

**COUNTIES OF WARREN AND WASHINGTON  
INDUSTRIAL DEVELOPMENT AGENCY**

5 Warren Street, Suite 210  
Glens Falls, New York 12801

Tel. (518) 792-1312

The December Board Meeting for Warren Washington Industrial Development Agency was held on Monday, December 20, 2021 via Zoom. The following were:

<b>PRESENT:</b>	Dave O'Brien	Chair
	Ginny Sullivan	Member
	Nick Caimano	Member
	Mike Wild	At-Large Member
	Brian Campbell	Park Chair
	Craig Leggett	Vice Chair
	Michael Bittel	Sec/Treasurer
	Dan Bruno	Member
	Mary King	Member

<b>ABSENT:</b>	Mike Grasso	Member
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***The following were also present:***

Kara Lais, Esq.	FitzGerald Morris Baker Firth, PC
Michael Ostrander	Executive Director
Amy Peckham	CEO, Etain LLC
Tony Zarrella	Sr. Director, Brookfield Energy
Minutes were taken by:	Alie Weaver, Office Administrator

**November Minutes:** Mr. Bittel made a motion to accept the November Board meeting minutes and Mr. Bruno seconded. Mr. Leggett abstained, and all other member voted in favor by voice vote.

**Accounts Payable:** Mr. Campbell made a motion to accept the November accounts payables and Mr. Leggett seconded. All voted in favor by roll call vote.

Mr. O'Brien stated that, in comparison to 2020, the cash is up \$336,000, total fixed assets are up \$475,000 due to the Canalside Energy Park, and total assets are up \$830,000.

**Executive Director Report:** Mr. Ostrander stated that there are two interested parties in purchasing lots in the Airport Industrial Park and several meetings with potential clients are scheduled for the beginning of 2022.

He also stated that an article was sent to the members regarding the Champlain Hudson Power Line, noting that the IDA chair has sent a letter of support regarding this project to the Public Service Commission and all the elected officials have been contacted for letters of support to be sent as well. He noted that Assemblyman Simpson and Senator Stec have responded so far and encouraged the board members to send letters of support as well.

Mr. Ostrander stated that internal meetings have been attended with local public relation firms to discuss potential options to expand the WWIDA footprint.

He also noted that in January he will be attending the Annual Economic Development Conference.

Mr. Ostrander introduced Mr. Zarrella, who gave a summary regarding his project in Queensbury.

Mr. Zarrella stated that Brookfield currently has an operations center in Queensbury. They are moving their national control center from Massachusetts to Queensbury to be next door to the operations center in a campus-like layout to monitor and control all of the hydro assets. He noted that this brings approximately 50 jobs to the area.

Mr. Bittel stated that the ARCC is fighting to get the hydro tax credit extended.

Mr. Wild asked how long these new jobs would remain viable.

Mr. Zarrella stated that he expects the number of jobs to maintain or grow over the years as their organization grows.

Mr. O'Brien stated that the IDA is reviewing the application and waiting on further information to complete the application process and once it is complete, the board will approve a resolution to accept the application and set a public hearing date.

## **ONGOING BUSINESS**

**Delineation Update** – Mr. O'Brien stated that the Army Corps of Engineers have received the surveyor's stamped maps and are under review.

He also suggested that the lots that are now deemed mostly wetlands should be combined into one lot and designate it as Forever Wild. He also stated that there is an interested party to buy said lot.

Mr. O'Brien also suggested combining lots 28-29 and 33-34 to be merged as wetland mitigation and removed from IDA tax liability. He noted that this would leave 14 salable lots.

**TDI Update** – Mr. O'Brien stated that the construction costs for the CHPE/TDI project have increased, which in turn increase the Washington County revenue, going from \$169 million to \$270 million dollars. The closing on this project is expected in December and construction is expected to begin in March 2022.

**Canalside Energy Park** – Mr. O'Brien stated that Judge Hogan has signed off on the deed transfer from FELPDC to the WWIDA. He also noted that the tax liabilities on this property will become the IDA's responsibility.

Ms. Lais stated that the IDA insurance coverage will need to be expanded once the title is signed over.

**By Law Changes** – Mr. O'Brien stated that the proposed by law changes were sent to the board members ten days ago, as required, and asked if there were any questions or comments on these changes.

Mr. Leggett asked who was responsible for the finances and Mr. O'Brien stated that those duties are shared between the CFO, Treasurer and Administrator.

Mr. Caimano made a motion to adopt the revised by law changes and Mr. Bruno accepted. All voted in favor by roll call vote.

## **NEW BUSINESS**

**Approval of KDBF financial assistance increase** – Mr. O'Brien stated that there were no public comments during the KDBF/Etain public hearing that was held prior to this board meeting.

Mr. Caimano made a motion to accept the resolution to approve the financial assistance increase and Mr. Bittel seconded. All voted in favor by roll call vote.



**Renewable Energy Resolution** – Ms. Lais stated that it is not required to adopt the previously proposed resolution that recited an amendment where the authority to undertake renewable energy projects is now under General Municipal Law.

Mr. Leggett suggested repealing a previous IDA resolution on renewable energy that is no longer applicable due to the GML amendment.

After some discussion, Mr. Campbell made a motion to repeal the IDA's previous resolution regarding renewable energy and Mr. Bruno seconded. All voted in favor by voice vote.

**Member Training/Board Evaluations/2022 Holiday and Meeting Schedules** – Mrs. Weaver stated that the meeting packets included a document showing where all the board members are with their training certifications. Also included was the ABO-mandated Board Evaluation form to be filled out by each member and returned to the IDA office. In addition, the 2022 IDA and CDC Executive Park and Board meeting schedules were provided, as well as the IDA 2022 Holiday Schedule.

