

THE AGENCY

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

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT & FINANCE COMMITTEE MEETING

March 15, 2023 at 11:00 a.m.

FIVE South College Drive, Suite 201

Binghamton, NY 13905

AGENDA

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| 1. | CALL TO ORDER | D. CROCKER |
| 2. | ACCEPT THE TRANSCRIPT– AUGUST 31, 2022 AUDIT & FINANCE COMMITTEE MEETING | D. CROCKER |
| 3. | PUBLIC COMMENT | D. CROCKER |

NEW BUSINESS

- | | | |
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| 4. | REVIEW/DISCUSSION/RECOMMENDATION OF THE 2022 AUDIT OF THE BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY CONDUCTED BY INSERO & CO. CPAS, LLP. | S. DUNCAN |
| 5. | REVIEW/DISCUSSION/RECOMMENDATION OF THE READOPTION OF THE AGENCY'S INVESTMENT AND DEPOSIT POLICY, THE PURCHASING POLICY, THE PROPERTY ACQUISITION GUIDELINES, AND THE PROPERTY DISPOSITION GUIDELINES WITH NO CHANGES. | N. ABBADESSA |
| 6. | REVIEW/DISCUSSION/RECOMMENDATION OF THE REVISED BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY'S INTERNAL CONTROLS AND FINANCIAL ACCOUNTABILITY POLICY, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A". | S. DUNCAN |
| 7. | REVIEW/DISCUSSION/RECOMMENDATION A PROPOSAL FROM CHARGESMART EV, LLC FOR THE INSTALLATION OF FIVE EV CAR CHARGING STATIONS AT THE AGENCY'S OFFICE LOCATED AT FIVE SOUTH COLLEGE DRIVE, TOWN OF DICKINSON, BROOME COUNTY, NEW YORK TO INCLUDE ALL MATERIALS, EQUIPMENT, PERMITS, INCENTIVE APPLICATIONS, PROJECT MANAGEMENT, PROJECT DESIGN, CUSTOMER SUPPORT, STATION ACTIVATION, ELECTRICAL INSPECTION FEES, AND ENGINEERING STAMPED DRAWINGS, IF NECESSARY, IN AN AMOUNT NOT TO EXCEED \$11,500.00, WHICH FEE COVERS THE 2024 ANNUAL NETWORK PLAN FEE IN THE AMOUNT OF \$2,500.00 AND A FIVE YEAR PARTS AND LABOR WARRANTY IN THE AMOUNT OF \$9,000.00. | S. DUNCAN |

OLD BUSINESS

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| 8. | ADJOURNMENT | D. CROCKER |
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BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Audit & Finance Committee Meeting

Held on August 31, 2022. Commencing at
9:00 a.m. Adjourned at 9:34 a.m.

[See attendees at end of transcript.]

Digitally recorded proceeding
Transcribed by: Elana Hulsey
Reporters Transcription Center
P.O. Box 903
Binghamton, NY 13902

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CHAIRMAN CROCKER: Good morning. It's August 31st. I'd like to call the Audit & Finance Committee Meeting to order. We've all had the chance to review the transcript of the October 15th committee meeting. If there are no objections, we'll submit it for the record.

At this time, I would like to open the public comment portion of the meeting. If you have any comments, please limit those to five minutes, state your name and address for the record. Seeing none, we will close the public comment portion.

New Business: Review and Recommendation of Approval to the Full Board for the IDA Operational Budget for Fiscal Year 2023. Stacey?

MS. DUNCAN: Okay. Well, good morning, everyone. So this is sort of step one of the process of approving our 2023 operational budget for the Broome County IDA. Just a bit of process, Peter, for your information. So we are required per New York State law to have an approved budget by October 31 of every year, and then per New York State law, we upload that to PARIS, which is our online reporting system through the Authority's Budget Office. So Audit & Finance, your action today is really just to review and make recommendations to further the budget to the full Board, and that will take place at our September 21st meeting as planned.

I will walk you through. I did send a narrative on the budget, but I will walk you through and please, at any point in time, stop and ask questions. Peter, you know some of this will be new, so please feel free to jump in anytime. So just generally, in the proposed budget, we maintain a conservative approach based on what we think are realistic expectations for income. I will say I think that this is the first year we're starting to see the impact of some economic uncertainty with

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interest rates, things happening. Things are slowing, but we still have a nice pipeline of projects, so we tried to factor that into some of our assumptions in the budget for the year ahead.

I do want to note just a small formatting change for those who have seen the budget over the last couple of years. When you look at just the structure of our budget, we have Income as our top line of income. That is income received outside of our PILOT projects, so any and all income that we received through lease agreements, sale of properties, etc. What we did previously was we had some of our leaseback fees that were turned out up there. We just moved them down to reflect I think more accurately where they belong. They are now under Leaseback Fees, so that's just a minor formatting change that I wanted to note.

As far as income outside of our PILOT payments, I just want to note a few things. I won't go through every line - we'd be here maybe all day if I did - but we do expect an increase in our rent from the FIVE College Drive tenant leases because Visions was not paying rent for a term of five years, and that was due to some agreements related to the fit-out of their space. They took on some additional expense, and therefore we offset that previously with a five-year term with no rent being paid. That now kicks in in January of 2023 at the rate of \$1,000 per month, so that income is reflected in that number.

In addition, per our previous leases with the Greater Binghamton Chamber of Commerce and Alliance for Manufacturing and Technology, there was built in a 3% increase in their rent effective September 1 for the Chamber.

MS. RYAN: And AMT, we already have that one.

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MS. DUNCAN: Yeah. Those were built into the structure of their previous lease agreements, so that that dollar amount is reflected in that number. We have budgeted at this point for the recently approved lease agreement with Tarpon Towers, which is the cell tower. We've built in the \$18,000. That's a \$1,500 a month lease term. That could increase, assuming they bring on additional carriers, but that would be new income there. Then Miscellaneous, we always factor in some for sometimes we receive grant proceeds if we serve as a pass-thru on grants, miscellaneous dollars. Then the Solar City lease with the County for the acreage in the Broome Corporate Park will remain the same. So outside of BCIDA PILOT fees, we expect to receive a slightly increased amount of about \$191,000 in income next year.

Moving on to our IDA fees. Again, this is the 1% fee we collect on transactions where PILOT programs are approved and we enter into PILOT agreements. On the first line, as you can see, I did note a reduction in IDA Sale/Leaseback Fees on projects to be determined. We reduced that from \$615,000 to \$596,000, and I did send out to the committee a rough table.

What we do every year is essentially we try to look at what projects are in the pipeline through some form of communication with us that they intend to apply for PILOT benefits or maybe they have an application that's in progress with us or we become aware of some other income source. So what I've done in this sheet that I sent to you - and I have some hard copies here - is outlined projects that we have been involved with that we believe are in some state of preparation, but we just don't know exactly when these will hit.

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What we try to do is identify what ones we think will reasonably close in the year ahead. I've not budgeted all of the projects that you see in the pipeline, but I have identified the Conifer Realty-LeChase Construction project, which is the former IBM Country Club. I have projected that to close in 2023 at the rate of about \$396,000 in fees, as well as a project that we have approved, which is the Altura at Skye View Heights. That is a closing fee of \$200,000. So as you can see those were the two that we felt as a staff we were most confident to advance into our budget.

The additional ones you see here. The Water Street Development project in Downtown Binghamton is still in process, but we decided to keep that out of any projections. STIIIZY, which is the recent announcement of an option agreement with the City of Binghamton and Charles Street Business Park. That could be potentially two sources of income. If they purchase the eight acres that's proposed, that money comes back to the IDA per our agreement with the City. We essentially hold the paper on that and as the parcels sell, we get paid. Also, the City Council did approve a year-long option agreement with STIIIZY on the potential sale of that land, and if they move forward with a manufacturing and processing facility for cannabis in the Charles Street Business Park, they would seek a PILOT from us and therefore there would be the 1% fee to be determined.

So as you can see, we try to just estimate what we think are reasonable projections, but we don't necessarily include all of them in our budget.

MR. NEWMAN: Are these fees paid in full? Or are these over time?

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MS DUNCAN: It ultimately depends. Sometimes there's a request for a term-out period. Sometimes we actually recommend to the Board, given the amount as you'll see, and we'll jump to those below. Sometimes it's, I think, prudent for us to term those out because it brings us that recurring revenue.

42 Development will not be in 2023. We should take that out too I think.

MS. RYAN: Yeah. I just put it in there to compare.

MS. DUNCAN: Yeah. We had projected a potential PILOT agreement with the FedEx building in Kirkwood. They have opted not to seek a PILOT. We had some preliminary conversations with them, but they opted to not pursue a PILOT, so that will be out in the final version.

Canopy, Spark JC, and Bluestone, Peter, are examples of where the fee was high enough that it was, I think, beneficial to us as an organization to term those out, and it worked for the project owner as well. So we receive these annual fees on those projects. Spark JC we have received for 2022. We will bill the beginning of 2023 on that. Canopy and Bluestone invoices just went out. We bill them typically this time of year for those fees, so those are due to us for this year, but we will expect those in the year ahead as well.

These next couple of items are just a few items that we receive income from, but we've never actually just outlined in our budget. The Small Business Incentive Program is our sales tax only benefit program. We do have a fee attached to that program. That can vary depending on the size of the sales tax exemption, but we did want to reflect that we do receive income from that. Our PILOT Administration Fee, every project that receives a PILOT benefit we bill at the end of the year a \$1,500 compliance fee. That is for our work to provide all the

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details to New York State for PARIS reporting, etc. Again, it's income we've received historically but never really pulled out separately, so we did reflect that differently this year.

MR. NEWMAN: Stacey, is the \$1,500 contractually bound? Or is it an administrative fee we can change?

MS. DUNCAN: We can change that amount, yeah. Loan Fund Administration typically holds steady, and that usually we receive at the end of the year.

MS. RYAN: Yeah. We calculate it at the end of the year. We accrue it, and we usually get paid at the beginning of the year.

MS. DUNCAN: Bank Interest we have just decreased slightly based on projections for this year from previous years. With all of that, we expect a slightly reduced amount of income next year. Again, I think what we're seeing this year is a little bit of uncertainty playing out, and also interest on some of our investments we're not reporting.

MR. NEWMAN: On that, is the balance pretty static from '22 to '23? I think in '23 there will be some interest paid on accounts, but in '22 there wasn't much.

MS. DUNCAN: On the bank interest?

MR. NEWMAN: Yeah. What is the balance approximately?

MS. DUNCAN: The balance currently, we just looked at that.

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MS. RYAN: I don't know what it is. I can check it.

MS. DUNCAN: No, on our bank interest, just on our bank interest.

MS. RYAN: I can check. I can give you it in a few seconds.

MR. BERNARDO: It's about seven million, isn't it? Something to that effect, between seven and eight million?

MS. RYAN: It's what's in the investment--

MS. DUNCAN: Oh, in the investment. I'm sorry, in the investment, yeah.

MS. RYAN: But currently this year, the interest received is considerably lower than in past years. That's why we lowered that.

MR. NEWMAN: You think lower than the budgeted year amount? [inaudible].

MS. RYAN: Yeah.

MS. DUNCAN: So we opted to--

MR. MIRABITO: Next year should be more, right Peter?

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MR. NEWMAN: Yeah. I mean, I think for budgeting purposes, I think you could have said 1% versus .1% for last year, that's why.

MS. RYAN: Yeah, but I still think they'll bring it quite far below our current budget amount.

MS. DUNCAN: So all in total--

MS. RYAN: I'll get you the numbers after the meeting, if you want me to.

MR. NEWMAN: Okay.

MS. DUNCAN: I was projecting about \$1.27 million in income. Again, you do see it's a reduction, but we wanted to be conservative given sort of the pattern at least that we've seen play out this year.

Looking at Expenses, not a lot of significant changes in our expense line. A few things I do want to point out. As far as administrative with regard to salaries, what we do every year is I do request from the Board a not-to-exceed amount to be used for staff salary increases. That is with the exception of the Executive Director. I mean, any adjustment that the Board may want to provide to the Executive Director. So taking that out of the equation, I am requesting a not-to-exceed amount of \$15,000 to be provided for staff salary increases.

And with regard to the Executive Director, a salary adjustment for the Executive Director has been reflected in the salary line per the recommendation of the Personnel Committee. Dan, I don't know if you want to expound. I know you had a conversation with Jim Peduto on that. I spoke with Jim today. There will be one final Personnel Committee meeting

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just prior to the Board meeting to sort of finalize any details related to the ED's salary adjustment.

