



Energy Improvement Corporation

Meeting of the Board Minutes: September 9, 2015

A Meeting of the Board of Directors of EIC was held on Wednesday, September 9, 2015, at 16 Croton Avenue, Municipal Building, 1st Floor Board Room, Ossining, NY 10562.

ROLL CALL

A roll call was taken and the meeting was called to order by Susanne Donnelly, Chair, at 8:04am.

BOARD MEMBERS PRESENT:

Chris Burdick (Skype)	Michael A. Genito
Susanne Donnelly	Peter Parsons
	Charles B. Strome, III

ABSENT

Paul Feiner	Steve Neuhaus
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OTHERS PRESENT:

Kathryn Hoenig	Kim Kowalski	Mark Thielking
Dan Killourhy	Harry Porr	Linda Whitehead

MINUTES

On a motion by Peter Parsons and seconded by Michael A. Genito, it was unanimously agreed to approve the July 1, 2015, Board of Director’s meeting minutes. All in favor, so be it

RESOLVED that the EIC Board of Director’s meeting minutes of 7/1/15 is approved and accepted by the Board of Directors of which a copy is attached. *(Attachment A)*

Ayes: 4 Nays: 0 Abstained: Charles B. Strome, III

NEWEST BOARD MEMBER

On a motion by Charles B. Strome, III, and seconded by Peter Parsons, it was unanimously agreed to name Joe Mareane, Tompkins County Manager, as the newest Board member of EIC, Class II, with a two-year term until the next annual meeting of the members or until his earlier resignation or removal. Suzanne Donnelly, EIC Board Chairperson, will welcome Joe Mareane to the Board. All in favor, so be it

RESOLVED that Joe Mareane is elected to serve as a Class II director of the EIC Board until the Annual Meeting of Members or until his earlier resignation or removal.

Ayes: 5 Nays: 0

DECLARATION OF INTENT FOR OWENSVILLE

On a motion by Peter Parsons and seconded by Chris Burdick, it was unanimously agreed to authorize Mark Thielking, EIC Executive Director, to sign the Declaration of Official Intent for the use of QECB proceeds in connection with the Owensville project financing.

WHEREAS, United States Treasury Regulations §1.150-2 (the “Reimbursement Regulations”) prescribe conditions under which proceeds of bonds, notes or other obligations (“Bonds”) used to reimburse advances made for capital and certain other expenditures (“Original Expenditures”) paid before the issuance of such Bonds will be deemed to be expended (or properly allocated to expenditures) for purposes of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the “Code”), upon such reimbursement so that the proceeds so used will no longer be subject to requirements or restrictions under those sections of the Code; and

WHEREAS, certain provisions of the Reimbursement Regulations require that there be a Declaration of Official Intent not later than 60 days following payment of the Original Expenditures expected to be reimbursed from proceeds of Bonds, and that the reimbursement occur within certain prescribed time periods after an Original Expenditure is paid or after the property resulting from that Original Expenditure is placed in service; and

WHEREAS, Direct Pay Tax Credit Bonds (as defined in Internal Revenue Service Notice 2010-35) that are issued to reimburse otherwise eligible expenditures for qualified purposes under the Reimbursement Regulations that were paid or incurred after March 18, 2010, the date of enactment of the Hiring Incentives to Restore Employment Act, Pub. L. No. 111-147, 124 Stat. 71 (2010) (the "HIRE Act") and that were financed originally with temporary short-term financing issued after the date of enactment of the HIRE Act will not be treated as a refunding issue under Treasury Regulations §§ 1.150-1(d) or 1.150-2(g); and

WHEREAS, this Board wishes to take steps to comply with the Reimbursement Regulations;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Energy Improvement Corporation (the "Issuer") as follows:

Section 1. Definitions. The following definitions apply to the terms used herein:

"Authorized Officer" means the Executive Director, Chief Operating Officer or any person designated for the purpose by the Board of Directors.

"Declaration of Official Intent" means a declaration of intent, in the form, manner and time contemplated in the Reimbursement Regulations, that the advances for expenditures referred to therein are reasonably expected to be reimbursed from the proceeds of Bonds to be issued after those expenditures are paid.

"Reimbursement" or "reimburse" means the restoration to the Issuer of money temporarily advanced from its own funds and spent for Original Expenditures before the issuance of the Bonds, evidenced in writing by an allocation on the books and records of the Issuer that shows the use of the proceeds of the Bonds to restore the money advanced for the Original Expenditures. "Reimbursement" or "reimburse" generally does not include the refunding or retiring of Bonds previously issued and sold to, or borrowings from, unrelated entities, other than the use of proceeds of Direct Pay Tax Credit Bonds to reimburse otherwise eligible expenditures for qualified purposes under the Reimbursement Regulations that were paid or incurred after March 18, 2010, the date of enactment of the HIRE Act and that were financed originally with temporary short-term financing issued after the date of enactment of the HIRE Act.

Section 2. Authorization and Requirement of Declarations of Official Intent. Each Authorized Officer is authorized to prepare and sign Declarations of Official Intent in substantially the form attached hereto as Attachment B with respect to Original Expenditures to which the Reimbursement Regulations apply, to be made from money temporarily advanced and that is reasonably expected to be reimbursed (in accordance with applicable authorizations, policies and practices) from the proceeds of Bonds, to make appropriate reimbursement and timely allocations from the proceeds of the Bonds to reimburse such Original Expenditures, and to take any other actions as may be appropriate, all at the times and in the manner required under the Reimbursement Regulations in order for the reimbursement to be treated as an expenditure of such proceeds for purposes of Sections 103 and 141 to 150 of the Code. No advance from any fund or account or order for payment may be made for Original Expenditures (other than expenditures excepted from such

requirement under the Reimbursement Regulations) that are to be reimbursed subsequently from proceeds of Bonds unless a Declaration of Official Intent with respect thereto is made within the time required by the Reimbursement Regulations.

Ayes: 5 Nays: 0

PROJECT FINANCINGS: AERODROME DEVELOPMENT CORPORATION PROJECT, NATLEW CORPORATION AND BUDLI BUILDINGS, LLC

On a motion by Michael A. Genito and seconded by Chris Burdick, it was unanimously agreed to approve the financing of the Aerodrome Development Corporation solar project, in Middletown, Orange County, in the amount of \$60,453.22 on substantially the same terms and conditions as presented at this meeting and in the attached Summary Term Sheet (*Attachment C*).

On a motion by Chris Burdick and seconded by Charles B. Strome, III, it was unanimously agreed to approve the financing of the NatLew Corporation oil to gas conversion project in a multi-family housing building in Mount Vernon in the amount of \$210,002.00, substantially on the terms and conditions as presented at this meeting of which the Summary Term Sheet is attached (*Attachment G*).

On a motion by Chris Burdick and seconded by Peter Parsons, it was unanimously agreed to approve the financing of the Budli Building LLC solar project in Bedford Hills, in the amount of \$30,302.48 substantially on the terms and conditions presented at this meeting and in the Summary Term Sheet attached (*Attachment K*).

WHEREAS, the Energy Improvement Corporation (the “Corporation”) is a New York not for profit corporation established as a local development corporation pursuant to section 1411 of the Not-For-Profit Corporation Law, for the purpose of assisting Participating Municipalities (as defined herein) in implementing Article 5-L of the General Municipal Law (“Article 5-L”) thereby promoting the public good by reducing greenhouse gas emissions, mitigating the effect of global climate change and lessening the burdens of government; and

WHEREAS, Article 5-L authorizes the governing body of the Participating Municipality, by Local Law (as defined herein), to “establish a sustainable energy loan program using federal grant assistance or federal credit support available for this purpose (the “Program”) and to provide financing to the owners of real property (“Property Owner”) located within the Participating Municipality to finance the installation of “renewable energy systems” and “energy efficiency improvements” as well as the costs of an “energy audit” or a “renewable energy system feasibility study” (as all those terms are defined in Article 5-L and referred to herein as the “Energy Improvements”); and

WHEREAS, “Participating Municipality,” as referred to herein, means each of the following municipal corporation(s) in the State of New York that have: (1) established by local law (“Local Law”), pursuant to Article 5-L, the Energize NY Benefit Financing Program (the “Program”) to provide financing to Property Owners located within the Participating Municipality to finance Energy Improvements through Finance Agreements (as hereinafter defined); and (2) executed the municipal agreement, which authorizes the Corporation to act on behalf of the Participating Municipality to carry out the Program and to enter Finance Agreements with Property Owners for financing energy improvements under the Program (the “Municipal Agreement”): ORANGE COUNTY, CITY OF MOUNT VERNON AND TOWN OF BEDFORD; and

