Steuben County Industrial Development Agency
7234 Route 54 North
PO Box 393
Bath, NY 14810
September 22, 2022 Regular Meeting Notice

The Steuben County Industrial Development Agency will hold a Regular Business Meeting at 12:00 pm on September 22, 2022. This meeting is open to the public and those wishing to view the meeting as it is held may do so by visiting

https://us02web.zoom.us/j/81529833684?pwd=cnR6a014Z0gweG9Nd3lNZ3hNMmlCZz09

Sincerely,

Mark Alger
Board Chair

Steuben County Industrial Development Agency
Regular Meeting of the Board of Directors
Agenda
September 22, 2022
12:00 pm

1. Call to Order – Quorum Present — Alger

2. Secretary's Report
   a) August 25, 2022 Minutes — Strobel

3. Treasurer's Report
   a) August 2022 Financials — Russo
   b) Auditing Services Proposal Received
      Kristie M. Beach, CPA, PLLC — Johnson
   c) 2023 IDA Proposed Budget — Johnson
   d) 2023 IDA Proposed Budget – PARIS
      Format — Johnson

4. New Business
   a) Automated Cells & Equipment Acquisition Assignment
      Resolution — Johnson

5. Old Business
   a) CPMCO/Studio Next Final Resolution — Johnson
   b) Open Meetings Law — Johnson

6. Other Business
   a) Baron Winds Site Visit – Sept. 27 — Johnson
   b) 50th Anniversary Celebration — Johnson
   c) Sexual Harassment Training – Sept. 30 — Johnson
   d) Project Updates — Johnson

7. Executive Session – Public Officers Law, Article 7 Open Meetings Law Section 105, Paragraph 1h Real Property. — Johnson

8. Adjournment Alger

1:46 PM
09/13/22
Accrual Basis

SCIDA
Profit & Loss Budget Performance
August 2022

	Aug 22	Budget	Jan - Aug 22	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
2140 · Administrative Income	495,000.00	0.00	1,431,250.00	1,222,123.00	1,222,123.00
2145 · Lease Income	0.00	0.00	18.00	1,775.00	1,775.00
2401 · Interest Income	226.60	726.66	6,870.74	5,813.36	8,720.00
2770 · Miscellaneous Income	0.00	416.66	0.00	3,333.36	5,000.00
2780 · Reimbursed Expenses	330.00	165.00	1,485.00	1,320.00	1,980.00
2810 · Business Development Support	0.00	0.00	75,000.00	75,000.00	75,000.00
2812 · Infrastructure Development	0.00	0.00	933,650.00	750,000.00	750,000.00
Total Income	495,556.60	1,308.32	2,448,273.74	2,059,364.72	2,064,598.00
Gross Profit	495,556.60	1,308.32	2,448,273.74	2,059,364.72	2,064,598.00
Expense					
6110 · Automobile Expense	945.73	1,075.08	8,594.29	8,600.68	12,901.00
6145 · Continuing Education	0.00	4,463.50	1,644.35	8,927.00	8,927.00
6160 · Dues and Subscriptions	88.79	750.00	7,319.74	6,000.00	9,000.00
6180 · Insurance					
6181 · Health Insurance	2,935.89	3,000.00	31,223.01	24,000.00	36,000.00
6182 · Dental Insurance	459.72	135.91	1,515.42	1,087.36	1,631.00
6185 · Liability Insurance	2,175.50	0.00	9,996.14	7,076.00	9,434.00
6190 · Disability Insurance	480.24	0.00	1,937.65	1,042.50	1,390.00
6195 · Life Insurance	0.00	0.00	1,254.99	1,293.00	1,293.00
6196 · Workers' Compensation	0.00	0.00	1,475.00	1,640.00	1,640.00
6180 · Insurance - Other	0.00	0.00	3,528.00	0.00	0.00
Total 6180 · Insurance	6,051.35	3,135.91	50,930.21	36,138.86	51,388.00
6240 · Miscellaneous Office Expenses	20.95	416.66	909.20	3,333.36	5,000.00
6250 · Postage and Delivery	250.29	250.00	1,900.22	2,000.00	3,000.00
6270 · Professional Fees					
6650 · Accounting	0.00	0.00	10,960.00	12,000.00	12,000.00
6655 · Consulting	0.00	2,083.33	5,000.00	16,666.68	25,000.00
Total 6270 · Professional Fees	0.00	2,083.33	15,960.00	28,666.68	37,000.00
6276 · Infrastructure Development Fees	0.00	0.00	14,387.38	750,000.00	750,000.00
6340 · Telephone	270.68	433.75	2,080.65	3,470.00	5,205.00

SCIDA
Profit & Loss Budget Performance
August 2022

	Aug 22	Budget	Jan - Aug 22	YTD Budget	Annual Budget
6350 · Travel & Ent	67.19	666.66	550.34	5,333.36	8,000.00
6390 · Utilities	277.41	400.00	1,837.09	2,900.00	4,300.00
6465 · Community Engagement	0.00	0.00	0.00	3,250.00	6,500.00
6495 · Cleaning	230.00	236.91	1,806.00	1,895.36	2,843.00
6505 · Conferences	32.50	500.00	4,957.60	4,500.00	6,500.00
6515 · Copier	183.14	208.33	1,698.32	1,666.68	2,500.00
6535 · Internet access	60.00	66.66	480.00	533.36	800.00
6540 · Legal Services	0.00	375.00	0.00	3,000.00	4,500.00
6545 · Maintenance	299.39	566.66	2,259.39	4,533.36	6,800.00
6550 · Office Supplies	18.35	397.91	999.10	3,183.36	4,775.00
6560 · Payroll Expenses	33,580.50	29,166.66	224,941.85	233,333.36	350,000.00
6561 · Payroll Taxes	2,559.40	2,083.33	17,143.92	16,666.68	25,000.00
6576 · Project Costs	261.61	17,081.65	9,957.86	31,664.80	100,000.00
6590 · Refuse	36.00	34.33	236.67	274.68	412.00
6595 · Retirement	0.00	0.00	0.00	0.00	35,000.00
6625 · Technology upgrades	105.00	416.66	1,323.75	3,333.36	5,000.00
6645 · Marketing	1,000.00	2,916.66	16,314.68	23,333.36	35,000.00
6647 · Manufacturing Day Video & Event	0.00	2,044.00	11,275.00	16,352.00	24,528.00
6651 · Payroll Fees	245.95	192.00	1,776.99	1,537.00	2,305.00
Total Expense	46,584.23	69,961.65	401,284.60	1,204,427.30	1,507,184.00
Net Ordinary Income	448,972.37	-68,653.33	2,046,989.14	854,937.42	557,414.00
Net Income	**448,972.37**	**-68,653.33**	**2,046,989.14**	**854,937.42**	**557,414.00**

SCIDA
Balance Sheet
As of August 31, 2022

	Aug 31, 22
ASSETS	
Current Assets	
Checking/Savings	
200 · Five Star Bank checking	1,530,277.02
209 · Escrow Project Account	833,650.00
210 · Petty cash	100.00
213 · Five Star CD 225274906	606,034.33
215 · Chemung Canal Trust Company	1,468,723.82
218 · Five Star CD 225343789	1,000,000.00
Total Checking/Savings	5,438,785.17
Accounts Receivable	
1200 · Accounts Receivable	-237,500.00
Total Accounts Receivable	-237,500.00
Total Current Assets	5,201,285.17
Fixed Assets	
100 · Land - B&W Railroad	380,250.00
101 · B&H Railroad	102,653.00
102 · B&H Railroad Equipment	14,250.00
103 · Building - Office	161,544.00
104 · Engine House - Livonia	100,000.00
105 · Land - Industrial Park 1	285,440.40
106 · Land - Railroad	39,979.00
107 · Office Equipment	33,968.35
108 · B&W Railroad	380,250.00
109 · Building Improvements	15,100.00
110 · Babcock Ladder Land	50,000.00
111 · B & H Railroad	922,522.80
112 · Accumulated Depreciation	-893,369.64
150 · Website Design	30,000.00
Total Fixed Assets	1,622,587.91
Other Assets	
151 · Accumulated Amortization	-30,000.00
199 · Deferred Outflows of Resources	216,258.00
Total Other Assets	186,258.00
TOTAL ASSETS	**7,010,131.08**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accts. Payable	50.90
211 · Accounts Payable	968.03
Total Accounts Payable	1,018.93
Other Current Liabilities	
2100 · Payroll Liabilities	831.50
261 · Deferred Inflows of Resources	276,330.00
Total Other Current Liabilities	277,161.50
Total Current Liabilities	278,180.43
Long Term Liabilities	
260 · Net Pension Liability	930.00
Total Long Term Liabilities	930.00
Total Liabilities	279,110.43

SCIDA
Balance Sheet
As of August 31, 2022

	Aug 31, 22
Equity	
1110 · Retained Earnings	4,462,340.78
1120 · Temp Restricted-Millennium	224,946.12
Net Income	2,043,733.75
Total Equity	6,731,020.65
TOTAL LIABILITIES & EQUITY	**7,010,131.08**

Kristie M. Beach
CPAs, PLLC

Webster, New York
585-721-5663
kmbeachcpa.com

August 29, 2022

Mr. James Johnson, Executive Director
Ms. Stacy Housworth, Finance and Compliance Manager
Steuben County Industrial Development Agency
Steuben County Economic Development Corporation
7234 Route 54 North
P.O. Box 393
Bath, New York 14810-0393

Dear Jamie and Stacy:

Attached is our proposal to provide audit and related services to the Steuben County Industrial Development Agency and Steuben County Economic Development Corporation for the years ending December 31, 2022, 2023 and 2024.

Please call me if you have any questions with regard to this proposal.

Very truly yours,

KRISTIE M. BEACH, CPAs, PLLC

Kristie M. Beach
Kristie M. Beach, CPA
Partner

KMB:kms

Enclosure

STEUBEN COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
STEUBEN COUNTY
ECONOMIC DEVELOPMENT CORPORATION

Proposal to Provide
Professional Auditing Services

Years ending December 31, 2022, 2023 and 2024

KRISTIE M. BEACH, CPAs, PLLC

Kristie M. Beach, CPA
Partner
kmbeach@kmbeachcpa.com

August 29, 2022

Kristie M. Beach
CPAs, PLLC

Webster, New York
585-721-5663
kmbeachcpa.com

August 29, 2022

Mr. James Johnson, Executive Director
Ms. Stacy Housworth, Finance and Compliance Manager
Steuben County Industrial Development Agency
Steuben County Economic Development Corporation
7234 Route 54 North
P.O. Box 393
Bath, New York 14810-0393

Dear Jamie and Stacy:

We are pleased to submit our proposal to provide audit and related services to the Steuben County Industrial Development Agency ("SCIDA") and the Steuben County Economic Development Corporation ("SCEDC") for the years ending December 31, 2022, 2023 and 2024. We believe Kristie M. Beach, CPAs, PLLC ("KMB, CPAs") is highly qualified to provide audit and related services to the SCIDA and SCEDC based on:

- Our experience with regard to providing audit and related services to governmental and nonprofit organizations on an annual basis.
- Our experience with regard to providing audit and related services for organizations required to have audits which are performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.
- Our ability to provide quality services on a timely basis for reasonable fees.

We would consider it a distinct privilege to provide professional services as outlined in this proposal or any additional services you desire. Simply put, we want to be your auditor and business consultant. Please contact me if there are any questions regarding this proposal.

Very truly yours,

KRISTIE M. BEACH, CPAs, PLLC

Kristie M. Beach
Kristie M. Beach, CPA
Partner

COMPANY PHILOSOPHY

Kristie M. Beach, CPAs, PLLC ("KMB, CPAs") was founded on the principle of providing clients with the same high quality level of service expected from a national firm yet with the dedicated involvement that can only be developed by personal attention. The primary mission of the Company has always been helping our clients succeed. We are committed to delivering services targeted to each client's critical needs and industry niche.