CHAIRMAN CROCKER: We can wait until after they give a report right, after the meeting?

MS. DUNCAN: Yeah.

MR. MIRABITO: [inaudible]?

MS. DUNCAN: Yeah, yeah.

MR. NEWMAN: Stacey, there's a decline over the budget numbers last year. Did we have an extra position for '22?

MS. DUNCAN: Well Tom Gray retired, and we carried some of his salary through Q1 of this year. He provided sort of part-time--

MS. RYAN: And there's also half a position that is still not filled.

MS. DUNCAN: We have an unfilled position currently.

MR. NEWMAN: Have we budgeted assuming we fill that?

MS. DUNCAN: Yes. We have included that.

MR. MIRABITO: The half?

MS. DUNCAN: Yeah. We do have a young man, Nick Gregoris, who came on as an intern. He is continuing with us at an hourly rate as an intern. He's just a recent college

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graduate, so while he's doing that, he's providing a lot of help with our CDBG grant administration. So we do have some incoming applications on that this year, and we've accommodated for that for next year's budget as well.

MR. MIRABITO: So some of that's timing?

MS. DUNCAN: Yes.

CHAIRMAN CROCKER: So it's a shared position. It's full-time, but just shared with the Chamber. Is that why it's a half?

MS. DUNCAN: No.

CHAIRMAN CROCKER: Why do you say it's a half?

MS. DUNCAN: It's not really half a position. It's just an hourly rate.

MS. RYAN: Yeah. It's an hourly rate. I was basing that on the fact that based on what the salary would be versus--

MS. DUNCAN: Right. Yeah, so he's working hourly for us for the time being, but we did keep funding for that position in the 2023 budget.

MS. RYAN: And he also doesn't have any of the paid benefits either, so that also affected the number.

MS. DUNCAN: It's essentially a paid internship position, yeah. The Benefits line, on the benefits we did

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assume an 8% increase. I don't think you have the final numbers on any increases.

MS. RYAN: No, we won't have any health insurance numbers until probably January. January is when we usually know how much the State's going to go up, so I took an average. I've seen numbers all over the place, from 10% to 5%, so I used 8% as kind of a place to throw the dart to use to see what the increase will be.

MS. DUNCAN: With regard to additional expenses under Administration, we do like to maintain a line for Professional Service Contracts. Currently, we have a contract with National Development Council who provides some independent financial analysis and review. They assist with structure. If we have to work with them to structure some more complicated projects and look at an array of public financing tools, they can work with us on that, but most importantly, one of the benefits we get through that relationship is professional development for staff at no charge, so it's part of the contract with them. I did my certification through that. Natalie's done programming, and now Brendan as well has passed through that. I think it's a very fruitful relationship to continue with National Development Council. That is a \$22,000-a-year contract, but again, we like to just leave room should something come up that we might need to bring a consultant on for some specific initiative.

Payroll Administration, we are waiting on a final note if that will increase. We have accommodated for a slight increase in Payroll Administration fees.

Investment Management, that is based on the performance of our investments as you know. As a refresher, we only are able to invest in US Treasuries. Right now, the yield on that

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is substantially lower than in previous years. As such, we've seen a decrease in our Investment Management fee, but we'll plan to confirm those. Sometimes we don't get those until, unfortunately, after we submit the budget.

MS. RYAN: Yeah. They are usually at least a quarter behind.

MS. DUNCAN: Office Expenses essentially have remained flat. I think the only area where we slightly bumped up is the Meetings line, which is just to accommodate more--

MS. RYAN: The Community Breakfasts.

MS. DUNCAN: Yes. The Community Breakfasts, which we've returned to. We had put kind of a pause on that during COVID for two years.

Audit Fees, we have received word from Insero that there will be an increase in audit fees, and that is reflected in the budget as well.

Going to Business Development, we really have not made any significant changes. We do utilize the advertising dollars to do a number of digital advertising pieces for The Agency through sources like LinkedIn, Facebook, and other digital platforms, as well as an advertorial. We do a package with the New York State Real Estate Journal, which is very effective in getting visibility in the Metro New York City, Connecticut, New Jersey area as well. So really not a lot of changes at all with that Business Development area.

I do want to note expenses on the building. They have gone up. What we've seen in 2022, our utility costs have increased by about 28%, and non-budgeted repairs totaled \$11,000 this year. These were the unexpected elevator, HVAC,

just a lot of unexpected repairs. One of our goals has been to start to build a Repair and Replacement fund in there, so what we have recommended as our contribution to that is to fund that \$10,000 Repair and Replacement line. The building is five years old. It's still early for things to start to go, but reflective of what we experienced in this year, we did think it was prudent to put an amount of \$10,000 to cover costs.

MR. MIRABITO: Does everyone pay their own utilities? Or do you pay the whole thing?

MS. DUNCAN: We pay.

MR. MIRABITO: It's included in their rent?

MS. DUNCAN: Yeah. So with that, we are projecting - conservative again - a net income of \$83,619 for 2023. Again, a slight decrease from last year, but just based on what we're seeing play out in this year, it's us relatively flat for next year as well.

MR. MIRABITO: Stacey, I've got one question.

MS. DUNCAN: Sure.

MR. MIRABITO: Public Relations Contract, who's that with?

MS. DUNCAN: Hue. Peter and Camila Hoffman, Hue. We have a term contract with them. They provide a number of services for us. Mostly the development of all of our print materials, our annual report, marketing brochures, presentations as

needed for Community Breakfasts and such. They create all the content for our digital ads, things like that.

MS. RYAN: And Riger as well.

MS. DUNCAN: I'm sorry. Riger does all our ad placements. So Hue creates all the content, and Riger does all of our media placement for us.

MR. MIRABITO: And Hue does the visual?

MS. DUNCAN: Yeah. So finally in here you will see separated out the Capital Expenditure line. We do recommend that we retain the Capital Expenditure line. At this point, it's just shy of \$3 million to be allocated for development sites, including, but not limited to, the payment for the option for purchase of acreage at East Maine and Airport Roads in the towns of Maine and Union, acquisition and appraisals for additional acreage along the area we are researching for a potential development park, construction, and then other costs related to the development of sites in Broome County not including those that I just referenced.

That money, the source of that funding if you recall, comes from the sale proceeds of 265 Industrial Park Drive, the former Link Building. We have thus far only utilized that for the purpose of doing the appraisal on the acreage at East Maine and Airport Roads. Given the fact that the Board has approved us to enter into the option agreement, we expect to start utilizing those funds this year and next, so that number might shift down a little if we do any expenditures for the remainder of 2022. That would be things like phase two engineering reviews, additional appraisals, and ultimately acquisition I think will eat up that amount of money.

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MR. BERNARDO: Mr. Chairman, may I ask a few questions?

CHAIRMAN CROCKER: Yes. Go ahead.

MR. BERNARDO: Thanks. Stacey and Theresa, would you mind inserting a column showing the current year projected, maybe through July, just so that there's a reference point? Maybe you put that in before the '22 Approved Budget, just so that there's perspective.

MS. DUNCAN: Sure. We can do that. No problem.

MR. BERNARDO: Specific question, the Tarpon Lease, although it's not a game changer, will that really start paying in '23 and for the whole year? Just a question.

MS. DUNCAN: Sure. Essentially all we're waiting on now - we've agreed to the terms of the lease agreement - is they have to go through some steps with site plan approval with the Town of Conklin. I know they've begun that process. Typically a site plan approval ideally would take no more than three months, which would put us to the end of the year. So theoretically, it could begin at the beginning of 2023 or sometime in Q1 of 2023, we're anticipating.

MR. BERNARDO: They implied when we were talking about this that there was going to be a long lead time before they'd take possession of the property so to speak. Maybe I misunderstood.

MS. ABBADESSA: As long as they get approval from the town, they'll start building ASAP.

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MS. DUNCAN: Yeah. They're ready to go.

MS. ABBADESSA: They're ready to go. They're just waiting on--

MS. DUNCAN: They're waiting on the Town.

MS. ABBADESSA: They needed this first before they could go to the Town.

MR. BERNARDO: Got it. Second question, Altura. Stacey, maybe you have more insight. Are you confident that that's going to actually happen?

MS. DUNCAN: Joe and I have talked with counsel for Rocky, and we've talked with Rocky. Based on their expectations of their start date, they're telling us that that additional year was all they were requiring to get the project underway. A lot of these, again they're our best estimates based on the feedback we're getting and continued conversations on the project. Every understanding we have is that he intends to move forward with the project at this point in time.

CHAIRMAN CROCKER: Didn't he cite manpower and materials shortages for the reasons he hasn't gone forward with it?

MS. DUNCAN: Yeah. We have not been--

MR. BERNARDO: It was his overall cost structure. I think he was just trying to buy time to let things settle down, if you will. I have no insight. I'm just asking.

MS. DUNCAN: No, again, other than the conversations, a lot of these projects, we follow up and we check in. Based on the information that's being provided to us, we felt confident enough to include it in our 2023 estimate.

We had some thought we would be further along with Water Street Development this year based on the sort of urgency in getting the initial application to the Board. It was, "We need to move this quickly," and unfortunately, what we see is sometimes the hurry up and then these projects just start to hit delays. But with knowing that, we tried to select those that we felt were most realistic moving forward in the year ahead.

MR. MIRABITO: That Water Street, on the way in to work today, I see they had a picture up of it.

MS. DUNCAN: Yeah. So what's happening there is they're planning to do a surface lot for parking for this year, to provide parking for Boscov's for the holiday season.

My understanding through actually just talking with the Mayor yesterday, their hope is to begin construction in January of next year, which can be challenging with the winter months, but Q1 of next year, they're planning to begin construction related to the vertical parking, which I think will be at least a good part of a year to get that constructed and then the housing should come to follow that. So we've reached out to Jeff Mesiano with the United Group and we've said, "Hey, can you give us proof of life here? What's happening?" They said, "We are advancing the project."

I mean, it's like trying to shoot fish in a barrel. You just don't know when. Sometimes a project will disappear and then it'll ramp up and you're moving fast, or sometimes it'll go fast and then it disappears.

MR. MIRABITO: The drawing looked very nice on the fence there. If they build it like that, it'll be [crosstalk].

CHAIRMAN CROCKER: Is that a pre-fab parking lot?

MS. DUNCAN: It will be pre-fab.

CHAIRMAN CROCKER: They go up quick. I remember the last one they did.

MS. DUNCAN: Remember, we've only accepted the application on that. We've not approved any benefit yet. So I'm hopeful that will be back in front of the Board in 2023. I don't expect it to come back to us this year however.

MR. BERNARDO: Two other questions if I may. The Benefits line is 45% of Salaries. Has anybody done an analysis? If you take out FICA, you take out unemployment, etc., has anybody done an analysis because that's like 35%, if you will, of salaries I guess going towards 403(b) and health benefits.

MS. RYAN: Well actually, it includes quite a bit. It includes the 401(k). It includes health/dental/vision, and it also includes our Workers' Comp in there. There's a list of things. All of our life insurance and all that, short-term disability, long-term disability.

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MR. NEWMAN: John, that ratio is going to be skewed a little bit because of the Chamber arrangement, right? The Agency covers all of the benefits?

MS. DUNCAN: Only the salary, no benefits.

MR. NEWMAN: Oh, I know, but The Agency is picking up 100% of the benefits on 50% of the salary reflected, so that ratio is going to seem high.

MR. BERNARDO: Good point. Thank you. Yep. Lastly, on the Repair and Replacement, the \$10,000, are we setting that money into a reserve account or are we just budgeting for it in the event that we have breakdowns?

MS. DUNCAN: I would like to put it into a separate account, separate and distinct, strictly for repair and replacement as needed.

MR. BERNARDO: Probably wise just going forward, so that you have a fund.

MS. DUNCAN: Yeah. That has been the longer term goal when doing this building. We wanted to start that earlier than we had, but we had some issues with Visions and we worked that out. We felt it was the time to start putting that in now.

MS. RYAN: Yeah. Definitely.

MR. NEWMAN: I like that idea as well. I would just document sort of an intended use of when you would pull from that fund, what sort of unusual expenditure would warrant pulling from the fund.

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MR. BERNARDO: Probably a dollar threshold. That's pretty standard.

MS. DUNCAN: Then we will put that in a separate account.

