

Cohoes Industrial Development Agency
Board of Directors Meeting
Tuesday, January 15, 2019 @ 8:15
Cohoes City Hall – Council Chambers

Present

Rod Dion, William Keeler, Theresa Thibodeau, Cliff Bird, Manny Santos, Horace Hallock

Also in attendance: Michael Durocher, Cate Hedgeman, Joseph Scott, Debbie Jacques,
Michael Jacobson

Members Absent: Stanley Szozda

Meeting called to order by Rod Dion at 8:15 a.m. with a quorum present

APPROVAL OF MINUTES:

Mr. Dion asked the members if they had any questions or revisions to the December 18, 2018 Meeting minutes. Mr. Hallock asked that the minutes be amended to show that he stated that he felt there was not enough information provide to him to vote “yes” on the TCB Project. Mr. Keeler asked that the minutes be revised to show that he stated that the cost to the school district would be approximately 3 Million over the 30 years. There were no further questions or changes. Mr. Keeler made a motion to accept the revised minutes. Mr. Santos seconded the motion. Motion passed unanimously.

Financial:

Mr. Durocher gave an overview of the balance sheet stating that the IDA has \$592,208.25 in the operating account as of January 11, 2019. Mr. Durocher stated that the ABO audit is still going and that the auditor has been asking questions about Policies and Projects. Mr. Dion stated that Ms. Hedgeman recently closed 4 projects and that this is a direct reflection of the hard work of Mr. Jacobson over the past 2 years and that he would like to thank Mr. Jacobson for all of his hard work. Mr. Durocher stated that our IDA auditor will be coming in next week and he should have the audit ready for the February meeting. He further stated that the Line of Credit with PSB for 180 & 182 Ontario Street was due by end of December. The bank has agreed extended out for interest only payments. Mr. Keeler asked what our liability was on the Line of Credit, Mr. Durocher responded \$266,250. Being no further questions, Mr. Bird made a motion to approve the financial report. Mr. Santos seconded the motion. Motion passed unanimously.

Resolution Approving the Annual Housekeeping Resolution

Ms. Hedgeman stated that every year the board has to reappoint the officers, administrative assistant, Chief Financial Officers and committee members. Ms. Hedgeman presented the resolution with an attached “Schedule A” showing the appointments. Ms. Jacques stated that Mr. Bird and Mr. Hallock needed to be added to committees. Mr. Bird agreed to join the Governance Committee and Mr. Hallock agreed to join the Finance Committee. Mr. Santos made a motion to approve the Resolution with the addition of the committee members. Mr. Hallock seconded the motion. Motion passed unanimously.

Resolution to Approve Independent Contractor Agreement

Ms. Hedgeman stated that the board should have a contract in place with the CFO to define the relationship and she has prepared the contract. Mr. Hallock made a motion to approve the Resolution. Ms. Thibodeau seconded the motion. Motion passed unanimously.

Resolution to Approve Independent Contractor Agreement

Ms. Hedgeman stated that the board should have a contract in place with the Administrative Assistant and she has prepared the contract. Mr. Bird made a motion to approve the contract. Mr. Santos seconded the motion. Motion passed unanimously.

Update/Discussion on Harmony Mills Project – no action required

Mr. Scott provided the board members with a chart showing the current PILOT structure, the proposal from the developer, a draft of the IDA proposal and a comparison to other similar IDA projects. Mr. Scott reported that the Board will not be taking any action today, the information is not binding and has not been discussed with the developer. Mr. Scott reviewed the chart with the Board and he advised that Board that other IDA organizations have actually contracted with independent consultants to review the PILOT structure and make recommendations. Mr. Scott stated that this may be something that this Board may want to consider. Mr. Durocher stated that the numbers on the chart are based on current assessed values and do not include any proposed improvements to the property.

Mr. Bird had a few questions regarding the current PILOT structure. Mr. Durocher stated that no one on this current board was part of the original negotiations and that 10 or 12 years ago when the PILOTS were approved the circumstances were different with the buildings being in disrepair. The PILOTS that were approved were very aggressive, but they were needed in order for the project to be completed.

Mr. Keeler questioned the proposed increase on Harmony Mills West in year 2019 to 2020 in comparison to other IDA Models. Mr. Dion stated that the increase would correct the problem with the current PILOT which currently has the developer paying \$15,000 per year until 2032. Mr. Dion further stated that the Harmony Mills are an asset to the City of Cohoes and the developer is the caretaker of this asset and the proposed improvements will a benefit to the City.

Ms. Thibodeau stated that the chart is for discussion only at this point. Mr. Scott responded by stating that he is confident that the developer will counter the terms. He further stated that we can require the applicant to make investments in the City.

