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February 20, 2024

To the Board of Directors  
City of Cohoes Industrial Development Agency  
Cohoes, New York

We have audited the financial statements of the City of Cohoes Industrial Development Agency for the year ended December 31, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 1, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Cohoes Industrial Development Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management evaluates the impairment of property held for investment based on estimates of fair value provided by the City assessor.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the financial statements.

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

### *Difficulties Encountered in Performing the Audit*

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

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We proposed no adjustments to the financial statements.

### *Disagreements with Management*

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

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated February 20, 2024.

### *Management Consultations with Other Independent Accountants*

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

### *Other Audit Findings or Issues*

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

We noted the following:

- 1) Valuation of Donated Properties

The IDA is sometimes donated property. Generally accepted accounting principles require the donated property be recorded at the fair value at the date of gift. The IDA currently has

no policy and procedure for the valuation of donated properties. (A similar comment was made in the prior year).

We recommend that management develop and implement policies and procedures to value and record donated properties.

2) Impairment of Properties Held for Development

Generally accepted accounting principles require that properties held for development be periodically evaluated for impairment (e.g., the cost or donated value of the property exceeds its fair value). The IDA currently has no policy and procedure for the evaluation of impairment, but relies on the auditor to work with the City Assessor annually to make this evaluation. (A similar comment was made in the prior year).

We recommend that management develop and implement policies and procedures for the annual evaluation of properties held for impairment.

This information is intended solely for the use of the Board of Directors and management of the City of Cohoes Industrial Development Agency and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



CUSACK & COMPANY, CPA'S LLC