MR. BERNARDO: One other comment. I think I said it at the last Board meeting or maybe the Board meeting before that. We've set aside a carve-out of \$3 million for the park. I get that. Are we really going to spend all that money in one year? My rationale for asking the question is, shouldn't we put some of that into short-term Treasuries to at least earn interest because I can't imagine us writing checks for \$3 million over the next six to nine months. Just a thought.

MS. DUNCAN: Yeah. We can have a conversation with Brad Eaton at NBT on the best uses of that. Assuming we move forward with the purchase of the acreage we're considering right now, that would be about \$1.2 million give or take. We can get some estimates on engineering reviews that we plan to take on in this beginning phase of due diligence. We can get an estimate, so I think we can probably reasonably say at least half of that could be set aside into some short-term investments.

MR. BERNARDO: Thank you.

CHAIRMAN CROCKER: Anyone else have any questions for Stacey? Thank you, Stacey. So we would look for a recommendation to the full Board for approval on the budget.

MR. MIRABITO: So moved.

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CHAIRMAN CROCKER: Second?

MR. NEWMAN: Second.

CHAIRMAN CROCKER: All in favor?

ALL: Aye.

CHAIRMAN CROCKER: Opposed? Motion carries. No need for Executive Session or anything?

MS. DUNCAN: We don't need one, no.

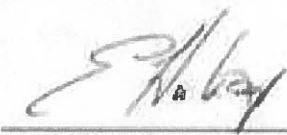
CHAIRMAN CROCKER: No old business? Looking for a motion for adjournment.

[The meeting was adjourned on a motion by Mr. Newman, seconded by Mr. Mirabito, at 9:34 a.m.]

[Attendees: Dan Crocker, Peter Newman, Joe Mirabito, John Bernardo, Stacey Duncan, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Amy Williamson]

C E R T I F I C A T E

I, Elana Hulsey, certify that the foregoing transcript of the Broome County Industrial Development Agency Audit & Finance Committee on August 31, 2022, was prepared using digital transcription software and is a true and accurate record of the proceedings.

Signature: 

Date: September 3, 2022

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT
CORPORATION**

Binghamton, New York

EXECUTIVE SUMMARY

**For the Year Ended
December 31, 2022**

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT CORPORATION**

EXECUTIVE SUMMARY OF 2022 AUDIT REPORT AND FINDINGS

Basic Financial Statements

Independent Auditors' Report on Basic Financial Statements

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Single Audit (Uniform Guidance Report)

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance

Schedule of Expenditures of Federal Awards

Description of Report and Findings

Unmodified opinion on the Broome County Industrial Development Agency's (the Agency) basic financial statements for the year ended December 31, 2022.

Unmodified opinion on the Broome County Local Development Corporation's (the Corporation) basic financial statements for the year ended December 31, 2022.

Report on: the Agency's compliance with laws and regulations that may have a direct and material effect on the basic financial statements; the Agency's internal control structure, policies, and procedures based on the auditors' understanding of the internal control structure; and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified **no instances of noncompliance and no material internal control weaknesses** at the financial statement level.

Report on: the Corporation's compliance with laws and regulations that may have a direct and material effect on the basic financial statements; the Corporation's internal control structure, policies, and procedures based on the auditors' understanding of the internal control structure; and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified **no instances of noncompliance and no material internal control weaknesses** at the financial statement level.

Report on 1) the Corporation's internal control structure policies and procedures used in administering federal award programs; 2) compliance with general requirements of the Corporation's federal awards; and 3) compliance with specific requirements applicable to each major program. This report identified no instances of noncompliance and no material internal control weaknesses regarding compliance in accordance with Uniform Guidance.

There are two federal award program expenditures that amounted to a total of \$6,222,726.

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT CORPORATION**

EXECUTIVE SUMMARY OF 2022 AUDIT REPORT AND FINDINGS

Communication With Those Charged With
Governance at the Conclusion of the Audit

A letter that specifically addresses certain required communications to the Boards of the Agency and the Corporation in accordance with professional standards. There were **no comments of concern** to be reported regarding the following:

- Qualitative Aspects of Accounting Practices
- Difficulties Encountered in Performing the Audit
- Corrected and Uncorrected Misstatements
- Disagreements With Management
- Management Representations
- Management Consultations With Other Independent Accountants
- Other Audit Findings or Issues
- Other Matters

Management Comment Letter

The Agency: Letter of comments dated [Date] , 2023 that communicates no significant deficiencies or material weaknesses have been reported.

The Corporation: Letter of comments dated [Date] , 2023 that communicates no significant deficiencies or material weaknesses have been reported.

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND LOCAL DEVELOPMENT CORPORATION

FIVE YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
INDUSTRIAL DEVELOPMENT AGENCY					
Assets					
Cash and Cash Equivalents - Unrestricted	\$ 2,017,306	\$ 3,887,351	\$ 785,786	\$ 671,806	\$ 821,729
Cash and Cash Equivalents - Restricted	1,028,608	697,973	480,959	1,005,843	621,416
Investments	8,272,672	7,072,129	7,132,513	6,891,363	7,053,674
Accounts Receivable	31,629	133,557	135,409	12,500	-
Pass Through Receivable	7,078	6,686	6,686	12,464	79,938
Prepaid Expenses	-	25,000	-	-	-
Due From County	70,000	75,000	80,000	285,700	322,542
Due From Binghamton Local Development Corp.	551,342	551,342	551,342	385,000	-
Notes Receivable	908,056	953,724	1,098,043	1,530,422	578,577
Loans Receivable	1,983,243	2,291,800	2,425,998	1,777,902	2,078,542
Mortgage Receivable	-	65,931	3,219,297	3,222,492	3,246,654
Leases Receivable	268,363	-	-	-	-
Property Held for Resale	2,097,017	2,097,017	2,097,017	2,097,017	3,908,116
Capital Assets, Net	6,719,559	6,835,066	6,961,571	7,915,531	9,972,433
Total Assets	\$ 23,954,873	\$ 24,692,576	\$ 24,972,621	\$ 25,854,040	\$ 28,683,621
Liabilities and Deferred Inflows of Resources					
Accounts Payable, Accrued Expenses, and Other	\$ 21,415	36,360	\$ 28,820	\$ 77,357	\$ 58,635
Deferred Inflows of Resources - Leases	268,363	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	289,778	36,360	28,820	77,357	58,635
Net Position					
Net Investment in Capital Assets	6,719,559	6,835,066	6,961,571	7,915,531	9,972,433
Restricted for Loans	2,668,801	2,656,612	2,588,846	2,544,862	4,845,902
Unrestricted	14,276,735	15,164,538	15,393,384	15,316,290	15,806,651
Total Net Position	23,665,095	24,656,216	24,943,801	25,776,683	30,624,986
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 23,954,873	\$ 24,692,576	\$ 24,972,621	\$ 25,854,040	\$ 30,683,621
LOCAL DEVELOPMENT CORPORATION					
Assets					
Cash and Cash Equivalents - Unrestricted	\$ 5,420,376	\$ 669,168	\$ 420,879	\$ 114,269	\$ 148,862
Accounts Receivable	814,847	75,000	75,000	75,000	-
Property Held for Resale	261,647	-	-	-	-
Total Assets	\$ 6,496,870	\$ 744,168	\$ 495,879	\$ 189,269	\$ 148,862
Liabilities					
Unearned Revenue and Accounts Payable	\$ 5,782,542	\$ 3,412	\$ 10,300	\$ 3,700	\$ 9,394
Net Position					
Unrestricted	714,328	740,756	485,579	185,569	139,468
Total Net Position	714,328	740,756	485,579	185,569	139,468
Total Liabilities and Net Position	\$ 6,496,870	\$ 744,168	\$ 495,879	\$ 189,269	\$ 148,862

Note: Abstracted from Audited Financials. See Audit Reports for complete information.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND LOCAL DEVELOPMENT CORPORATION

FIVE YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
INDUSTRIAL DEVELOPMENT AGENCY					
Revenues					
Fee Income	\$ 261,579	\$ 709,685	\$ 631,069	\$ 1,128,390	\$ 848,571
Rental Income	82,800	83,600	86,100	82,612	90,598
Other Income	105,078	68,367	84,165	64,195	88,954
State Grant	-	-	-	-	484,194
State Aid	-	-	-	-	2,000
Grant Income	-	11,052	166,668	-	300,000
Investment Income	(89,964)	9,608	188,062	267,874	89,314
Loan Interest Earned	92,384	252,094	43,725	61,272	163,138
Gain (Loss) on Sale of Assets	(8,309)	(15,931)	(638,282)	(3,082,597)	1,908
Total Revenues	443,568	1,118,475	560,507	(1,462,254)	2,068,677
Expenses					
Salaries and Benefits	652,836	615,083	614,052	666,583	662,781
Depreciation Expense	143,627	139,766	137,370	227,941	226,549
Professional Fees	107,011	280,937	196,490	139,148	98,682
Office Expense	54,290	35,383	36,628	59,764	51,218
Grant Expense	-	-	100,000	-	-
Multi-Modal Expenses	600	-	-	-	2,000
Other Expenses	476,325	435,791	308,849	292,613	316,012
Total Expenses	1,434,689	1,406,060	1,393,389	1,386,049	1,357,242
Change in Net Position	\$ (991,121)	\$ (287,585)	\$ (832,882)	\$ (2,848,303)	\$ 711,435
LOCAL DEVELOPMENT CORPORATION					
Revenues					
Fee Income	\$ -	\$ 256,600	\$ 374,675	\$ 175,175	\$ 24,675
Government Grants	6,222,726	-	-	-	-
Other Income	306,282	200,020	75,000	83,177	174,950
Total Revenues	6,529,008	456,620	449,675	258,352	199,625
Expenses					
Grant Expense	6,222,726	-	-	-	-
Sponsorship Expenses	46,197	68,970	119,665	148,641	152,239
General and Administrative Expenses	87,030	32,128	30,000	63,610	31,902
In-Kind Expenses	178,834	100,345	-	-	-
Other Expense	21,974	-	-	-	-
Total Expenses	6,556,761	201,443	149,665	212,251	184,141
Change in Net Position	\$ (27,753)	\$ 255,177	\$ 300,010	\$ 46,101	\$ 15,484

Note: Abstracted from Audited Financials. See Audit Reports for complete information.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FIVE YEAR FINANCIAL STATEMENT ANALYSIS

	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Cash Flows From Operating Activities					
Cash Received From Providing Services	\$ 470,041	\$ 790,956	\$ 1,204,771	\$ 196,231	\$ 1,033,812
Cash Payments - Salaries Expense	(652,836)	(615,183)	(614,052)	(666,583)	(662,781)
Cash Payments - Contractual Expenses	(630,019)	(644,571)	(690,504)	(455,375)	(453,918)
Net Cash Provided (Used) by Operating Activities	(812,814)	(468,798)	(99,785)	(925,727)	(82,887)
Cash Flows From Non-Capital Financing Activities					
Principal Payments From County	5,000	5,000	205,700	36,842	5,000
Net Cash Provided (Used) by Non-Capital Financing Activities	5,000	5,000	205,700	36,842	5,000
Cash Flows From Capital and Related Financing Activities					
Grant Revenue	-	-	-	-	784,194
Sale of Capital Assets	-	-	185,508	435,000	-
Sale (Purchase) of Property Held for Resale	-	-	-	125,000	(120,583)
Purchase of Capital Assets	(28,120)	(12,261)	(7,200)	(8,723)	(23,936)
Net Cash Provided (Used) by Capital and Related	(28,120)	(12,261)	178,308	551,277	639,675
Cash Flows From Investing Activities					
Principal Payments on Notes Receivable	45,668	144,319	32,379	42,055	40,814
Principal Payments on Loans Receivable	463,557	347,198	293,504	400,640	577,100
New Loans Issued	(155,000)	(215,000)	(939,600)	(485,000)	(690,000)
New Loans Issued - Binghamton LDC	-	-	(166,342)	-	-
Mortgage Payments Received	65,931	3,153,366	3,195	24,162	77,642
Investment Income	(98,273)	9,608	188,062	274,060	91,222
Purchase of Investments	(4,382,894)	(4,178,167)	(3,283,622)	(984,269)	(3,384,384)
Sale of Investments	3,182,351	4,197,620	3,048,472	1,140,580	805,158
Interest Income Received	92,384	252,094	42,725	61,272	163,138
Rental Income Received	82,800	83,600	86,100	98,612	90,598
Net Cash Provided (Used) by Investing Activities	(703,476)	3,794,638	(695,127)	572,112	(2,228,712)
Net Change in Cash and Cash Equivalents	(1,539,410)	3,318,579	(410,904)	234,504	(1,666,924)
Cash and Cash Equivalents, Beginning of Year	4,585,324	1,266,745	1,677,649	1,443,145	3,110,069
Cash and Cash Equivalents, End of Year	\$ 3,045,914	\$ 4,585,324	\$ 1,266,745	\$ 1,677,649	\$ 1,443,145
Reconciliation of Net Operating Gain (Loss) to					
Net Cash Provided (Used) by Operating Activities:					
Operating (Loss) Gain	\$ (1,068,032)	\$ (616,956)	\$ (511,487)	\$ (193,464)	\$ (417,717)
Gain to Net Cash Provided by Operating Activities:					
Depreciation	143,627	138,766	137,370	227,941	226,549
(Increase) Decrease in Accounts Receivable	101,928	1,852	(82,909)	(52,500)	174,225
(Increase) Decrease in Notes Receivable	-	-	400,000	(993,900)	-
(Increase) Decrease in Pass-Through Receivable	(392)	-	-	-	-
Increase (Decrease) in Prepaid Expenses	25,000	-	5,778	43,226	(79,938)
Increase (Decrease) in Accounts Payable	(16,793)	7,540	(48,537)	60,398	13,994
Increase (Decrease) in Unearned Revenue	1,848	-	-	(17,428)	-
Net Cash Provided (Used) by Operating Activities	\$ (812,814)	\$ (468,798)	\$ (99,785)	\$ (925,727)	\$ (82,887)

Note: Abstracted from Audited Financials. See Audit Reports for complete information.

