

ANNUAL REPORT 2003





JCJDC's Partners In Economic Growth...

Our Partners in Jefferson County's Economic Development Activities

- o AAMCO
- o Adams Louis B, Jr., CPA, PC
- o Advanced Business Systems
- o Alteri Bakery, Inc.
- o AMF/Coughlin Printing
- o Antique Boat Museum, The
- o A.T. Matthews & Dier
- Aubertine & Currier Architects
- Behling's Spookhill Farms
- o Benjamin Printing Inc.
- o Berow & Monroe Shoes
- o Black River Valley Club
- o Blackstone Electric Inc.
- o Bridge Associates
- Brownell Abstract Corporation
- Brownville Specialty Paper Products
- o Calarco DL Funeral Home, Inc.
- Car-Freshner Corporation
- o Carthage Energy, LLC o Carthage Federal
- Savings & Loan Association
- o Carthage Fibre Drum Inc.
- o Clayton, Town of
- Climax Manufacturing Company
- O Community Bank, NA
- o Converse Laboratories Inc.
- Cortel Improvement Systems
- o Crowley Foods, Inc.
- DGM Coon and Company
- o DOCO Quick Print, Inc.
- o Doldo Real Estate
- O Downtown News
- o Dragon Benware Crowley & Co., PC
- O Drum Honda
- o Entitle Agency, Inc.
- Excellus BlueCross BlueShield CNY
- FISHERCAST-Div. Of Fisher-Gauge Ltd.
- Foy Stephen C. Inc.
- Freeman Bus Corporation
- Frontier Housing Corporation
- o Frontenac Crystal Springs Water, Inc.
- Goodale HD Co.
- o Gray's Flower Shop, Inc.
- o GWNC Chamber of Commerce
- Hanson Aggregates East
- Harleysville Insurance Company of New York

- Haun Welding Supply
- o Haylor, Freyer & Coon, North. Div.
- o Hi-Lite Markings, Inc.
- o Hrabchak & Gebo, PC
- HSBC Bank USA
- o Hyde-Stone Mechanical Contractors, Inc.
- o IBEW Local 910
- o Internal Medicine of NNY
- o Jefferson Abstract Corporation
- o Jefferson Concrete Corporation
- o Jefferson County
- o Jefferson-Lewis Board of Realtors®, Inc.
- o Jefferson-Lewis Workforce Investment Board
- o Jefferson Rehabilitation Center
- o Johnson Newspaper Corp.
- o Kelly Services
- KeyBank NA
- o Knowlton Specialty Papers, Inc.
- o LaFave White & McGivern LS PC
- LCO Destiny, LLC d/b/a Timeless Frames
- Ledger Keepers, The
- LUNCO Corporation
- o McGrann Paper Corp.
- o Meade Optical
- o Menter, Rudin & Trivelpiece, PC
- o Morrow & Poulsen, PC
- o National Association of Purchasing Managers
- o Neighbors of Watertown, Inc.
- New Century Electric, Inc. • New York Air Brake Corporation
- o NYS Small Business
- Development Center Niagara Mohawk,
- A National Grid Company o Northern Employee
- Assistance Services o Northern Federal Credit Union
- o Northern Regional Center for Independent Living (NRCIL)
- Northland, A Scott Fetzer Company
- o Olsten Staffing Services
- o On-Site Testing Services
- o Ontario Place Hotel

- o PACE International Union
- o PSG Plumbing, Heating & Air-Conditioning
- Purcell Construction Corp.
- o Pyramid Company of Watertown
- o Quality Production, Inc.
- o Redwood National Bank, The
- o Riverside Media Group
- Sackets Harbor Brewing Co.
- o St. Lawrence Explosives Corp.
- o Samaritan Medical Center
- o Sawyer Enterprises
- o Slack Chemical Co. Inc.
- o Sovie & Bowie CPA, PC
- o Speak Easy
- o Square Ideas
- o Stackel Robert E, CPA, PC
- o S.T.A.T. Communications
- o Stature Electric Inc.
- o Stebbins Engineering & Manufacturing Co., The
- o Stewart's Shops
- o Structural Associates, Inc.
- o Taylor Concrete Products Inc.
- o Thousand Islands Bridge Authority
- o Tyco Healthcare/Kendall
- United Way of Northern New York
- o UPS Store, The
- Walker Associates
- Watertown Audiology, PC
- Watertown Savings Bank
- Watertown Vending Inc.
- o Weldon Financial Services
- o Westelcom
- o Woodruff Associates Inc.
- WTOJ/WATN/WOTT/WBDI/WBDR
- o WWNY-TV7
- o WWTI/Newswatch 50 & WBWT/WB 14
- 7-Star Inc.