**WDR Letter of Engagement** – Mrs. Weaver stated that the letter of engagement from WDR was included in the meeting packets to be reviewed and noted that the cost has increased each year during the three-year contract that the IDA has with them. When she questioned this cost increase, Mr. Combs via email had listed several different factors that resulted in the price change.

Mr. Bittel requested the exact price differences throughout the last three years for further discussion and Mrs. Weaver stated that she would provide that information to the board members in a timely manner.

It was decided to table this agenda item until further information is provided.

**Engineering RFQ** – Mr. O'Brien stated that the IDA has received multiple RFQ's for wastewater management and water supply to serve the Canalside Energy Park. He stated that the Wastewater RFQ Committee will be meeting soon to review and discuss what has been received and decide on two companies for interview. He stated that an RFP will not be required to accept the best qualified company within the IDA's budget.

**Misc.** – Mr. O'Brien stated that the IDA did not receive the grant funded by BridgeNY but the DOT regional representative was contacted and requested to provide more information on bridges that need to be replaced in Warren and Washington Counties.

Mr. O'Brien reminded the board that the IDA by laws require the executive committee to alternate at-large county members every two years so in 2022 there will be two Washington County members and three Warren County members.

**Adjournment** – There be no other business to discuss, Mr. O'Brien adjourned the December IDA Board Meeting.

12/13/21

# WWIDA

## Balance Sheet

As of November 30, 2021

	Nov 30, 21	Nov 30, 20
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
GFNB 8473	441.04	64.11
200 · Cash	532,567.62	74,595.51
250 · Certificates of Deposit	353,462.00	479,713.00
Total Checking/Savings	886,470.66	554,372.62
Accounts Receivable		
380A · Accounts Receivable	7,315.44	-34.40
380B · Accounts Receivable - PILOTS	16,647.04	74.00
Total Accounts Receivable	23,962.48	39.60
Other Current Assets		
210 · Petty Cash	143.10	143.10
381 · Insurance Receivable	5,790.71	0.00
480 · Prepaid Insurance	2,335.03	2,335.03
Total Other Current Assets	8,268.84	2,478.13
Total Current Assets	918,701.98	556,890.35
Fixed Assets		
101 · Land	1,023,969.09	554,087.09
104 · Machinery and Equipment	10,806.74	10,806.74
114 · Accumulated Depreciation	-9,197.99	-9,197.99
Total Fixed Assets	1,025,577.84	555,695.84
<b>TOTAL ASSETS</b>	<b>1,944,279.82</b>	<b>1,112,586.19</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
600 · Accounts Payable	4,036.01	332.96
Total Accounts Payable	4,036.01	332.96
Other Current Liabilities		
602 · Payroll Liabilities	1,853.32	516.83
615 · Customers' Deposit	17,404.89	3,000.00
631 · Due to other governments	16,234.59	74.01
Total Other Current Liabilities	35,492.80	3,590.84
Total Current Liabilities	39,528.81	3,923.80
Total Liabilities	39,528.81	3,923.80
Equity		
924 · Net Assets - Unrestricted	1,231,414.75	1,215,925.02
Net Income	673,336.26	-107,262.63
Total Equity	1,904,751.01	1,108,662.39
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,944,279.82</b>	<b>1,112,586.19</b>



12/13/21

# WWIDA

## Profit & Loss Budget vs. Actual

### Year to Date

	Jan - Nov 21	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Nonoperating revenue</b>			
<b>Investment Earnings</b>			
2401 · Interest Income	985.73		
Investment Earnings - Other	0.00	5,000.00	(5,000.00)
<b>Total Investment Earnings</b>	985.73	5,000.00	(4,014.27)
<b>Other nonoperating revenue</b>			
Grant Funds from CDC	118,000.00		
<b>Total Other nonoperating revenue</b>	118,000.00		
2675 · Lot Sales			
Sale of Land	50,858.73	0.00	50,858.73
<b>Total 2675 · Lot Sales</b>	50,858.73	0.00	50,858.73
<b>Total Nonoperating revenue</b>	169,844.46	5,000.00	164,844.46
<b>Operating Revenue</b>			
<b>Charges for Services</b>			
2116 · Application Fees	6,000.00	0.00	6,000.00
2116.1 · Project Fees - Existing	5,250.00		
2116.2 · Project Fees - New	298,119.86	0.00	298,119.86
<b>Total Charges for Services</b>	309,369.86	0.00	309,369.86
<b>Other Operating Revenue</b>			
2770 · Project - Legal Reimb 3.4	8,337.34	687.50	7,649.84
<b>Total Other Operating Revenue</b>	8,337.34	687.50	7,649.84
<b>Total Operating Revenue</b>	317,707.20	687.50	317,019.70
<b>Total Income</b>	487,551.66	5,687.50	481,864.16
<b>Gross Profit</b>	487,551.66	5,687.50	481,864.16
<b>Expense</b>			
<b>Nonoperating Expenses</b>			
<b>Other Nonoperating expenses</b>	5.00	80.00	(75.00)
107 · Airport Industrial Park			
Property/Sewer/Water Taxes AIP	7,573.18	13,766.00	(6,192.82)
107 · Airport Industrial Park - Other	4,874.00	1,200.00	3,674.00
<b>Total 107 · Airport Industrial Park</b>	12,447.18	14,966.00	(2,518.82)
<b>Total Nonoperating Expenses</b>	12,452.18	15,046.00	(2,593.82)
<b>Operating Expenses</b>			
<b>Other operating expenses</b>			
1910.4 · Insurance			
Disability Insurance	0.00	170.00	(170.00)
Liability/Commercial Insurance	3,603.26	2,530.00	1,073.26
Public Officials Liability	1,719.29	1,700.00	19.29
Workers' Comp Insurance	734.07	50.00	684.07
<b>Total 1910.4 · Insurance</b>	6,056.62	4,450.00	1,606.62
6460.4 · Contractual Services			
Advertising	712.57		
Computer & Website Related	2,291.68	350.00	1,941.68
Dues	325.00	0.00	325.00
Misc Services	376.55	6,060.00	(5,683.45)
Rent	8,600.00	7,200.00	1,400.00
Subscriptions	553.96	100.00	453.96