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AND LOCAL DEVELOPMENT CORPORATION**

EXECUTIVE SUMMARY OF 2022 AUDIT

AUDIT FOCUS: REPORTING OBJECTIVES

- 1) Basic Financial Statements
 - *Management's Discussion and Analysis
 - *Statement of Net Position
 - *Statement of Revenues, Expenses, and Changes in Net Position
 - *Statement of Cash Flows
 - *Notes to Financial Statements
- 2) Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

AUDIT APPROACH

- *Preliminary Planning
- *Consideration of Internal Control Over Financial Reporting
- *Tests of Controls
- *Tests of Compliance With Laws and Regulations
- *Substantive Testing Financial Information (Includes Analytical Review)

UNDERSTANDING THE AGENCY'S OPERATIONS

- *Services Provided
- *Assessment of Accounting and Reporting System
- *Nature of Activities
- *Special Reporting Requirements
- *Nature of Compliance Requirements
- *Assessment of Management

FACTORS AFFECTING THE SCOPE OF THE AUDIT

- *Effectiveness of Overall Financial Controls
- *Appropriate Segregation of Duties
- *Ability to Demonstrate Compliance With Laws and Regulations
- *Effectiveness of Budget Process Administration
- *Accuracy and Comprehensiveness of Internal Reporting
- *Existence of Adequate Policies and Procedures
- *Ability to Issue Timely and Accurate Financial Reports

**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE
AT THE CONCLUSION OF THE AUDIT**

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

We have audited the financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, for the year ended December 31, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 9, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. During the year ended December 31, 2022, the Agency adopted Government Accounting Standards Board (GASB) Statement No. 87, "Leases." Other than the adopted of GASB Statement No. 87, no new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements was fair value measurements for investments.

Management's estimate of fair value measurements of investments is based on market conditions. We evaluated key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were investments, loans receivable, notes receivable, and capital assets.

The disclosures of investments, loans receivable, notes receivable, and capital assets are presented in Notes 4, 5, 7, and 11 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the Agency's financial statements taken as a whole. Additionally, we assisted management with certain closing entries, which is considered a nonaudit service.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated [Date] , 2023.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Projects, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors, Audit Committee, and management of the Agency and is not intended to be and should not be, used by anyone other than these specified parties.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
[Date] , 2023

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Binghamton, New York

FINANCIAL REPORT

**For the Year Ended
December 31, 2022**

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Broome County Industrial Development Agency as of December 31, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of a Matter

During the year ended December 31, 2022, the Agency adopted Government Accounting Standards Board (GASB) Statement No. 87, "Leases." There was no effect on balances previously stated. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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. 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, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about 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 do 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The Schedule of Projects is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Projects is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated [Date], 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Broome County Industrial Development Agency's internal control over financial reporting and compliance.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
[Date], 2023

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

The following Management's Discussion and Analysis (MD&A) provides a comprehensive overview of the Broome County Industrial Development Agency's (the Agency) financial position as of December 31, 2022 and the results of its operations for the year then ended. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related footnotes of the Agency, which directly follow the MD&A.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Net Position; a Statement of Cash Flows; and accompanying notes. These statements provide information on the financial position of the Agency and the financial activity and results of its operations during the year. A description of these statements follows:

- **Statement of Net Position** presents information on all the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.
- **Statement of Revenues, Expenses, and Changes in Net Position** presents information showing the change in the Agency's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses reported in this statement include all items that will result in cash received or disbursed in future fiscal periods.
- **Statement of Cash Flows** provides information on the major sources and uses of cash during the year. The cash flow statement portrays net cash provided or used by operating, non-capital financing, capital financing, and investing activities.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE

Our analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the Agency's activities.

Figure 1

Condensed Statement of Net Position	Total Agency		Total Dollar Change
	2022	2021	
Current Assets:			
Cash and Cash Equivalents - Unrestricted	\$ 2,017,306	\$ 3,887,351	\$ (1,870,045)
Investments	5,180,517	3,045,246	2,135,271
Accounts Receivable	31,629	133,557	(101,928)
Pass-Through Receivable	7,078	6,686	392
Prepaid Expenses		25,000	(25,000)
Due From County - Current Portion	5,000	5,000	-
Notes Receivable - Current Portion	147,056	145,667	1,389
Loans Receivable - Current Portion	289,179	347,427	(58,248)
Mortgage Receivable - Current Portion	-	3,401	(3,401)
Lease Receivable - Current Portion	63,672	-	63,672
Total Current Assets	\$ 7,741,437	\$ 7,599,335	\$ 142,102
Non-Current Assets:			
Cash and Cash Equivalents - Restricted	\$ 1,028,608	\$ 697,973	\$ 330,635
Investments	3,092,155	4,026,883	(934,728)
Notes Receivable - Non-Current Portion	761,000	808,057	(47,057)
Loans Receivable - Non-Current Portion	1,694,064	1,944,373	(250,309)
Mortgage Receivable - Non-Current Portion	-	62,530	(62,530)
Due from County - Non-Current Portion	65,000	70,000	(5,000)
Lease Receivable - Non-Current Portion	204,691	-	204,691
Due From Binghamton Local Development Corp.	551,342	551,342	-
Property Held for Resale	2,097,017	2,097,017	-
Capital Assets, Net	6,719,559	6,835,066	(115,507)
Total Assets	\$ 23,954,873	\$ 24,692,576	\$ (737,703)
Current Liabilities:			
Accounts Payable and Accrued Expenses	\$ 11,923	\$ 28,716	\$ (16,793)
Unearned Revenue	8,651	6,803	1,848
Security Deposits	841	841	-
Total Liabilities	\$ 21,415	\$ 36,360	\$ (14,945)
Deferred Inflows of Resources:			
Leases	\$ 268,363	\$ -	\$ 268,363
Total Deferred Inflows of Resources	\$ 268,363	\$ -	\$ 268,363
Net Position:			
Net Investment in Capital Assets	\$ 6,719,559	\$ 6,835,066	\$ (115,507)
Restricted for Loans	2,668,801	2,656,612	12,189
Unrestricted	14,276,735	15,164,538	(887,803)
Total Net Position	\$ 23,665,095	\$ 24,656,216	\$ (991,121)

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Total assets decreased 2.99%. The largest change is due to payments received for loans receivable during the year, offset by the increase in investments and lease receivables. Total liabilities decreased 41.10%. This change is due to a decrease in accounts payable. Total deferred inflows of resources increased due to the adoption and implementation of GASB Statement No. 87.

Total net position decreased 4.02% due to expenses over revenue.

Our analysis in *Figure 2* considers the operations of the Agency's activities.

Figure 2

Changes in Net Position	Total Agency		Total Dollar Change
	2022	2021	
Operating Revenues:			
<i>Fee Income</i>	\$ 261,579	\$ 709,685	\$ (448,106)
<i>Grant Income</i>	-	11,052	(11,052)
<i>Other Income</i>	105,078	68,367	36,711
Non-Operating Revenues:			
<i>Investment Income</i>	(89,964)	9,608	(99,572)
<i>Gain (Loss) on Sale of Assets</i>	(8,309)	(15,931)	7,622
<i>Loan Interest Earned</i>	92,384	252,094	(159,710)
<i>Rental Income</i>	82,800	83,600	(800)
Total Revenues	\$ 443,568	\$ 1,118,475	\$ (674,907)
Operating Expenses:			
<i>Salaries and Benefits Expense</i>	\$ 652,836	\$ 615,183	\$ 37,653
<i>Depreciation Expense</i>	143,627	138,766	4,861
<i>Professional Fees</i>	107,011	180,937	(73,926)
<i>Office Expense</i>	54,290	35,383	18,907
<i>Other Expenses</i>	476,925	435,791	41,134
Total Expenses	\$ 1,434,689	\$ 1,406,060	\$ 28,629
CHANGE IN NET POSITION	\$ (991,121)	\$ (287,585)	\$ (703,536)

Total revenue decreased 60.34% from the prior year. This decrease stems from significant decreases in fee income during the year as a result of less projects being closed during the year and the decreases in loan interest earned and investment income due to a large mortgage payoff in the prior year as well as market condition.

Total expenses increased 2.04% from the prior year. The increase in expenses is attributable to increases in salaries and benefits and other expenses, offset by the decrease in professional fees.

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

CAPITAL ASSETS

At December 31, 2022, the Agency had invested in a broad range of capital assets totaling \$7,469,943 offset by accumulated depreciation of \$750,384. *Figure 3* shows the changes in the Agency's capital assets.

Figure 3

<i>Changes in Capital Assets</i>	<i>Total Agency</i>		<i>Total Dollar Change</i>
	<i>2022</i>	<i>2021</i>	
<i>Land</i>	\$ 2,101,573	\$ 2,101,573	-
<i>Buildings and Improvements, Net</i>	4,574,648	4,710,470	(135,822)
<i>Equipment, Net</i>	43,338	23,023	20,315
<i>Totals</i>	\$ 6,719,559	\$ 6,835,066	\$ (115,507)

Capital assets, net, decreased 1.69%. This decrease is attributed to the depreciation of the Agency's various assets of \$143,627, offset by equipment additions of \$28,120.

FACTORS BEARING ON THE AGENCY'S FUTURE

- The Agency updated its Action Plan for 2021-2025. The Action Plan outlined five strategic priorities: workforce and talent attraction, advancing the "iDistricts" in Binghamton, Johnson City and Endicott, reducing the impact of development barriers, implementing a comprehensive business and recruitment strategy and strengthening the capacity of the Agency. The vision of the Agency remains the same. To be recognized as the lead economic development organization in Broome County.
- The Agency will continue to be an active participant in the County-wide workforce talent attraction committee.
- The Board of Directors and staff began discussions on the implementation of a strategy to address the lack of sufficient housing for young professionals and the need for development of additional market rate housing. The Agency is in the process of updating our 2017 Housing Study and will use the new study to address and measure our housing needs.

During 2021 the Agency closed on a number of projects including the E.J. Victory Building rehabilitation in Johnson City, the Sam A. Lupo And Sons Expansion and the Bluestone Wind Farm Project.

- The Agency has also sent a Request for Expression of Interest, regarding 600 Main Street, Johnson City, out to the development community with mixed responses. Two serious inquiries were received and a presentation for one was made. The feasibility study suggested the construction of a mixed use (commercial and residential) facility, and none of the current proposals fulfill that suggestion. The Agency is currently considering proposals.