KEY CONSIDERATIONS REGARDING KRISTIE M. BEACH, CPAs, PLLC

Our Company has achieved its present position in the accounting profession by providing quality services on a timely basis, for reasonable fees. Accounting companies should be evaluated in light of several important conditions:

- The Company's qualifications, experience and its ability to provide auditing, accounting and consulting services for a reasonable fee.
- The Company's ability to assemble and commit a team of professionals experienced in providing audit, accounting and consulting services for public benefit corporations and governmental organizations.
- The Company's involvement of client personnel and active participation and coordination on a year-round basis.
- The Company's commitment to provide services which will contribute to the success of our clients.

In the following paragraphs, we will demonstrate that KMB, CPAs is the accounting company best qualified to serve Steuben County Industrial Development Agency ("SCIDA") and Steuben County Economic Development Corporation ("SCEDC").

COMPANY QUALIFICATIONS AND EXPERIENCE

KMB, CPAs provides audit, accounting and consulting services to governmental and nonprofit organizations on an annual basis. We are very familiar with generally accepted *Government Auditing Standards* (GAGAS), issued by the Comptroller General of the United States. We have experience serving organizations which require an audit performed in accordance with *Government Auditing Standards* and clients that require audits performed in accordance with the provisions of Office of Management and Budget (OMB) *Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards* annually. The Company's office is located in Webster, New York. Please see Appendix A for a detailed resume of the Company's key members.

Steuben County Industrial Development Agency and Steuben County Economic Development Corporation – For the past ten years, with a previous firm, Kristie has performed the annual audits of both organizations of the financial statements in accordance with auditing standards generally accepted in the United States of America and the provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States.

STAFF QUALIFICATIONS AND EXPERIENCE

Achieving our present position in the profession has come as a result of being responsive to the needs of our clients. A combination of a coordinated team approach and up-to-date knowledge allows for the most efficient approach to providing comprehensive professional services. Accordingly, KMB, CPAs will assemble an engagement team that will include audit personnel with extensive public benefit corporation and governmental audit experience. The key individual available to be assigned to this engagement and their role is as follows:

> Kristie M. Beach, CPA will serve as the partner in charge of our relationship with Steuben County Industrial Development Agency and Steuben County Economic Development Corporation. Kristie will oversee all services provided and ensure that they are delivered in a timely and efficient manner. She will be responsible for all matters concerning accounting policy, participate in the planning phases of our engagement, review all working papers and reports prepared, and attend meetings with management and the Board. She has over 18 years of public accounting experience. She currently functions as a partner in the Company and has extensive experience in providing audit, accounting and consulting services for numerous governmental organizations, specifically public benefit corporations. Kristie is licensed in New York State as a Certified Public Accountant.

QUALITY ASSURANCE

KMB, CPAs was established in 2021 and therefore has not completed a peer review at this point. The Company is registered with the AICPA's peer review program and when required the Company will complete the first peer review process.

SPECIFIC AUDIT APPROACH

The audits are made in accordance with auditing standards generally accepted in the United States of America and, accordingly, include such tests of the accounting records and other auditing procedures as considered necessary and appropriate in order to express an opinion on the financial statements.

Although audits conducted by different company's should all comply with certain professional requirements and thus might appear identical in nature, the SCIDA and SCEDC should distinguish individual company's by at least two key factors:

1. The extent to which the company understands or expands its understanding of your SCIDA and SCEDC in advance of the audit and tailors its auditing procedures to the conditions and needs of the SCIDA and SCEDC.
2. The pertinent skills and processes the auditor can bring to bear upon the engagement to ensure an effective and efficient audit.

Audit examinations performed by KMB, CPAs are conducted from a risk-based approach. This approach yields two major benefits:

- Maximization of understanding of the Organization's operating environment, and
- Minimization of audit time by starting with broad considerations and narrowing to specific audit objectives in critical areas.

The audit of the financial statements of Steuben County Industrial Development Agency and Steuben County Economic Development Corporation will consist of the following four phases:

- Planning
- Systems evaluation
- Testing
- Reporting

- Planning is the first step in the audit engagement and provides the foundation for the direction of the audit. This phase of the audit involves meeting with the Finance Committee and management of the SCIDA and SCEDC to clearly identify the lines of communication, perform the risk analysis, discuss the audit scope and concerns and set expectations. While facilitating an understanding between our Company and the SCIDA and SCEDC, we highlight areas, which will receive emphasis during our audit. This type of analytical review process permits identification of critical areas. As a result, appropriate audit procedures are focused therein.

- Systems Evaluation consists of the following steps:
  - A review of internal control systems of the SCIDA and SCEDC;
  - A review of the information technology systems utilized by the Organization to prepare its accounting records and monitor compliance with regulatory requirements;
  - An identification of control strengths and weaknesses in management and accounting controls; and
  - The development of a tailored audit program to be responsive to the SCIDA and SCEDC's concerns and reflective of the internal control system.

- Testing is the largest part of the audit process and includes both compliance test of internal controls and regulatory requirements and substantive test of the SCIDA and SCEDC's financial data.

  KMB, CPAs uses sampling in selecting items for examination by compliance and/or substantive tests where it is determined to be cost beneficial to sample the population. The Company has a policy which contains procedures for the control and evaluation of sampling risk, selection of samples, and evaluation of sample results.

  Audit sampling will normally be used to perform the following tests:

  - Substantive tests as part of the audit of the SCIDA and SCEDC's basic financial statements;
  - Compliance tests to provide reasonable assurance that internal control (accounting and administrative) procedures used in administering financial assistance programs are being applied as prescribed; and
  - Substantive tests of compliance with laws and regulations as part of the audit of the basic financial statements and for the purpose of reporting on compliance with laws and regulations.

- Reporting is completed at the conclusion of the audit process. This phase will include the preparation of the draft financial statements and management letter. Management of the SCIDA and SCEDC's will be provided drafts of all reports. These drafts will be reviewed in detail and any questions or concerns of management will be appropriately addressed. Reports will only be finalized after approval of management and the Finance Committee of the SCIDA and SCEDC.

The management letter will discuss internal control recommendations and suggestions for procedural improvements that were identified as part of the audit. The letter will also include observations about accounting methods and procedures, business and industry practices or issues, operational ideas, and suggestions to further enhance the SCIDA and SCEDC's operations. KMB, CPAs will advise the SCIDA and SCEDC of any new accounting pronouncements that have been or may be issued and indicate their potential impact.

As part of our risk assessment procedures of the SCIDA and SCEDC, KMB, CPAs will review and document the five components of internal control. A description of the components of internal control is as follows:

- Control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.

- Risk assessment is the entity's identification and analysis of relevant risks to the achievement of its objectives. This forms a basis for determining how the risks should be managed.

- Control activities are the policies and procedures that help to ensure that management's directives are carried out.

- Information and communication are the means to identify, capture, and exchange information in a form and time frame that enable people to carry out their responsibilities.

- Monitoring is the process that assesses the quality of internal control performance over time.

Reporting to the Board

Any findings related to internal control over financial reporting or compliance will be communicated to management during the course of the engagement and in the exit conference. This will afford management the opportunity to provide comments and additional information for consideration. As required by professional standards, we will ensure that the Board of Directors will be informed of the following:

- The auditors' responsibility under auditing standards generally accepted in the United States of America.
- The auditors' responsibility under *Government Auditing Standards*.
- Significant accounting policies.
- Management judgments and accounting estimates.
- Significant audit adjustments.
- Other information in documents containing audited financial statements.
- Disagreements with management.
- Management consultation with other accountants.
- Major issues discussed with management prior to retention.
- Difficulties encountered in performing the audit.
- Any other matter which may be important to the fair presentation of the SCIDA and SCEDC financial statements.

SCOPE OF SERVICES

The following is an outline of the services to be provided to Steuben County Industrial Development Agency and Steuben County Economic Development Corporation for the years ending December 31, 2022, 2023 and 2024:

Steuben County Industrial Development Agency

- Audit the financial statements in accordance with 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 primary purpose of this audit is the expression of an opinion as to the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.
- Issue a report on internal control over financial reporting and a report on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Prepare a letter to management detailing comments and suggestions for improvements in internal controls or general management techniques that come to our attention during the audit. We will review and explain all observations and recommendations so that appropriate changes may be implemented.
- Attend an entrance and exit interview and presentation of the draft audit reports with the Finance Committee and Board of Directors.
- Attend a meeting with the Board of Directors to review the results of our audit of the financial statements and trends that could impact the Agency.
- Prepare U.S. Form 1099-MISC - "Miscellaneous Information."
- Prepare workpapers related to the NYS Authorities Budget Office PARIS report.
- Perform audit of project schedule included in the supplementary information of the financial statements.
- Maintain contact throughout the year to discuss: (a) changes in accounting which could affect the Agency and (b) the progress toward fulfilling current needs and future objectives.

Steuben Area Economic Development Corporation

- Audit the financial statements in accordance with 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 primary purpose of this audit is the expression of an opinion as to the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.
- Issue a report on internal control over financial reporting and a report on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.

- Prepare a letter to management detailing comments and suggestions for improvements in internal controls or general management techniques that come to our attention during the audit. We will review and explain all observations and recommendations so that appropriate changes may be implemented.
- Attend an entrance and exit interview and presentation of the draft audit reports with the Finance Committee and Board of Directors.
- Attend a meeting with the Board of Directors to review the results of our audit of the financial statements and trends that could impact the Corporation.
- Prepare U.S. Form 990 - "Return of Organization Exempt from Income Tax."
- Prepare U.S. Form 1099-MISC - "Miscellaneous Information."
- Prepare workpapers related to the NYS Authorities Budget Office PARIS report.

TIMING AND COST

Upon receiving notice of appointment as auditor, KMB, CPAs will meet with the SCIDA and SCEDC and establish a definite time program for the performance of our services. The time program will be established to ensure that work is efficient and structured in such a way as to avoid disrupting the day-to-day routine duties of your staff. The following is an estimated timetable related to performance of our services for the audits:

Task	Deadline
Commencement of fieldwork	Approximately February 1st
Issue draft report	Approximately March 15th
Issue final report	By March 31st

The fee quote is based upon the estimated time that will be spent on the engagement and the qualifications of the personnel that will be assigned. On the basis of our experience with governmental and nonprofit organizations similar to the SCIDA and SCEDC, we have determined the fees that will be charged for the aforementioned services for the years ending December 31, 2022, 2023 and 2024 to be as follows:

	2022	2023	2024
Steuben County Industrial Development Agency	$9,500	$10,450	$11,495
Steuben Area Economic Development Corporation	1,750	1,925	2,100
Total	$11,250	$12,375	$13,595

These are the ALL-INCLUSIVE FEES to be charged to the SCIDA and SCEDC and includes report reproduction costs and similar expenses (travel, postage, phone, etc.).

We consider ourselves not only an auditor but also advisors to our clients. Accordingly, we encourage our clients to contact us throughout the year to discuss any technical matters or other issues that arise. We consider this service an integral part of our overall client relationship and accordingly, do not bill separately for any of these questions.

Billing Policies

Our goal is to provide your organization with the highest quality service at the greatest value with a team personally devoted to your organization. Our fees are based as a product of the time spent on the engagement and the billing rates and related experience of the individuals involved. Our fees will not exceed the amounts quoted, and are based on the understanding that (1) the overall condition of the financial and accounting records is excellent (require few or no adjusting entries); (2) we receive full support from your accounting personnel necessary for the preparation of all items discussed in our client assistance letter; and (3) the preparation of items in our client assistance letter (in electronic format whenever possible) will be completed prior to our arrival to begin fieldwork. This allows us to concentrate our efforts on matters requiring objective review and judgment. It is our policy to notify you immediately if we encounter significant or unusual problems during the course of the engagement prior to incurring additional time. Our standard billing policy includes monthly progress billings and submission of a final bill upon completion of an engagement.

A mutually agreed-upon payment plan would be acceptable in lieu of our standard billing practice. Our standard hourly rates are as follows:

- Partner $320 - $355
- Director $230 - $250
- Manager $200 - $220
- Supervisor $165 - $175
- Senior $135 - $145
- Staff $120 - $130

Please note the above rates would be blended into an agreed upon standard rate before we would move forward with any additional work.