A Message From The Executive Director...

The past year has been a very active year for JCJDC and its affiliates. The organizations faced many issues and challenges. Through the leadership and vision of the various boards, these issues were addressed and the challenges met. The following pages of this annual report highlight many of the activities and accomplishments as well as year end financial summaries for our three primary agencies.

The first objective, as the new Executive Director, was to compile a highly skilled and professional staff. Further, the organization focused on internal administrative issues such as updating the employee handbook, the JCJDC by-laws and committee structures. Also, the JCJDC Board developed and implemented 14 goals and objectives which included:

- Implementing a visitation program with business and government leaders;
- Facilitating manufacturers' forums;
- Pursuing alternative energy opportunities;
- o Working on agricultural initiatives such as the Ag Research Institute and branding;
- Expanding the Jefferson County Corporate Park (formerly Jefferson County Industrial Park).

In 2004, I anticipate building on the framework established in 2003. In working with the JCJDC Board, we have again established a series of goals and objectives. Some of these include:

- Focusing on membership through programs and visitations;
- Continuing to explore alternative energy opportunities;
- Completing the infrastructure and selling lots at the Corporate Park;
- Implementing an aggressive marketing program which includes an outreach into the Toronto market;
- Developing relationships with site selectors;
- Working extensively on the next 5 year Comprehensive Economic Development Strategy plan (CEDS).

In this "Global Economy", maintaining a stable economic base is more and more challenging. In the last few years, Jefferson County has taken significant steps in developing a strong economic base to build on. I look forward toworking with our various affiliates and other economic development partners in making Jefferson County globally competitive while maintaining a great quality of life.

James P. Fayle

Executive Director

Economic Development Internal & External...

Adopt-A-Platoon

Communication Platoon.

Ad Placements

National and regional ad placements touting Jefferson County's business environment produced 103 general inquiries. As of 9/30/03, 16 prospects, were actively seeking to either locate or expand their businesses in Jefferson County.

Ag Park

Ag Park initiative and participation in Jefferson County Agricultural Development Corp. have kept the JCJDC heavily involved in the Ag industry. Staff, along with the Ag Coordinator, worked with Pragma Partners to develop the North Country branding concept.

Agricultural Tour of Jefferson County

JCJDC was one of the sponsors of this event held in October, 2002. Tours included several Jefferson County farms as well as a stop at Crowley Foods in LaFargeville.

"Best of Class"

Proudly, JCJDC staff once again "Best of Class" was awarded participated in the program to JCJDC for the Multi-Media and adopted the 1-32 IN.BN Advertising Category in the New York State Economic Development Council's Marketing & Promotional Award Competition. The "Community Pride" piece is contracting business that moved

Blanding Mechanical, Inc.

Blanding Mechanical, Inc. was given a \$24,500 Microenterprise Loan by the JCIDA Board for the purchase of a building located at 216 Moulton St, Watertown. The company is a plumbing



used as a local underwriting spot on WPBS-TV. The agency was also awarded an honorable mention for its web site www.jcjdc.net. Awards were presented at the awards dinner during the NYSEDC's Annual Meeting, Cooperstown, NY in May, 2003.

> and expanded its operations into Watertown from Star Lake. The expansion was expected to create three additional jobs.

...The Perfect Formula For Growth

Business Fair

Business Fair, organized by the Greater Watertown North Country Chamber of Commerce, was held at Salmon Run Mall. JCJDC was again a major sponsor.

CITEC Taste Test Seminars

CITEC and JCJDC hosted two Taste Test seminars which are two-hour sessions designed to help North Country companies become more competitive by offering an overview to business leaders on important

Goals and Objectives

Goals and Objectives (14) were established and worked on by the JCJDC Board of Directors and staff throughout the year.