**BROOME COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

- In light of the COVID-19 pandemic the landscape of economic development is uncertain; however, we continue to move forward assisting our local businesses between developers and remain successful through this difficult time.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Agency's clients, investors, and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Broome County Industrial Development Agency at 5 South College Drive, Binghamton, New York 13905

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF NET POSITION

DECEMBER 31, 2022

ASSETS

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 2,017,306
Investments	5,180,617
Accounts Receivable	81,629
Pass-Through Receivable	7,078
Notes Receivable - Current Portion	147,056
Loans Receivable - Current Portion	289,179
Due From County - Current Portion	5,000
Leases Receivable - Current Portion	63,672
Total Current Assets	<u>7,741,437</u>

Non-Current Assets

Cash and Cash Equivalents - Restricted	1,028,608
Investments	3,092,155
Notes Receivable - Non-Current Portion	761,000
Loans Receivable, Net - Non-Current Portion	1,694,064
Due From County - Non-Current Portion	65,000
Leases Receivable - Non-Current Portion	204,691
Due From Binghamton Local Development Corporation	551,342
Property Held for Resale	2,097,017
Non-Depreciable Capital Assets	2,101,573
Depreciable Capital Assets, Net	4,617,986
Total Non-Current Assets	<u>16,213,436</u>

Total Assets	<u>\$ 23,954,873</u>
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LIABILITIES AND NET POSITION

LIABILITIES

Current Liabilities

Accounts Payable and Accrued Expenses	\$ 11,923
Unearned Revenue	8,651
Security Deposits	841

Total Liabilities	<u>21,415</u>
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Deferred Inflows of Resources

Leases	<u>268,363</u>
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NET POSITION

Net Investment in Capital Assets	6,719,559
Restricted for Loans	2,668,801
Unrestricted	<u>14,276,735</u>

Total Net Position	<u>23,665,095</u>
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Total Liabilities and Net Position	<u>\$ 23,954,873</u>
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See Notes to Financial Statements

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2022

Operating Revenues	
Fee Income	\$ 261,579
Other Income	105,078
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Total Operating Revenues	366,657
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Operating Expenses	
Salaries and Benefits	652,836
Depreciation Expense	143,627
Professional Fees	107,011
Office Expense	54,290
Other Administrative Expenses	186,171
Marketing Initiative Expenses	138,296
Insurance	17,175
Repairs, Maintenance, and General	104,277
Professional Development Expense	24,391
Broome County Corporate Park Maintenance	6,615
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Total Operating Expenses	1,434,689
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Operating Income (Loss)	(1,068,032)
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Non-Operating Revenues (Expenses)	
Investment (Loss)	(89,964)
Gain (Loss) on Sale of Assets	(8,309)
Loan Interest Earned	92,384
Rental Income	82,800
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Total Non-Operating Revenues (Expenses)	76,911
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Change in Net Position	(991,121)
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Net Position, January 1, 2022	24,656,216
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Net Position, December 31, 2022	\$ 23,665,095
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See Notes to Financial Statements

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS **FOR THE YEAR ENDED DECEMBER 31, 2022**

Cash Flows From Operating Activities	
Cash Received from Providing Services	\$ 470,041
Cash Payments - Salaries Expense	(652,836)
Cash Payments - Contractual Expenses	<u>(630,019)</u>
Net Cash Provided (Used) by Operating Activities	<u>(812,814)</u>
Cash Flows From Non-Capital Financing Activities	
Principal Payments From County	<u>5,000</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>5,000</u>
Cash Flows From Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(28,120)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(28,120)</u>
Cash Flows From Investing Activities	
Principal Payments on Notes Receivable	45,668
Principal Payments on Loans Receivable	463,557
New Loans Issued	(155,000)
Mortgage Payments Received	65,931
Purchase of Investments	(4,382,894)
Sale of Investments	3,182,351
Investment Income	(98,273)
Interest Income Received	92,384
Rental Income Received	<u>82,800</u>
Net Cash Provided (Used) by Investing Activities	<u>(703,476)</u>
Net Change in Cash and Cash Equivalents	(1,539,410)
Cash and Cash Equivalents, January 1, 2022	<u>4,585,324</u>
Cash and Cash Equivalents, December 31, 2022	<u>\$ 3,045,914</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (1,068,032)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	143,627
(Increase) Decrease in Accounts Receivable	101,928
(Increase) Decrease in Note Receivable	-
(Increase) Decrease in Pass-Through Receivable	(392)
(Increase) Decrease in Prepaid Expenses	25,000
Increase (Decrease) in Accounts Payable	(16,793)
Increase (Decrease) in Unearned Revenue	<u>1,848</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (812,814)</u>

See Notes to Financial Statements

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

Note 1 **Summary of Significant Accounting Policies**

The financial statements of Broome County Industrial Development Agency (the Agency) have been prepared in conformity with generally accepted accounting principles (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Agency's accounting policies are described below.

Financial Reporting Entity

The Agency was created in 1971 by the Broome County Legislature under the provisions of Chapter 535 of the 1971 Laws of New York State for the purpose of encouraging economic growth in Broome County. The Agency is exempt from federal, state, and local income taxes. The Agency, although established by the Broome County Legislature, is a separate entity and operates independently of the County. The Agency is considered a component unit of the County as the Agency's Board of Directors is comprised of individuals appointed by the County.

The financial reporting entity consists of (a) the primary government which is the Broome County Industrial Development Agency; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended.

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended.

Basis of Accounting

The accounts of the Agency are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned. Expenses are recorded when the liability is incurred.

Cash and Cash Equivalents

The Agency considers all highly liquid investments having an original maturity of three months or less to be cash equivalents.

Investments

Investments consist of U.S. Treasury notes and are stated at fair value based on quoted market prices.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1 Summary of Significant Accounting Policies - Continued

Loans Receivable

The Agency acquired funds from the Appalachian Regional Commission in the 1970s to administer the STEED loan fund. This program is considered a revolving loan program as the purpose is to be able to take the repayments of existing loans and loan those funds out to future project applicants. The purpose of these funds is to create economic development in Broome County. A STEED loan cannot be used to finance the costs of an entire project. In addition, the Agency administers business development and business retention and expansion loan funds. The loan program allows for reimbursement of administrative and overhead costs incurred for the program. For the year ended December 31, 2022, the program reimbursed operating expenses of \$83,000.

Allowance for Uncollectible Loans

The Agency follows the policy of evaluating its loans receivable to adequately reserve for anticipated losses. Management believes all loans receivable are deemed collectible; therefore, no reserve for the loans has been established as of December 31, 2022.

Capital Assets

All property and equipment acquired with grant funds are owned by the Agency and are used in the programs for which they were purchased. There are no revisionary interests by grantor agencies in the assets. Capital assets as defined by the Agency are assets with an initial unit cost of \$1,500 or more and an estimated life in excess of two years. Donated capital assets are recorded at estimated fair value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and depreciated when placed in service.

Depreciation of property and equipment is provided on a straight-line basis over the following useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	30-40
Building Improvements	10-20
Equipment	3-7

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1 Summary of Significant Accounting Policies - Continued

Leases

The Agency determines if an arrangement is or contains a lease at inception. The Agency records lease receivables and deferred inflows of resources for leases in which they are the lessor, which are initially based on the discounted future minimum lease payments over the term of the lease. The Agency uses the rate implicit in the lease agreements. In some cases the implicit rate is not easily determinable, and the Agency elects to use its incremental borrowing rate. The Agency will recognize short-term lease revenue for these leases on a straight-line basis over the term of the lease.

Lease term is defined as the non-cancelable period of the lease plus any options to extend the lease when it is reasonably certain that it will be exercised. For leases with a term of 12 months or less, including renewals, no intangible assets or lease obligations are recorded on the Statement of Net Position. The Agency's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Equity Classifications

Equity is classified as net position and displayed in three components:

- **Net Investment in Capital Assets** consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgage, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- **Restricted for Loans** consists of net resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted** consists of all other resources that do not meet the definition of "net investment in capital assets" or "restricted."

Fee Income, Grant, and Contract Support

The Agency charges a service fee for each project, the proceeds of which are intended to offset Agency expenses and fund continuing operations.

Non-Operating Revenues

Non-operating activities include gains or losses on disposal of capital assets or property held for resale, investment income, rental income, and loan interest.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1 Summary of Significant Accounting Policies - Continued

Tax-Exempt Bond Transactions

The Agency is an issuer of tax-exempt bond and lease financing for qualified projects. These bonds and leases are the obligation of the borrower. Because the Agency has no obligation to repay the principal and interest of such bonds and leases, they are not reflected as liabilities in the accompanying financial statements. The Agency receives issuance fees from the borrower for providing this service. These fees are recognized immediately upon issuance of the related debt. The Agency did not issue any bonds during 2022, nor were any bonds outstanding as of December 31, 2022.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Standards

The Agency adopted and implemented the following current Statements of the GASB effective for the year ended December 31, 2022:

- GASB Statement No. 87, "Leases."

Future Changes in Accounting Standards

- GASB has issued Statement No. 96, "Subscription-Based Information Technology Arrangements," effective for the year ending December 31, 2023.

The Agency will evaluate the impact this pronouncement may have on its financial statements and will implement as applicable and when material.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 2 Cash and Cash Equivalents

State statutes govern the Agency's investment policies. In addition, the Agency has its own written investment policy. Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit for the Agency at 105% and 100%, respectively, of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

Total bank balances of the Agency of \$3,114,430 at December 31, 2022 were covered by FDIC insurance up to \$250,000. As of December 31, 2022, all deposits with financial institutions were either insured or collateralized with securities held by the pledging financial institution in the Agency's name.

Restricted cash of \$1,028,608 consists of cash for the Agency's STEED and BDF loan funds.

Note 3 Pass-Through Receivable

The Agency has facilitated the receipt of and payment of certain grant funds on behalf of other organizations. As of December 31, 2022, the Agency had a pass-through receivable of \$7,078 due to the timing of repayment to the Agency.

Note 4 Investments

The Agency categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Agency has the following recurring fair value measurements as of December 31, 2022: U.S. Treasury notes of \$8,272,672 ranging in maturities from two to ten years, are valued using quoted market prices (Level 1). Treasury notes that have a maturity greater than one year are classified as noncurrent assets.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 5 Loans Receivable

Loans receivable, net, for the year ended December 31, 2022, is summarized as follows:

	Development Revolving Loan	STEED	Business Retention and Expansion	Total
Principal Balance at January 1, 2022	\$ 580,140	\$1,437,023	\$ 274,637	\$2,291,800
New Loans	155,000	-	-	155,000
Principal Repayments	<u>(61,738)</u>	<u>(339,826)</u>	<u>(61,993)</u>	<u>(463,557)</u>
 Balance at December 31, 2022	 673,402	 1,097,197	 212,644	 1,983,243
 (Less): Current Portion	 <u>(70,703)</u>	 <u>(193,164)</u>	 <u>(25,312)</u>	 <u>(289,179)</u>
 Non-Current Portion at December 31, 2022	 <u><u>\$ 602,699</u></u>	 <u><u>\$ 904,033</u></u>	 <u><u>\$ 187,332</u></u>	 <u><u>\$1,694,064</u></u>

Note 6 Property Held for Resale

The Agency is holding land and development costs totaling \$2,097,017 of properties throughout Broome County for economic development and resale in accordance with program purposes.

Note 7 Notes Receivable

Notes receivable are summarized as follows at December 31, 2022:

	Interest Rate	Payment	Maturity	Principal
ADEC Solutions USA, Inc.	3%	\$4,903 Monthly	8/2030	\$ 414,156
Canopy Growth USA, LLC	0%	\$100,000 to \$93,900 Annually	1/2026	<u>493,900</u>
 Balance at December 31, 2022				 908,056
 (Less): Current Portion				 <u>(147,056)</u>
 Non-Current Portion at December 31, 2022				 <u><u>\$ 761,000</u></u>

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 8 Due From County

During 2016, the County and Agency entered into a purchase agreement of \$100,000 for 20 acres of land in the Broome Corporate Park. The Agency and the County entered into a repayment agreement to repay the amount to the Agency in annual installments of \$5,000 over the next 20 years; commencing August 2017. Due from County totaled \$70,000 at December 31, 2022.

Note 9 Due From Binghamton Local Development Corporation

During 2020, the Agency entered into an agreement with the Binghamton Local Development Corporation (Binghamton LDC) for the sale of land and building located at 30 Charles Street. The agreement calls for a \$50,000 deposit at closing and payment of \$30,000 per acre when the Binghamton LDC sells the property to a third party. During 2020, the Agency sold the remaining 6.5 of 21 acres to the Binghamton LDC. At December 31, 2022, the total receivable from Binghamton LDC was \$551,342.