WHEREAS, pursuant to the Local Law, a Property Owner who is qualified to participate in the Program and chooses to undertake and finance Energy Improvements under the Program is required to enter into a finance agreement with the Corporation acting on behalf of the Participating Municipality (the “Finance Agreement”); and

WHEREAS, pursuant to the Municipal Agreement, the Corporation is responsible for, among other things, the receipt and review applications submitted by a Property Owner within the Participating Municipality for financing of Energy Improvements, the approval or disapproval of such applications in accordance with underwriting procedures and requirements established by the Corporation and the execution of Finance Agreements on behalf of the Participating Municipality, which Finance Agreements shall set forth the terms and conditions for the disbursement and repayment of financing and the duties and obligations of each Property Owner and the Corporation with respect to the acquisition, construction and installation of Energy Improvements; and

WHEREAS, the Corporation has reviewed the Finance Agreements and Summary Term Sheets attached hereto as Attachments C, D and E and determined that the Energy Improvements to be financed thereunder comply with the Program and has further reviewed the terms and conditions in such Finance Agreements for the disbursement and repayment of financing and the duties and obligations of each Property Owner and the Corporation with respect to the acquisition, construction and installation of the Energy Improvements;

WHEREAS, the Corporation has reviewed the terms and conditions set forth in the Form of Proposed Notices of Sale to Bank of America Leasing Corporation and the Draft Bond Specification Agreements, copies of which are attached as Attachments F, G, H, I, J, and respectively, relating to the financing to be provided by the Corporation to the property owners specified in the attached Finance Agreements;

WHEREAS, the Corporation has reviewed the Draft Rate Lock Agreements with Bank of America Leasing Corporation, attached hereto as Attachments L, M and N, respectively, and determined that it is advisable to enter into the Rate Lock Agreements in order to limit the Corporation’s exposure to interest rate fluctuations in conjunction with the financings specified in the attached Finance Agreements and has reviewed the terms and conditions set forth in such Rate Lock Agreement; and

WHEREAS, based upon the aforesaid review, the Corporation now desires to authorize the execution and delivery of Finance Agreements, Form of Notices of Sale, Draft Bond Specification Agreements and Draft Rate Lock Agreements, substantially on the terms and conditions set forth therein.

NOW, THEREFORE, BE IT RESOLVED by the Energy Improvement Corporation, as follows:

Section 1. Approval and Authorization. The terms and conditions of the financing set forth in the Finance Agreements (Attachments, C, D, and E) and of the Form of Proposed Notice of Sale (Attachments F, G, and H), the Bond Specification Agreements (Attachments I, J, and K) and the Rate Lock Agreement (Attachment L, M and N) are hereby approved and the Executive Director and Chief Operating Officer of the Corporation are hereby authorized and directed to execute and deliver the Finance Agreements, the Proposed Notices of Sale, the Bond Specification Agreements and the Rate Lock Agreements substantially in the forms attached hereto.

Section 2. Ratification. All actions previously taken by the officers of the Corporation to carry out the intent and purposes of the actions set forth in this Resolution are hereby ratified and affirmed.

Ayes: 5 Nays: 0

2015 JUNE/JULY FINANCIAL STATEMENTS

On a motion by Chris Burdick and seconded by Michael A. Genito, it was unanimously agreed to accept the 2015 June/July Financial Statements as presented at this meeting. All in favor, so be it

RESOLVED that the 2015 June/July Financial Statements as presented at this meeting of which a copy is attached (*Attachment O*) is accepted by this Board.

Ayes: 5 Nays: 0

2016 BUDGET

On a motion by Charles B. Strome, III, and seconded by Chris Burdick, it was unanimously agreed to approve the 2016 Budget as presented at this meeting and authorize the filing of the 2016 budget with the Authority Budgets Office by November 1, 2105. All in favor, so be it

RESOLVED that the 2016 Budget as presented at this meeting of which a copy is attached (*Attachment P*) is approved by this Board and the Board authorizes the filing of the 2016 Budget with the Authorities Budgets Office.

Ayes: 5 Nays: 0

PRESENTATIONS:

MUNICIPAL TAX DELINQUENCY FUND – Mark Thielking provided the Board with an overview and update on the Municipal Tax Delinquency Fund (MTDF) and associated new letter of credit with the NY Green Bank, which is expected to be finalized with shortly. The MTDF is a service EIC will be providing to its members. EIC will pay an annual service fee of \$25K to have the \$5M letter of credit available to fund the MTDF and draws requested by a member municipality prior for protection from property tax delinquencies. Mark Thielking said that the Board may be asked to review and approve the MTDF and Letter of Credit Board via unanimous written consent.

NEW MEMBERS

Mark Thielking gave an update of prospective new members. EIC's legal counsel's review of the membership documents submitted by Ithaca discovered errors in the local law as well as modifications to the municipal agreement thus voiding the document. Legal counsel will review with Ithaca the membership procedures. Ithaca must correct their local law and provide an unchanged municipal agreement and put their request for program limitations in a letter of request to the EIC Board. Mark Thielking said that the Board likely would be asked to sign unanimous written consents to accept City of Ithaca as EIC's newest member since it is expected that Ithaca will complete all membership requirements before the Board meets again in December.

ADDITIONAL FUNDING OPPORTUNITIES - Mark Thielking described the various funding opportunities: 1) NYS Agency Homes of Community Renewal for up to \$500,000 for the EIC Residential program to support affordable and low to moderate housing; 2) Cleaner Greener Category 2 Grant; and 3) Upstate Revitalization Initiative.

PUBLIC COMMENT - None

On a motion by Peter Parsons and seconded by Charles B. Strome, III and all in favor, there being no business before the Board, the meeting adjourned at 9:35am.

Ayes: 4 Nays: 0

NOTE: The next meeting of the EIC Board of Directors will be held on December 2, 2015, at 8:00am at SUNY Orange, 1 Washington Center, Tower Board Room (Room 509), Newburgh, NY 12550



Meeting of the Board Minutes: July 1, 2015

A Meeting of the Board of Directors of EIC was held on Wednesday, July 1, 2015 at 16 Croton Avenue, Municipal Building, 1st Floor Board Room, Ossining, NY 10562.

ADDITIONAL FUNDING OPPORTUNITES

Prior to the commencement of the meeting Mark Thielking updated everyone on additional funding opportunities by providing a description of various opportunities. Cleaner Greener is an annual economic development program and is an additional opportunity this year to apply for municipal specific grants that may possibly support programs like EnergizeNY and Solarize. EIC is currently developing a template for municipal members to submit or EIC to submit on behalf of the municipalities. The Upstate Revitalization Initiative is another opportunity of a five year/\$1.5 billion dollars with \$100 million yearly being allocated to three regions within the state and the Mid-Hudson region is one of them. Regional counsels will be competing to win yearly and EnergizeNY is active or will soon be active in every eligible region competing for this initiative.

ROLL CALL

A roll call was taken and the meeting was called to order by Susanne Donnelly, Chair, at 8:18am.

BOARD MEMBERS PRESENT:

Chris Burdick	Michael A. Genito	Peter Parsons
Susanne Donnelly	Steve Neuhaus (Skype)	

ABSENT

Paul Feiner	Charles B. Strome, III
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OTHERS PRESENT:

Kathryn Hoenig	Jim Liao	Linda Whitehead
Dan Killourhy	Harry Porr	David Kaplan (audience)
Kim Kowalski	Mark Thielking	

MINUTES

On a motion by Peter Parsons and seconded by Chris Burdick, it was unanimously agreed to approve the May 6, 2015, Board of Director's meeting minutes. All in favor, so be it

RESOLVED that the EIC Board of Director's meeting minutes of 5/6/15 is approved and accepted by the Board of Directors of which a copy is attached.

Ayes: 4 Nays: 0 Abstained: Steve Neuhaus

MEMBERSHIP - DUTCHESS COUNTY

The County of Dutchess, upon meeting all membership requirements and EIC having received a written membership request and on a motion by Chris Burdick and seconded by Peter Parsons, it was unanimously agreed to accept the County of Dutchess as the newest member of EIC. All in favor, so be it

RESOLVED that the County of Dutchess is accepted as a member of EIC and the Board Chairman or Corporate Officer is authorized to sign the municipal agreement with the County of Dutchess confirming membership.

Ayes: 5 Nays: 0

COUNTY OF DUTCHESS MUNICIPAL AGREEMENT ARTICLE CONDITION

On a motion by Michael A. Genito and seconded by Chris Burdick, it was unanimously agreed to accept in exercise of Article 3 of the municipal agreement the County of Dutchess' condition of the program be limited to owners of commercial real property, excluding gas stations, within the County of Dutchess. All in favor, so be it

RESOLVED that the Board hereby approves, as discussed at this meeting, the County of Dutchess' Municipal Agreement conditions as stated in Dutchess County Executive, Marcus J. Molinaro, 6/25/15 letter of which a copy is attached.