OTHER SIGNIFICANT INFORMATION

- Technology - All of our field staff are equipped with laptop computers and have access to various software packages and databases (e.g. data extraction software, flowchart software, Microsoft Office, etc.) and other electronic means to ensure that the audit is performed in the most efficient manner.

- Continuing Education - With regard to continuing professional education, each of our staff members is required to complete an annual minimum of 40 hours of continuing education programs approved by the American Institute of Certified Public Accountants. Additionally, since we perform audits in accordance with *Government Auditing Standards*, our staff members must complete at least 24 of the 80 hours (over a two-year period) of continuing education in subjects directly related to the government environment and government auditing.

- Affirmative Action - KMB, CPAs is an equal opportunity employer and as such possesses a firm commitment to affirmative action and to hiring only the best-qualified candidates regardless of gender or ethnic origin. Our Company does not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status.

* * * * *

KMB, CPAs would consider it a distinct privilege to provide professional services as outlined in this letter or any additional services the SCIDA and SCEDC may desire. Please contact us if you have any questions regarding this letter.

A copy of this letter is enclosed; if the terms of this proposal are satisfactory to you please sign the copy and return it to me at your convenience.

ACCEPTED:

KRISTIE M. BEACH, CPAs, PLLC

By: Kristie M. Beach

Kristie M. Beach, CPA
Partner

Date: August 29, 2022

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND STEUBEN COUNTY ECONOMIC DEVELOPMENT CORPORATION

By: _____

Date: _____

Appendix A

Detailed Resume of Key Company Members

Kristie M. Beach
CPAs, PLLC

Kristie M. Beach, CPA
Partner

Kristie is a *Partner* of Kristie M. Beach, CPAs, PLLC which formed in 2021. Formerly Kristie was a Director in the EFPR Group's Attest department. Kristie began with EFPR Group in 2003 until forming Kristie M. Beach, CPAs, a woman owned business, in 2021. She has a wide range of experience working with governments, school districts and not-for-profit organizations.

Kristie's clients include various counties, towns, school districts and other governmental entities as well as closely performing the audits of many not-for-profit organizations. Kristie attends multiple government and not-for-profit accounting and auditing updates throughout the year.

Kristie is a Forty under 40, Class of 2013 award winner. This is an honor given to individuals who have achieved professional success and made significant civic contributions in the Community. Hundreds of people are nominated, and only the best of the best are recognized.

Professional and Community Affiliations
American Institute of Certified Public Accountants (AICPA)
Rochester Hearing and Speech Center, *Board of Directors and Finance Committee Member*

Awards
Rochester Business Journal Forty Under 40, Class of 2013

Practice Areas
Accounting & Auditing
Governmental Accounting
Not-for-Profit Accounting

Industry
Government
Not-for-Profit

Education
SUNY Geneseo, BS, Accounting

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September 14, 2022

Mr. James Johnson, Executive Director
Steuben County Industrial Development Agency
7234 Route 54
Bath, New York 14810

Dear Jamie:

We are pleased to confirm our understanding of the services we are to provide the Steuben County Industrial Development Agency for the year ended December 31, 2022.

Audit Scope and Objectives

We will audit the financial statements, and the disclosures, which collectively comprise the basic financial statements of the Steuben County Industrial Development Agency as of and for the year ended December 31, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Steuben County Industrial Development Agency's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Steuben County Industrial Development Agency's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Agency's Proportionate Shares of the Net Pension Liability
3. Schedule of Employer's Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies Steuben County Industrial Development Agency's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a separate written report accompanying our auditor's report on the financial statements:

1. Schedule of Straight Lease Projects

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Steuben County Industrial Development Agency and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we will exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

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

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

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

Audit Procedures—Internal Control

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

Audit Procedures—Compliance

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

Other Services

We will also assist in preparing the financial statements and related notes as well as tracking capital assets and calculating depreciation expense of Steuben County Industrial Development Agency in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

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

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as

records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

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

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

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

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

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

Independence

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with

respect to your Organization and in the performance of our services. Any discussions that you have with personnel of our Firm regarding employment could pose a threat to our independence. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence. In addition, if you hire one of our personnel, you agree to pay us a fee of 20% of that individual's annual base compensation at your Organization within 90 days from the first day of employment.

Engagement Administration, Fees, and Other

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

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

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

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

Kristie M. Beach, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately January 30, 2023 and to issue our reports no later than March 31, 2023.

We estimate that our fees for these services described above to be $9,500 for year ended December 31, 2022. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Our invoices for these fees will be rendered as work progresses and are due upon receipt. We will charge interest at the rate of 1% per month on all bills 30 days or more past due. The charge in interest on an annual basis is 12%. If we elect to terminate our services for nonpayment, our engagement will deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

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

Reporting

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

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose.at If during our audit we become aware that Steuben County Industrial Development Agency is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

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

Very truly yours,

Kristie M. Beach

Kristie M. Beach, CPAs, PLLC

/gt
Enc.

RESPONSE:

This letter correctly sets forth the understanding of Steuben County Industrial Development Agency.

Management signature: _____

Title: _____

Date: _____

	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2022 Anticipated	2023 Budget	Difference in Budget 22 to 23
Income							
2140 · Administrative Income	$ 517,500	$ 700,400	$ 1,364,615	$ 1,222,123	$ 1,525,361	$ 1,570,635	$ 348,512
2145 · Lease Income	$ 7,288	$ 4,500	$ 3,774	$ 1,775	$ -	$ -	$ (1,775)
2401 · Interest Income	$ 14,009	$ 5,000	$ 5,534	$ 8,720	$ 7,800	$ 8,500	$ (220)
2770 · Miscellaneous Income	$ 4,833	$ 5,000	$ 3,531	$ 5,000	$ 2,000	$ 2,000	$ (3,000)
2780 · Reimbursed Expenses	$ 1,815	$ 1,980	$ 2,773	$ 1,980	$ 1,980	$ -	$ (1,980)
2810 · Business Development Support	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ -
2812 · Infrastructure Development	$ -	$ -	$ -	$ 750,000	$ 933,650	$ -	$ (750,000)
2813 · Grant Income Site Development	$ -	$ -	$ -	$ -	$ -	$ 200,000	$ 200,000
Total Income	**$ 620,445**	**$ 791,880**	**$ 1,455,227**	**$ 2,064,598**	**$ 2,545,791**	**$ 1,856,135**	$ (208,463)
Expense							$ -
6110 · Automobile Expense	$ 19,747	$ 11,500	$ 11,228	$ 12,901	$ 13,686	$ -	$ (12,901)
6145 · Continuing Education	$ 4,428	$ 6,500	$ 5,758	$ 8,927	$ 5,644	$ 8,927	$ -
6160 · Dues and Subscriptions	$ 7,907	$ 9,592	$ 9,334	$ 9,000	$ 9,000	$ 9,200	$ 200
6180 · Insurance and Fringe Benefits							$ -
6181 · Health Insurance	$ 54,226	$ 47,979	$ 39,103	$ 36,000	$ 40,031	$ 45,000	$ 9,000
6182 · Dental Insurance	$ 2,188	$ 3,594	$ 2,272	$ 1,631	$ 2,128	$ 2,238	$ 607
6183 - Allowances	$ -	$ -	$ -	$ -	$ -	$ 11,706	$ 11,706
6185 · Liability Insurance	$ 8,991	$ 7,999	$ 9,164	$ 9,434	$ 9,434	$ 10,000	$ 566
6190 · Disability Insurance	$ 1,707	$ 2,200	$ 1,489	$ 1,390	$ 1,500	$ 1,700	$ 310
6195 · Life Insurance	$ 1,255	$ 1,332	$ 1,255	$ 1,293	$ 1,293	$ 1,350	$ 57
6196 · Workers' Compensation	$ 1,372	$ 1,400	$ 1,592	$ 1,640	$ 1,675	$ 1,750	$ 110
Total 6180 · Insurance	**$ 69,738**	**$ 64,504**	**$ 54,874**	**$ 51,388**	**$ 56,061**	**$ 73,744**	$ 22,356
6240 · Miscellaneous Office Expenses	$ 1,204	$ 5,000	$ 518	$ 5,000	$ 1,100	$ 3,000	$ (2,000)
6250 · Postage and Delivery	$ 2,034	$ 3,002	$ 1,309	$ 3,000	$ 2,300	$ 3,000	$ -
6270 · Professional Fees							$ -
6650 · Accounting	$ 9,805	$ 9,700	$ 10,764	$ 12,000	$ 12,000	$ 9,500	$ (2,500)
6655 · Consulting	$ 6,250	$ 25,000	$ 7,595	$ 25,000	$ 15,000	$ 15,000	$ (10,000)
Total 6270 · Professional Fees	**$ 16,055**	**$ 34,700**	**$ 18,359**	**$ 37,000**	**$ 27,000**	**$ 24,500**	$ (12,500)
6276 - Infrastructure Fees	$ -	$ -	$ -	$ 750,000	$ 933,650	$ -	$ (750,000)
6277 - Site Development	$ -	$ -	$ -	$ -	$ -	$ 250,000	$ 250,000
6340 · Telephone	$ 4,250	$ 4,340	$ 3,335	$ 5,205	$ 3,612	$ 3,750	$ (1,455)
6350 · Travel & Ent	$ 77	$ 8,000	$ 724	$ 8,000	$ 1,538	$ 8,000	$ -
6390 · Utilities	$ 2,489	$ 4,000	$ 2,519	$ 4,300	$ 3,633	$ 4,300	$ -
6465 · Community Engagement	$ -	$ 6,500	$ -	$ 6,500	$ 6,500	$ 6,500	$ -
6490 · CDBG	$ -	$ -	$ 133,343	$ -	$ -	$ -	$ -
6495 · Cleaning	$ 2,460	$ 2,600	$ 2,760	$ 2,843	$ 2,726	$ 3,000	$ 157
6505 · Conferences	$ 2,648	$ 6,500	$ 2,801	$ 6,500	$ 6,500	$ 6,500	$ -
6515 · Copier	$ 2,714	$ 3,000	$ 2,890	$ 2,500	$ 2,439	$ 2,500	$ -
6535 · Internet access	$ 782	$ 801	$ 540	$ 800	$ 720	$ 780	$ (20)
6540 · Legal Services	$ 12,579	$ 4,500	$ (750)	$ 4,500	$ 2,000	$ 4,500	$ -
6545 · Facilities	$ 6,781	$ 6,800	$ 3,747	$ 6,800	$ 4,832	$ 50,000	$ 43,200
6550 · Office Supplies	$ 3,464	$ 4,775	$ 1,677	$ 4,775	$ 674	$ 4,775	$ -
6560 · Payroll Expenses	$ 323,652	$ 312,449	$ 321,683	$ 350,000	$ 320,000	$ 329,600	$ (20,400)
6561 · Payroll Taxes	$ 33,192	$ 23,902	$ 23,455	$ 25,000	$ 25,000	$ 25,750	$ 750
6576 · Project Costs	$ 8,989	$ 25,000	$ 13,787	$ 25,000	$ 20,000	$ 25,000	$ -
6590 · Refuse	$ 397	$ 420	$ 365	$ 412	$ 416	$ 437	$ 25
6595 · Retirement	$ 77,616	$ 36,106	$ 18,255	$ 35,000	$ 35,000	$ 35,000	$ -
6625 · Technology upgrades	$ 5,099	$ 5,000	$ 3,045	$ 5,000	$ 5,000	$ 5,000	$ -
6645 · Marketing	$ 24,282	$ 25,000	$ 26,085	$ 35,000	$ 35,000	$ 25,000	$ (10,000)
6647 · Manufacturing Day Videos	$ -	$ -	$ -	$ 24,528	$ 16,375	$ 8,153	$ (16,375)
6651 · Payroll Fees	$ 2,184	$ 1,612	$ 2,546	$ 2,305	$ 2,600	$ 2,678	$ 373
Total Expense	**$ 634,768**	**$ 616,103**	**$ 664,185**	**$ 1,432,184**	**$ 1,543,006**	**$ 923,594**	
	$ (14,322)	**$ 175,777**	**$ 791,042**	**$ 632,414**	**$ 1,002,785**	**$ 932,541**	
	$ (14,322)	**$ 175,777**	**$ 791,042**	**$ 632,414**	**$ 1,002,785**	**$ 932,541**	

2023 Budget Notes

Income

2140 – Administrative Income

Baron Final Installment	$470,635
Eight Point 2nd Installment	$350,000
Canisteo Wind 1st Installment	$1,045,090
Solar	$350,000
StorFlex	$300,000
Other Projects	$100,000
Total:	**$2,615,725**

2145 – Lease Income

The land that was previously leased to BlueGill Farms was sold to LP. Therefore, no lease revenue for 2023.