Note 10 Leases Receivable

The Agency, as lessor, has entered into multiple non-cancelable operating leases for space within its office building through August 2027. The agreements call for monthly payments from leases ranging from \$600 to \$4,167. Leases Receivable as of December 31, 2022 are as follows:

Description	Issue Date	Final Maturity	Discount Rate	Balance December 31,
Greater Binghamton Chamber of Commerce	9/1/2022	8/31/2027	1.37%	\$ 232,683
Alliance for Manufacturing & Technology	5/24/2022	5/23/2025	1.04%	35,680
Total				\$ 268,363

The following is a summary of the future lease receivables:

Year	Principal	Interest	Total
2023	\$ 63,672	\$ 3,123	\$ 66,795
2024	64,550	2,314	66,864
2025	55,327	1,550	56,877
2026	50,655	845	51,500
2027	34,159	176	34,335
	\$ 268,363	\$ 8,008	\$ 276,371

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 11 Capital Assets

The detail of capital assets, net, at December 31, 2022 is as follows:

	Balance at 12/31/2021	Additions	Disposals/ Reclassifications	Balance at 12/31/2022
Non-Depreciable Capital Assets				
Land	\$ 2,101,573	\$ -	\$ -	\$ 2,101,573
Total Non-Depreciable Capital Assets	<u>2,101,573</u>	<u>-</u>	<u>-</u>	<u>2,101,573</u>
Depreciable Capital Assets				
Building and Improvements	5,310,934	5,150	-	5,316,084
Equipment	29,316	22,970	-	52,286
Total Depreciable Capital Assets	<u>5,340,250</u>	<u>28,120</u>	<u>-</u>	<u>5,368,370</u>
 Total Historical Cost	<u>7,441,823</u>	<u>28,120</u>	<u>-</u>	<u>7,469,943</u>
 Less Accumulated Depreciation				
Building and Improvements	(600,464)	(135,822)	-	(736,286)
Equipment	(6,293)	(7,805)	-	(14,098)
Total Accumulated Depreciation	<u>(606,757)</u>	<u>(143,627)</u>	<u>-</u>	<u>(750,384)</u>
 Capital Assets, Net	<u><u>\$ 6,835,066</u></u>	<u><u>\$ (115,507)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,719,559</u></u>

Note 12 Commitments and Contingencies

The Agency is exposed to various risks of loss related to theft of, damage to, and destruction of assets, injuries to employees, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance for the past three years.

The Agency has received grants and/or program funds which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for return of funds. The Agency believes disallowances, if any, will be immaterial.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 13 Tax Abatements

During the time in which property is leased to a company, the property is exempt from taxes other than special ad valorem levies and special assessments. However, the Agency executes Payment in Lieu of Tax (PILOT) agreements, wherein the company is required to make annual payments to the County, local municipalities, and school districts.

In 2021, \$7,517,234 was received in PILOT payments compared to the \$13,841,861 which would have been received if businesses paid the full amount of property taxes; for total property tax abatements totaling \$6,324,636.

In addition to PILOTs above, \$5,027,375 of sales tax and \$2,342,038 of mortgage tax abatements were awarded, for total tax abatements of \$13,694,040.

Note 14 Related Party

The Agency performs administrative and supporting services for the Broome County Local Development Corporation (the Corporation). In addition, members of the Agency's Board of Directors make up the Board of Directors for the Corporation.

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

SCHEDULE OF PROJECTS DECEMBER 31, 2022

Project Name	Exemption Period	Purpose	Sales Tax Cap	Sales Tax Exemptions
109 Oak Street, LB4 Properties, LLC-Sm. Bus. Inc			\$ 99,818	\$ -
159 Washington Street Holdings	2021 - 2030	Construction	50,000	47,754
20 Hawley St. Ground Owner- Hawley Street Members-	2012 - 2022	Construction	-	-
31 Washington Street Associates, LLC -Twin River Commons (Former Owner Washington Development Assoc.)- Need Employee #	2013 - 2032	Construction	-	-
Avery 50 Front Street, LP	2019 - 2046	Construction	841,000	-
ADEC Solutions	2016 - 2031	Services	-	-
AOM 128 Grand Ave	2021 - 2040	Construction	178,400	-
Bluestone Wind, LLC	2022 - 2041	Construction	8,807,628	4,044,432
BMP Properties LLC.-Sm. Bus. Incentive	N/A		53,040	12,183
Bosco's	N/A		-	-
Broome Culinary	2018 - 2048	Construction	754,000	-
Buckingham Manufacturing	2019 - 2039	Manufacturing	33,000	-
Canopy Growth USA, LLC	2021 -		3,200,000	-
Carrier Services Group-we of 3-1	2020 - 2029		60,000	-
Century Sunrise-Fixed	2018 - 2048	Construction	640,000	-
Chenango Place – One Wall Street	2014 - 2024	Construction	-	-
Clover Communities	2012 - 2022	Construction	-	-
CR Land	2018 - 2028	Construction	160,000	-
322 Main Street Binghamton-Small Business Incen.	N/A	Construction	4,800	4,800
Dick's MSC and Expansion	2017 - 2047	Construction	9,200,000	-
Freewheelin ANSCO	2019 - 2039	Construction	1,200,000	-
GJS Property Group, LLC (Sm. Bus. Incentive)-Ext-5/20/22	N/A		60,000	22,849
Good Shepherd Village (*Nonprofit - Exempt)	2010 - 2040	Civic Facility	-	-
Phoenix Endicott Industrial Investors, LLC. (Sm. Bus. Incentive-Need ST-340	N/A		99,220	99,202
Kashou Enterprises - Closed 4-21-22-Need ST-340	N/A		331,440	313,377
Spirit Realty - Was CAE	2021-2037	Construction	432,000	-
LBK Properties, LLC-sm. Bus. Incen	N/A		11,429	1,859
LCP Group Inc. - Sm Business Incentive	N/A		98,800	13,779
LehtonenLumber DBA Foland Lumber (Small Bus. Incentive)	N/A		12,000	9,049
Marchuska Productions, LLC - 49 Court Street-Sm. Bus. Incen.	N/A		18,160	2,092
Millennium Pipeline	2009 - 2024	Construction	-	-
National Pipe & Plastics (Small Bus. Incentive)-Ext. To 6/19/22	N/A		418,000	-
Nealon Transportation - KMOG Ventures	2017 - 2033	Transportation or Utility	-	-
OCSH Binghamton Holdings LLC-SM. Bus. Incentive	N/A		37,176	1,717
One North Depot	N/A		360,000	-
Pacemaker Steel	2017 - 2032	Manufacturing	-	-
PM Property Matters, LLC. (Sm. Bus. Incentive)-need ST340	N/A		13,720	3,717
Printing House	2016 - 2026	Construction	-	-
33 South Washington Street, LLC- Sm. Bus. Incen.	N/A		-	25,446
Sam A. Lupo & Sons, Inc. (SSE3, LLC)	2021 - 2035	Manufacturing	65,600	-
Saveri Group	2018 - 2038	Manufacturing	45,000	-
Simulation & Control Technologies, Inc. (Sm. Bus. Incentive)- Extended to 4/15/22	2009 - 2019	Transportation or Utility	40,880	4,327
Sheedy Rd/Juneberry Rd (Upstate Svcs Grp)	2015 - 2025	Construction	-	-
Skye View Heights – American Horizons	2016 - 2038	Construction	400,000	-
Spark Broome, LLC	N/A		200,000	315,332
Spark JC, LLC	N/A		-	351,593
Stellar 83 Court	2021 - 2043	Construction	-	-
Upstate Hi-Tech Properties, LLC-CSI (Sm. Bus. Incen)	N/A		84,800	22,748
Vestal Park - UP1 & UP 2	2014 - 2036	Construction	1,344,720	-
Vitaluna-2/28/22-Terminated	2014 - 2024	Construction	-	-
Woodburn Court	2017 - 2036	Retirement Community	-	-
Total			\$ 31,202,813	\$ 6,175,580

Mortgage Tax Exemptions	Payments in Lieu of Taxes	Property Taxes if Not Exempt	Total Exemptions	Base Year Jobs	Current Employment 12/31/2022
\$ -	\$ -	\$ -	\$ -	-	10
-	11,213	43,746	50,287	-	7
-	393,065	491,721	98,656	-	-
-	461,433	774,751	313,318	-	5
-	150,190	992,059	841,869	-	63
-	20,952	44,142	23,190	-	4
-	16,403	72,058	55,655	-	78
-	77,017	649,069	4,616,484	-	28
-	-	-	12,183	-	135
-	135,061	284,721	149,660	-	500
-	-	-	-	-	2
-	13,392	44,083	30,691	-	5
-	191,484	333,841	142,357	-	2
-	-	-	-	-	5
-	23,604	1,371,330	1,347,726	-	2
-	251,803	436,978	185,175	-	-
-	292,157	341,913	49,756	-	2
-	40,394	80,787	40,393	-	3
-	-	-	4,800	-	-
-	209,474	1,842,470	1,632,996	-	560
-	45,646	415,720	370,074	-	-
-	-	-	22,849	-	37
-	157,165	-	(157,165)	-	183
-	-	-	99,202	-	14
-	-	-	313,377	-	37
-	77,034	163,756	86,722	-	98
-	-	-	1,859	-	25
-	-	-	13,779	-	28
-	-	-	9,049	-	15
-	-	-	2,092	-	45
-	1,341,968	1,789,290	447,322	-	-
-	-	-	-	-	197
-	3,955	17,637	11,682	-	14
-	-	-	-	-	8
-	25,832	134,164	108,332	-	3
-	60,752	58,815	(1,937)	-	89
-	-	-	3,717	-	13
-	498,178	651,924	153,746	-	6
-	-	-	25,446	-	28
-	17,350	101,176	83,826	-	35
-	38,782	136,999	98,217	-	33
-	-	-	4,327	-	12
-	645,662	860,881	215,219	-	126
-	196,400	319,863	123,463	-	-
-	110,144	164,560	369,748	-	55
-	255,282	395,953	492,264	-	70
-	93,338	462,961	369,623	-	15
-	-	-	22,748	-	26
-	1,637,232	1,440,775	(196,457)	-	11
-	154,908	203,608	48,700	-	3
-	164,854	174,791	9,937	-	5
\$ -	\$ 7,823,836	\$ 15,312,288	\$ 13,662,315	-	2,800

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Broome County Industrial Development Agency (the Agency), a component unit of the County of Broome, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon dated [Date], 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for determining audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
[Date] , 2023

NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS

MANAGEMENT COMMENT LETTER

Board of Directors
Broome County Industrial Development Agency
Binghamton, New York

In planning and performing our audit of the financial statements of Broome County Industrial Development Agency (the Agency), as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Board of Directors, Audit Committee, and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
[Date], 2023

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INVESTMENT AND DEPOSIT POLICY**

A. Introduction

1. **Scope.** This Investment and Deposit Policy of the Broome County Industrial Development Agency (the "Agency") shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the Agency. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy. This Investment Policy is intended to comply with the General Municipal Law, the Public Authorities Law, and any other applicable laws of New York State.

2. **Objectives.** The primary objectives of the investment activities are, in priority order:

- a. to conform with all applicable federal, state and other legal requirements (legal);
- b. to adequately safeguard principal (safety);
- c. to provide sufficient liquidity to meet all operating requirements (liquidity); and
- d. to obtain a reasonable rate of return to match expected liability and expenses.(yield).

3. **Prudence.** All participants in the investment process and all participants responsible for depositing the Agency's funds shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair confidence in the Agency to govern effectively.

Investments and deposits shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process and all participants responsible for depositing the Agency's funds shall refrain from personal business activity that could conflict with proper execution of the investment program or the deposit of the Agency's funds or which could impair their ability to make impartial investment decisions.

All board Directors, officers and employees of the Agency involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Nothing contained within this Policy however, shall prohibit the Directors or employees of the Agency from obtaining interests in mutual funds which may include within its investment portfolio, bonds, debentures, notes or other evidence of indebtedness of the Agency; provided however, that the Agency's

bonds, debentures, notes or other evidence of indebtedness may not make up more than ten percent (10%) of the mutual fund's total portfolio and the Directors and employees may not exercise any discretion with respect to the investments made by the mutual fund company.

4. Diversification. It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument and by maturity scheduling.

5. Internal Controls

The Internal Controls shall provide for receipt and review of the audited financial statements and related reports on internal control structure of all outside persons performing any of the following for the Agency:

- investing public funds of the Agency;
- advising on the investment of public funds of the Agency;
- directing the deposit or investment of public funds of the Agency; or
- acting in a fiduciary capacity for the Agency.

6. All money's collected by an officer or employee of the Agency shall be immediately deposited in such depositories and designated by the Agency for the receipt of such funds.

7. The Agency shall maintain or cause to be maintained a proper record of all book, notes, securities or other evidences of indebtedness held by the Agency for investment and deposit purposes.

