

THE AGENCY

B R O O M E C O U N T Y I D A / L D C

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
January 18, 2023 • 12:30 p.m. • The Agency Conference Room
FIVE South College Drive, Suite 201, 2nd Floor
Binghamton, New York 13905

AGENDA

1. OATH OF OFFICE/ACKNOWLEDGEMENT OF FIDUCIARY J. MEAGHER
 2. NOMINATION OF OFFICERS J. MEAGHER & CHAIRMAN
 - CHAIRMAN
 - VICE CHAIRMAN
 - SECRETARY
 - TREASURER
 3. APPROVE MINUTES FROM OCTOBER 19, 2022 BOARD MEETING CHAIRMAN
 4. PUBLIC COMMENT CHAIRMAN
- NEW BUSINESS**
5. 2023 MEETING SCHEDULE - AS NEEDED CHAIRMAN
- OLD BUSINESS**
6. ADJOURNMENT CHAIRMAN

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
BOARD MEETING
FIVE South College Drive
Binghamton, New York 13905
Wednesday, October 19, 2022, 12:30 p.m.**

SYNOPSIS OF MEETING

PRESENT: J. Bernardo, J. Peduto, D. Crocker, C. Sacco, D. Gates
and P. Newman

ABSENT: S. Cornwell, R. Bucci, J. Mirabito

GUESTS: J. Platsky, Press and Sun Bulletin (via Teleconference)
M. Meany, Mayor Village of JC (via Teleconference)

STAFF: S. Duncan, N. Abbadessa, C. Hornbeck, B. O'Bryan, T. Ryan, A. Williamson
and P. Doyle

COUNSEL: J. Meagher

PRESIDING: J. Bernardo

The meeting was called to order at 12:30 p.m.

ITEM #1. APPROVE MINUTES FROM THE SEPTEMBER 21, 2022 BOARD MEETING: Chairman Bernardo requested a motion to approve the minutes from the September 21, 2022 Board meeting.

MOTION: To Approve the September 21, 2022 Board Meeting Minutes. On a MOTION by Mr. Crocker, seconded by Mr. Newman, the MOTION CARRIED.

ITEM #2. PUBLIC COMMENT: Chairman Bernardo asked if there were any public comments.

No public comments were made.

ITEM #3. RESOLUTION AMENDING THE BCLDC'S SEPTEMBER 21, 2022 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO REQUEST AMERICAN RESCUE PLAN FUNDS IN THE AMOUNT OF \$2,000,000.00 FROM BROOME COUNTY, SUBJECT TO APPROVAL BY THE BROOME COUNTY LEGISLATURE, TO RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO REQUEST AMERICAN RESCUE PLAN FUNDS IN THE AMOUNT OF \$2,800,000.00 FROM BROOME COUNTY, SUBJECT TO APPROVAL BY THE BROOME COUNTY LEGISLATURE, FOR THE PURPOSE OF ECONOMIC DEVELOPMENT, TO INCLUDE \$1,000,000.00 FOR THE RENOVATION AND EQUIPPING OF THE EJ TOE BOX, LLC HOUSING PROJECT LOCATED AT 19

AVENUE B IN THE VILLAGE OF JOHNSON CITY, NEW YORK, AND \$1,800,000.00 FOR DISPOSAL OF DEBRIS ASSOCIATED WITH DEMOLITION PROJECTS AT THE PHOENIX ENDICOTT INDUSTRIAL INVESTORS, LLC HURON CAMPUS, LOCATED IN THE VILLAGE OF ENDICOTT, NEW YORK, INCLUDING, BUT NOT LIMITED TO GRANTS AND OTHER FINANCIAL ASSISTANCE FOR SITE DEVELOPMENT AND OTHER ECONOMIC PRIORITIES, TO ADVANCE THE INTERESTS OF THE CITIZENS OF BROOME COUNTY: Ms. Duncan noted this is an amendment and a clarification to the previous resolution the Board acted on last month, which was an acceptance of ARPA funds from Broome County in the amount of \$2 million for Phoenix Endicott Industrial Investors, LLC. When the contract was received from Broome County, the amount was \$2.8 million. \$1.8 million is going to Phoenix Endicott Industrial Investors, LLC for the redevelopment of the Huron Campus, and \$1 million is going to EJ Toe Box, LLC. for the renovation of the historic EJ Toe box building, which is located at 19 Avenue B, in the Village of Johnson City. The building is located adjacent to 59 Lester Ave. Upon receiving clarification, this needed to come back before the Board to accept the new amount of funds at the wishes of Broome County. The LDC is nothing more than a pass-through for these funds.

MOTION: To Approve a Resolution Amending The BCLDC's September 21, 2022 Resolution Authorizing the Executive Director to Request American Rescue Plan Funds in the Amount of \$2,000,000.00 from Broome County, Subject to Approval by the Broome County Legislature, to Resolution Authorizing the Executive Director to Request American Rescue Plan Funds in the Amount of \$2,800,000.00 from Broome County, Approved by the Broome County Legislature, for the Purpose of Economic Development, to Include \$1,000,000.00 for the Renovation and Equipping of the EJ Toe Box, LLC Housing Project Located at 19 Avenue B In The Village Of Johnson City, New York, and \$1,800,000.00 for Disposal of Debris Associated with Demolition Projects at the Phoenix Endicott Industrial Investors, LLC Huron Campus, Located in the Village of Endicott, New York, Including, but not limited to Grants and other Financial Assistance for Site Development and other Economic Priorities, to Advance the Interests of the Citizens of Broome County. On a MOTION by Mr. Peduto, seconded by Mr. Gates, the MOTION CARRIED.