12/13/21

# WWIDA

## Profit & Loss Budget vs. Actual

### Year to Date

	Jan - Nov 21	Budget	\$ Over Budget
Telephone and Internet	1,720.85	1,869.78	(148.93)
6460.4 · Contractual Services - Other	6,654.58	3,000.00	3,654.58
Total 6460.4 · Contractual Services	21,235.19	18,579.78	2,655.41
Other operating expenses - Other	1,251.62	0.00	1,251.62
Total Other operating expenses	28,543.43	23,029.78	5,513.65
Professional service contracts			
Accounting	13,500.00	14,600.00	(1,100.00)
Engineering-Phase II & Wetlids	4,800.00	0.00	4,800.00
Engineering - Phase I & General	162,668.54	0.00	162,668.54
Legal			
Fees for Project 3.4 billing	49,768.59	45,834.00	3,934.59
Total Legal	49,768.59	45,834.00	3,934.59
Total Professional service contracts	230,737.13	60,434.00	170,303.13
6460.45 · Staff Payroll - WWIDA	49,169.87	23,900.00	25,269.87
6460.5 · Supplies and Materials			
Misc Office Expenses			
Bank Fees	36.75		
Total Misc Office Expenses	36.75		
Office Supplies	6,718.18	1,000.00	5,718.18
Postage	252.35	430.00	(177.65)
Total 6460.5 · Supplies and Materials	7,007.28	1,430.00	5,577.28
9000 · Employee Benefits			
Medicare - Company	621.19	600.00	21.19
Social Security - Company	2,996.15	2,500.00	496.15
Unemployment Insurance	740.19	320.00	420.19
9000 · Employee Benefits - Other	0.00	4,446.99	(4,446.99)
Total 9000 · Employee Benefits	4,357.53	7,866.99	(3,509.46)
Total Operating Expenses	319,815.24	116,660.77	203,154.47
Total Expense	332,267.42	131,706.77	200,560.65
Net Ordinary Income	155,284.24	(126,019.27)	281,303.51
Net Income	155,284.24	(126,019.27)	281,303.51

**2020 WWIDA/WWCDC Compliance Training in  
Sexual Harassment, Workplace Violence, Haz Comm Right To Know, ABO**

<b>Member</b>	<b>Sexual Harassment</b>	<b>Workplace Violence</b>	<b>ABO Webinar</b>
<b>Nick Caimano</b>	10/19/2020	10/19/2020	8/24/2018
<b>Alie Weaver</b>	10/12/2021	10/12/2021	8/2/2019
<b>Ginny Sullivan</b>	9/28/2020	9/28/2020	4/11/2018
<b>Dave O'Brien</b>	10/14/2021	10/14/2021	10/23/2019
<b>Craig Leggett</b>	11/16/2020	11/16/2020	12/9/2020
<b>Mary King</b>			
<b>Mike Wild</b>	4/19/2021	4/19/2021	8/15/2018
<b>Michael Bittel</b>	11/30/2020	2/16/2021	2/10/2021
<b>Brian Campbell</b>	1/20/2021	1/20/2021	2/10/2021
<b>Mike Grasso</b>	9/29/2020	2/4/2021	10/16/2020
<b>Dan Bruno</b>	2/22/2021	2/22/2021	4/21/2021
<b>Lester Losaw</b>	3/28/2021	3/28/2021	12/9/2020
<b>Michael Ostrander</b>	7/2/2021	7/2/2021	7/23/2021

**Sexual Harassment and Workplace Violence Prevention is required annually  
ABO Webinar completion is required every three years.**



COUNTIES OF WARREN & WASHINGTON  
Industrial Development Agency and  
Civic Development Corporation

**EXECUTIVE and PARK COMMITTEE MEETING SCHEDULE  
2022**

*Unless otherwise specified, all IDA Executive/Park Committee Meetings will take place on Wednesday at 9:00 a.m. at FitzGerald Morris Baker Firth, PC (FMBF) at 68 Warren Street, Glens Falls, New York.*

*Please check the Announcement/Agenda on our website for further location information of each meeting as state mandates due to COVID are subject to change. Some meetings may be by Zoom only.*

*Executive Committee Meetings of the **Civic Development Corporation** will be held on an as needed basis. When held they will be on the same date and will immediately follow the IDA's Committee meeting.*

Date	Location
January 5, 2022	FMBF
February 2, 2022	FMBF
March 2, 2022	FMBF
April 6, 2022	FMBF
May 4, 2022	FMBF
June 1, 2022	FMBF
July 6, 2022	FMBF
August 3, 2022	FMBF
September 7, 2022	FMBF
October 5, 2022	FMBF
November 2, 2022	FMBF
December 7, 2022	FMBF