Ayes: 5 Nays: 0

MEMBERSHIP - TOMPKINS COUNTY

The County of Tompkins, upon meeting all membership requirements and EIC having received a written membership request and on a motion by Chris Burdick and seconded by Michael A. Genito, it was unanimously agreed to accept the County of Tompkins as the newest member of EIC. All in favor, so be it

RESOLVED that the County of Tompkins is accepted as a member of EIC and the Board Chairman, Mark Thielking, is authorized to sign the municipal agreement with the County of Tompkins confirming membership.

Ayes: 5 Nays: 0

COUNTY OF TOMPKINS MUNICIPAL AGREEMENT ARTICLE 3 CONDITIONS

On a motion by Chris Burdick and seconded by Peter Parsons, it was unanimously agreed to accept in exercise of Article 3 of the municipal agreement the County of Tompkins conditions of: first, financing shall not be issued for properties whose owners have failed in the current and/or three previous years to make timely payment of property taxes on any property within Tompkins County in which they have an ownership interest; second, financing shall not be issued for facilities housing a business primarily engaged in the sale of gasoline and/or other petroleum products, nor to other properties deemed by the County to present a high risk of environmental contamination; and third, the cumulative amount of outstanding loans being issued under the municipal agreement shall not at any time exceed \$5 million. All in favor, so be it

RESOLVED that the Board hereby approves, as discussed at this meeting, the County of Tompkins' Municipal Agreement conditions as stated in Tompkins County Administrator, Joe Mareane, 6/25/15 letter of which a copy is attached.

Ayes: 5 Nays: 0

OFFICE LEASE AGREEMENT

On a motion by Chris Burdick and seconded by Peter Parsons, the Board unanimously agrees to approve the lease as presented at this meeting to secure office space in the City of Newburgh for a term of one year for \$1057.50 monthly/\$12690 annually. The office space is necessary to promote expansion outside the Westchester area. The "West of Hudson" office notion was included in the 2014 Cleaner Greener grant proposal. 100% of this expense will be funded from the Cleaner Greener and PON 2646. All in favor, so be it

RESOLVED that the Board approves the lease, attached here, to secure office space at 11 Spring Street, Newburgh, for a term of one year for \$1057.50 monthly/\$12690 annually.

Ayes: 5 Nays: 0

PRESENTATIONS:

OWENSVILLE - There will be a celebration of the A-Home Owensville energy upgrade and the Board will be notified as soon as the date/time has been set. This is the first use of QECB monies as well as QECB's for an affordable housing project.

BUDGET/EXPENSE REPORT - Dan Killourhy gave an overview of the budget stating for the first five months of the year expenses exceeded the actual budget by approximately \$54K or roughly 14% due to higher than expected bond counsel expenses as well as I/T equipment and salary compensation costs. EIC is transitioning from the EFP Grant budget of to the new budget of the Cleaner Greener Grant which will be in effect on June 1st. The next report will be a comparison to the revised budget. The balance sheet shows an increase in equity due to income of \$20K revenue from Solarize and \$2K revenue from the 5 Spoke Creamery financing.

FINANCINGS - Mark Thielking provided the Board with an overview of the imminent financings which may need Board approval through unanimous written consent prior to the September Board meeting. The projects are Wainright House in the City of Rye consisting of two properties awaiting formal lender consent and Regatell in Ossining, a solar project, waiting for a finalized title search.

Mark brought the Board up to date on the Tax Delinquency Fund which is expected to be finalized with the Green Bank shortly. The Fund is a service EIC is providing to its members. EIC will pay an annual service fee of \$25K to have \$5M in funds to be drawn upon by a member municipality prior to the tax collection season for protection from property tax defaults.

Look for possible unanimous written consent to accept New Castle, Beacon and Yonkers as EIC's newest members. Expecting all requirements to be met possibly before the Board meets again in September.

PUBLIC COMMENT - None

On a motion by Chris Burdick and seconded by Peter Parsons and all in favor, there being no business before the Board, the meeting adjourned at 9:35am.

Ayes: 4 Nays: 0

NOTE: The next meeting of the EIC Board of Directors will be held on September 9, 2015, at 8:00am at 16 Croton Ave., Municipal Bldg, 1st Flr Board Rm, Ossining, NY, and via videoconference at 40 Matthews St., Suite 104, Goshen, NY.

DECLARATION OF OFFICIAL INTENT

For Reimbursement of Expenditures from Bonds/Notes

This is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Internal Revenue Code of 1986, as amended (the "Code").

- 1. The undersigned, on behalf of the Energy Improvement Corporation (the "Issuer") declares that the Issuer reasonably expects that the capital and other expenditures described in paragraph 2 (the "Project") will be reimbursed with the proceeds of "bonds" (as defined in Section 150 of the Code). The maximum principal amount of bonds expected to be issued for the Project is \$23,614.94.
- 2. Description of capital and other expenditures to be reimbursed. *[Complete either the first option or the second option but do not use the second option unless the functional purpose of the fund or account is generally descriptive of the purpose of the expenditures.]*

Expenditures for (insert a general functional description of property, project, program or purpose):

Owensville Housing is a 501 (3) (c) entity offers affordable rental housing for low-income older adults and disabled individuals, and apartments for single parent families.

The financing will fund an energy efficiency project that will include perimeter air sealing, attic insulation, and exterior wall insulation. The home will be air sealed with caulking and expanding foam at leak points; existing attic insulation will be replaced with cellulose insulation with an R-Value of 45; and, cellulose will be added to exterior walls.

[OR]

Expenditures initially made from and to be reimbursed to the fund or account entitled _____, the general functional purpose of which fund or account is _____

The undersigned has been authorized by the Issuer to make and sign this Declaration on behalf of the Issuer.

Date of Declaration:

ENERGY IMPROVEMENT CORPORATION

September 9, 2015

By _____
(Signature)

Name: Mark Thielking
Title: Executive Director

Caution: This Declaration of Official Intent will not be effective unless the bonds providing moneys for the reimbursement are issued and the reimbursement for the Project described above is made (by an allocation on the books and records identifying the expenditures as in paragraph 2 above) within the applicable period prescribed in the Treasury Regulations – generally, 18 months after the later of the date of the expenditure or the date the Project is placed in service, but in no event later than three years after the date of the expenditure.

INSTRUCTIONS
for
DECLARATION OF OFFICIAL INTENT
for
Reimbursement From Bonds/Notes

PURPOSE

The form to which these instructions pertain is intended for use under Treasury Regulations §1.150-2 (the “Reimbursement Regulations”) in order that capital and certain other expenditures paid with moneys temporarily advanced from other funds that are reasonably expected to be reimbursed from proceeds of subsequently issued notes, bonds or other obligations (“Bonds”) may qualify for such reimbursement. Failure to comply can result in the inability for federal income tax purposes to treat proceeds of the Bonds used to reimburse the expenditures as spent for arbitrage/rebate purposes or for purposes of determining whether proceeds of a “direct pay tax credit bond” (as defined in Internal Revenue Service Notice 2010-35) have been spent for a “qualified purpose” (as defined in Section 54A(d)(2)(C) of the Internal Revenue Code of 1986, as amended). With certain exceptions for qualified “preliminary expenditures” and certain de minimis expenditures, a Declaration of Official Intent must be made not later than 60 days after payment of any expenditure expected to be reimbursed from proceeds of Bonds. Declarations of Official Intent should not be made systematically for all expenditures or in exaggerated amounts regardless of actual expectations, but only when it is realistically expected that the expenditure will be reimbursed from the proceeds of Bonds. In general only capital expenditures can be reimbursed from the proceeds of Bonds. “Capital expenditures” include (subject to any more restrictive state law) any costs related to the acquisition or construction of land or interests in real estate, buildings, structures, additions thereto, or other permanent improvements, and restoration or betterments made to increase the value of property or substantially prolong its useful life, and machinery, equipment, furniture and fixtures or other property having a useful life of at least one year or such longer period as is required by applicable state law. Costs of issuance of the Bonds are capital expenditures. Certain other expenditures also qualify for reimbursement. The Regulations do not apply to, and this form is not needed in connection with, the use of proceeds of Bonds to finance expenditures paid on or after the date of issuance of the Bonds. This form also generally is not needed in connection with the issuance of Bonds to refinance external borrowings (taxable or tax-exempt), other than the use of proceeds of Direct Pay Tax Credit Bonds (as defined in Internal Revenue Service Notice 2010-35) to reimburse otherwise eligible expenditures for qualified purposes under the Reimbursement Regulations that were paid or incurred after March 18, 2010, the date of enactment of the HIRE Act and that were financed originally with temporary short-term financing issued after the date of enactment of the HIRE Act.