2401 – Interest Income

The IDA is proposing an increase of $700 from what our 2022 anticipated actual will be. The IDA will have an increased amount of cash in 2023, but the interest rates in which that money is invested are lower than in previous years.

2770 – Miscellaneous Income

At times, the IDA does receive miscellaneous income for activities related to projects and contracts. The IDA based the 2023 budget off the anticipated actual amount it expects to receive in 2022.

2780 – Reimbursed Expenses

This is a dedicated line item for reimbursement of personal expenses related to the company vehicle and will no longer be needed should the board agree to no longer lease a company vehicle.

2812 and 2813 – Infrastructure Development

This account was created in 2022 to track the revenue for the RT54 Turning Lane. This project will be completed in 2022. The IDA does plan to take on site development of the old Philips site in 2023 Therefore, the IDA is proposing a budget of $200,000 in Grant Income Site Development, account 2813.

Expenses

6110 – Automobile Expense

For the 2023 budget, the expense for Automobile has been replaced with **account 6183, Allowances**. There will be a proposed change for 2023, where the Executive Director is directly paid for the value of the vehicle lease and treated as a fringe benefit as opposed to the IDA paying the direct expenses and the Executive Director reimbursing the IDA for personal use of the company vehicle. This change will create a much cleaner accounting for the company vehicle use and reduce the possibility of any issues during a State Comptroller audit.

6181 – Health Insurance

Sprague Insurance came to the IDA in late August to give us an update on current health insurance expense trends and they confirmed that Excellus BC/BS has requested a 10.21% increase for 2023. This increase has not been approved by the State yet so to be conservative the budget has been increased by 12% over the 2022 anticipated actual.

Remainder of Insurances

The IDA is proposing a modest increase in the budget for 2023 based on the actual amounts paid in 2022. Sprague Insurance provided the IDA with rates for 2022-23.

6183 – Allowances

Per the contract with the Executive Director the agency has agreed to either provide a company vehicle or a car allowance equal to the value of a company vehicle. The company lease is up in January and the recommendation is to move to an allowance as this will be cleaner for both the agency and staff. The amount has been calculated at a rate of $975.50 per month which is the value of last year's automobile expense less the reimbursed amount paid for personal use.

Average auto expenses have remained relatively flat over the years.

6650 - Accounting

The IDA originally proposed a small increase over the 2022 budget as shown however the current RFP's have come in slightly less than what we have budgeted. Once the successful RFP is approved, the IDA will know exactly how much will be spent in 2022, 2023 and 2024 and can adjust the budget for final board approval.

6655 – Consulting

The IDA is proposing a $10,000 reduction from the 2022 budget due to a change with the Three Rivers contract and because the Strategic Plan was developed and finalized in 2022.

6277 – Site Development

A budget of $250,000 is proposed for site development expense of the former Philips site. Income above is proposed at $200,000, so a net expense of $50,000 for the IDA.

6545 – Maintenance

The budget for maintenance expense is being proposed with an increase of $26,800 for expenses related to a full parking lot reconstruction. Due to the amount of this expense this will need to go to bid and prevailing wage will be required.

6560 - Payroll

The 2023 budget includes an 3% increase over the 2022 budget for all 3 full time employees.

6595 – Retirement

The IDA based the 2023 budget off the 2022 invoice amount and a modest increase based on communication from the Comptroller's office on rising employer share expense.

6645 – Marketing

The IDA is proposing a $10,000 reduction in the 2023 budget from 2022 because of the 50th anniversary work that was done in 2022.

6647 – Manufacturing Day Videos

This funding has been reduced by the amount of the one-time expenses related to the manufacturing day videos. There is $8,153 left in the original allocation to be spent in 2023.

Steuben County IDA 2023 Budget

Budget & Financial Plan

Budgeted Revenues, Expenditures, and Changes in Current Net Assets

	Last Year (Actual) 2021	Current Year (Estimated) 2022	Next Year (Adopted) 2023	Proposed 2024	Proposed 2025	Proposed 2026
Revenue & Financial Sources						
Operating Revenues						
Charges for Services	$ 1,364,615	$ 1,525,361	$ 1,570,635	$ 1,617,754	$ 1,666,287	$ 1,716,275
Rentals & Financing Income	$ 3,774	$ -	$ -	$ -	$ -	$ -
Other Operating Revenues	$ 77,773	$ 78,980	$ 77,000	$ 79,310	$ 81,689	$ 84,140
Non-Operating Revenues				$ -	$ -	$ -
Investment Earnings	$ 5,534	$ 7,800	$ 8,500	$ 8,755	$ 9,018	$ 9,288
State Subsidies / Grants	$ -	$ -	$ 200,000	$ -	$ -	$ -
Federal Subsidies / Grants	$ -	$ -	$ -	$ -	$ -	$ -
Municipal Subsidies / Grants	$ -	$ -	$ -	$ -	$ -	$ -
Public Authority Subsidies	$ -	$ -	$ -	$ -	$ -	$ -
Other Non-Operating Revenues	$ 3,531	$ 933,650	$ -	$ -	$ -	$ -
Proceeds from the Issuance of Debt	$ -	$ -	$ -	$ -	$ -	$ -
Total Revenues & Financing Sources	**$ 1,455,227**	**$ 2,545,791**	**$ 1,856,135**	**$ 1,705,819**	**$ 1,756,994**	**$ 1,809,703**
Expenditures						
Operating Expenditures						
Salaries and Wages	$ 345,138	$ 345,000	$ 355,350	$ 366,011	$ 376,991	$ 388,301
Other Employee Benefits	$ 54,874	$ 56,061	$ 60,294	$ 62,103	$ 63,966	$ 65,885
Professional Services Contracts	$ 18,359	$ 27,000	$ 24,500	$ 25,235	$ 25,992	$ 26,772
Supplies and Materials	$ 1,677	$ 1,774	$ 4,775	$ 4,918	$ 5,066	$ 5,218
Other Operating Expenditures	$ 244,137	$ 179,521	$ 228,675	$ 235,535	$ 242,601	$ 249,879
Non-Operating Expenditures						
Payment of Principal on Bonds and Financing Arrangements	$ -	$ -	$ -	$ -	$ -	$ -
Interest and other Financing Charges	$ -	$ -	$ -	$ -	$ -	$ -
Subsidies to Other Public Authorities	$ -	$ -	$ -			$ -
Capital Asset Outlay	$ -	$ -	$ -	$ -	$ -	$ -
Grants and Donations	$ -	$ -	$ -			$ -
Other Non-Operating Expenditures	$ -	$ 933,650	$ 250,000	$ 257,500	$ 265,225	$ 273,182
Total Expenditures	**$ 664,185**	**$ 1,543,006**	**$ 923,594**	**$ 951,302**	**$ 979,841**	**$ 1,009,236**
Capital Contributions	$ -	$ -	$ -	$ -	$ -	$ -
Excess (Deficiency) of Revenues and Capital Contributions Over Expenditures	**$ 791,042**	**$ 1,002,785**	**$ 932,541**	**$ 754,517**	**$ 777,153**	**$ 800,467**

HUSCH BLACKWELL

Chris Kline
Attorney

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September 16, 2021

VIA E-MAIL

Steuben County Industrial Development Agency
Attn: James Johnson
7234 Route 54 North, PO Box 393
Bath, New York 14810

Re: Assignment of Sublease and PILOT Agreement (2007)
Tax Map Number 298.000-0001-003.121

Dear Mr. Johnson,

This letter shall serve as notice that on August 31, 2022, Gordon Euclid, LLC ("Buyer") and Automated Cells & Equipment, LLC d/b/a Adaptec Solutions, LLC ("Seller"), successor-in-interest to Automated Cells & Equipment Acquisition, LLC, entered into a Contract of Sale (the "Contract") relating to certain real property located in the Town of Erwin, Steuben County, New York. Immediately upon closing, Buyer will lease the real property to an affiliate of Seller that will continue using this property for the same purposes as Seller. If additional information is required, please feel free contact Mr. Imran Parekh (800-724-5794; imran.parekh@adaptecsolutions.com).

As you know, this real property is subject to a tax abatement/PILOT arrangement originally put into place May 1, 2007. This letter is to request the consent of the Steuben County Industrial Development Agency ("IDA") to the assignment of the sublease, PILOT Agreement and any related documents comprising this tax abatement. Please let me know any questions there may be or additional information necessary.

Sincerely,

Chris Kline

Chris Kline

ASSIGNMENT AUTHORIZING RESOLUTION

(Automated Cells & Equipment, LLC d/b/a Adaptec Solutions, LLC Project conveyance from Automated Cells & Equipment, LLC d/b/a Adaptec Solutions, LLC to Gordon Euclid, LLC)

A regular meeting of the Steuben County Industrial Development Agency was convened on Thursday, September 22, 2022.

The following resolution was duly offered and seconded, to wit:

Resolution No. 09/2022 - ____

RESOLUTION OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING THE AGENCY TO EXECUTE ALL NECESSARY DOCUMENTS IN CONNECTION WITH THE CONVEYANCE OF THE PROJECT AND THE PROJECT DOCUMENTS (AS DEFINED BELOW) TO GORDON EUCLID, LLC

WHEREAS, by resolution adopted by the STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") on April 26, 2007, the Agency authorized the execution of certain documents with respect to the Project (as defined below), including (i) that certain Lease Agreement, dated as of May 1, 2007 (the "Lease Agreement"), by and between Automated Cells & Equipment, Inc. ("ACE") and the Agency; (ii) that certain Leaseback Agreement, dated as of May 1, 2007, by and between the Agency and ACE (the "Leaseback Agreement"); and (iii) that certain Amended and Restated Payment In Lieu of Tax Agreement, dated as of May 1, 2007, by and between the Agency and ACE (the "Tax Agreement"; and, together with the Lease Agreement and Leaseback Agreement, the "Project Documents"); and

WHEREAS, pursuant to the Project Documents, the Agency provided financial assistance to the Company in the form of (a) a sales tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (b) a partial real property tax abatement through the Tax Agreement, and (c) a mortgage recording tax exemption for the financing related to the Project (collectively, the "Financial Assistance"); and

WHEREAS, the Project consisted of: (i) the acquisition (or retention) by the Agency of fee title to or a leasehold interest in a parcel or parcels of land located at 3435 Enterprise Drive in the Town of Erwin, Steuben County, New York and existing improvements located thereon (the "Land"), (ii) the construction and equipping on the Land of an approximately 15,000 square-foot building and related improvements (including office and training space) for the manufacture of robotic and automated material handling systems (the "Improvements"), and (iii) the acquisition and installation in and around the Improvements of certain items of equipment and other tangible personal property (the "Equipment", and collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, Automated Cells & Equipment Acquisition, LLC ("ACE Acquisition") acquired the Facility from ACE and acquired all of ACE's right, title and interest in and to the Project Documents pursuant to a certain Assignment and Assumption of Agreements, dated as of April 26, 2019 by and between ACE and ACE Acquisition, with acknowledgment by the Agency (the "Assignment Agreement"); and

WHEREAS, Automated Cells & Equipment, LLC d/b/a Adaptec Solutions, LLC (the "Company"), successor-in-interest to ACE Acquisition, wishes to sell the Facility to Gordon Euclid, LLC or an affiliated company thereof (collectively, the "Purchaser") and assign its interest in the Project and the Project Documents to the Purchaser; and

WHEREAS, the Purchaser wishes to accept the assignment and assume the responsibilities of the Company with respect to the Project and pursuant to the Project Documents, as the same may be amended from time to time; and

WHEREAS, the Agency has determined that said sale will not disqualify the Purchaser for the property tax abatements provided pursuant to the Lease Agreement, the Leaseback Agreement and the Tax Agreement, and therefore, wishes to cooperate with said sale provided that the formula used to compute the tax abatements is applied unchanged to the Project after conveyance to the Purchaser.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby consents to the above-described conveyance and transfer of the Project Facility and assignment of the Project Documents.