8. The Agency is responsible for establishing and maintaining an internal control structure and investment practices to document those officers and employees responsible for elements of the investment process and to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

6. Designation of Depositories – In accordance with the IDA Act, the Agency shall designate as depositories of its money those banks and trust companies authorized to serve as such pursuant to said law.

B. Investment Policy

1. Permitted Investments

Pursuant to GML Section 11, the Agency is authorized to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- a. Special time deposit accounts;*
- b. Certificates of deposit;*
- c. Obligations of the United States of America;**
- d. Obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America;*
- e. Obligations of the State of New York;*

* Special time deposit accounts and certificates of deposit are permitted investments provided that (1) they shall be payable within such time as the proceeds shall be needed to meet expenditures for which the moneys were obtained,(2) they are collateralized in the same manner as set forth in Section VII (C) below for deposits of public funds, (3) Certificates of deposit and term deposits of United States domestic financial institutions which are members of the Federal Deposit Insurance Corporation, and (4) such entities have the highest credit rating assigned by a nationally recognized rating service and which may be readily sold in a secondary market at prices reflecting fair value.

** All investment obligations shall be payable or redeemable at the option of the Agency within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Agency within two years of date of purchase. Investments must carry a rating of BBB- or above at the time of purchase (investment grade), or, if unrated, be deemed to be of investment grade quality. The total of unrated investments may not exceed five (5%) of the investment portfolio value and the unrated investments of a single issuer may not exceed 2% of the portfolio value.

2. Authorized Financial Institutions and Dealers

The Agency shall maintain a list of financial institutions and dealers, approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition at the request of the Agency. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Executive Director or Chairman is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

3. Purchase of Investments

The Agency may contract for the purchase of investments:

- a. Directly, including through a repurchase agreement, from an authorized trading partner.

- b. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the GML where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88- 46, and the specific program has been authorized by the governing board.
- c. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Agency by the bank or trust company shall be held pursuant to a written custodial agreement as described in GML Section 10.

The custodial agreement shall provide the securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities.

4. Repurchase Agreements

Repurchase agreements are authorized subject to the following restrictions:

- a. All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- b. Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- c. Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- d. No substitution of securities will be allowed.
- e. The custodian shall be a party other than the trading partner.

5. Performance Standards - Performance will be evaluated quarterly and compared to the performance of the appropriate benchmark index and peer groups

C. Deposit Policy

1. Collateralization of Deposits

In accordance with the provisions of GML, 10, all deposits of the Agency, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

- a. By pledge of "eligible securities" with an aggregate "market value" as provided by GML Section 10, equal to the aggregate amount of deposits from the categories designated in Exhibit A attached hereto.
- b. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
- c. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations. The terms and conditions of any eligible surety shall be approved by the governing board.

2. Safekeeping and Collateralization

Eligible securities used for collateralizing deposits shall be held by the depository bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Agency or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart

from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities.

D. Reporting

Each quarter the Treasurer shall provide to the Directors a report which sets forth amounts invested, the diversification and performance of each portfolio in relation to appropriate market indices, comparative performance information that enables the reader to evaluate whether the portfolios are achieving returns that are consistent with objectives and market conditions.

Each year-end the Treasurer shall provide to the Directors a report that identifies the components of the total investment portfolio.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PURCHASING POLICY**

1. The purchase of equipment, supplies, material, and non professional services shall be authorized as follows:

a. Where the estimated total cost does not exceed \$5,000, purchases shall be made upon verbal quotations at the discretion of Executive Director. In the event the purchase is made from a vendor not providing the lowest quote, a written explanation will be placed in the file.

b. Where the estimated total cost is over \$5,000 and does not exceed \$10,000, the purchase shall be made upon at least three (3) written quotations if available and shall be authorized by Executive Director.

c. In order to comply with procurement contracts pursuant to Article 15-A of the Executive Law it is the preference of the Agency to provide opportunities for the purchase of goods and services from (i) business enterprises located in Broome County; and (ii) certified minority and/or women-owned business enterprises. To that end, the Agency will utilize available lists of M/WBE firms certified by Broome County and/or the State of New York and will, whenever practical, solicit bids and proposals from such businesses by notifying them of opportunities to submit proposals and bids for good and services. MBE and WBE businesses will be provided with sufficient time to submit proposals in response to solicitations. The Agency goal for MWBE participation is 10%. The Agency will document the level of MWBE participation in solicited opportunities.

d. Where the estimated total cost is over \$10,000, the purchase shall be made based upon a competitive bidding process. The Board of Directors shall authorize award of contracts for such purchases if the purchase was not anticipated in the Agency's adopted Annual Budget.

e. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items 1.a.-1.c., above.

f. All purchases of \$5,000 or more shall be reported to the Board of Directors on a semi annual basis. In the event that the purchase is made from a vendor not providing the lowest cost, an explanation shall be included in this report.

2. Pursuant to General Municipal Law Section 104-b(2)(f), the procurement policy may contain circumstances when, or types of procurement for which, in the sole discretion of the Directors of the Agency, the solicitation of alternative professionals or quotations will not be in the best interest of the Agency. In the following circumstances, it may not be in the best interests of the Agency to solicit quotations or document the basis for not accepting the lowest bid:

- a. Professional Services. Professional Services is defined as services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided by the Agency; legal and accounting services, impact liability in circumstances where the Agency is issuing bonds. These qualifications and the concerns of the Agency regarding its liability and the liability of its Directors are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement.
- b. In determining whether a service fits into this category, the Agency shall take into consideration the following guidelines: (1) whether the services are subject to State licensing or test requirements; (2) whether substantial formal education and training is a necessary prerequisite to the performance of the services; and (3) whether the services require a personal relationship between the individual and Agency directors. Professional or technical services shall include, but not limited to the following: services of an attorney (including bond counsel) ; services of a physician; technical services of an engineer/planner engaged to prepare studies, plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Agency owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing or pre-packaged software.

3. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items 2.a.-2.c., above.

4. All purchases of \$5,000 or more shall be reported to the Board of Directors on a semi-annual basis.

5. Emergency Purchase Orders. Where an emergency condition exists posing imminent danger to public health, personal safety or public or private property the Executive Director is authorized to make such purchases of goods or services which may be necessary to meet the emergency condition without following the purchasing policy. In each case, where practicable, the Executive Director will endeavor to obtain, at a minimum, verbal quotations for the work or services necessary. Any and all emergency purchases in excess of \$5,000 shall be reported to the Board of Directors as soon as practicable and for any such purchases in excess of \$10,000 the Board shall be notified electronically and/or telephonically prior to purchase if possible.

6. Sole Source Purchases. Where the goods or the services may be purchased from just one source (defined as sole source items) the procurement of said items need not follow this purchasing policy. In order to purchase goods or services without competitive bidding or a competitive quotation the Executive Director must certify that the goods or services are only available through one source.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROPERTY ACQUISITION GUIDELINES**

Section 2824[1][e] of the Public Authorities Law requires local authorities to adopt written policy governing the acquisition of real property. The following policy ["Policy"] is hereby adopted upon approval by the Board of Directors pursuant to such requirement and shall be applicable with respect to the acquisition of real property and any interest therein ["Real Property"] by the Broome County Industrial Development Agency.

A. Acquisition of Real Property

Real Property may be acquired by the agency for use, development, resale, leasing or other uses designated by the agency. The Agency may lease Real Property for use, subleasing or other uses designated by the Agency.

The purpose of each acquisition of Real Property by the Agency shall be to further one or more purposes of the Agency as authorized under the Agency's enabling legislation, certificate of incorporation, by-laws or a resolution adopted by the Board of Directors or for a purpose otherwise permitted under applicable state law.

Prior to each acquisition of Real Property, the Agency will conduct such due diligence as it deems appropriate in accordance with the particular circumstances of the proposed acquisition. Such due diligence may include, but is not limited to, Real Property appraisals and review and investigation of environmental, structural, title, pricing and other applicable matters.

B. Approval of Real Property Acquisitions

All acquisitions of Real Property shall be conducted in accordance with this Policy and applicable law. Proposed acquisitions of Real Property shall be presented to the Board of Directors of the Agency for approval or other appropriate action.

C. Exemption for Certain BCIDA Transactions

This Policy shall not be applicable to any agreements or arrangements involving the provision by BCIDA of "financial assistance" as such term is defined in Section 854[14] of the New York General Municipal Law.

D. Amendment of Policy

This Policy may be amended or modified at any time by the Board of Directors of the Agency.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROPERTY DISPOSITION GUIDELINES**

The Broome County Industrial Development Agency ("Agency") is required by Section 2896 of the Public Authorities Law to adopt by resolution comprehensive guidelines regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property (as defined herein). The following guidelines ("Guidelines") are adopted upon approval by the Agency's Board and are applicable with respect to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are entered into by the Agency.

**ARTICLE I
DEFINITIONS**

1. "Contracting Officer" shall mean the Executive Director of the Agency to be responsible for the disposition of Property of the Agency.
2. "Dispose" or "disposal" or "disposition" shall mean the transfer of title or any other beneficial interest in Property from the Agency to any other party.
3. "Property" shall mean personal property in excess of Five Thousand Dollars (\$5,000.00) in value, real property, or any other legally transferable interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.
4. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property from the Agency to any other party.
5. "Real Property" shall mean real property and interests therein.

**ARTICLE II
APPOINTMENT AND DUTIES OF CONTRACTING OFFICER**

A. Appointment

The Contracting Officer shall be the Executive Director of the Agency, appointed by the Directors, who is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for Agency compliance with and enforcement of these Guidelines.

B. Duties

The duties of the Contracting Officer shall include the following:

1. Maintaining adequate inventory controls and accountability systems for all Property under the control of the Agency.
2. Periodically conducting an inventory of Property to determine which Property may be disposed of.
3. Preparing an annual written report of all Property of the Agency. Each report shall include a list of all Real Property, a full description of all real and personal property disposed of during the reporting period, the price received and the name of the purchaser for all Property sold during each reporting period. Each report shall be completed and delivered to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the New York State Legislature no later than ninety (90) days following the completion of the fiscal year of the Agency. This report is included within and distributed with the Annual Report of the Agency.
4. Disposing of Property as promptly as possible in accordance with these Guidelines, as directed by the Agency.

ARTICLE III PROPERTY DISPOSITION REQUIREMENTS

A. Method of Disposition

Subject to such exceptions and/or requirements set forth in these Guidelines, in the event that the Agency determines to dispose of any of its Property, the Agency shall endeavor to dispose of such Property for at least the fair market value of the Property. The disposition of Property may be made by sale, exchange, or transfer, for cash, credit or other Property, with or without warranty, and upon such terms and conditions as are determined by the Agency to be appropriate and reasonable and consistent with these Guidelines. Provided, however, no disposition of real property shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.

B. Award and Approval of Property Disposition Contracts

1. Compliance with Guidelines; Approval Requirements. All dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer, subject to approval of the Directors of the Agency.
2. Disposition by Public Bid.

(a) All Property Disposition Contracts may be made only after publicly advertising for bids, unless the criteria set forth in Article III(B)(3) below has been satisfied for such contracts to be made by negotiation or public auction.

(b) Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions, as shall permit full and free competition consistent with the value and nature of the Property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Agency and New York State, price and other factors considered.

(c) Any public bid for the disposition of Property may be rejected, refused, or declined by the Agency on any basis or ground allowable bylaw.

3. Disposition by Negotiated Sale/Public Auction. The following dispositions are exempt and excepted from the public bidding requirements set forth above in Article 111(6)(2) and may be consummated through a negotiated sale or by public auction:

(a) The basis exist for a *Below Fair Market Value* disposition. The Agency may dispose of Property for less than the fair market value of the Property where:

(i) Transferee is a government or public entity and terms of transfer require ownership and use to remain with the government or public entity; or

(ii) Purpose of transfer is within the purpose, mission or statue of the Agency; or

(iii) Written notification to the Governor, Speaker, and Temporary President. Such notification is subject to denial. Denial by Governor is in the form of a certification. Denial by the legislature is in the form of a resolution. Denial must be made within 60 days of receiving notification during January through June. If legislature receives the notification in July through December, then legislature may take 60 days from January 1 of the following year. Provided there is no denial, the Agency may effectuate the transfer.

However, a local authority may obtain local approval from the chief executive and legislature of the political subdivision in lieu of the notification to the Governor, Speaker and Temporary President provided the local authority's enabling legislation provides for such approval and the property was obtained by the authority from the political subdivision.