Mr. Bird stated that the developer did get a very good deal in on the original PILOT and now he is coming back to the Board seeking additional tax relief. He stated that this could become a public relation issue especially since parts of the building looks like a tenement. Ms. Thibodeau stated that she would like to see some improvements and the developer be more of a community partner.

Mr. Dion stated that we make request and changes. Mr. Durocher stated that one of the PILOTS did construct a playground in another area of the City and that is allowable. Mr. Jacobson asked if the restaurant is still a part of the discussion. Mr. Dion replied yes it is still up for consideration. Mr. Dion further stated that he is a facilitator and we can go back to the developer for negotiations.

Mr. Keeler stated that the improvements to the buildings would benefit the tenants and could bring in addition money in rent. Mr. Santos stated that we would need to review the proforma and Ms. Thibodeau stated it seems like the developer is making money on the project but feels the pressure to keep up with his competitors.

Mr. Jacobson stated that the board should present their proposals to the developer and see what the developer can do as far as projects. Ms. Thibodeau stated that she would like to open the discussion and involve the Councilman from that district to see what improvements the district could use.

Mr. Santos stated that there is a lot of momentum in the City and a lot of good things are happening. Mr. Dion stated that we want to send a positive image. Mr. Keeler stated that while we want to give a positive image we don't want to give away the store. He further stated that he feels we should open the discussion to the entire Common Council not just that Ward.

Ms. Thibodeau stated that this board is a different board and that they are not going to say yes to every project. Mr. Santos replied that the board should also not give the impression that they will vote no all the time. Ms. Thibodeau stated that this is an opportunity to move forward. She further stated that she would like to see Mr. Jacobson's vision for the City, especially now that he is leaving.

Ms. Thibodeau stated that renegotiating is looking better but the Board needs to request the developer to do improvements within the City and she would like to involve Council Members in the process. Mr. Dion said he would reach out to Councilman Smith.

Councilman McCarthy stated that the PILOT will affect the entire City and maybe the Board should consider City wide projects, maybe a dog park. Ms. Thibodeau said she thought there was a dog park planned for Craner Park.

Councilman Napier stated that the tax breaks affect everyone City wide not just the area surrounding the project and he would like to see a City wide project. Mr. Dion stated that there are several projects that the Board can propose like lighting of the falls. Ms. Hedgeman stated that this dialog is all good stuff and right now we are going through some growing pains but overall this is exciting.

Mr. Dion stated that members of the Board who were unable to attend the last tour, would like to schedule another tour, preferably on a weekend. Mr. Dion said he would reach out to the Board and Mr. Kaufman to arrange the tour.

Mr. Hallock stated that he understood that the restaurant was originally supposed to be in the pumphouse up in the Mills and then it was changed to the Visitor Center.

Mr. Santos stated that the Board needs to find the best way to leverage the projects.

Mr. Jacobson stated that the IDA should figure out which project they would like to see completed and that he did not think that the developer would be able to do three projects. Mr. Jacobson stated that he felt the restaurant in the Visitor Center would be the best use for the Visitor Center. He stated that it would be only venue in the area where you could have dinner and then take the elevator up to the Music Hall for a show. He stated that the City is lucky to have one of the top restaurateurs interested in opening an establishment in Cohoes.

Mr. Keeler stated that he thinks that the pumphouse would be an ideal spot for a restaurant rather than the Visitor Center. He stated that Mr. Kaufman could fix up the building for the restaurant and he sees that spot as a benefit to the City. Mr. Keeler stated that putting a restaurant in the Visitor Center did nothing for him.

Mr. Jacobson stated that Mr. Kaufman will eventually do a restaurant at the pumphouse and that he has shown the property to many people but no one has shown any real interest. Mr. Jacobson stated he suggested the Visitor Center as an ideal place for a restaurant.

Mr. Keeler stated that it was his understanding that Mr. Kaufman found someone to operate a restaurant and that the pump house was his first choice for the location.

Mr. Jacobson stated that his information is different. Ms. Thibodeau stated that opening a restaurant is not a community project. Mr. Keeler stated that by opening a restaurant in the pump house it would restore an old building in the City. Mr. Jacobson stated that not everyone will use a park or go to visit the falls.

Mr. Dion said the Visitor Center location will generate tax monies especially since a lot of our economic development has been focused on the Remsen Street downtown area. He further stated that the more vibrant the downtown the more people will come to our City and that is how the City can grow.

Mr. Keeler stated that we all have a different view.

Ms. Hedgeman stated again that this discussion has been very good and it should continue. Mr. Dion said that this board is moving in the right direction.

Mr. Bird asked if the board could have a finalized proposal by the next meeting. Mr. Dion said he would set up another tour and a meeting with Mr. Kaufman to go over the proposals. Mr. Jacobson said we should give Mr. Kaufman the proposal and see what he thinks.