INSTRUCTIONS

These instructions are based on the Reimbursement Regulations currently in effect. The references are to the particular paragraphs on the form of Declaration of Official Intent.

Paragraph 1. Insert the anticipated maximum principal amount of Bonds expected to be issued for the Project. The amount should include the maximum principal amount of all Bonds to be issued for the Project (i.e., Bonds for reimbursement of prior expenditures and Bonds to finance expenditures to be paid on or after the date of issuance of the Bonds). A Project includes any property, project, or program (e.g., highway capital improvement program, hospital equipment acquisition, or school building renovation).

Paragraph 2. The general description of the capital expenditures to be reimbursed may be set forth in one of two ways -- either by a functional description of the property, project or program for which the expenditures are made --

Examples--“highway capital improvement program”; “street and bridge improvements”; “hospital equipment acquisition”; “school buildings renovation”;

or by identification of the fund or account from which the money will be advanced to pay the expenditures that will be reimbursed subsequently from Bonds, and a statement of the general functional purpose of that fund or account --

Example--“parks and recreation fund, the general functional purpose of which fund or account is recreational facility capital improvement program.”

The second option concerning identification and description of the fund can be used where the fund purpose, in effect, describes the generic purpose of the project, property or program, such as a waterworks improvement for which money is advanced from the water utility capital improvement fund. If the money is to be advanced from a general purpose fund such as the general fund or a capital improvements fund that is available for any type of capital improvement, use the first option by stating the generic function of the project, property or improvement.



Board Summary Term Sheet

Applicant/Owner:	Aerodrome Development Corp.
Applicant/Owner Type:	Corporation
Applicant Street Address:	100 Airport Road
City, State, Zip Code	Middletown, NY 10940

Property to be Financed:

Property Street Address	100 Airport Road
City, State, Zip Code	Middletown, NY 10940

Tax Lot/Parcel ID:	73-1-35.23
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Property Appraised Value:	\$3,266,690.00
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Maximum Financing Amount (Limited to 10% of Property Appraised Value)	\$326,669.00
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*If Total Principal Financing Requested exceeds Maximum Financing Amount,
Total Principal Financing Approved is limited to 10% of Appraised Property Value:*

Financing Request by Applicant/Owner:

Financing Amount	\$57,408.10
EIC Fees Paid at Closing	\$2,325.12
EIC Application Fee:	\$300.00
Title Search	\$420.00
Appraisal Fee:	\$0.00
Financing Amount	<u>\$60,453.22</u>
Total Principal Financing Requested:	\$60,453.22

Cash Closing Cost to be paid by Applicant/Owner: (Difference between Principal Approved and Requested)	\$0.00
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Total Principal Financing Approved	<u>\$60,453.22</u>
Capitalized Interest	<u>\$1,652.61</u>
Total Financing Amount	\$62,105.83

Anticipated Funding Date	10/15/15
QEBC Subsidized Annual Interest Rate (Fixed)	Not Applicable

Annual Percentage Rate	5.9338%
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Term (Years)	20
Annual Installments	\$5,294.33
First Annual Installment Payment Due Date	4/1/16
Last Annual Installment Payment Due Date	4/1/35

Disbursement of Funds at Funding Date

Payment to (from) Applicant/Owner

Construction Amount	\$57,408.10
EIC Application Fee (if financed)	\$300.00



Board Summary Term Sheet

Title Search Fee (if financed)	\$420.00
Closing Cost (Due from Applicant/Owner)	\$0.00
Total Net Payment to Applicant/Owner	\$58,128.10
Finance Fee Paid to EIC	\$2,325.12
Capitalized Interest Held by Trustee Bank	\$1,652.61
TOTAL FUNDS DISBURSED	\$62,105.83

Transaction Summary:

Aerodrome Deveopment Corp. owns and operates Randall Airport, a small public-use airport located just outside Middletown, NY, in Orange County. The airport is a general aviation facility, which includes privately owned aircraft, as well as ultra-lights, and gliders. The corporation has been in existence since 1984.

The project consists of a solar photovoltaic installation that is composed of 102 roof-mounted panels and three inverters. The system size is 28.56kW, with an estimated ouput of 36,633 per year.

The project generates both a positive SIR and cash flow greater than 1%. Savings are summarized on the chart on the last page.

Underwriting Checklist:

- SIR > 1: Yes, 2.80. (Average Annual Savings x Term)/(Net Pmt to Owner + Finance Fee + Cap I)
 - $(8690 \times 20)/(62,106) = 2.80$
- Positive Cash Flow > 1%: Yes, 164%. (Net Avg. Annual Savings/Annual Charge)
 - $(3395/5,294) = 64\%$
- LTV: N/A – No outstanding mortgage.
- Lender Consent: N/A. No outstanding mortgage.
- Appraisal: Yes, MAI appraisal of \$3,266,690
- Loan within 10% of appraised property value: Yes, property supports a loan of up to \$326,669.
- Bankruptcy: None, per Title / Bankruptcy search.
- Liens: None, None, per Title / Bankruptcy search
- Tax Defaults: None, None, per Title / Bankruptcy search
- Scope of Work: Signed Contracts
- SEQRA Certificate: Yes.
- Financing repaid over a term not to exceed the weighted average useful life of the improvements: Yes, 10 - year term and WAL of 23.9.

Recommendation Pending: The applicant has provided all required supporting documentation, and this transaction fully adheres to EIC’s underwriting criteria. Based on the foregoing, this transaction is recommended for approval.

Respectfully,

Michael Castracan
Director of Underwriting



Board Summary Term Sheet

Full Cost of Project	103,200
Incentives	<u>45,792</u>
Net Cost	57,408

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Year 14</u>	<u>Year 15</u>	<u>Year 16</u>	<u>Year 17</u>	<u>Year 18</u>	<u>Year 19</u>	<u>Year 20</u>
Tax Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Avoided Electric Costs	\$6,813.82	\$6,983.14	\$7,156.67	\$7,334.52	\$7,516.78	\$7,703.57	\$7,895.00	\$8,091.19	\$8,292.26	\$8,498.32	\$8,709.51	\$8,925.94	\$9,147.75	\$9,375.07	\$9,608.04	\$9,846.80	\$10,091.49	\$10,342.27	\$10,599.27	\$10,862.66
Project Economics	\$6,813.82	\$6,983.14	\$7,156.67	\$7,334.52	\$7,516.78	\$7,703.57	\$7,895.00	\$8,091.19	\$8,292.26	\$8,498.32	\$8,709.51	\$8,925.94	\$9,147.75	\$9,375.07	\$9,608.04	\$9,846.80	\$10,091.49	\$10,342.27	\$10,599.27	\$10,862.66
Annual Tax Charge	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33	\$5,294.33
Net Annual Savings	\$1,519.49	\$1,688.81	\$1,862.34	\$2,040.19	\$2,222.45	\$2,409.24	\$2,600.67	\$2,796.86	\$2,997.93	\$3,203.99	\$3,415.18	\$3,631.61	\$3,853.42	\$4,080.74	\$4,313.71	\$4,552.47	\$4,797.16	\$5,047.94	\$5,304.94	\$5,568.33

Total Project Economics	\$173,794.06
Average Annual Savings	\$8,689.70

SIR (1)	2.80
Cash Flow (2)	64.13%

1. (Average Annual Savings x Term) / (Net prmt to owner + Finance Fee + Cap I)
2. Net Annual Savings/Annual Tax Charge



Board Summary Term Sheet - NATLEW CORP.

Attachment D

Applicant/Owner:	NATLEW Corporation
Applicant/Owner Type:	Corporation
Applicant Street Address:	203 East 4th Street
City, State, Zip Code	Mount Vernon , NY 10553

Property to be Financed:

Property Street Address	203 East 4th Street
City, State, Zip Code	Mount Vernon , NY 10553

Tax Lot/Parcel ID:	169.24-4039-9
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Property Appraised Value:	\$2,100,000.00
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Maximum Financing Amount (Limited to 10% of Property Appraised Value)	\$210,000.00
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*If Total Principal Financing Requested exceeds Maximum Financing Amount,
Total Principal Financing Approved is limited to 10% of Appraised Property Value:*

Financing Request by Applicant/Owner:

Financing Amount	\$201,100.00
EIC Fees Paid at Closing	\$8,077.00
EIC Application Fee:	\$500.00
Title Search	\$325.00
Appraisal Fee:	\$0.00
Taxable Financing Amount	<u>\$210,002.00</u>
Total Principal Financing Requested:	<u>\$210,002.00</u>

Cash Closing Cost to be paid by Applicant/Owner: (Difference between Principal Approved and Requested)	(\$2.00)
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Total Principal Financing Approved	<u>\$210,000.00</u>
Capitalized Interest	<u>\$11,161.35</u>
Total Financing Amount	\$221,161.35

Anticipated Funding Date	11/15/15
QEBC Subsidized Annual Interest Rate (Fixed)	Not Applicable

Annual Percentage Rate	5.4125%
Simple Interest Rate	5.798%

Term (Years)	20
Annual Installments	\$18,824.39
First Annual Installment Payment Due Date	2/1/17
Last Annual Installment Payment Due Date	2/1/36

Disbursement of Funds at Funding Date

Payment to (from) Applicant/Owner	
Construction Amount	\$201,100.00



Board Summary Term Sheet - NATLEW CORP.