Section 2. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute assignments and amendments of the Project Documents and any related documents necessary to reflect said conveyance and amendments.

Section 3. This resolution shall take effect immediately.

[Remainder of Page Intentionally Left Blank]

The question of the adoption of the foregoing resolutions was duly put to a vote by roll call, which resulted as follows:

	Yea	***Nay***	***Absent***	***Abstain***
	[ ]	[ ]	[ ]	[ ]
Mark R. Alger	[ ]	[ ]	[ ]	[ ]
Scott J. Van Etten	[ ]	[ ]	[ ]	[ ]
Anthony Russo	[ ]	[ ]	[ ]	[ ]
Dean Strobel	[ ]	[ ]	[ ]	[ ]
Mike Davidson	[ ]	[ ]	[ ]	[ ]
Christine G. Sharkey	[ ]	[ ]	[ ]	[ ]
Michelle Caulfield	[ ]	[ ]	[ ]	[ ]

The resolutions were thereupon duty adopted.

STATE OF NEW YORK)
COUNTY OF STEUBEN) ss:

I, the undersigned Secretary of the Steuben County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the special meeting of the Steuben County Industrial Development Agency (the "Agency") including the resolution contained therein, held on the 22nd day of September, 2022, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this ___ day of _____, 2022.

_____
Secretary

Project Summary Sheet

Corning Property Management Studio Next
August 25, 2022

Project Description

The project is being done to support the Museum's StudioNEXT project which aims to expand the Museum's global reach and its ability to provide unique experiences and resources to Museum visitors, enthusiasts, students, and artists. The proposed investment will allow The Studio to expand and develop new features, including:

- Expansion of Museum visitor interactions with hot glassworking
- Expansion of space and resources for students, instructors, and artists-in residence
- Expansion of space for artists seeking studio space with hot and cold shops
- Development of new 120-seat theater and display space for artists and students
- Development of a large-scale kiln-casting center that will be the only one of its kind in North America
- Development of a certificate program in glass

By 2026, the StudioNEXT expansion project is expected to generate the following incremental economic impacts.

- $6.1 million of new annual spending occurs in the Southern Tier
- 39 new FTE jobs are created in the Southern Tier
- $5.1 million of new annual spending occurs in New York State
- 29 new FTE jobs are created in New York State
- Over the construction period, $55.9 million in spending occurs in the Southern Tier economy and $64.4 million occurs in the New York State economy

Total Project Investment	$40,878,355
Jobs Retained	136
Job Created	0
Benefit to Cost Ratio	66:1
Estimated PILOT Benefit	$0
Estimated Sales Tax Savings	$652,000
Mortgage Tax Benefit	$0
Total Savings	$652,000
Comments	The sales tax benefit being requested covers all aspects of the project but may not be as large as anticipated once the project team determines whether the museum investment is exempt as of right.
Estimated Project Start Date	October 2022
Estimated Project Completion Date	November 2024

FINAL RESOLUTION

(Corning Property Management Corporation Project)

A regular meeting of the Steuben County Industrial Development Agency was convened on Thursday, September 22, 2022.

The following resolution was duly offered and seconded, to wit:

Resolution No. 09/2022 - ___

RESOLUTION OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACKNOWLEDGING THE PUBLIC HEARING HELD WITH RESPECT TO THE CORNING PROPERTY MANAGEMENT CORPORATION PROJECT ON SEPTEMBER 21, 2022; (ii) AUTHORIZING FINANCIAL ASSISTANCE (AS MORE FULLY DESCRIBED BELOW) FOR THE BENEFIT OF CORNING PROPERTY MANAGEMENT CORPORATION; (iii) MAKING A DETERMINATION WITH RESPECT TO ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW AND 6 N.Y.C.R.R. PART 617; AND (iv) AUTHORIZING THE EXECUTION AND DELIVERY OF A PROJECT AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 178 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **CORNING PROPERTY MANAGEMENT CORPORATION**, for itself and/or on behalf of an entity or entities formed or to be formed (collectively, the "Company"), has submitted an application to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the demolition of a portion of certain existing improvements (the "Existing Improvements") located at 100-134 East Pulteney Street in the City of Corning, Steuben County, New York (the "Land", being more particularly described as tax parcel No. 317.08-01-041.110); (ii) the planning, design, renovation, reconstruction and rehabilitation of the Existing Improvements that will include (a) an approximately 120-seat theater and display space, (b) a large-scale kiln-casting center, and (c) related space to accommodate a certificate program, museum patrons, students, instructors, artists-in residence and studio space with hot and cold shops (collectively, the "Improvements"); and (iii) the acquisition of and installation in and around the Land, the Existing Improvements and the Improvements by the Company of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, by resolution adopted by the Agency on August 25, 2022 (the "Inducement Resolution"), the Agency accepted the Application as submitted by the Company and, among other things, (i) described the Financial Assistance (as defined below) being contemplated by the Agency and (ii) authorized the Agency to hold a public hearing regarding the contemplated Financial Assistance; and

WHEREAS**,** pursuant to Section 859-a of the Act, on Wednesday, September 21, 2022, at 11:00 a.m., the Agency held a public hearing with respect to the Project and the proposed Financial Assistance being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions at least ten (10) days prior to said Public Hearing are attached hereto as Exhibit A); and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project; and

WHEREAS, the Agency desires to adopt a resolution (i) acknowledging that the Public Hearing was held in compliance with the Act, (ii) authorizing the negotiation, execution and delivery by the Agency of a Project Agreement and related documents, and (iii) authorizing the Financial Assistance to the Company; and

WHEREAS, the Project Agreement and related documents have been negotiated and are presented to this meeting for execution.

NOW, THEREFORE, BE IT RESOLVED BY THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Public Hearing held by the Agency Wednesday, September 21, 2022, at 11:00 a.m., concerning the Project and the Financial Assistance was duly held in accordance with the Act, including but not limited to the giving of at least ten (10) days published notice of the Public Hearing (such notice also provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the Project.

Section 2. Based upon a review of the Application and related materials submitted to the Agency, the Agency hereby finds and determines that the Project constitutes a "Type II Action" (as such term is defined in SEQRA) as the Project constitutes the replacement, rehabilitation and reconstruction of a structure or facility, in kind, on the same site, and therefore, no further action is required under SEQRA.

Section 3. The Agency is hereby authorized to provide to the Company financial assistance in the form of a sales and use tax exemption for purchases and rentals related to the acquisition, construction, reconstruction, renovation and equipping of the Project (collectively, the "Financial Assistance").

Section 4. Based upon the representation and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately **$8,150,000.00,** which result in New York State and local sales and use tax exemption benefits ("Sales and Use Tax Exemption Benefits") not to exceed **$652,000.00**. The Agency agrees to consider any requests by the Company for increase to the amount of Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 5. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any Sales and Use Tax Exemption Benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the Sales and Use Tax Exemption Benefits; (ii) the Sales and Use Tax Exemption Benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the Sales and Use Tax Exemption Benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving Sales and Use Tax Exemption Benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, mortgage recording tax benefits and/or real property tax abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 6. Subject to the Company executing the Project Agreement and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, reconstruct, renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; *provided, however*, the Project Agreement shall expire on **December 31, 2024** (unless extended for good cause by the Executive Director of the Agency).

Section 7. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute the Project Agreement, pursuant to which the Agency will appoint the Company as its agent to undertake the Project.

Section 8. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute, deliver and record any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender/financial institution identified by the Company (the "Lender") up to a maximum principal amount necessary to complete the Project, acquire the Facility and/or finance or re-finance equipment and other personal property and related transactional costs (hereinafter, with the Project Agreement, collectively called the "Agency Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Executive Director of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 10. In the event that the Company does not close with the Agency on the proposed financial assistance within twelve (12) months of the date hereof, the Agency reserves the right to rescind and cancel this resolution and all approvals made hereunder or under any other Agency resolution or action.

Section 11. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	Yea	***Nay***	***Absent***	***Abstain***
Mark R. Alger	[ ]	[ ]	[ ]	[ ]
Scott J. Van Etten	[ ]	[ ]	[ ]	[ ]
Anthony Russo	[ ]	[ ]	[ ]	[ ]
Dean Strobel	[ ]	[ ]	[ ]	[ ]
Mike Davidson	[ ]	[ ]	[ ]	[ ]
Christine G. Sharkey	[ ]	[ ]	[ ]	[ ]
Michelle Caulfield	[ ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION
(Corning Property Management Corporation Project)

STATE OF NEW YORK)
COUNTY OF STEUBEN) *ss.*:

I, the undersigned, Secretary, of the Steuben County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Steuben County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on September 22, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this ___ day of _____, 2022.

_____
Secretary

EXHIBIT A

Notice Documents

[See Attached]

Ostroff
ASSOCIATES

FROM: Ostroff Associates

DATE: September 13, 2022

RE: Updated Status of Open Meetings Law (OML) in New York State

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On **March 12, 2020**, Executive Order (EO) 202.1 was signed as part of the State's COVID-19 Disaster Emergency Declaration, suspending the New York State law that required meetings to take place in person, therefore, allowing for public meetings to be held virtually.

On **June 25, 2021**, the State Disaster Emergency ended, which removed this provision (EO 202.1) that suspended the law.

On **September 2, 2021**, the Governor signed into law Chapter 417 of the Laws of 2021 (S.50001 Kavanagh/A.40001 Dinowitz), which mirrored EO 202.1 and allowed for remote public meetings to continue to be held in the same manner as was allowed during the State Disaster Emergency through January 15, 2022.

On **October 19, 2021**, the Governor signed into law Chapter 481 of the Laws of 2021(S.1150A Kaplan/A.1228A Paulin) which amends § 103(e) of OML to require that records that will be discussed at a meeting should be made available upon request, as well as posted online at least 24-hours before the meeting.

- The obligation to make records available to the public upon request and to post the records on the agency website has been in effect since February 2012.
- The only change this amendment made was placing a 24-hour minimum time frame for making those records available.

On **November 8, 2021**, the Governor signed into law Chapter 587 of the Laws of 2021(S.4704A Kaplan/A.1108A Paulin), which amended the OML to require agencies that maintain a website to post meeting minutes on their website within two weeks of the meeting date, or within one week of an executive session.

On **December 21, 2021**, the Governor signed into law Chapter 676 of the Laws of 2021 (S.1625A Skoufis/A.924A Paulin), which amended the definition of "public body" to mean any entity for which a quorum is required in order to conduct public business or where two or more members are performing a governmental function for a public body or entity.

On **January 14, 2022**, Governor Kathy Hochul signed into law Chapter 1 of the Laws of 2022, which was a chapter amendment that amended Chapter 417 of the Laws of 2021 to also allow for meetings to be held by conference call.

- Please note, at this time, Chapter 1 would be repealed should the state disaster emergency end (pursuant to Governor Hochul's EO 11).
- As of this date, EO 11.3 had extended EO 11 through March 16, 2022.

On **March 16, 2022**, Governor Kathy Hochul signed into law EO 11.4 (extending Executive Order 11), which allows for remote public meetings to continue to be held in the same manner as prescribed in Chapter 1, through April 15, 2022.

On **April 9, 2022**, Governor Hochul signed Chapter 56 of the Laws of 2022 (S.8006-C/A. 9006-C) relating to ELFA Part WW in the FY22-23 New York State Budget. Included in the bill (ELFA Part WW), was an amendment to OML which would make permanent, the expanded use videoconferencing by public bodies to conduct open meetings, under extraordinary circumstances, regardless of a declaration of emergency, until July 1, 2024.