If a below FMV transfer is proposed, the following information is required to be provided to the Agency board and to the public:

- (1) Description of Asset;
- (2) Appraisal of the FMV of the asset;
- (3) Description of the purpose of the transfer, the kind and amount of the benefit to the public resulting from the transfer such as jobs and wages created or preserved;
- (4) Value received compared to FMV;
- (5) Names of private parties to the transaction and value received;
- (6) Names of private parties that have made an offer, the value of offer, and purpose for which the asset would have been used.

The board of the Agency must make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

(b) Disposition of Certain Personal Property. The Agency may dispose of personal property where such personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity or other quality of similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were to be disposed of through public advertisement and bidding, would adversely affect the state or local market for such personal property.

(c) Disposition of Low FMV Property. The Agency may dispose of Property where the fair market value of which does not exceed Fifteen Thousand Dollars (\$15,000.00).

(d) Disposition Following Receipt of Unacceptable Bid Prices. The Agency may dispose of Property where the bid prices received by the Agency after public advertising are not commercially reasonable (either as to all or some part of the Property) as determined by the Agency in its sole discretion.

(e) Disposition to a Political Subdivision. The Agency may dispose of Property to New York State or any political subdivision of New York State.

(f) Disposition Authorized by Law. The Agency may dispose of Property where such disposition is otherwise authorized by law.

4. Reporting Requirements Regarding Negotiated Dispositions.

(a) Preparation of Written Statements. The Contracting Officer shall prepare a written statement explaining the circumstances of each negotiated disposition of Property involving any of the following:

- (i) the negotiated disposition of personal property which has an estimated fair market value in excess of Fifteen Thousand Dollars (\$15,000.00);
- (ii) the negotiated disposition of Real Property that has an estimated fair market value in excess of One Hundred Thousand Dollars (\$100,000.00);
- (iii) the negotiated disposition of Real Property that will be disposed of by lease if the estimated annual rent over the term of the lease is in excess of \$15,000; or
- (iv) the negotiated disposition of Real Property or real and related personal property where the same will be disposed of by exchange, regardless of value, or any Property any part of the consideration for which is Real Property.

(b) Submission of Written Statements. Written statements prepared pursuant to Article III(B) (4) shall be submitted to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the State Legislature no later than ninety (90) days prior to the date on which the disposition of Property is expected to take place. The Contracting Officer shall maintain a copy of all written statements at the Agency's principal office.

ARTICLE IV GENERAL PROVISIONS

A. Annual Review and Submission of Guidelines

These Guidelines shall be annually reviewed and approved by the Directors of the Agency. On or before the 31st day of March of each year, the Contracting Officer shall file a copy of the most recently reviewed and adopted Guidelines with the New York State Comptroller, and shall post the Guidelines on the Agency's website. Guidelines posted on the Agency's website shall be maintained at least until the Guidelines for the following year are posted on the website.

B. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers, Directors and employees of the Agency. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. Without limiting the generality of the preceding sentence, any deed, bill of sale, lease, or other instrument executed by or on behalf of the Agency, purporting to transfer title or any other interest in Property shall be conclusive evidence of compliance with these Guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these Guidelines prior to the closing.

C. Exemption for Certain Agency Transactions

These Guidelines shall not be applicable to any agreements or arrangements involving the provision by the Agency of "financial assistance" as such term is defined in Section 854(14) of the New York General Municipal Law (i.e. property dispositions serving solely as a conduit for providing financial assistance).

EXHIBIT "A"

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY INTERNAL CONTROLS AND FINANCIAL ACCOUNTABILITY

1. Board Members and Officers shall ensure that the Agency is accountable for its programs and finances to its customers and the public. Accordingly, the Agency shall comply with all applicable laws and ethical standards; adhere to its public mission; create and adhere to policies regarding conflicts of interest, ethics, ~~personnel~~personnel, and accounting; prepare and file annual financial data with required federal and state regulatory authorities; and make its annual financial report available to all Members and any member of the public who requests it.

2. Internal controls are systems of policies and procedures that protect and manage the assets of the Agency, create reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations.

3. The following internal controls, policies and procedures shall apply to the Agency:

A. **Budget.** An annual income and expense budget will be prepared and monthly reports will be presented to the Board. The report will compare actual receipts and expenditures to the budget with timely variance explanations.

B. **Expenditures.** All disbursements for ~~\$2,500~~ \$5,000 or more shall require two signatures from Chairman, Vice Chairman, Secretary, Treasurer, ~~or~~ Executive Director or Director of Operations. ~~Disbursements~~Disbursements under ~~\$2,500~~ \$5,000 shall require the signature of one of the following: ~~Senior Deputy~~ Director of Operations or the Executive Director. A monthly report of all expenditures under ~~\$2,500~~ \$5,000 will be electronically submitted to the Board for review.

C. **Wire Transfers.** All wire transfers will require signatures from the Executive Director or the Director of Operations and the Board of Directors Chairman, Vice Chairman, Secretary, or Treasurer.

D. **Expenditures-Approval.** No expenditures shall be made or incurred except in accordance with the purchasing policy and the duly adopted budget. All expenditures shall be prepared by the ~~Office Business Manager~~ Finance & HR Specialist and reviewed and approved by the ~~Senior Deputy~~ Director of Operations.

E. **Receipts-Checks.** All receipts by check shall be duly entered in the books of the Agency with a copy made of each check received and attached to the invoice or bank deposit. All bank deposits shall be prepared by the ~~Office Business Manager~~ Finance & HR Specialist and reviewed by the ~~Senior Deputy~~ Director of Operations.

F. **Accounts Receivable.** All accounts receivables shall be maintained on a current basis to the extent practicable. Account receivables which are more than 90 days old shall be reported to the Board on a monthly basis. The Board may direct such action as may be appropriate as to said receivables.

G. **Data.** Electronic data regarding financial records and reports shall be preserved. All bank reconciliations shall be prepared by the ~~Office Business Manager~~ Finance & HR Specialist and reviewed by the ~~Senior Deputy~~ Director of Operations.

H. **Audit/Finance Committee.** The audit/finance committee shall have oversight over the annual audit process.

I. **Reports.** Monthly reports on the finances shall be submitted to the Board. Annual financial reports shall be filed as required by law and made available to the public.

J. **Management.** The day to day activities of the Agency shall be managed by a person or entity designated by the Board of Directors and subject to its oversight.

K. **Assessment.** An annual assessment of the effectiveness of their internal control structures and procedures will be conducted by management, or an independent auditor, in compliance with Section 2800 (1)(a)(9) and Section 2800 (2)(a)(8) of Public Authorities Law.

Approved and adopted this ____ day of _____.



ChargeSmart EV

EVSE Proposal



Monday, October 24, 2022

Customer Name

The Agency - County IDA

Address

South College Dr
Binghamton NY 13905

ChargeSmart EV
5 Southside Drive, Suite 11-184
Clifton Park NY 12065



ChargeSmart EV

Date:
10/24/2022

Services Performed By:
ChargeSmart EV
5 Southside Drive, Suite 11-184
Clifton Park NY 12065

Services Performed For:
The Agency - County IDA
South College Dr
Binghamton NY 13905



Scope of Work

As per your request, we propose to provide materials, equipment, and labor for the new EV Car Charging Stations as per below. All electrical permit and / or electrical inspection fees, as well as any required engineering stamped drawings are included within this proposal if necessary.

Proposed EVSE

Quantity	Model Number
1	32A Dual Port, Pedestal Mount (Networked & Gateway)
4	32A Dual Port, Pedestal Mount (Networked Non Gateway)
5	EV Sign

Project Work

Quantity	Work Item
5	Install 40A breakers
375	Install 1" PVC conduit
1	Drill through wall for circuit
3	Provide and install conduit fittings
675	Install 40A wire through conduit
10	Trench and repair in grass (feet)
100	Trench and repair in asphalt (feet)
5	Install concrete pads below frostline for mounting of EVSE equipment
10	Install protective bollards where necessary
10	Install tire stop where necessary
10	Mount EVSE equipment to corresponding base
10	Terminate EVSE equipment
10	Activate EVSE equipment after installation
1	Apply for permits for this installation
1	Manage the design work necessary for this project
1	Manage project from initial site visit through installation



ChargeSmart EV Responsibilities

- 1- Provide EV Stations, Labor, Material for project
- 2- Facilitate and complete all incentive applications on behalf of the customer
- 3- Project Management
- 4- Project Design
- 5- Customer Support
- 6- Station Activation
- 7- Permits if necessary
- 8- Stamped engineer drawings if required



Customer Responsibilities

- 1- Provide access to site for initial site visit through installation
- 2- Provide utility bill, and any other required documentation from incentive agencies
- 3- Provide location parcel survey map, if required for permits
- 4- Atlas required reporting - quarterly
- 5- EV Software training - scheduled within 3 days of activation - ETA 30-45 minutes



Financial Summary

EV Charging Station - Financial Breakdown	
EVSE Cost	\$ 16,961.81
Labor & Material Cost	\$ 61,500.00
Shipping Cost	\$ 500.00
Annual Network Plan*	\$ 2,500.00
Gross Project Cost	\$ 81,461.81
Make Ready Incentive	\$ (54,000.00)
Future Proofing Incentive	\$ -
CSEV Revenue Share Discount (20%)	\$ (27,461.81)
Final Customer Cost	\$ (0.00)
Estimated Federal Tax Credits**	\$ (0.00)
Estimated State Tax Credits**	\$ (0.00)
Estimated Net Customer Cost	\$ (0.00)

*Annual Network Plan required for 5 years, to receive Make Ready NY Incentive.

**Please consult your CPA for any tax credit guidance. We can provide the necessary tax forms upon request.



Additional Items

Additional Adders	
Annual Network Plan (Billed Annually via ACH)	\$ 2,500.00
3 Year Parts and Labor Warranty	\$ 5,000.00
5 Year Parts and Labor Warranty	\$ 9,000.00



Proposal Acceptance

- 1 - All pricing is confidential between customer and ChargeSmart EV
- 2 - Customer to be invoiced at the time of shipment
- 3 - 50% of Final Customer Cost due before installation starts; remaining 50% due upon completed installation.
- 4 - All invoices are NET30 days
- 5 - All sales tax is included in this quote
- 6 - Purchaser confirms that the shipping and billing information provided in the quotation is accurate for ChargeSmart EV's shipping and invoicing purposes
- 7 - Customer Agrees to stay on ChargeSmart EV Network for 5 years (requirement by utility for incentive)
- 8 - Annual Network fee will be billed annually via ACH. Form to be completed upon project approval with utilities
- 9 - If customer chooses to take CSEV revenue share discount, Customer agrees to 20% processing fees on revenue generated by the EVSE equipment.

By signing this quote, I hereby acknowledge that I have the authority to purchase the product detailed on this document on behalf of my organization. Furthermore, I agree to the above terms and conditions and that this signed quote shall act as a purchase order.

Customer Signature:

Signature
Name
Title
Email
Phone Number

ChargeSmart EV Signature:

Signature
Name
Title
Email
Phone Number



ChargeSmart EV

ESTIMATED PROFITABILITY CALCULATOR

Station Info

of Charging Stations

5

Max Charging

7.6 kW*

Total Simultaneous Max Charging

38 kW

**Whether it's 1 car per station or 2 cars simultaneously charging per station, the max charging output remains the same.*

Energy Costs

Customer's Off-Peak Cost

\$ 0.45 kWh

Company's Off-Peak Energy Cost

\$ 0.15 kWh

Hours Per Day of Full-Time Charging

8 hours

Profitability

Revenue (Per Day)

\$ 136.80

Customer Electric Cost (Per Day)

\$ 45.60

CSEV Processing Fees (Per Day)

\$ 27.36 20%

Customer Final Profit (Per Day)

\$ 63.84

COMPANY'S ESTIMATED DAILY PROFIT FROM 5 CHARGING STATIONS

\$ 63.84

COMPANY'S ESTIMATED MONTHLY PROFIT FROM 5 CHARGING STATIONS

\$ 1,915.20

COMPANY'S ESTIMATED ANNUAL PROFIT FROM 5 CHARGING STATIONS

\$ 23,301.60


SITE MAP LEGEND:

The Agency Binghamton
5 S College Dr
Binghamton, NY 13906

 Dual Port EV Charging Station

 Conduit and Wiring

 Asphalt Trenching

 Electrical Panel

 Bollards

SITE MAP PHOTO TAKEN:
10/20/22