EIC Application Fee (if financed)	\$500.00
Title Search Fee (if financed)	\$325.00
Closing Cost (Due from Applicant/Owner)	(\$2.00)
Total Net Payment to Applicant/Owner	\$201,923.00
Finance Fee Paid to EIC	\$8,077.00
Capitalized Interest Held by Trustee Bank	\$11,161.35
TOTAL FUNDS DISBURSED	\$221,161.35

Transaction Summary:

Natlew Corp. owns a residential five-story masonry elevator building in Mount Vernon, NY that contains 22 rental apartments and two retail stores. The building was constructed in 1924 and contains 20,578 square feet.

The project consists of a multi-pronged energy reduction plan that will include:

- Conversion from #2 heating fuel to natural gas
- Window replacement
- Boiler/Furnace replacement
- Independent hot water system
- Insulation of steam supply and condensate return pipes
- Low-flow faucet aerators
- Low-flow showerheads
- Installation of interior and exterior LED lighting
- Installation of 10 Energy Star refrigerators
- Weather stripping installed on exterior doorways

The New York Energy Research and Development Authority (NYSERDA) projects that these measures in combination will decrease electric consumption by 29% per year and fuel by 11%, yielding total source energy reduction of 18%, which amount to annual energy cost savings of \$39,939. As a result, the project generates both a positive SIR and cash flow greater than 1%. Savings are summarized below.

Underwriting Checklist:

- SIR > 1: Yes, 3.6. (Average Annual Savings x Term)/(Net Pmt to Owner + Finance Fee + Cap I)
 - $(39,939 \times 20) / (221,161) = 3.6$.
 - Positive Cash Flow > 1%: Yes, 111%. (Net Avg. Annual Savings/Annual Charge)
 - $(39,939 - 18,824) / 18,824 = 112\%$
 - LTV: N/A – No outstanding mortgage.
 - Lender Consent: N/A. No outstanding mortgage.
 - Appraisal: Yes, MAI appraisal of \$2,100,000.00.
 - Loan within 10% of appraised property value: Yes, property supports a loan of up to \$210,000. Note, however, that capitalized interest is excluded from the financing limit.
 - Bankruptcy: None, per Title / Bankruptcy search.
 - Liens: None, None, per Title / Bankruptcy search
 - Tax Defaults: None, None, per Title / Bankruptcy search
 - Scope of Work: Signed Contracts
 - SEQRA Certificate: Yes.
-



Board Summary Term Sheet - NATLEW CORP.

- Financing repaid over a term not to exceed the weighted average useful life of the improvements: Yes, 20 - year term and WAL of 23.7.

Recommendation Pending: The applicant has provided all required supporting documentation, and this transaction fully adheres to EIC's underwriting criteria. Based on the foregoing, this transaction is recommended for approval.

Respectfully,

Michael Castracan
Director of Underwriting

**Board Summary Term Sheet – Budli Building, LLC**

Applicant/Owner:	Budli Building Corporation
Applicant/Owner Type:	LLC
Applicant Street Address:	264 Adams Street
City, State, Zip Code	Bedford Hills, NY 10507

Property to be Financed:

Property Street Address	264 Adams Street
City, State, Zip Code	Bedford Hills, NY 10507

Tax Lot/Parcel ID:	60.14-3-7
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Property Appraised Value:	\$796,350.00
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Maximum Financing Amount (Limited to 10% of Property Appraised Value)	\$79,635.00
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*If Total Principal Financing Requested exceeds Maximum Financing Amount,
Total Principal Financing Approved is limited to 10% of Appraised Property Value:*

Financing Request by Applicant/Owner:

Financing Amount	\$28,612.00
EIC Fees Paid at Closing	\$1,165.48
EIC Application Fee:	\$200.00
Title Search	\$325.00
Appraisal Fee:	\$0.00
Financing Amount	\$30,302.48
Total Principal Financing Requested:	\$30,302.48

Cash Closing Cost to be paid by Applicant/Owner: (Difference between Principal Approved and Requested)	\$0.00
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Total Principal Financing Approved	\$30,302.48
Capitalized Interest	\$724.60
Total Financing Amount	\$31,027.08

Anticipated Funding Date	10/15/15
QEBC Subsidized Annual Interest Rate (Fixed)	Not Applicable

Annual Percentage Rate	5.2984%
Simple Interest Rate	5.0958%

Term (Years)	12
Annual Installments	\$3,488.01
First Annual Installment Payment Due Date	4/1/16
Last Annual Installment Payment Due Date	4/1/27

Disbursement of Funds at Funding Date

Payment to (from) Applicant/Owner	
Construction Amount	\$28,612.00



Board Summary Term Sheet – Budli Building, LLC

EIC Application Fee (if financed)	\$200.00
Title Search Fee (if financed)	\$325.00
Closing Cost (Due from Applicant/Owner)	\$0.00
<hr/>	
Total Net Payment to Applicant/Owner	\$29,137.00
Finance Fee Paid to EIC	\$1,165.48
Capitalized Interest Held by Trustee Bank	\$724.60
TOTAL FUNDS DISBURSED	\$31,027.08

Transaction Summary:

Budli Building, LLC owns and operates Atlantic Westchester, an HVAC service company located in Bedford Hills, NY. Atlantic Westchester exclusively services commercial and industrial customers in and around the metro New York area and focuses on large-scale HVAC systems, with an emphasis on that intelligent control systems and energy-efficiency. The company has been in existence since 1961.

The project consists of a solar photovoltaic roof-mounted installation sized at 11,985 watts. Estimated annual electric production is 13,079 kWh.

The project generates both a positive SIR and cash flow greater than 1%. Savings are summarized on the chart on the last page.

Underwriting Checklist:

- SIR > 1: Yes, 1.66. (Average Annual Savings x Term)/(Net Pmt to Owner + Finance Fee + Cap I)
 - $(3,787.58 \times 12)/(31,091) = 1.46$.
- Positive Cash Flow > 1%: Yes, 9.6%. (Net Avg. Annual Savings/Annual Charge)
 - $(334.58/3,488) = 9.6\%$
- LTV: Less than 80%: $344,059/796,350 = 43\%$
- Lender Consent: Yes, Key Bank.
- Appraisal: Yes, Town of Bedford 2014 Tax Roll: \$796,350.
- Loan within 10% of appraised property value: Yes, property supports a loan of up to \$79,635.
- Bankruptcy: None, per Title / Bankruptcy search.
- Liens: None, None, per Title / Bankruptcy search
- Tax Defaults: None, None, per Title / Bankruptcy search
- Scope of Work: Signed Contracts
- SEQRA Certificate: Yes.
- Financing repaid over a term not to exceed the weighted average useful life of the improvements: Yes, 12 - year term and WAL of 23.7.

Recommendation Pending: The applicant has provided all required supporting documentation, and this transaction fully adheres to EIC’s underwriting criteria. Based on the foregoing, this transaction is recommended for approval.

Respectfully,
 Michael Castracan
 Director of Underwriting



Board Summary Term Sheet – Budli Building, LLC

Total Cost of System	\$47,723.00												
Incentives	\$4,794.00												
Net Cost	\$42,929.00												
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Tax Benefits	\$1,255.58	\$1,297.05	\$1,339.90	\$1,384.16	\$1,429.88	\$1,477.11	\$1,525.90	\$1,576.31	\$1,628.38	\$1,682.16	\$1,737.73	\$1,795.13	
Avoided Electric Costs	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	\$2,532.00	
Project Economics	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	\$3,787.58	
Annual Tax Charge	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	\$3,488.00	
Net Annual Savings	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	\$334.58	
Total Project Economics	\$45,450.96												
Average Annual Savings	\$3,787.58												
SIR (1)	1.46												
Cash Flow (2)	9.59%												
<p>1. $(\text{Average Annual Savings} \times \text{Term}) / (\text{Net pmt to owner} + \text{Finance Fee} + \text{Cap I})$</p> <p>2. $\text{Average Annual Savings} / \text{Annual Tax Charge}$</p>													

Energy Improvement Corporation
Profit and Loss by Month (unaudited)
January - July, 2015