Goodwin Law Office

Goodwin Law Office, located at 255 State Street in Carthage, was given a \$50,000 Carthage Façade Improvement Grant. The funds are being used to stabilize the building and repair the façade.

IL Richer Feeds Company, Inc.

IL Richer Feeds Company, Inc.,

Jefferson County Corporate Park

The Jefferson County Corporate Park expansion continued with four acres sold in 2003 and Car-Freshner completed its expansion. All infrastructure will be completed by Summer 2004.

Jefferson County Industrial Development Agency

Jefferson County Industrial Development Agency's Board approved six loans for \$746,500 to create 67 jobs and retain 115.

JCJDC Staff Changes

James P. Fayle, Executive Director; Donald C. Alexander, Business Development Specialist; Lyle V. Eaton, Comptroller; and Patricia Major-Race, Administrative Assistant.

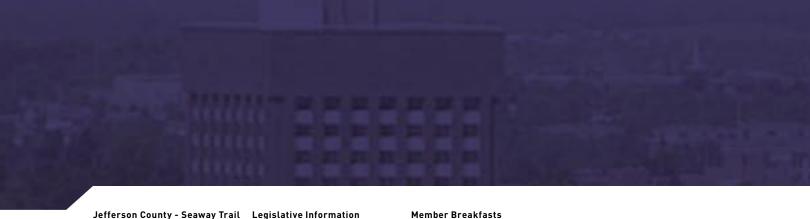
JCJDC Annual Meeting

Scott H. Wakeman, General Manager of Northland, a Scott Fetzer Company, was elected as a Director. Re-elected by the members was David E. Tinker. Franklin D. Cean, retiring Board member, was honored for his many years of service to the agency.



program topics. Seminars dealt with lean manufacturing and energy issues.

Fund Loan by the JCIDA. Funds will be used toward the purchase and renovation of the former Agway feed facility in Adams Center. Total cost of project is \$3.2 million.



Tourism Development Plan

Jefferson County- Seaway Trail Tourism Development Plan will develop a strategy for the coastal communities of the Thousand Islands and Golden Crescent regions of the Seaway Trail National Scenic Byway. Total cost of the project is \$75,000. Seaway Trail has secured a \$33,000 matching grant through the NYS Dept. of State's Local Waterfront Revitalization Plan. Matching funds will come from Thousand Islands International Council, NYS DOT, Jefferson County and the JCJDC.

Lake Ontario Fisheries Coalition

Lake Ontario Fisheries Coalition requested and received a resolution from the JCJDC Board of Directors in support of action to revise the governing Regulations for Double-Crested Cormorant Management as was proposed in a draft Environmental Impact Statement on the issue completed by the US Fish and Wildlife Service.

Sessions

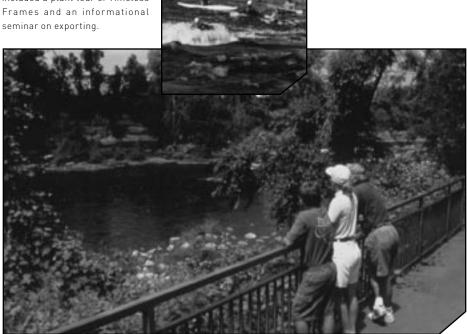
Legislative information sessions for Assemblywoman Scozzafava and Assemblyman Aubertine were hosted by JCJDC. Area economic development agencies were also invited to participate. Staff also participated at a work session with City of Watertown Council, and made a presentation to the County's Town Supervisors.

Manufacturers' Forums

February and September sessions included a plant tour of Timeless Frames and an informational

Member Breakfasts

Member Breakfasts were held in October 2002, and March and June 2003. Topics included presentations from: New York State, the Small Business Development Center, and Drum



Marketing Council

Marketing Council developed a Fast Facts sheet designed to be a 'dashboard' report for the Board containing pertinent information on staff activities for a given month.

The New York State Small **Business Development Center**

The New York State Small Business Development Center and JCJDC co-sponsored a "Business Planning Course" held at Jefferson Community College in February and March, 2003.