**COUNTIES OF WARREN & WASHINGTON  
INDUSTRIAL DEVELOPMENT AGENCY and  
CIVIC DEVELOPMENT CORPORATION**

**2022 BOARD MEETING SCHEDULE**

*Unless otherwise specified, all IDA Board Meetings will take place on the **third Monday\*** of each month at **4:00 p.m.** in either:*

*Warren County - Committee Room 2<sup>nd</sup> Floor*

*Washington County- Board of Supervisors' Chambers Bldg B*

*Please check the Announcement and Agenda on our Website for further location information of each meeting as state mandates due to COVID are subject to change.*

**\*\*SOME MEETINGS MAY BE BY ZOOM ONLY\*\***

*CDC (Civic Development Corporation) Board Meetings will be held on an **"as needed"** basis. When needed, they will be scheduled to immediately follow the IDA meetings on the same dates below.*

January 18, 2022 (Tuesday) *	Warren
February 14, 2022 (Monday) **	Washington
March 21, 2022	Warren
April 18, 2022	Washington
May 16, 2022	Warren
June 20, 2022	Washington
July 18, 2022	Warren
August 15, 2022	Washington
September 19, 2022	Warren
October 17, 2022	Washington
November 21, 2022	Warren
December 19, 2022	Washington

\* Note Exceptions in January and February due to Federal holidays  
(Martin Luther King Day and Presidents Day)

\*\* February Meeting –Includes Annual Meeting

**BY-LAWS  
OF  
COUNTIES OF WARREN AND WASHINGTON  
INDUSTRIAL DEVELOPMENT AGENCY**

**ARTICLE I  
THE AGENCY**

Section 1. Name. The name of the Agency shall be "Counties of Warren and Washington Industrial Development Agency."

Section 2. Seal of Agency. The seal of the Agency shall be in the form of a circle and shall bear the name of the Agency and the year of its organization.

Section 3. Office of Agency. The office of the Agency shall be located in the County of Washington or in the County of Warren, New York, at such place as the Agency may from time to time designate by resolution.

**ARTICLE II  
OFFICERS**

Section 1. Officers. The officers of the Agency shall be a ~~Chairman~~Chair, a Vice ~~Chairman~~Chair, a Secretary, a Treasurer, Chief Executive Officer and Chief Financial Officer.

The positions of Secretary and Treasurer may be combined. No officer shall receive compensation from the Agency for their services as an officer.

Section 2. ~~Chairman~~Chair. The ~~Chairman~~Chair shall preside at all meetings of the Agency. Except as otherwise authorized by resolution of the Agency, the



~~Chairman~~Chair shall sign all agreements, contracts, deeds, and any other instruments of the Agency. At each meeting the ~~Chairman~~Chair shall submit such recommendations and information as he may consider proper concerning the business, affairs and policies of the Agency. The ~~Chairman~~Chair shall have the authority to appoint special committees when needed to carry out the Agency's business. All committees shall have members from both counties. The ~~Chairman~~Chair shall be responsible for ensuring the enforcement of the policies and procedures of the Agency and shall be responsible to ensure that the directives of the Agency are carried out. The ~~Chairman~~Chair shall be responsible for the oversight of the daily activities of the Chief Executive Officer, the ~~Office Administrator, Executive Director~~ and other employees of the Agency. The ~~Chairman~~Chair, or his or her designee, shall be the spokesperson of the Agency.

Section 3. Vice ~~Chairman~~Chair. The Vice ~~Chairman~~Chair shall perform the duties of the ~~Chairman~~Chair in the absence or incapacity of the ~~Chairman~~Chair; and in the case of the resignation or death of the ~~Chairman~~Chair, the Vice ~~Chairman~~Chair shall perform such duties as are imposed on the ~~Chairman~~Chair until such time as the Agency shall appoint a new ~~Chairman~~Chair.

Section 4. Secretary. The Secretary of the Agency shall keep in safe custody the Corporate seal of the Agency and shall have the power to affix such corporate seal to all instruments and documents authorized to be executed by the Agency. When a facsimile corporate seal is authorized to be used, the Secretary of the Agency shall have the power to approve the manner and fashion of such facsimile and authorize such minor variations

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as are expedient to implement the process by which such facsimile is created.

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~~The Secretary shall keep the records of the Agency, shall act as secretary of the meetings of the Agency and record all votes, and shall keep a record of the proceedings of the Agency in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office. The Secretary shall keep in safe custody the seal of the Agency and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Agency.~~

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**Section 5. Treasurer.** The Treasurer of the Agency Except as otherwise

authorized by resolution of the Board, the Treasurer of the Agency (or the Chair in his absence) shall sign all checks for the payment of money of the Agency; and shall pay out

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and disburse such moneys under the direction of the Board. Except as otherwise

authorized by resolution of the Board, all such checks over the amount of Six Hundred

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Dollars shall be countersigned by the Chair or Vice Chair of the Agency.

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~~The Treasurer shall have the care and custody of all funds of the Agency and shall deposit the same in the name of the Agency in such bank or banks as the Agency shall select, except as otherwise authorized by resolution of the Agency. Except as otherwise authorized by resolution of the Agency, the Treasurer shall review and report on all bills, sign all instruments of indebtedness, all orders, and all checks for the payment of money; and shall pay out and disburse such moneys under the direction of the Agency. Except as otherwise authorized by resolution of the Agency, all such instruments of indebtedness, orders and checks shall be counter signed by the Chairman. The Treasurer shall keep regular books of accounts showing receipts and expenditures, and shall render to the Agency at each regular meeting an account of all transactions and also of the financial~~

~~condition of the Agency. The Treasurer shall give such bond for the faithful performance of his duties as the Agency may determine.~~

Section 6. Chief Executive Officer. The Chief Executive Officer shall be appointed by the ~~Chairman~~Chair and shall not be a Member. The Chief Executive Officer shall perform such duties as the Agency may prescribe or designate and any that are required by law.