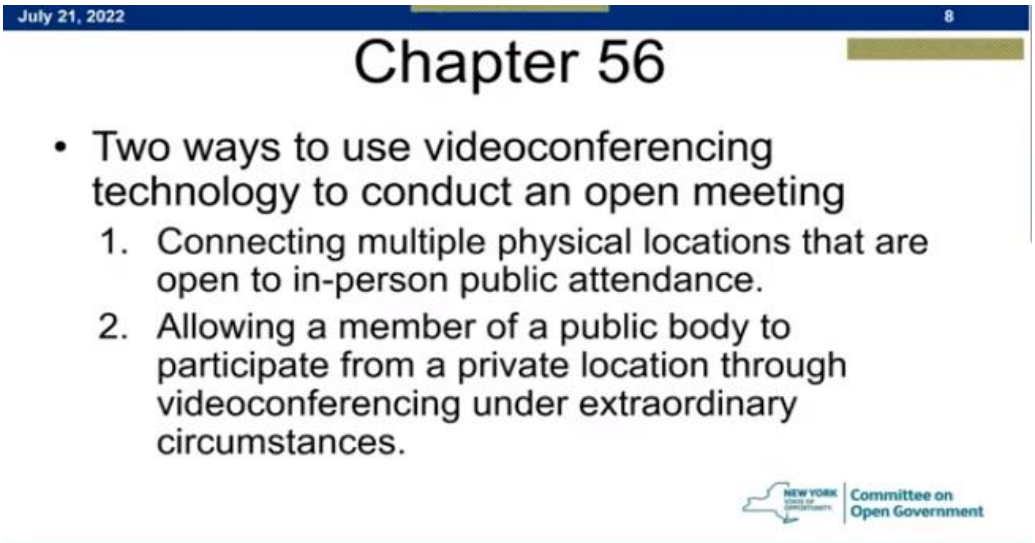
- Until then, it is important to note that the law permits public bodies to continue to hold remote meetings in the same manner as described in Chapter 1 of the Laws of 2022, for a period of 60 days after its effective date, or until June 8, 2022.
- The 60-day grace period that was originally included in Chapter 56 (through June 8, 2022) essentially said that public bodies did not have to comply with this new section of the OML for those 60 days. This grace period has since passed.
    - The language that was included in that grace period closely modeled the language of Chapter 1, which allowed for remote access.

On **September 12, 2022**, EO 11.9 which had extended EO 11, expired at midnight.

- Please note that without extending EO 11.9, Chapter 1 was repealed due to the state disaster emergency ending (pursuant to Governor Hochul's EO 11).
    - Chapter 1 was permissive, meaning it allowed for remote meetings to occur, but it never required them.
- This reverts public bodies back to operate now, as they did before the onset of the pandemic (under Chapter 56).

    - Based on conversations the Committee on Open Government has had with the Executive, this new law is not meant to change or curtail what has already been required of public bodies to comply with OML.
        - This law is intended to expand, in extraordinary circumstances only, the ability of public bodies to meet using remote access technology.
- This means that while public bodies can still provide virtual access to the public, all members must be in physical attendance unless they have a qualifying "extraordinary circumstance."
    - Under Chapter 56, extraordinary circumstances include disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event which precludes the member's physical attendance.
        - Each public body is permitted to define "extraordinary circumstances" as they deem appropriate.
- Unlike Chapter 1, Chapter 56 requires that members be heard, seen and identified, which means members need to be easily identified regardless of whether they are in person or participating remote due to an "extraordinary circumstance."
    - This also means that public bodies can no longer hold remote meetings by telephone.

<u>The NYS Committee on Open Government Updated Presentation on Chapter 56</u>



Public bodies may continue to operate now as they did before the onset of the pandemic in early 2020 when the "in person" aspects of the OML were first suspended. In other words, if a public body was permitted to do it before the pandemic, this law does not change that.

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Chapter 56

If a public body is using the first time of video conferencing (connecting multiple physical locations open to the public), the new Section 103-a of the OML does not apply.

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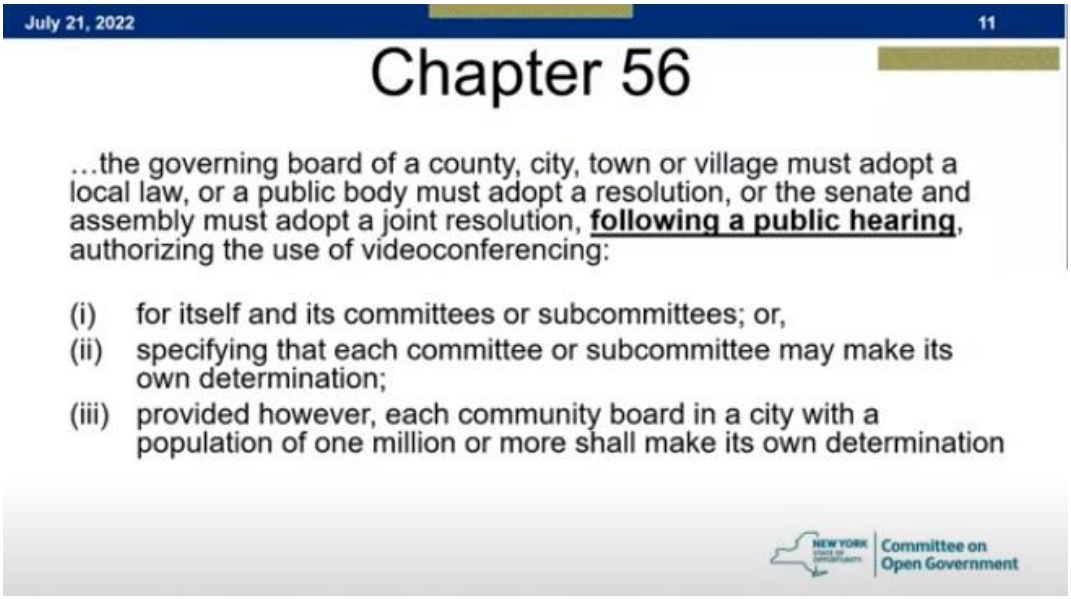
Chapter 56

Section 103-a(2)(a):

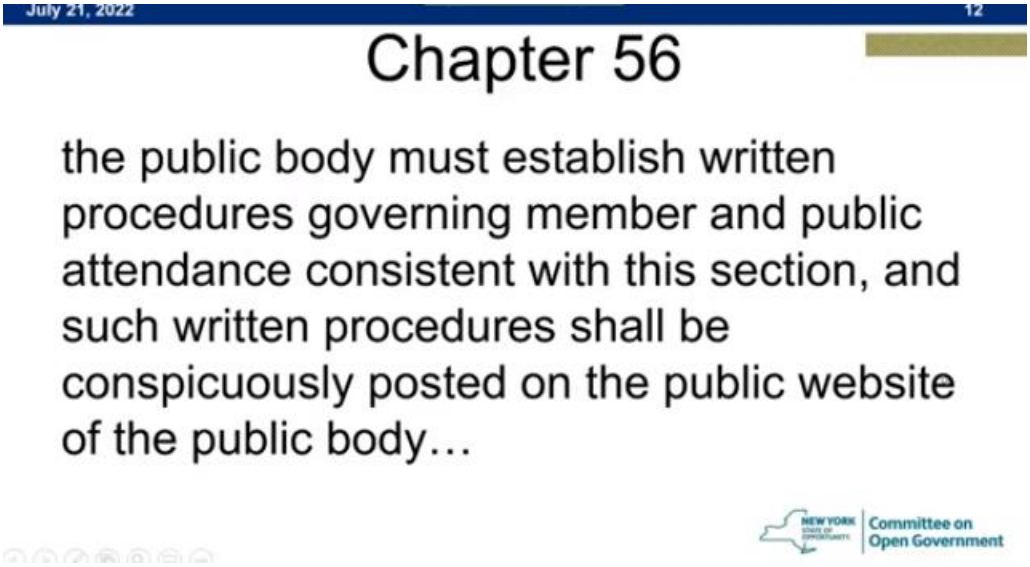
A public body may, in its discretion, use videoconferencing to conduct its meetings pursuant to the requirements of this article **provided that a minimum number of members are present to fulfill the public body's quorum requirement in the same physical location or locations** where the public can attend and the following criteria are met…