NNYATA

Northern New York Advanced Telecom Alliance reached out to small businesses, not for profits, and local governments to inform them about grants available to assist them in upgrading Internet service connections.

Partners In Economic Development

Partners In Economic Development, our members, totaled 120 businesses.

Synergy Partners, LLC

Synergy Partners, LLC was approved to receive a \$40,000 Microenterprise Loan by the JCIDA Board. The company is a start up marketing company made up of professionals focused on assisting both existing and young companies develop and execute their sales, marketing, product and technology objectives. The project is expected to create three jobs within one year.

Tug Hill Commission

Tug Hill Commission and JCJDC have entered into contract to work with a consultant to explore alternative energy options and regional branding opportunities for the agriculture industry. Also, JCJDC was a sponsor of the Tug Hill Local Government Day held in March 2003 at JCC.

Unemployment Rates

August and September 2003 (5.4% & 5.6%) were the lowest recorded rates since 1988 (5.1% and 5.4%).

Visitation Program

Visitation Program resulted in 52 visits to area businesses by the JCJDC staff and Board of Directors. Retail, manufacturing, service and hospitality businesses were visited. The program is expected to expand in 2004.



North American Tapes, Inc.

North American Tapes, Inc. was approved for a \$213,000 Revolving Fund Loan from the JCIDA. The company is a start-up business and will manufacture adhesive tape products. A total of 42 jobs are expected to be created over the next three years.

Solectron (formerly Stream)

JCJDC staff oversaw a \$7.6 million rehab construction project at City Center Plaza in Downtown Watertown. Company started operations in January and as of September 30, 2003 had 350 employees.



Watertown, City of

Watertown was ranked #55 in the top 100 U.S. Small Towns for New and Expanded Facilities (2000-2002) in the March 2003 issue of Site Selection Magazine. New York State was ranked #3 in the top 10 States for new and expanded facilities.

Watertown Center for Business and Industry

Watertown Centerfor Business and Industry currently has 19 tenants representing 101 employees. The Center is developing a plan to market the facility in an effort to increase occupancy.

Watertown Empire Zone

Watertown Empire Zone's Boundary Amendment application included most of the major manufacturing facilities throughout Jefferson County.

Watertown Local Development

Watertown Local Development was given a \$250,000 loan from the JCIDA Revolving Loan Fund for the building of a new 20,000 square foot speculative building in the City Center Industrial Park.

www.jcjdc.net

The JCJDC web site had an average of 1755 visits per month during the 2002-2003 fiscal year. An Employment Opportunity page is being developed to assist companies in recruiting skilled and degreed employees. Sixteen

The company, who began its operation in 2002, manufactures expansion joints and bearings for bridges, overpasses and other structures. Z-Star is expected to create six jobs over the next three years, bringing employment up to 18.



companies are participating. It is expected to go "live" in early 2004.

Z-Star Inc.

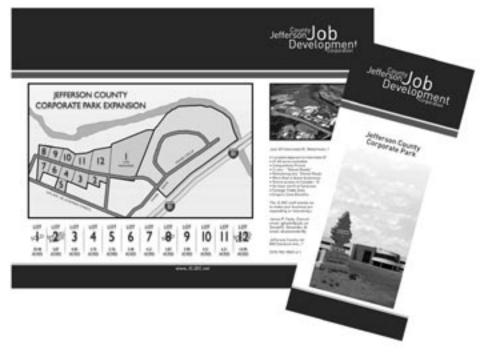
In April, 2003 the JCIDA approved a \$25,000 loan from the Revolving Loan Fund for working capital, machinery and equipment. Total cost of the project was \$250,000.











Financial Summary...

Jefferson County Job Development Corporation Balance Sheet

Fiscal Year Ended September 30, 2003 and 2002

	2003	2002
Assets:		
Current assets Fixed assets - net of depreciation Other assets - notes receivable Total	\$ 213,024 34,587 183,465 431,076	\$ 595,156 50,478 29,013 674,647
Liabilities and Net Assets:		
Current Liabilities Long-term debt Total net assets Total	\$ 116,700 - 314,376 431,076	\$ 323,282 1,350 350,015 674,647
Summary of Transactions		
Support and Revenue:		
Grants Administrative agreements Memberships Interest Internet line access fees Total	\$ 258,734 240,152 18,750 2,397 42,448 562,481	\$ 570,701 217,949 16,300 8,570 - 813,520
Expenses:		
Program services - Economic Development General and administrative Member service Total	\$ 562,124 33,924 2,072 598,120	\$ 793,955 29,848 681 824,484
Change in Net Assets	(35,639)	(10,964)
Net Assets:		
Beginning of Year End of Year	\$ 350,015 314,376	\$ 360,979 350,015



Financial Summary...