	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	June & July 2015	Total YTD July 31, 2015	YTD Budget July 31, 2015	Dollar Variance	% Variance	Comments/ Explanation of Variances
Revenue											
EFP & Cleaner Greener Grant Revenue	83,094			235,208	108,219	129,272	555,793	746,921			\$240,881.90 billed (\$3155.90) & unbilled (\$237,726) A/R from NYSEERDA for the months of May, June & July; related to EFP & Cleaner Greener grants
Other Grant Revenue-Dept. of Energy											
NYSEERDA Supplemental "Residential" Grant											
Application Fees						1,500	1,500	10,500			
Services Income							0				
Cash Stabilization Income			459	14			473				
Interest				122			122				
Muni Reserve Income			247				247				
EIC Admin Fee (Interest) Income				34			34	3,000			
EIC Closing Fee			2,119			702	2,821	131,498			
Total Services Income	0	0	2,826	170	0		2,996	134,498			
Solarize EIC Reimbursement	12,736	467	4,476	1,824		4,272	23,776	23,776			
Total Income	95,830	467	7,302	237,202	108,219	135,044	582,565	905,195			
Expenses											
Audit & Accounting				3,500			3,500	5,500	-2,000	40.00%	
Bank Trustee Fees	2,000			3,400			5,400	4,625	775	16.76%	
Case Studies								4,481			
Compensation	21,705	38,022	41,974	41,634	58,563	83,685	285,583	367,155	-81,572	-22.22%	Budgeted increase in headcount due to EFP, Cleaner Greener and PON 2646 grants
Conferences	875			150			1,025		1,025		
Employee Benefits	12,889	2,080	8,514	13,082	9,792	14,898	61,255	77,888	-16,633	-21.35%	Monthly amounts vary due to timing of when MVP health care bill is paid
Equip & Supplies	570	383	1,370	1,898	3,786	662	8,669	5,420	3,249		Equipment & supplies overrun offset by shortfall in IT Development, Equipment & Hardware
Finance Advisory Fees-PFM								33,335			
Green Bank Fees						911	911	4,582			
Indep Contractors	13,404	7,799	3,464	5,598	4,637	16,168	51,070	30,682	20,388	66.45%	Need to look at employee and independent contractor costs together due to reclassifications
Insurance	5,803		17,700			-3,789	19,714	21,017	-1,303	-6.20%	Media Policy Refund
Interest Expense-FN Warehouse Line				122			122	1,250			First Niagara Warehouse Line
Interest on First Niagara DLOC	275	258	261	154		518	1,466	1,575	-109	-6.91%	Ramp up of EIC operations resulting in increased use of credit line
IT Dev & Services	20	4,065	2,058	2,931	6,000	790	15,864	17,970	-34,694	-68.62%	IT Equipment & hardware expenses to increase when Cleaner Greener & PON 2646 grant activities commence
IT Equip & Hardware	4,111	2,743	171			3,625	10,650	50,558	5,108	92.17%	
IT Software & Licenses	530		530				1,060	5,542	-4,482	-80.87%	
Legal		4,167	14,083	25,988	22,084	6,177	72,499	54,335	18,164	33.43%	Ramp up of bond counsel expenses in 2015; includes \$20k legal accrual
Marketing		148	94	100	160		502	16,774	-16,272	-97.01%	
Office Supplies & Other	325	13		990	300	-925	703	403	300	74.52%	
PFM Advisory Fees						300					
Phone & Internet	290	290	290	290	648	468	2,274	1,056	1,218	115.38%	
Rent (Yorktown & Orange County)	1,389	1,389	1,389	1,389	1,389	2,849	9,796	11,517	-1,721	-14.94%	Increase in June & July due to additional space in Yorktown headquarters. Actual expenses to increase commencing 8/1 due to Orange County lease.
Muni Reserve Expense			247				247	495	-247		
Stabilization Reserve Expense			459	14			473	946	-473		
SRS Fees-CMS							0	13,334			Relationship with SRS has not yet resulted in revenue/deal generation
SRS Fees-MPP							0	11,669			
Travel & Entertainment		158	293	59	388	752	1,651	6,253	-4,602	-73.60%	
Total Expenses	64,187	61,516	92,897	101,299	107,747	127,089	554,435	748,362	-193,927	-25.91%	
Net Operating Income	31,643	-61,048	-85,595	135,903	472	7,955	28,131	156,833	-128,703	-82.06%	

Summary of EIC Expenses-June & July 2015

	June & July Actuals	June & July Budget	YTD Actual	YTD Budget
Corporate Division	\$39,534.00	\$95,222.00	\$182,879.00	\$296,477.00
Municipal Membership Division	\$21,881.00	\$27,900.00	\$21,881.00	\$27,900.00
Financing Division	\$15,080.00	\$55,700.00	\$108,166.00	\$125,980.00
Commercial Division	\$29,637.00	\$71,066.00	\$166,594.00	\$190,941.00
Residential Division	\$21,192.00	\$80,308.00	\$83,158.00	\$105,623.00
Totals	\$127,324.00	\$330,196.00	\$562,678.00	\$746,921.00

First Niagara Demand Line of Credit Transactions

	Date	Amount
Balance Owed to First Niagara @ 5/31/15		\$230,660.88
First Niagara DLOC Payback	3-Jun	-\$230,660.88
Balance Owed to First Niagara @ June 3, 2015		\$0.00
First Niagara DLOC Drawdown	9-Jun	\$27,000.00
First Niagara DLOC Drawdown	23-Jun	\$25,000.00
First Niagara DLOC Drawdown	29-Jun	\$3,000.00
First Niagara DLOC Drawdown	2-Jul	\$3,000.00
First Niagara DLOC Drawdown	6-Jul	\$35,000.00
First Niagara DLOC Payback	8-Jul	-\$3,000.00
First Niagara DLOC Drawdown	9-Jul	\$2,000.00
First Niagara DLOC Drawdown	13-Jul	\$1,000.00
First Niagara DLOC Drawdown	21-Jul	\$15,000.00
First Niagara DLOC Drawdown	27-Jul	\$15,000.00
First Niagara DLOC Drawdown	29-Jul	\$3,000.00
First Niagara DLOC Payback	29-Jul	-\$14,000.00
Balance Owed to First Niagara @ July 31, 2015		\$112,000.00
First Niagara DLOC Drawdown	4-Aug	\$30,000.00
First Niagara DLOC Drawdown	5-Aug	\$10,000.00
First Niagara DLOC Drawdown	7-Aug	\$8,000.00
First Niagara DLOC Drawdown	18-Aug	\$30,000.00
First Niagara DLOC Drawdown	1-Sep	\$30,000.00
Balance Owed To First Niagara DLOC Balance @ August, 25th, 2015		\$220,000.00

Listing of Received & Additional Expected Prospective Grant Revenues-2014/2015

	Original Awarded Amount	Amount Received@ 7/31/15	Grant Amount Remaining @ 7/31/15
NYSERDA \$50k Residential Program Sub-Grant (\$29,840k received in May; \$20,160 in accrued revenue reflected in the 12/31/14 Financial Statements; \$20,160 billed on 2/20/15; Received on 3/13/2015	\$50,000	-\$50,000	\$0
RFP NYSERDA \$485k "Solarize" grant PON 2672 expected in 2014 & 2015; EIC Share: 10%.	\$29,713	\$23,776	\$5,937
NYSERDA PACE Existing Facilities Programs Grant; funds to be realized in 2014 & 2015.	\$975,000	877,506	\$97,494
NYSERDA "Cleaner Greener" grant; awarded in Q4, 2014; duration is currently being finalized with NYSERDA (~2 years). Contract being finalized.	\$3,000,000	237,726	\$2,762,274
NYSERDA "Behavioral Demonstrations Program" PON 2648 grant awarded in February 2015 (revenue to be realized over 2-3 years)	\$497,052	0	\$497,052
Totals (A)	\$4,551,765	\$1,089,008	\$3,462,757

EIC Balance Sheet @ 7/31/2015-Unaudited

Assets	Balance	Comments
Cash-First Niagara	\$4,146.10	
Restricted Cash-US Bank	\$644,855.00	First Niagara-\$150,000; Orange County-\$144,855; Municipalities Reserve-\$350,000
Unbilled Receivables-NYSERDA-Cleaner Greener Grant	\$108,219.00	May Cleaner Greener Expenses. Billable to NYSERDA in early September upon contract signing.
Unbilled Receivables-NYSERDA-Cleaner Greener Grant	\$129,507.00	June and July Cleaner Greener expenses. Billable to NYSERDA in early September upon contract signing.
Billed Receivables-NYSERDA	\$3,155.90	June expenses-EFP contract. Received from NYSERDA in August.
US Bank-Cash Stabilization Fund	\$473.00	
US Bank-Municipal Reserve Fund	\$247.00	
US Bank-Program Administration Fund	\$782.00	
US Bank-Interest Payable Reserve Fund	\$2,199.00	
Principal Finance Portfolio-Future Interest	-\$12,313.00	
Principal Finance Portfolio-Total Accounts Receivable	\$87,109.00	
Total Assets	\$968,380.00	