ITEM #5. ADJOURNMENT: Chairman Bernardo asked if there is any other business; hearing none, requested a motion to adjourn.

MOTION: To adjourn the meeting. On a MOTION by Mr. Gates, seconded by Mr. Peduto, the MOTION CARRIED, and the meeting was adjourned at 12:35 p.m.

The next scheduled meeting of the BCLDC is to be determined.



January 9, 2023

Broome County Local Development Corporation
Binghamton, New York

Attention: Board of Directors

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of Broome County Local Development Corporation's (the Corporation) financial statements and compliance as of and for the year ending December 31, 2022.

Communication

Effective two-way communication between our firm and the Board of Directors is important to understanding matters related to the audit and developing a constructive working relationship.

Your insights may assist us in understanding the Corporation and its environment, identifying appropriate sources of audit evidence and providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate to us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing and extent of audit procedures, your suspicion or detection of fraud, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other known or likely fraud, noncompliance with provisions of laws, statutes, regulations, rules, provisions of contracts or grant agreements or abuse that is likely to have a material effect on the financial statements. We will also communicate illegal acts, instances of noncompliance or fraud that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Additionally we will communicate significant unusual transactions, matters that are difficult or contentious for which the auditor consulted outside the engagement team, and circumstances that affect the form and content of the auditors' report. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing.

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Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission, no partner or professional employee of Inero & Co. CPAs, LLP is permitted to have any direct financial interest or a material indirect financial interest in a client or any affiliate of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with firm policy. In addition, our policies restrict certain non-audit services that may be provided by Inero & Co. CPAs, LLP and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your operations. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of business objectives, strategies, risks and performance.

As part of obtaining an understanding of your organization and its environment, we will obtain an understanding of internal control. We will use this understanding to identify risks of material misstatement and noncompliance, which will provide us with a basis for designing and implementing responses to the assessed risks of material misstatement and noncompliance. We will also obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance.

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality in both planning and performing the audit, evaluating the effect of identified misstatements or noncompliance on the audit and the effect of uncorrected misstatements, if any, on the financial statements, forming the opinion in our report on the financial statements, and determining or reporting in accordance with *Government Auditing Standards* and other compliance reporting requirements. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial and compliance informational needs of users of the financial statements. We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit. We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. We will accumulate misstatements identified during the audit, other than those that are clearly trivial. At the end of the audit, we will inform you of all individual uncorrected misstatements aggregated by us in connection with our evaluation of our audit test results.

Significant Risks of Material Misstatement

Our audit of the financial statements includes the performance of risk assessment procedures in order to identify risks of material misstatement, whether due to fraud or error. As part of these risk assessment procedures, we determine whether any risks identified are a significant risk. A significant risk is an identified and assessed risk of material misstatement that, in our professional judgment, requires special audit consideration. As part of our initial risk assessment procedures, we identified the following risks as significant risks. Additional significant risks may be identified as we perform additional audit procedures.

Risk Name	Risk Description	Planned Response
Management Override of Internal Controls	If management overrides internal controls related to financial reporting, financial statements could be materially misstated.	We will inquire of personnel within the Corporation and review control procedures. We will review year end journal entries and investigate any that meet certain criteria and exercise professional skepticism throughout the audit.
Revenue Recognition	Revenue recorded in the wrong period or prior to the satisfaction of related performance obligations or grant requirements, if applicable, could materially misstate the financial statements.	We will examine samples of the Corporation's main revenue transactions and ensure the recognition is in compliance with the applicable financial reporting framework.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements, including compliance, will include obtaining an understanding of internal control sufficient to plan the audit and determine the nature, timing and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or identify significant deficiencies or material weaknesses. Our review and understanding of the entity's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue reports on internal control related to the financial statements and major programs. These reports describe the scope of testing of internal control and the results of our tests of internal control. Our reports on internal control will include any significant deficiencies and material weaknesses in the system of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States, the Single Audit Act, and *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* at 2 CFR 200 (Uniform Guidance).

We will issue reports on compliance with laws, statutes, regulations, and the terms and conditions of federal awards. We will report on any noncompliance that could have a material effect on the financial statements and any noncompliance that could have a direct and material effect on each major program. Our reports on compliance will address material errors, fraud, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with the requirements of the standards identified above.

Timing of the Audit

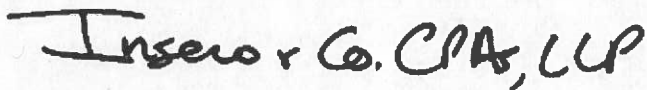
We have scheduled field work for the week of January 17, 2023. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to Broome County Local Development Corporation.

This communication is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than this specified party.

Respectfully Submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants
Ithaca, New York