Jefferson County Industrial Development Agency Balance Sheet

Fiscal Year Ended September 30, 2003 and 2002

	2003	2002
Assets:		
Cash and cash equivalents Prepaid expense Loans recievable - net of allowance Capital lease receivable Grant receivable Other receivable - net of allowance Fixed assets - net depreciation Total Liabilities and Net Assets:	\$ 2,301,875 5,697 3,637,477 7,649,885 879,001 151,569 905,729 15,531,233	\$ 1,862,754 - 4,756,405 - 250,000 76,991 937,801 7,883,951
Current liabilities Notes payable - current portion Notes payable - long-term portion Other long-term liabilities Total net assets Total	\$ 474,186 3,153,788 7,968,549 - 3,934,710 15,531,233	\$ 459,659 44,311 455,689 14,101 6,910,191 7,883,951
Summary of Transactions:		
Support and Revenue: Fees Grants Stream PILOT Interest Other revenue Total	\$ 162,659 2,890,993 430,000 257,153 38,316 3,779,121	\$ 64,084 342,160 - 265,352 2,518 674,114
Expenses: Program expense General and administrative JCJDC contribution Bad dept expense Loss on sale of land Depreciation Interest Expense Total	\$ 5,706,067 17,717 175,000 796,946 2,705 10,100 46,067 6,754,602	\$ 400,324 27,169 175,000 - 1,683 4,119 608,295
Excess of Support and Revenue over Expenses	\$ (2,975,481)	\$ 65,819
Net Assets: Beginning of Year End of Year	\$ 6,910,191 3,934,710	\$ 6,844,372 6,910,191

Financial Summary...

Watertown Industrial Center Local Development Corporation Balance Sheet

Fiscal Year Ended June 30, 2003 and 2002

	2003	2002
Assets:		
Current assets Fixed assets - net of depreciation Total	\$ 1,232,691 2,042,655 3,275,346	\$ 1,381,929 2,069,044 3,450,973
Liabilities and Net Assets:		
Current liabilities Total net assets Total	\$ 30,034 3,245,312 3,275,346	\$ 40,326 3,410,647 3,450,973
Summary of Transactions:		
Support and Revenue: Contributions, grant and contract support Rental income Interest Other Fire gain, net insurance proceeds Total	\$ 317,694 18,244 3,056 - 338,994	\$ 20,000 346,635 37,054 4,477 1,909,317 2,317,483
Expenses:		
Program services - Development of Industrial Center General and administrative Total	\$ 472,072 32,257 504,329	\$ 457,528 70,673 528,201
Change in Net Assets	\$ (165,335)	\$ 1,789,282
Net Assets - Beginning of Year	3,410,647	1,621,365
Net Assets - End of Year	3,245,312	3,410,647



Those Committed To Helping Us Succeed...

THANK YOU TO THE FOLLOWING GOVERNMENT OFFICIALS FOR CONTINUED SUPPORT AND ASSISTANCE IN JEFFERSON COUNTY'S ECONOMIC DEVELOPMENT EFFORTS

FEDERAL

Hon. Charles E. Schumer, US Senator Hon. Hillary R. Clinton, US Senator Hon. John M. McHugh, Congressman, 23rd District NY

NEW YORK STATE

Hon. George E. Pataki, Governor Hon. James W. Wright, State Senate 48th District Hon. Deirdre K. Scozzafava, 122nd Assembly District Hon. Darrel J. Aubertine, 118th District

JEFFERSON COUNTY BOARD OF LEGISLATORS

Hon. Robert J. Thomas, Chairman

Robert F. Hagemann III, County Administrator

Kathleen E. LaClair, District 1 Paul J. Warnek, District 9

Phillip N. Reed, Sr., District 3 Michael W. Behling, District 10 Gary L. Fikes, District 4 Robert A. Boice, District 11