Liabilities & Reserves		
Demand Line of Credit Payable to First Niagara	\$112,000.00	
Accounts Payable & Other	\$15,878.05	
EIC Deferred Income	\$1,010.00	
Principal & Interest Payable to Bank of America	\$2,199.00	
Municipal Reserve Fund	\$247.00	
Cash Flow Stabilization Reserve	\$473.00	
Bonds Issued to Bank of America	\$74,795.95	
Net Position/Equity	\$761,777.00	Increase in net position of \$25,929 since 12/31/14 due to EIC administrative fee of \$23,766 realized from the "Solarize" grant and \$2,153 in fees realized from the 5 Spoke financing.
Total Liabilities & Net Position/Equity	\$968,380.00	

Energy Improvement Corporation
Profit and Loss-Corporate
June & July 2015

Monthly Results - June & July			
June & July Actual	June & July Budget	\$ Variance	% Variance

YTD January-July				Comments
Actual July YTD	Budget July YTD	\$ Variance	% Variance	

EXPENSES

Audit & Accounting		3,000	-3,000	-100%	3,500	5,500	-2,000	-36%	
Bank Service Charges					368		368	100%	
Bank Trustee Fees								100%	
Compensation	23,332	38,998	-15,666	-40%	67,900	162,463	-94,563	-58%	Some actual salary expense reallocated to the Commercial (Director-Communications & Operations) & Residential (Director-Residential) divisions to reflect where the activities actually occurred relating to the EFP grant
Conferences					1,025		1,025	100%	
Employee Benefits	4,220	10,416	-6,196	-59%	32,730	41,056	-8,326	-20%	Medical costs expected to increase in Q4 due to 16% rate increase.
Equip & Supplies	553	1,670	-1,117	-67%	4,054	5,420	-1,366	-25%	
Indep Contractors	2,561	5,332	-2,771	-52%	14,685	5,332	9,353	175%	Need to look at employee and independent contractor costs together due to reclassifications
Insurance	-3,789	6,212	10,001	161%	19,714	21,017	-1,303	-6%	Media Policy refund in June
Interest Expense on DLOC	518	700	-182	-26%	1,939	1,575	364	23%	
IT Dev & Services	791	7,062	-6,271	-89%	1,851	8,812	-6,961	-79%	
IT Equip & Hardware	593	4,450	-3,857	-87%	593	4,450	-3,857	-87%	
IT Software & Licenses		2,892	-2,892	-100%	2,030	5,542	-3,512	-63%	
Legal	6,177	6,000	177	3%	19,930	18,500	1,430	8%	
Marketing		786	-786	-100%	154	786	-632	-80%	
Misc	50	576	-526	-91%	64	576	-512	-89%	
Phone & Internet	290	806	-516	-64%	1,159	806	353	44%	
Rent (Yorktown)	4,238	4,238			11,183	9,433	1,750	19%	Higher rent for for additional office space not in original budget
Rent (Orange)		2,084	-2,084	-100%		2,084	-2,084	-100%	
Travel & Entertainment						3,125	-3,125	-100%	
Total Expenses	39,534	95,222	-35,686	-37%	182,879	296,477	-113,598	-38%	

Energy Improvement Corporation
Profit and Loss-Finance (based on \$3.675 in budgeted closed deals)
June & July 2015

Monthly Results - June & July				YTD January-July				Comments
June & July Actual	June & July Budget	\$ Variance	% Variance	Actual July YTD	Budget July YTD	\$ Variance	% Variance	

INCOME

Cash Stabilization Income	153		153		626		626	100%	
Reimburse FN Interest Paid		3,500	-3,500	-100%	122	3,500	-3,378	-97%	
Muni Reserve Income	82		82		329		329	100%	
EIC Administration Fee Income		3,000	-3,000	-100%	34	3,000	-2,966	-99%	
_EIC Closing Fee	702	31,498	-30,796	-100%	2,821	31,498	-28,677	-91%	
EIC Application Fee	1,500	3,000	-1,500	-50%	1,500	21,000	-19,500	-93%	
Total Financing Income	2,437	37,998	-35,561	-100%	5,432	58,998	-53,566	-91%	May Budget: \$100k Closing Fee & \$7.5k Application Fee
								-100	
EXPENSES									
Bank Service Charges					50			100%	Loan Val + Annual Svc Fee+Grn bank fees
Bank Trustee Fees		1,250	-1,250	-100%	5,400	4,625	-5,174	-112%	
Compensation-Director of Underwriting	6,492	11,666	-5,174	-44%	22,331	26,666	-4,335	-16%	
Compensation-Director of Portfolio Admin Independent Contractor	7,781	3,000	4,781	159%	23,025	5,500	17,525	319%	Salem Consulting; James Liao
Employee Benefits	507	2,916	-2,409	-83%	877	4,316	-3,439	-80%	

Equip & Supplies					17		17		
Green Bank Fees LOC#1		416				416	-416	-100%	
Green Bank Fees LOC#2		4,166				4,166	-4,166	-100%	
Legal-Bond Counsel		10,000	-10,000	-100%	52,569	35,835	16,734	47%	Bond counsel (Squire Sanders) over budget; \$20k accrual recorded in May
Marketing & IT/Equipment		784	-784	-100%		784	-784	-100%	
Misc					1,615		1,615	100%	
Travel & Entertainment						500	-500	-100%	No budgeted amount in revised budget
Interest Expense paid to First Niagara on Warehouse Line		1,250	-1,250	-100%	121	1,250	-1,129	100%	No amounts in original budget
Muni Reserve Expense					247		247	100%	
Stabilization RSV Expense					473		473	100%	
PFM Fees	300	20,000	-19,700	-100%	300	33,335	-33,035	-99%	Accrual; anticipate some fees to be paid in Q4
SRS Fees						8,335	-8,335	-100%	No budgeted amount in revised budget
Title & Appraisal Fees									
Loan Validation & Servicing Fees		252	-252	-100%		252	-252		
Total Financing	300	21,502	-20,950	-100%	1,141		1,141	100%	
Total Expenses	15,080	55,700	-35,786	-237%	108,166	125,980	-17,814	-14%	

Energy Improvement Corporation
Profit and Loss-Commercial
June & July 2015

Monthly Results -June & July			
June & July Actual	June & July Budget	\$ Variance	% Variance

YTD January-July				Comments
Actual July YTD	Budget July YTD	\$ Variance	% Variance	

EXPENSES

Compensation	23,167	44,830	-21,663	-48%
Employee Benefits	4,208	7,666	-3,458	-45%
Equip & Supplies				
Indep Contractors				
IT Devices & Services	2,036		2,036	
Marketing & IT Equipment		1,108	-1,108	-100%
IT Software & Licenses				
Case Studies				
Phone & Internet	65		65	
SRS Fees (MPP Services)		3,334	-3,334	-100%
SRS Fees (Contractor Mgt. Services)		13,334	-13,334	-100%
Travel & Entertainment	161	334	-173	-52%
Conferences		400	-400	-100%
Total Expenses	29,637	71,006	-41,369	-58%

117,112	100,580	16,532	14%	Some actual salary expense (e.g-Dir. Of Communications & Operations) were previously charged to the Corporate Division prior to the Cleaner Greener award. Also, one Commercial Directors position remains unfilled
7,672	15,351	-7,679	-50%	
4,302		4,302	100%	Rolls up to IT Equipment & Hardware
15,315		15,315	100%	Del Sindaco, LLC, is now charged to Municipal Membership; was charged to Commercial earlier in 2015.
13,050		13,050	100%	
7,373	46,108	-38,735	-84%	Rolls up to IT Equipment & Hardware
				Actual amounts included in IT Development & Services
	1,875	-1,875	-100%	
709	250	459	65%	
	11,669	-11,669	-100%	
	13,334	-13,334	-100%	Only in new June to December budget
1,060	1,374	-314	-30%	
	400	-400	-100%	
166,594	190,941	-24,347	-15%	