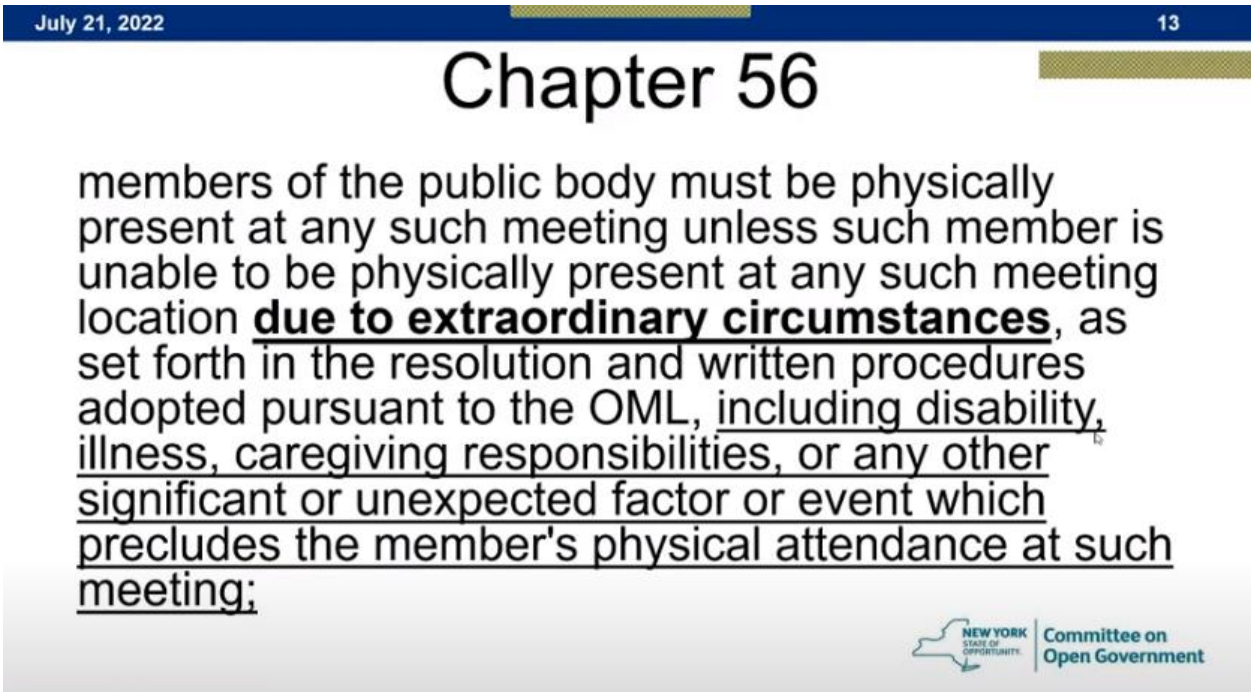
Committee on Open Government

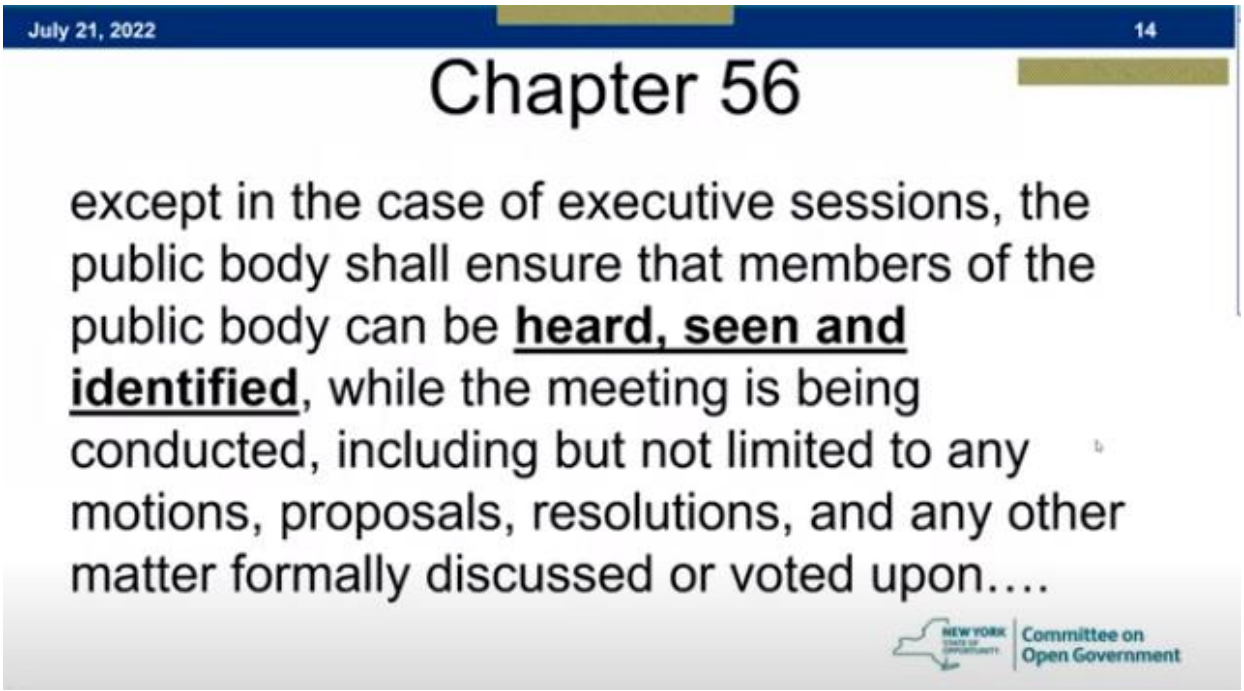
Each public body is permitted to define "extraordinary circumstances" as they deem appropriate. That being said, public bodies are not required to allow their members to participate remotely, under extraordinary circumstances.



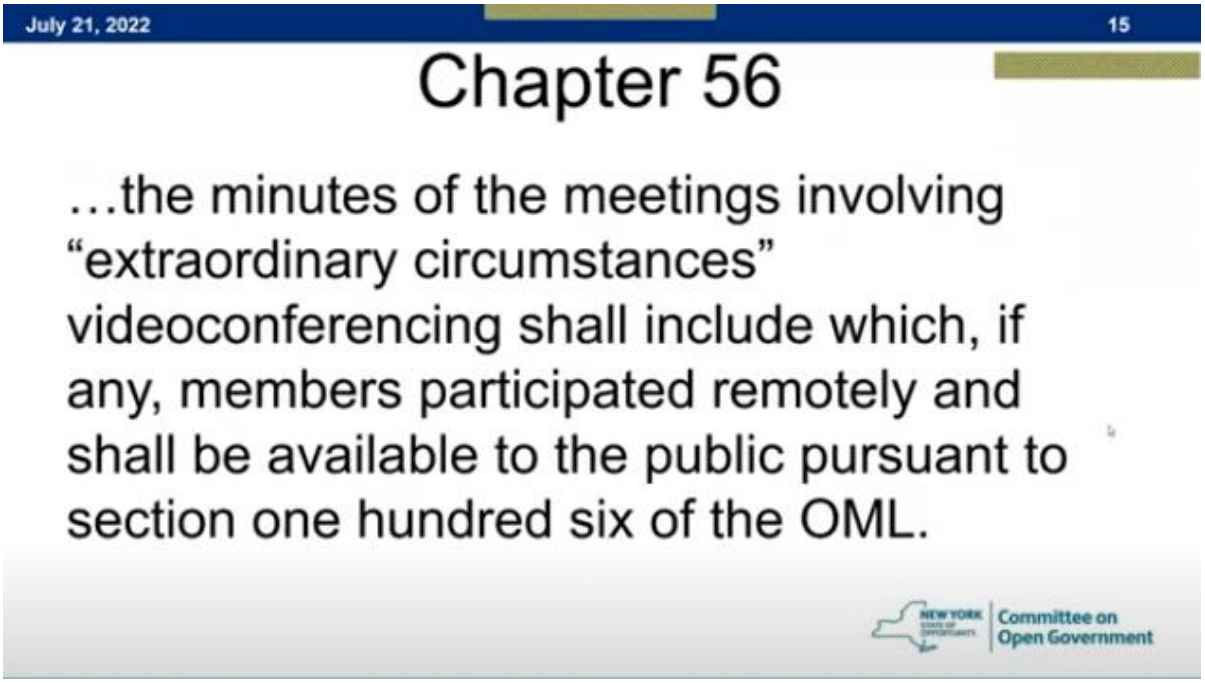
Each public body that wishes to allow for remote attendance is required to adopt a local law, joint resolution, or a resolution authorizing remote attendance, and they must also establish written procedures on what they determine to be "extraordinary circumstances."

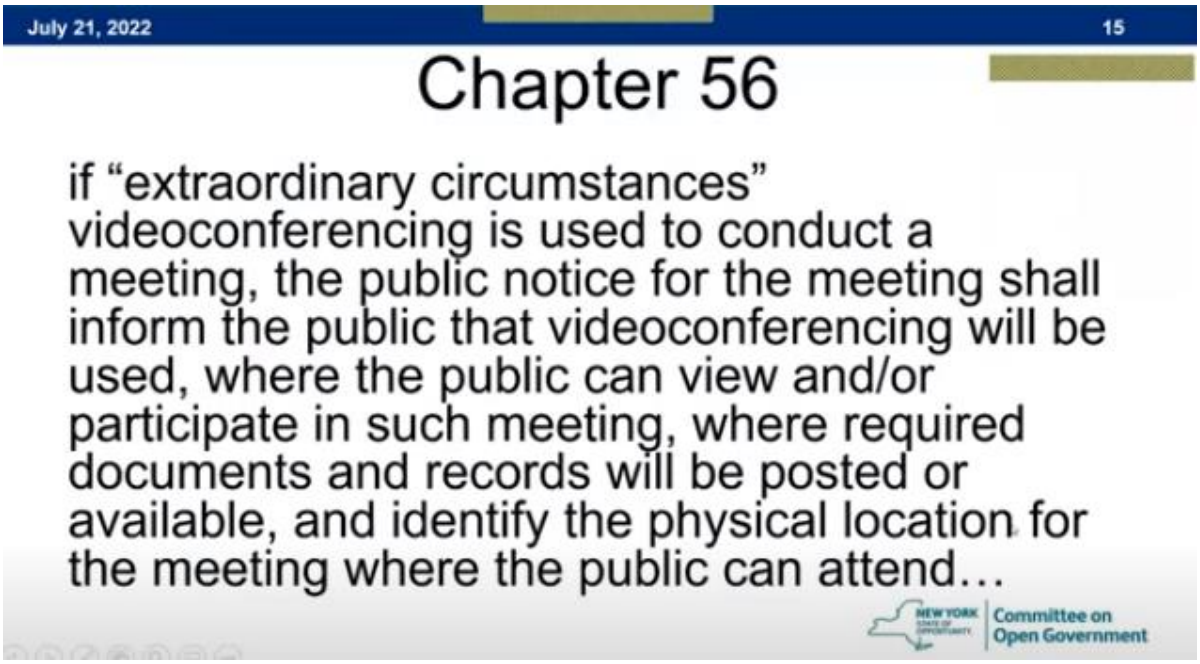




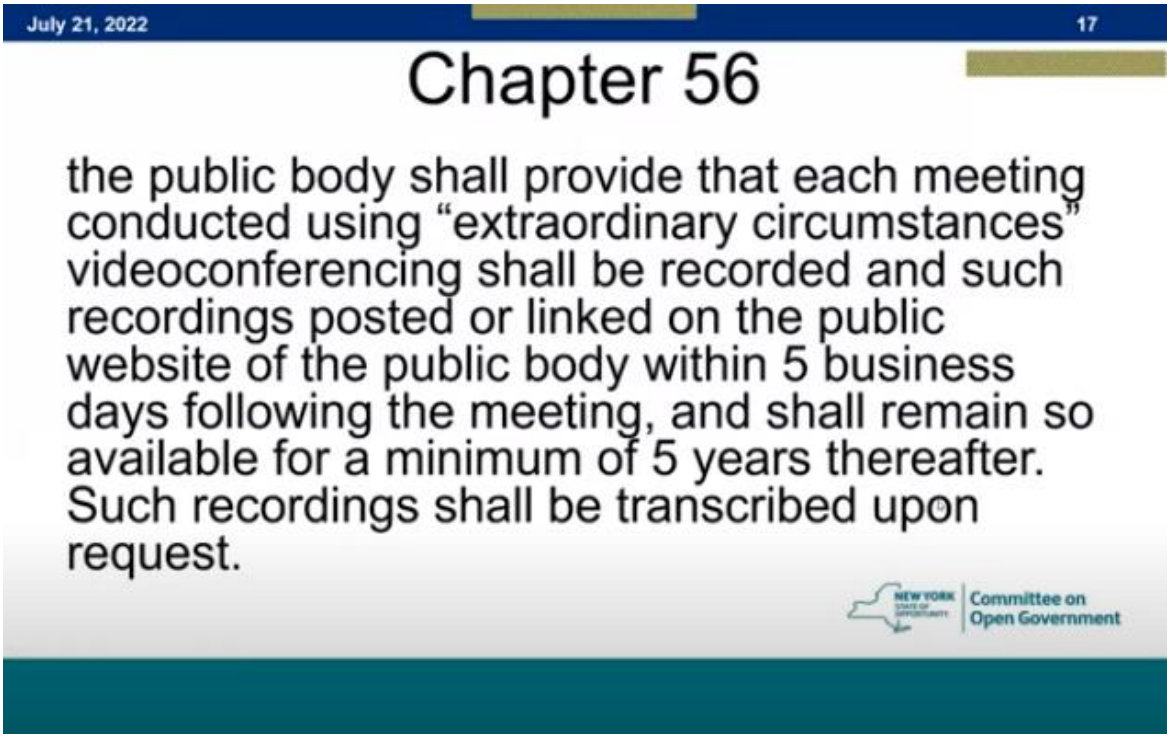


As opposed to Chapter 1, Chapter 56 requires members to be heard, seen, and identified. This means that every member of a public body should have a way of identifying themselves. An example would be a placard in front of them, or if they are participating via extraordinary circumstance, their full name should be on zoom so they can be easily identified. This also means that teleconferencing (audio only) is no longer an acceptable form of member participation.

