  - o **Currently the Communications Committee has an approximate surplus balance of \$4,818.54 carried forward from FY 2020.**

#### **Allocations Unclassified.**

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#### **Recovery of Bad Debt**

- Budget 2020 – The NCA did not expect any bad debt recoveries in FY 2020.
- Actual 2020 – The NCA did not receive any bad debt recoveries in FY 2020.
- **Budget 2021 – The NCA could possibly receive a recovery of bad debt from LKR Enterprises, however, that figure is unknown.**

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### **Expenses**

Previous Allocations Budget Year FY 2020 – USDA 53%, ESD SBRLF 34%, UDC 13% (Based on total projected loans receivable as of 12/31/2019 for each funding source)

**Allocations Proposed for 2021 Budget – USDA 49%, ESD SBRLF 28%, UDC 23% (Based on total projected loans receivable as of 12/31/2020 for each funding source)**

#### **Audit**

- Budget 2020 (Based on Audit Contract/RFP)
  - o Audit \$5,000
  - o Barclay Damon \$300
  - o Total \$5,300
- Actual 2020 (Based on Audit Contract/RFP)
  - o Audit \$5,000
  - o Barclay Damon \$125
  - o Total \$5,125
    - Note: Barclay Damon charged us \$175 less for the legal letter in FY 2020
- **Budget 2021 (Based on Audit Contract/RFP)**
  - o **Audit \$5,400**
  - o **Barclay Damon \$125**

- **Total** **\$5,525**

**Budget 2021 Allocations: \$2,707 USDA IRP; \$1,547 ESD SBRLF, and \$1,271 UDC**

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#### **Conference Calls**

- Budget 2020 - \$840
- Actual 2020 - \$704
- **Budget 2021 - \$704 based on 2020 projected/actual utilization.**

**Allocations (Budget 2021): \$445 USDA; ESD SBRLF; \$109 UDC**

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#### **Dues**

NCA no longer pays membership dues to any organization.

**Allocations (Budget 2021): \$0**

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#### **General and Administrative**

- Budget 2020 - \$3,250
- Actual 2020 - \$2,753
  - Difference of \$497 from Budget 2020
  - Registration Fee – CHAR 500 - \$925
    - \$650 filing fee and \$275 filing fee. Filing fee \$150 higher moving forward.
  - Supplies – Credit Reports - \$945
  - UCC Filings - \$32 – Lower than budget by \$228
  - NCREDC is no longer billing through NCA
- **Budget 2021 - \$2,735**
  - **Legal - \$1,000 (\$500 USDA, \$500 UDC)**
    - At time of budget there were no outstanding legal fees.
  - **Registration fee for CHAR 500 - \$975 (\$700 CHAR 500 and \$275 filing fee)**
  - **Supplies – Credit Reports: \$500 (\$114 USDA; \$73 ESD SBRLF; \$28 UDC)**
    - Credit reports for FY 2020 were higher due to COVID-19 Working Capital Program.

- This would typically include letterhead although we ordered in 2018 and do not require any in FY 2021
  - **UCC Filings - \$260 (\$138 USDA; \$88 ESD; \$34 UDC)**
  - **NCREDC is no longer billing through NCA.**
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## Insurance

- Budget 2020 - \$3,071
  - Actual 2020 - \$3,071
  - Budget for 2021 is \$3,071**
    - **Fidelity Bond is \$1,646 (USDA IRP)**
    - **D&O Insurance is \$1,425 (\$755 USDA IRP, \$485 ESD SBRLF, and \$185 UDC)**
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## Interest Paid to ESD SBRLF

- Budget 2020 - \$17,500 (100% ESD SBRLF)
  - Actual 2020 - \$8,750 (100% ESD SBRLF)
    - Received 6 months of interest payment deferment for 2020
  - **Budget 2021 - \$17,500 (100% ESD SBRLF)**
    - *This could change if ESD SBRLF SBRLF makes us pay back their funds.*
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## Interest Paid USDA

- Budget 2020 - \$15,287
  - Actual 2020 - \$15,287
  - **Budget for 2021 is \$13,794 (assumes 1% of \$1,379,450.48) (100% USDA)**
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## Meeting Expenses

- Budget 2020 - \$7,000 (Unclassified)
- Actual 2020 - \$491 – leather coasters for future presenters
- **Budget 2021 - Keep at 2019 levels: \$7,000 (Unclassified)**

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## Portfolio Management

- Budget 2020

○ CITEC	\$11,520
○ <u>DANC</u>	<u>\$49,684</u>
○ Total	\$61,205

- Actual 2020

○ CITEC	\$11,520
○ <u>DANC</u>	<u>\$49,684</u>
○ Total	\$61,205

- **Budget 2021 (Assumes Freeze FY 2020 levels)**

○ <b>CITEC</b>	<b>\$11,520</b>
○ <b><u>DANC</u></b>	<b><u>\$49,684</u></b>
○ <b>Total</b>	<b>\$61,205</b>

**Budget 2020 Allocations: \$29,990 USDA IRP; \$17,138; \$14,077 UDC**

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