Section 7. Chief Financial Officer. The Chief Financial Officer shall be appointed by the ~~Chairman~~Chair and shall not be a Member. The Chief Financial Officer shall perform such duties as the Agency may prescribe or designate and any that are required by law.

Section 8. Additional Duties. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency, by the by-laws of the Agency, or by the rules and regulations of the Agency.

Section 9. Election of Officers. All officers of the Agency shall be elected at the annual meeting of the Agency from among the members of the Agency, and shall hold office for one year or until their successors are elected.

Section 10. Vacancies. Should any office become vacant, the Agency shall elect a successor from among its membership at the next regular meeting, and such election shall be for the unexpired term of said office.

### ARTICLE III STAFF



Section 1. 1. Administration. An ~~Office~~ Administrator may be appointed by the Agency, and shall have general supervision over the administration of the business affairs of the Agency (including compliance with all government laws, rules and regulations), subject to the direction of the Agency. The ~~Office~~ Administrator shall be charged with the management and business affairs of all projects of the Agency. In the alternative, the Agency may contract with another organization to provide the administration of the business affairs of the Agency (including compliance with all government laws, rules and regulations), and the management of Agency projects.

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Section 2. Economic Development. An Executive Director may be appointed by the Agency. The Executive Director will be responsible for Economic Development activities of the Agency. The list of duties is as follows:

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- Plan and implement the economic development activities for Warren-Washington Industrial Development Agency by proposing strategies to achieve goals and objectives set forth by the Board of Directors
- Monitor state, local and federal legislation and regulations, especially relating to economic development to ensure compliance with regulatory requirements and be well versed in financing and grant programs
- Prepare and maintain electronic database on utilities, taxes, zoning, transportation, community services, financing tools, etc. and respond to requests for information about economic development activities or opportunities
- Assist in the creation and analysis of tax incentive financing districts, business incentive programs and cooperative economic development agreements
- Responsible for establishing, maintaining and coordinating working relationships with federal, state, county and regional agencies involved in economic development and workforce education and training
- Provide necessary public relations appearances to promote a positive image of Warren-Washington Industrial Development Agency and lead effective marketing efforts of the owned industrial parks and in other the prime locations of the County's business parks

Page 1

- May include coordination of real estate services associated with business retention, expansion and relocation
- Prepares information for dissemination to potential business clients, including economic, statistical, financial, population, growth, demographic and other information
- Assist potential new businesses in site analysis, including demographic, tax, fee, development or related information

Section 312. Personnel. The Agency may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the New York State Industrial Development Agency Act, as amended, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Agency subject to the laws of the State of New York.

## **ARTICLE IV~~H~~**

### **MEMBERS**

Section 1. The Members shall meet the following requirements:

- a. All Members appointed shall not currently be or in the past two (2) years have been employed by the Agency or an affiliate in an executive capacity.
- b. All Members appointed shall not currently be or in the past two (2) years have been employed by an entity that received remuneration valued at more than Fifteen Thousand Dollars (\$15,000.00) for goods and services provided to the Agency or

received any form of financial assistance valued as more than Fifteen Thousand Dollars (\$15,000.00) from the Agency.

c. All Members appointed shall not be a relative of an executive officer or employee in an executive position of the Agency or an affiliate.

d. No Members appointed shall be or in the past two (2) years have been a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Agency or an affiliate.

Section 2. No Member shall serve as the Chief Executive Officer, or Chief Financial Officer, or hold any other equivalent position while also serving as a Member.

Section 3. Member Responsibilities.

a. Upon the affirmative vote of the majority Members, the Members shall be responsible for ethical management and policy establishment of the Agency.

b. The Members shall be responsible for understanding, reviewing and monitoring the implementation of fundamental financial and management controls and operational decisions of the Agency.

c. Within one (1) year of his appointment to the Agency, each Member must participate in New York State approved training regarding their legal, fiduciary, financial and ethical responsibilities as a Member of the Agency. All Members must participate in continuing training as may be required to remain informed of the best



practices and regulatory and statutory changes relating to effective oversight of management and financial activities of the Agency.

Section 4. Loan Prohibited. The Agency is prohibited from and the Agency shall not approve any extension or maintenance of credit, the arrangement for the extension of credit, or the renewal; of an extension of credit in the form of a personal loan to or for any member, officer or staff. As stated in the Agency's Code of Ethics, members and officers are prohibited from accepting the same.

#### **ARTICLE IV MEETINGS**

Section 1. Annual Meeting. The Annual Meeting of the Agency shall be held during the first three months of every year at the regular meeting place of the Agency. The ~~Chairman~~Chair shall designate the date and time of the Annual Meeting and shall give all members written notice at least ten (10) days in advance; if mailed, the date of mailing shall be considered the date of notice for the purpose of this section.

Section 2. Regular Meetings. Regular meetings of the Agency may be held without notice at such times and places as from time to time may be determined in advance by resolution of the Agency.