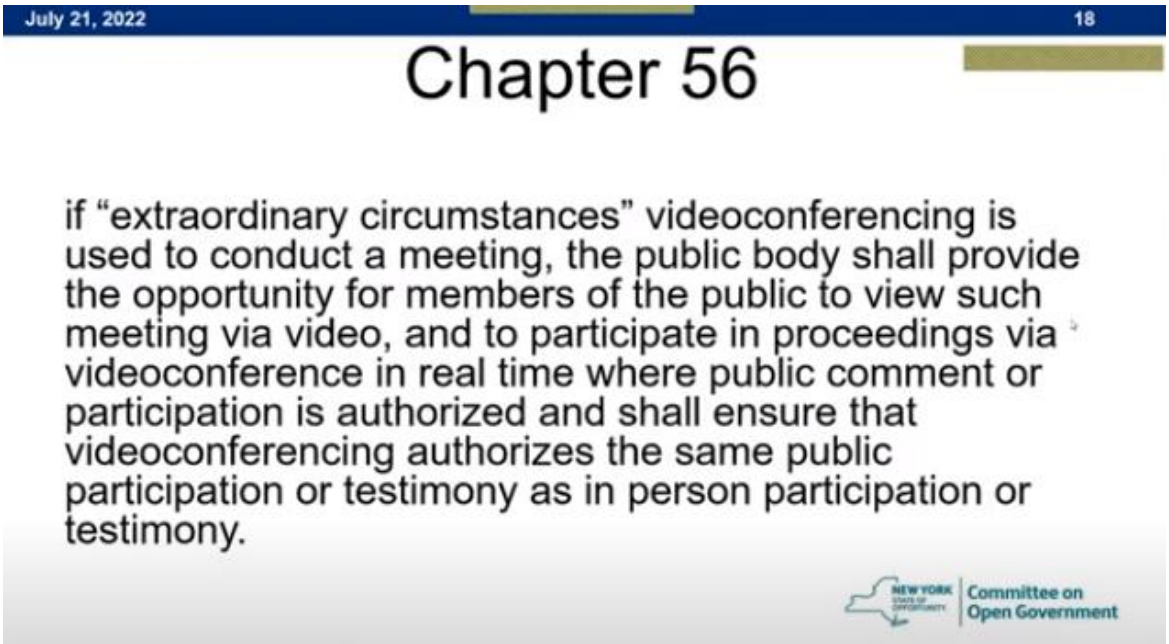




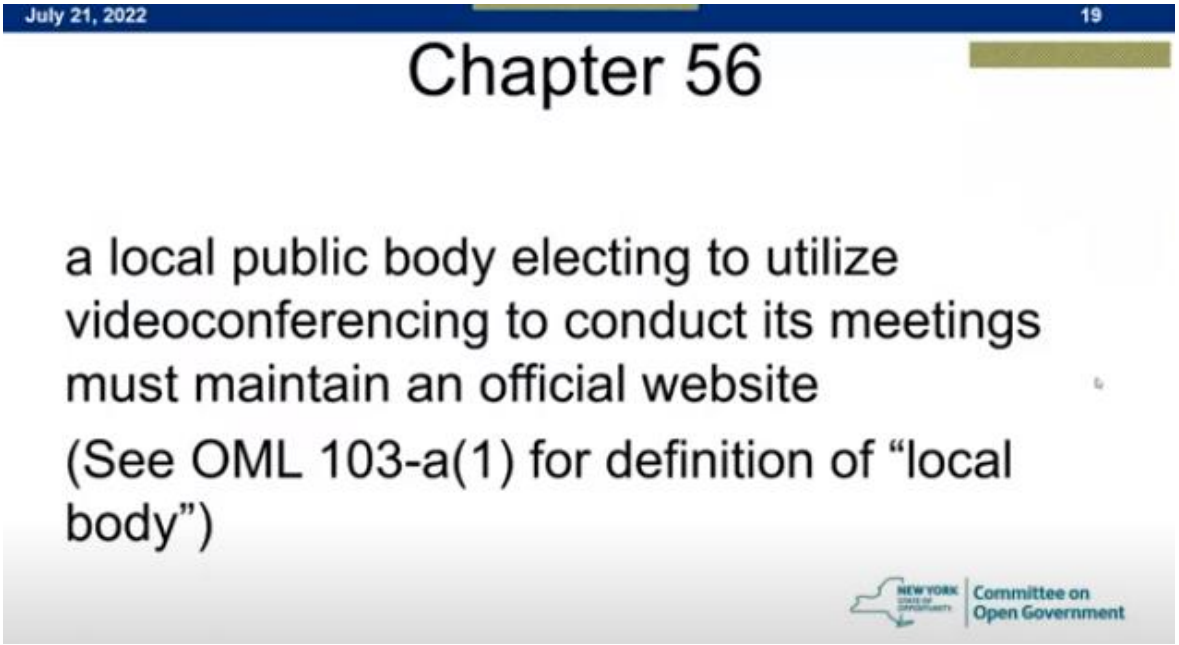
Meeting minutes must reflect which members of the public body participated. Executive Sessions do not need to be recorded or transcribed. It was determined that this law only applies to portions of the meeting that the public would be able to attend.



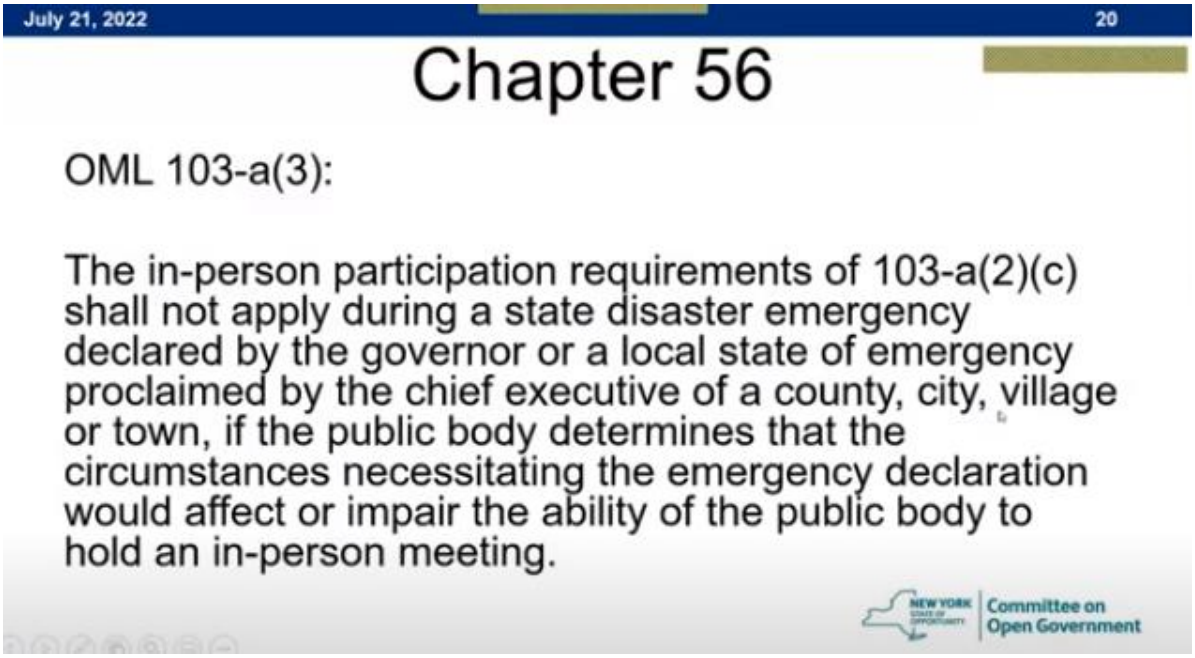
Unlike Chapter 1, Chapter 56 requires that each meeting conducted using videoconferencing must be recorded, and posted or linked on the public website of the public body within five business days following the meeting, and remain available for a minimum of five years. These recordings must also be transcribed upon request.



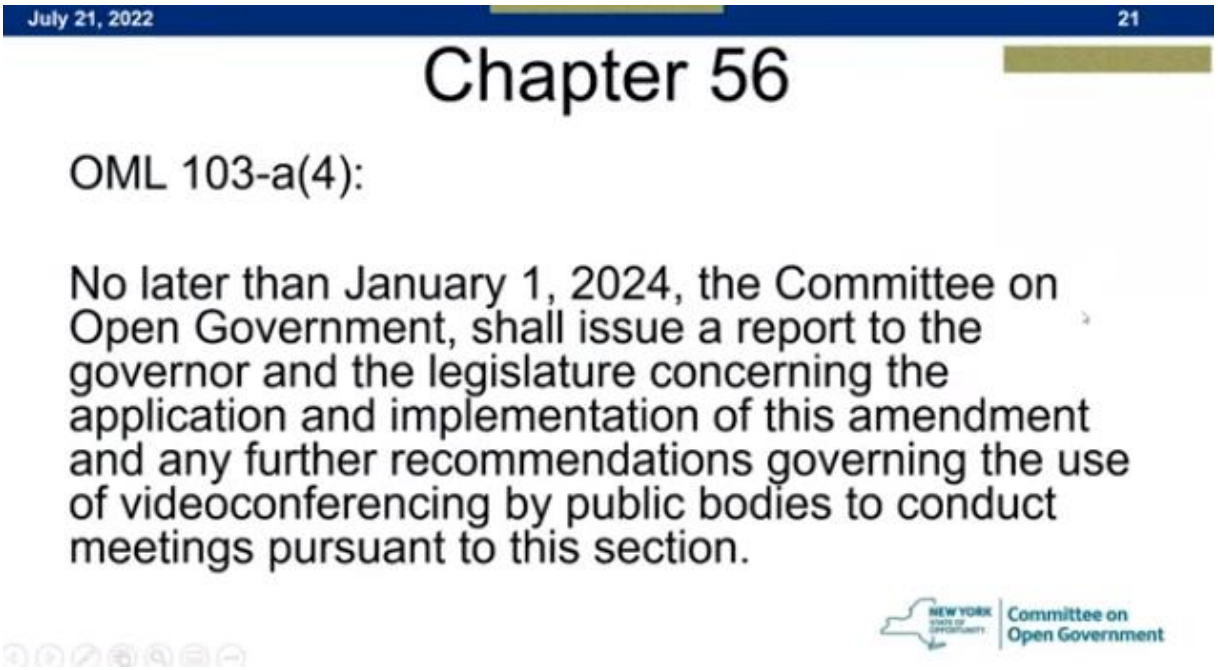
Those participating virtually in a public meeting must have the same access to public participation or testimony as those participating in-person.

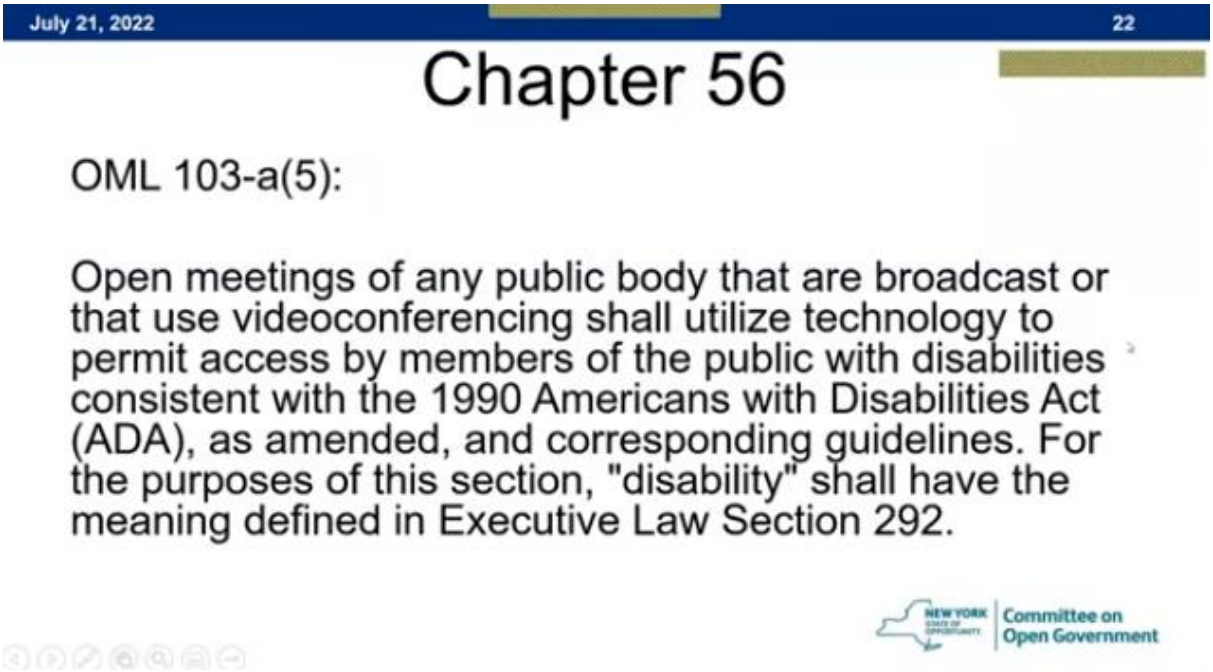


Any public body that elects to utilize the "extraordinary circumstances" videoconferencing, must maintain an official website. This is a new requirement for any entities that plan to take advantage of the extraordinary circumstances provision.



If there is a local or statewide emergency, during that time, the public body could go back to having fully remote meetings regardless of extraordinary circumstances, but only if the public body determines that the emergency would prevent or impair the ability of the public body to hold an in-person meeting.





The Committee has scheduled a meeting on **September 15, 2022**, at 10:00AM. The agenda and the meeting link can be found here.