Energy Improvement Corporation
Profit and Loss-Residential
June & July 2015

	Monthly Results - June & July			
	June & July Actual	June & July Budget	\$ Variance	% Variance
EXPENSES				
Case Studies		\$1,666	-1,666	-100%
Compensation	18,321	\$40,582	-22,261	-55%
Employee Benefits	2,871	\$9,574	-6,703	-70%
Equip & Supplies				
IT Dev & Services				
IT Equip & Hardware				
IT Software & Licenses				
INDEPENDENT CONTRACTORS				
Orange County Citizens Fnd		\$2,500	-2,500	-100%
Sustainable Westchester		\$5,000	-5,000	-100%
Green Guru Network		\$1,666	-1,666	-100%
Rethink Local		\$3,750	-3,750	-100%
Energy Coach		\$1,334	-1,334	-100%
MARKETING				
Marketing Support		\$1,250	-1,250	-100%
Mktg Collateral & Graphic Design		\$1,250	-1,250	-100%
Marketing Infographics		\$2,500	-2,500	-100%
Marketing IT & Equipment		\$9,070	-9,070	-100%
Misc. Marketing & Other				
Phone & Internet				
Travel & Entertainment		\$166	-166	-100%
Total Expenses	21,192	\$80,308	-59,116	-74%

Actual July YTD	YTD January-July			Comments
	Budget July YTD	\$ Variance	% Variance	
	2,606	-2,606	-100%	
65,867	60,782	5,085	8%	Salary increases earlier in 2015 not in original budget; Residential Associate & Residential Director; increase in monthly compensation forecast in the months ahead as activity related to Cleaner Greener & PON 2646 grant programs increases in the months ahead
16,883	12,999	3,884	23%	
	\$2,500	-2,500	-100%	Anticipating launch of Cleaner Greener activities in September when contract is signed. Actual costs anticipated to be incurred & reported in Sept.
	\$5,000	-5,000	-100%	
	\$1,666	-1,666	-100%	
	\$3,750	-3,750	-100%	
	\$1,334	-1,334	-100%	
	\$1,250	-1,250	-100%	
	\$1,250	-1,250	-100%	
	\$2,500	-2,500	-100%	
	\$9,070	-9,070	-100%	
	500	-500		Original Budget
408		408	100%	
	416	-416	-100%	
83,158	105,623	-22,465	-27%	

**Energy Improvement Corporation
Profit and Loss-Municipal Membership
June & July 2015**

Monthly Results - June & July			
June & July Actual	June & July Budget	\$ Variance	% Variance

YTD January-July				Comments
Actual July YTD	Budget July YTD	\$ Variance	% Variance	Municipal membership is a new "division" effective June 1st

EXPENSES

Directors of Municipal Membership & Services-Rothe, Bregman	12,373	13,332	-959	-8%
Indep Contractors-ENY Municipal Outreach-JDS-LLC	5,826	5,600	226	4%
Member Services-support- <i>new category</i>		1,666	-1,666	-100%
Member Services-support-Sustainable Westchester- <i>new category</i>		1,666	-1,666	-100%
Marketing Supplies- <i>new category</i>		632	-632	-100%
Travel	589	838	-249	-42%
Staff Overhead @ 25%	3,093	4,166	-1,073	-35%
Total	21,881	27,900	-6,019	-28%

12,373	13,332	-959	-8%	Rothe is 100% allocable to Municipal Membership; Bregman 20%
5,826	5,600	226	4%	
	1,666	-1,666	-100%	
	1,666	-1,666	-100%	
	632	-632	-100%	
589	838	-249	-42%	
3,093	4,166	-1,073	-35%	
21,882	27,900	-6,018	-28%	

EIC Budgeted P&L By Major Revenue & Cost Category for The Twelve Months Ended
Dec. 31, 2016

<i>Income</i>		
Gross Financing Income	\$190,000.00	
Grant Income From NYSERDA	\$2,014,927.00	
<i>Total Projected Income</i>	<i>\$2,204,927.00</i>	
<i>Expenses</i>		
Salaries	\$1,064,760.00	Includes payments to LLC's
Employee Benefits	\$216,161.00	
Legal Expenses	\$96,000.00	Includes \$60k to Bond Counsel
Interest	\$46,700.00	First Niagara Warehouse line & Demand Line of Credit; Green Bank Commitment fees-\$27.5k
Financial Advisory Fees	\$37,334.00	Public Financial Management-(PFM)
Insurance	\$37,224.00	
SRS Fees	\$100,000.00	Commercial/Financing subcontractor
Administrative Expenses	\$416,748.00	Office rent, IT, Audit, Accounting, Marketing, Contractors, Travel
<i>Net Expenses-Subtotal</i>	<i>\$2,014,927.00</i>	
<i>Total EIC Budgeted 2016 "Income" for the twelve months ended Dec. 31st, 2016</i>	<i>\$190,000.00</i>	

2016 Budget (Jan. 1-Dec. 31st) Summary	Income (Expense)	Comments
<i>Income</i>		
Gross Financing Income	\$190,000	
Grant Income From NYSERDA	\$2,014,927	Cleaner Greener, PON 2646 & EFP Grants
1st Niagara DLOC Drawdowns	\$0	
<i>Total Projected Income</i>	\$2,204,927	
<i>Expenses</i>		
Corporate Expenses	\$566,150	
Municipal Membership	\$169,151	
Commercial	\$451,413	
Residential	\$558,671	
Financing Expenses	\$269,542	
<i>Total Expenses</i>	\$2,014,927	
<i>Total EIC Budgeted 2016 "Income" for the twelve months ended Dec. 31st, 2016</i>	\$190,000	

EIC-Budget Worksheets-Corporate Overhead-2016

Expense Category	Jan Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	Sept. Budget	Oct. Budget	Nov. Budget	Dec. Budget	Total
Salaries													
Executive Director	0	0	0	0	0	0	0	0	0	0	0	0	0
Chief Operating Officer	6666	6666	6666	6666	6666	6666	6666	6666	6666	6666	6666	6666	79992
Treasurer	4333	4333	4333	4333	4333	4333	4333	4333	4333	4333	4333	4333	51996
Bookkeeper	3780	3780	3780	3780	3780	3780	3780	3780	3780	3780	3780	3780	45360
EIC Board Secretary	333	333	333	333	333	333	333	333	333	333	333	333	3996
Office Support-new category	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	48000
ENY Communications/PR-new category	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	45000
Interns-new category	417	417	417	417	417	417	417	417	417	417	417	417	5004
Memberships	288	288	288	288	288	288	288	288	288	288	288	288	3456
Benefits/Staff Overhead	5208	5208	5208	5208	5208	5208	5208	5208	5208	5208	5208	5208	62496
Interest On First Niagara DLOC	350	350	350	350	350	350	350	350	350	350	350	350	4200
Office Rent-Westchester	2119	2119	2119	2119	2119	2119	2119	2119	2119	2119	2119	2119	25428
Legal	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	36000
CPA Firm Audit	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	18000
Marketing	393	393	393	393	393	393	393	393	393	393	393	393	4716
IT Equipment	450	450	450	450	450	450	450	450	450	450	450	450	5400
IT Hardware	1775	1775	1775	1775	1775	1775	1775	1775	1775	1775	1775	1775	21300
IT Software & License/Web Hosting	946	946	946	946	946	946	946	946	946	946	946	946	11354
IT Development, Maint & Other Service	1448	1448	1448	1448	1448	1448	1448	1448	1448	1448	1448	1448	17376
ENY IT & Infrastructure	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	24996
Office Phone & Internet	403	403	403	403	403	403	403	403	403	403	403	403	4836
Equipment & Facilities & Supplies	835	835	835	835	835	835	835	835	835	835	835	835	10020
Commercial Auto Insurance	51	51	51	51	51	51	51	51	51	51	51	51	612
Commercial Package Policy	101	101	101	101	101	101	101	101	101	101	101	101	1212
Commercial Umbrella	126	126	126	126	126	126	126	126	126	126	126	126	1512
Director & Officers Liab.	752	752	752	752	752	752	752	752	752	752	752	752	9024
Cyber Liability Policy	100	100	100	100	100	100	100	100	100	100	100	100	1200
Fiduciary Liability Policy	100	100	100	100	100	100	100	100	100	100	100	100	1200
Bankers Professional Liability	1475	1475	1475	1475	1475	1475	1475	1475	1475	1475	1475	1475	17700
Workers Compensation	126	126	126	126	126	126	126	126	126	126	126	126	1512
Other Insurance/Increases	271	271	271	271	271	271	271	271	271	271	271	271	3252
Total Insurance													
Grand Total-Corporate Overhead	47179	47179	47179	47179	47179	47179	47179	47179	47179	46908	46908	46908	566150

Reserve Positions Expected To Exist In 2015		
Name	Amount	Comments
Orange County	144854.84	Held at US Trust
Large Municipalities reserve (1)	0.00	
Small Municipalities reserve	350000.00	Held at US Trust
U.S. Bank Reserve account dedicated for the benefit of 1st Niagara (as part of LOC agreement between EIC & 1st Niagara)	150000.00	Held at US Trust
	644,854.84	Does not reflect additional minor contributions to reserves in 2015 resulting from EIC financings

(1) EIC has a \$500k NYSERDA Letter of Credit dedicated PACE financings for large municipalities secured by paying commitment fees of \$27.5k per year