Barbara N. Webber, District 5 Carolyn D. Fitzpatrick, District 12

Gino M. Zando, District 6 Scott A. Gray, District 13

Kent D. Burto, District 7 Jennie M. Adsit, District 14 Lawrence C. Longway, District 8 James D. St. Croix, District 15

CITY OF WATERTOWN

Hon. Joseph M. Butler, Mayor Mary M. Corriveau, City Manager Roxanne M. Burns, Councilwoman Peter L. Clough, Councilman Paul A. Simmons, Councilman Jeffrey M. Smith, Councilman

Those Committed To Helping Us Succeed...

Thank You For Your Time And Direction

2002-2003 JCJDC BOARD OF DIRECTORS

OFFICERS

PRESIDENT

David E. Tinker, Attorney

VICE-PRESIDENT

*David J. Converse, President, Converse Laboratories, JCIDA Secretary

TREASURER

*Michelle D. Pfaff, Vice President, Community Bank, NA, JCIDA Treasurer

SECRETARY

Lisa A. Weber, CEO, LCO Destiny d/b/a Timeless Frames

DIRECTORS

*Michael W. Behling, Jefferson County Board Of Legislators

Michael W. Bellmore, International Representative, PACE International Union

Hon. Joseph M. Butler, Mayor, City of Watertown

*Thomas G. Cesta, Vice-President, M&T Bank

Milton C. Cutway, Director Cultured Products Operations, Crowley Foods, Inc.

Michael W. Crowley, President, Dragon Benware Crowley & Co. PC

*John Doldo, Jr., Managing Agent, Doldo Real Estate

*William H. Fulkerson, Supervisor, Town of Ellisburg; JCIDA Chairman

Gregory A. Gardner, Managing Director of Bridge Associates; Assistant Professor, Jefferson Community College

Robert F. Hagemann, III, Jefferson County Administrator

*Urban C. Hirschey, Chairman, Climax Manufacturing Company; JCIDA Vice-Chairman

Robert S. Juravich, Executive Director, Development Authority of the North Country

Michael E. Lundy, President, LUNCO Corporation

Donald Rutherford, Director of Economic Development, Watertown Local Development Corporation

Audrey Sargent, Director of Human Resources & Safety, Hi-Lite Markings, Inc.

Robert R. Sturtz, President, Slack Chemical Co., Inc.

Scott H. Wakeman, General Manager, Northland, A Scott-Fetzer Company

* Directors of Jefferson County Industrial Development Agency (JCIDA)



Those Committed To Helping Us Succeed...

Thank You For Your Time And Direction

2002-2003 WATERTOWN INDUSTRIAL CENTER LOCAL DEVELOPMENT CORPORATION BOARD OF DIRECTORS

OFFICERS

PRESIDENT - Donald Rutherford, Director of Economic Development,
Watertown Local Development Corporation
VICE PRESIDENT - William H. Fulkerson, JCIDA Chair
TREASURER - Nathan Holloway, Business Banking Officer, KeyBank NA, City of Watertown Rep.
SECRETARY - John Doldo, Jr., JCJDC Board of Directors
ASSISTANT SECRETARY - James P. Fayle, JCJDC Executive Director
ASSISTANT SECRETARY - Donald C. Alexander, JCJDC Business Development Specialist

DIRECTORS

Carolyn D. Fitzpatrick, Jefferson County Board of Legislators
J. Paul Morgan, President, New York Air Brake
Robert S. Juravich, Executive Director, Development Authority of the North Country

THE JEFFERSON COUNTY JOB DEVELOPMENT CORPORATION STAFF

James P. Fayle, Executive Director
Donald C. Alexander, Business Development Specialist
Lyle V. Eaton, Comptroller
Mary Anne Hanley, Director of Marketing
Peggy S. Sampson, Executive Assistant
Patricia J. Major-Race, Administrative Assistant

THE WATERTOWN CENTER FOR BUSINESS AND INDUSTRY STAFF

Billy J. Gebo, Site Manager Rick Lampton, Maintenance Robert Daymont, Maintenance





www.JCJDC.net