Section 3. Special Meetings. The ~~Chairman~~Chair of the Agency may, when he deems it desirable (and shall, upon the written request of two members of the Agency) call a special meeting of the Agency for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each member of the Agency at least two days prior to the date of such meetings, or may be mailed to the business or home address of each member of the Agency at least three days prior to the date of such meeting. A Waiver of notice may be signed by any member failing to receive proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all the members of the Agency are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

Section 4. Quorum. At all meetings of the Agency, six members of the Agency shall constitute a quorum for the purpose of transacting business; provided that a smaller number may meet and adjourn to some other time or until the quorum is obtained.

Section 5. Order of Business. At the regular meetings of the Agency the following shall be the order of business:

1. Roll Call.
2. Reading and approval of the minutes of the previous meeting.
3. Bills and communications.
4. Financial Report~~Report of the Treasurer.~~
5. Reports of Committees. \_\_\_\_\_
6. Executive Director Report
- ~~7~~6. Unfinished business.
- ~~8~~7. New business.
- ~~9~~8. Adjournment.

All resolutions shall be in writing and shall be copied in a journal of the proceedings of the Agency.

Section 6. Manner of Voting. The vote of six members of the Agency shall be sufficient to pass any matter before the Agency. The voting to amend these By-laws and the voting on all matters requiring the expenditure of money, the issuance of bonds, the granting of tax breaks, affecting the rights of a person or affecting real property shall be

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by a roll call vote. In the case of appointments or election of officers, the vote may be by secret ballot at the discretion of the ~~Chairman~~Chair.

## **ARTICLE VI COMMITTEES**

Section 1. Executive Committee. The Executive Committee shall consist of all elected officers. In the event that one individual serves as both Secretary and Treasurer, the ~~Chairman~~Chair shall appoint two (2) members at large, one member from each County, to serve on the Executive Committee. In the event that the offices of Secretary and Treasurer are held by different people, then the ~~Chairman~~Chair shall appoint one (1) member at large to serve on the Executive Committee. The members at large shall be Members of the Agency. The ~~Chairman~~Chair shall call Executive Committee meetings and shall preside at all Executive Committee meetings. The Executive Committee shall review applications for financing and other matters, and will make recommendations to the Agency on those matters. In order to achieve balance the Chair shall ensure that in case of an odd number of members from each county on the Executive Committee, the Chair shall ensure that the at large members are alternated by county on annual basis so that overall balanced representation is maintained.

Section 2. Nominating Committee. The Executive Committee shall serve as the Nominating Committee. The Nominating Committee shall make recommendations as to the officers to be elected at the Annual Meeting. Written notice of the recommendations of the Nominating Committee shall be given to each member at least ten (10) days in

advance of the Annual Meeting; if mailed, the date of mailing shall be considered the date of notice for the purpose of this section. A Waiver of Notice may be signed by any member failing to receive proper notice.

Section 3. Industrial Park Committee. The Executive Committee shall serve as the Industrial Park Committee. The Industrial Park Committee shall oversee the Agency's Industrial Park, and any expansions thereof, and shall make recommendations and reports to the Agency on a regular basis. The Industrial Park Committee shall elect its own ~~Chairman~~Chair. The Industrial Park Committee shall also serve as the Board of Review called for in the Declaration of Covenants and Restrictions governing the Agency's Industrial Park.

Section 4. Audit and Finance Committee. The ~~Chairman~~Chair shall appoint an Audit and Finance Committee comprised of independent members who are, to the extent practicable, familiar with corporate financial and accounting purposes. The Audit and Finance Committee is established for the purpose of providing recommendations to the Agency on the hiring of a certified independent accounting firm, establishing the compensation to be paid to the certified independent accounting firm, providing direct oversight of the performance of the independent annual audit performed by the certified independent accounting firm, and overseeing the Agency's finances. In the event that a member of the Audit and Finance Committee is unavailable, the Agency ~~Chairman~~Chair shall serve as an alternate member.

Section 5. Governance Committee. The ~~Chairman~~Chair shall appoint a Governance Committee comprised of independent members for the purpose of keeping the Agency informed of current best governance practices, reviewing corporate governance trends, updating the corporation's governance principles, and advising appointing authorities on the skills and experiences required of prospective Members.

## **ARTICLE VII**

### **AMENDMENTS**

Section 1. Amendments to By-laws. The By-laws of the Agency shall be amended only with the approval of at least a majority vote of all of the members of the Agency at a regular meeting or a special meeting; but no such amendment shall be adopted unless at least ten (10) days written notice thereof has been previously given to all members of the Agency; if mailed, the date of mailing shall be considered the date of notice for the purpose of this section. A Waiver of Notice may be signed by any member failing to receive proper notice.

By-laws Amended: as of September 25, 2006, and approved ministerial changes as of May 21, 2012 and July 18, 2016, and amended Article V, Section 4 on March 19, 2018, as amended January 21, 2020.



Confidential Evaluation of Board Performance

Criteria

Industrial Development Agency				
	Somewhat	Somewhat		
Agree	Agree	Disagree	Disagree	

Civic Development Corporation				
	Somewhat	Somewhat		
Agree	Agree	Disagree	Disagree	

1	Board members have a shared understanding of the mission and purpose of the Authority	<div></div>	<div></div>	<div></div>	<div></div>
2	The policies, practices and decisions of the Board are always consistent with the mission.	<div></div>	<div></div>	<div></div>	<div></div>
3	Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	<div></div>	<div></div>	<div></div>	<div></div>
4	The Board has adopted policies, by-laws and practices for the effective governance, management and operations of the Authority and reviews these annually.	<div></div>	<div></div>	<div></div>	<div></div>
5	The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	<div></div>	<div></div>	<div></div>	<div></div>
6	The decisions made by Board members are arrived at through independent judgement and deliberation, free of political influence or self-interest.	<div></div>	<div></div>	<div></div>	<div></div>
7	Individual Board members communicate effectively with executive staff so as to be well informed on the status of all-important issues.	<div></div>	<div></div>	<div></div>	<div></div>
8	Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements and other transactions.	<div></div>	<div></div>	<div></div>	<div></div>
9	The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	<div></div>	<div></div>	<div></div>	<div></div>
10	The Board knows the statutory obligations of the Authority and if the Authority is in compliance with the law.	<div></div>	<div></div>	<div></div>	<div></div>
11	Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	<div></div>	<div></div>	<div></div>	<div></div>

12 Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.

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13 Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.

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14 The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.

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15 The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.

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16 Board members demonstrate leadership and vision and work respectfully with each other.

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Name of Authority: Counties of Warren and Washington Industrial Development Agency / Civic Development Corporation  
5 Warren Street, Suite 210 Glens Falls, NY 12801

Date Completed: \_\_\_\_\_

**Counties of Warren and Washington Industrial Development Agency**

Resolution No. \_\_\_\_\_  
Adopted December 20, 2021

Introduced by \_\_\_\_\_  
who moved its adoption.

Seconded by \_\_\_\_\_

**RESOLUTION APPROVING OF THE EXTENSION OF PROJECT COMPLETION DATE  
AND INCREASE IN SALES TAX EXEMPTION AND IN CONNECTION WITH THE KDBF  
VENTURES LLC PROJECT**

WHEREAS, the Counties of Warren and Washington Industrial Development Agency (the "Agency") is a body corporate and politic duly organized and existing under Sections 856 and 890-c of the General Municipal Law ("GML") of the State of New York (the "State"), with its principal place of business at 5 Warren Street, Glens Falls, New York; and

WHEREAS, KDBF Ventures LLC (the "Company") is a New York limited liability company with an offices at 29 Old Aspetong Road, Katonah, New York; and

WHEREAS, the Agency and the Company entered into a Lease Agreement and related documents all dated as of February 24, 2021 (the "Closing Date") in regard to a certain project (the "Project") to consist of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 6030 State Route 9 in the Town of Chester, County of Warren, New York (the "Land"); (ii) the planning, design, expansion, renovation, operation and maintenance by the Company of an approximately 18,000+/- square foot facility which will be used by the Company for the manufacture of medical cannabis and an approximately 42,000 +/- square foot greenhouse facility for use by the Company (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Improvements, the "Facility"), all pursuant to Title 1 of Article 18-A of the GML, as amended; and

WHEREAS, due to \_\_\_\_\_, the total cost of the Project has increased; and

WHEREAS, as of the Closing Date, the total estimated project cost was Seven Million Dollars (\$7,000,000.00), the amount of the sales and use tax exemption authorization was One Million Four Hundred Fifty Thousand Dollars (\$1,450,000.00) and the value of the sales and use tax exemption was One Hundred One Thousand Five Hundred Dollars (\$101,500.00); and

WHEREAS, in order to complete the Project, the Company is requesting that the Agency extend the project completion date and sales tax appointment date through July 31, 2022 and to increase the amount of the sales tax exemption based on increased project costs; and



WHEREAS, the Agency has not found the Company to be in default of any of the terms of the Lease Agreement or the PILOT Agreement; and

WHEREAS, pursuant to Section 859-a of the General Municipal Law, a public hearing was duly held on December 20, 2021.

**NOW, THEREFORE, BE IT RESOLVED**

1. That the Agency hereby amends Section 3(D) of Resolution No. 20-26 adopted on December 21, 2020 to correct an error in the approved sales and use tax exemption authorization and value to read as follows: "The Agency hereby authorizes exemptions from State and local sales and use taxes for purchases and rentals related to the undertaking of the Project in an amount not to exceed One Hundred One Thousand Five Hundred Dollars (\$101,500.00), based on eligible Project costs of One Million Four Hundred Fifty Thousand Dollars (\$1,450,000.00); which exemption shall expire December 31, 2021."

2. That the Agency does hereby approve of an increase in the total project cost in the amount of Five Million Nine Hundred Four Thousand Six Hundred Twenty Nine Dollars (\$5,904,629.00) resulting in a total project cost of Twelve Million Nine Hundred Four Thousand Six Hundred Twenty Nine Dollars (\$12,904,629.00).

3. That the Agency does hereby approve of an increase in the sales and use tax exemption authorization in the amount of One Million Five Hundred Fifty Thousand Dollars (\$1,550,000.00), thereby increasing the total sales and use tax exemption authorization to Two Hundred Ten Thousand Dollars (\$210,000.00) based on Three Million Dollars (\$3,000,000.00) in purchases.

3. That the Agency does hereby approve of the extension of the project completion date and extension of the sales tax exemption until July 31, 2022.

4. That the Company shall be responsible for any fees, costs and expenses relating to this transaction, including the additional administrative fee due the Agency in the amount of \$44,284.71, based on the increase in the total project cost, Agency's legal fees and any other fees and expenses.

5. That the Agency does hereby authorize the Chair (Vice) of the Agency or the Chief Executive Officer, upon advice and consent of Agency Counsel, to execute and deliver on behalf of the Agency any and all documents necessary to consummate the transaction.

6. That the Agency reaffirms the financial assistance previously approved.

7. This Resolution shall take effect immediately.

**Counties of Warren and Washington Industrial Development Agency**

Resolution No. \_\_\_\_\_  
Adopted December 20, 2021

Introduced by \_\_\_\_\_  
who moved its adoption.

Seconded by \_\_\_\_\_

**RESOLUTION APPROVING OF THE EXTENSION OF PROJECT COMPLETION DATE  
AND INCREASE IN SALES TAX EXEMPTION AND IN CONNECTION WITH THE KDBF  
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WHEREAS, due to expansion of the project and construction complexities, the total cost of the Project has increased; and

WHEREAS, as of the Closing Date, the total estimated project cost was Seven Million Dollars (\$7,000,000.00), the amount of the sales and use tax exemption authorization was One Million Four Hundred Fifty Thousand Dollars (\$1,450,000.00) and the value of the sales and use tax exemption was One Hundred One Thousand Five Hundred Dollars (\$101,500.00); and

WHEREAS, in order to complete the Project, the Company is requesting that the Agency extend the project completion date and sales tax appointment date through July 31, 2022 and to increase the amount of the sales tax exemption based on increased project costs; and

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CPAs & Business Advisors

WHITTEMORE, DOWEN  
& RICCIARDELLI, LLP

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Queensbury, NY 12804  
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www.wdr CPA.com

December 1, 2021

The Board of Directors  
Counties of Warren and Washington  
Civic Development Corporation  
5 Warren Street, Suite 210  
Glens Falls, New York 12801

We are pleased to confirm our understanding of the services we are to provide Counties of Warren and Washington Civic Development Corporation (CDC) for the year ending December 31, 2021.

#### **Audit Scope and Objectives**

We will audit the financial statements of the CDC, which comprise the statement of net position as of December 31, 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement CDC's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to CDC's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

##### **1) Management's Discussion and Analysis.**

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting

records of CDC and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables, if any, and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

There is a risk that accrued liabilities will be misstated.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

#### **Audit Procedures – Internal Control**

We will obtain an understanding of the Organization and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An



audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures – Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of CDC's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We will prepare the Organization's federal form 990-EZ for the Internal Revenue Service and the New York form CHAR500 for the New York State Office of the Attorney General Charities Bureau for the year ending December 31, 2021. We will also assist in preparing the financial statements and related notes of the Organization in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate



steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Organization; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Whittemore, Dowen & Ricciardelli, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of New York or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Whittemore, Dowen & Ricciardelli, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State of New York. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Colin D. Combs, CPA, CFE is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in February 2022 and to complete your information returns and issue our report no later than March 15, 2022.

Our fee for these services will be \$1,950 plus out-of-pocket expenses. This quote is derived based upon last year's information regarding the time spent and any new or different circumstances that exist this year that we are aware of presently. We will hold our fee to the fee quote unless some unexpected circumstances arise while performing this year's work that we were not aware of. If this happens, we will discuss the fee modification with you before



proceeding any further with the work. If you do not hear otherwise, then you can anticipate that the fee quote stands as presented.

All invoices are due and payable upon presentation, including progress billings. Finance charges will be added at a rate of 1½% per month (18% annum) on all amounts not paid within 30 days. In addition, if you default in payment of our invoices, you agree to pay all costs and expenses of collection, including reasonable attorney's fees and disbursements. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

### **Termination and Other Terms**

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the county of Warren, New York State, by Mediation Matters, Inc., according to mediation rules, and any ensuing litigation shall be conducted within said county, according to New York law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Any litigation arising out of this engagement must be filed within two years from the completion of the engagement, notwithstanding any statutory provision to the contrary. Our liability relating to the performance of the services rendered under this letter is limited solely to direct damage sustained by you. In no event shall we be liable for the consequential, special, incidental, or punitive loss, damage or expense caused to you or any third party (including without limitation, lost profits, opportunity costs, etc.). The provisions set forth in this paragraph shall survive the completion of the engagement.

Notwithstanding anything contained herein both accountant and client agree that regardless of where this Agreement is physically signed, this Agreement shall have been deemed to have been entered into at our office located in Warren County, New York, and such location, shall be the exclusive jurisdiction for resolving disputes related to this Agreement. This Agreement shall be interpreted and governed in accordance with the Laws of New York.

We reserve the right to withdraw from this engagement without completing the statements if you fail to comply with the terms of this engagement letter. If any portion of this agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this engagement letter.

### **Reporting**

We will issue a written report upon completion of our audit of CDC's financial statements. Our report will be addressed to the Board of Directors of the Counties of Warren and Washington Industrial Development Agency (IDA). CDC will be included in the IDA's financial statements as a discretely presented component unit. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that CDC is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance

with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to CDC and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Colin D. Combs, CPA, CFE

Colin D. Combs, CPA, CFE

Whittemore, Downen & Ricciardelli, LLP

RESPONSE:

This letter correctly sets forth the understanding of the CDC.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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WHITTEMORE, DOWEN  
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December 1, 2021

The Board of Directors  
Counties of Warren and Washington  
Industrial Development Agency  
5 Warren Street, Suite 210  
Glens Falls, New York 12801

We are pleased to confirm our understanding of the services we are to provide Counties of Warren and Washington Industrial Development Agency (IDA) for the year ending December 31, 2021.

#### **Audit Scope and Objectives**

We will audit the financial statements of the IDA, which comprise the statement of net position as of December 31, 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement IDA's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to IDA's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

##### **1) Management's Discussion and Analysis.**

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

We appreciate the opportunity to be of service to IDA and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

*Colin D. Combs, CPA, CFE*

Colin D. Combs, CPA, CFE

Whittemore, Downen & Ricciardelli, LLP

RESPONSE:

This letter correctly sets forth the understanding of the IDA.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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