Mr. Santos said that Economic Development is a big part of the IDA. Mr. Keeler and Ms. Thibodeau both stated that they did not want it to look like the board will vote Yes on every proposal. Mr. Dion again stated that there has been great discussion with the board today.

Mr. Jacobson stated that it is incumbent upon the Board to be time sensitive because it gets more expensive every day and the board should operate with a sense of urgency. He stated that there is an urban renaissance going on across the state and this is not the only game in town.

Update on IDA Projects

Mr. Dion stated that Mr. Jacobson will be leaving the City and he has asked him to give an update on the current and possible future projects. Mr. Jacobson stated that he did not formally prepare anything and he did meet with Mr. Dion to go over the projects that may be coming before the board in 2019.

Mr. Jacobson stated that the board approved the PILOT Deviation terms for TCB but will still have to do the final approvals.

He further reported that Prime Companies is developing the site at 70 Delaware Street with will be a mixed use project with a 5000 square foot drive-thru commercial/retail building two buildings with residential units. He stated that the site plan is available for review if any of the members would like to stop by his office. The developer is still with the Planning Board for final approvals.

Mr. Jacobson further reported that the CLDC is working out the contract details for the sale of 39 Saratoga Street to Sheltertherm. Sheltertherm would like to build an office building on the site and relocate their offices to that space. Mr. Jacobson stated that they may come to the IDA and request a PILOT.

Mr. Jacobson stated that he has not received any formal request from the developer of the Ontario Street properties or a request from Jersen for Lot 1 of the JUNCTA but they may make the request in the future.

Mr. Hallock thanked Mr. Jacobson for all of the work he has done for the City of Cohoes and he further expressed that he does not want to see everything come to a stop with Mr. Jacobson leaving the City. Mr. Jacobson stated that he would like to see someone step in and take his place but he doesn't see anyone coming in and taking the job knowing that it may only be for 1 year depending on the elections. He did state that he will be available by phone if anyone has any questions about the projects and he would like to see all of the projects that he started over the last few years be completed.

Executive Session

Mr. Dion stated at this time he would like to move to Executive Session to discuss Real Estate Contract matters. Mr. Keeler made a motion to move to Executive Session. Ms. Thibodeau seconded the motion. Board went into executive session at 9:50 am.

Executive Session ended at 10:47 am with no action taken.

12:39 PM
02/14/19
Cash Basis

Cohoes Industrial Development Agency
Balance Sheet
As of February 14, 2019

	Feb 14, 19
ASSETS	
Current Assets	
Checking/Savings	
Pioneer Operating Account	584,341.31
Total Checking/Savings	584,341.31
Total Current Assets	584,341.31
Other Assets	
Property Held for Investment	348,300.00
Total Other Assets	348,300.00
TOTAL ASSETS	932,641.31
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Loan Payable- Pioneer	266,202.77
Total Long Term Liabilities	266,202.77
Total Liabilities	266,202.77
Equity	
Retained Earnings	678,691.02
Net Income	-12,252.48
Total Equity	666,438.54
TOTAL LIABILITIES & EQUITY	932,641.31

12:40 PM

02/14/19

Accrual Basis

Cohoes Industrial Development Agency
Profit & Loss Budget vs. Actual
 January through December 2019

	Jan - Dec 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Administrative Fees	0.00	100,000.00	-100,000.00	0.0%
Total Income	0.00	100,000.00	-100,000.00	0.0%
Expense				
Accounting Fees- CFO	0.00	6,500.00	-6,500.00	0.0%
CPA Audit	2,100.00	2,000.00	100.00	105.0%
Executive Assistant	1,250.00	5,000.00	-3,750.00	25.0%
Executive Director- CEO	0.00	15,000.00	-15,000.00	0.0%
Interest Expense	378.39	6,000.00	-5,621.61	6.3%
Legal Fees	2,193.00	10,000.00	-7,807.00	21.9%
Misc Expenses	300.00	500.00	-200.00	60.0%
Network Support- Web Site	0.00	1,000.00	-1,000.00	0.0%
Office Supplies	120.95	500.00	-379.05	24.2%
Other Costs Properties Held For	0.00	40,000.00	-40,000.00	0.0%
Professional Services	900.00	7,000.00	-6,100.00	12.9%
Property Insurance	1,874.60	2,500.00	-625.40	75.0%
Taxes	0.00	4,000.00	-4,000.00	0.0%
Total Expense	9,116.94	100,000.00	-90,883.06	9.1%
Net Ordinary Income	-9,116.94	0.00	-9,116.94	100.0%
Net Income	-9,116.94	0.00	-9,116.94	100.0%

*CITY OF COHOES INDUSTRIAL
DEVELOPMENT AGENCY*

FINANCIAL STATEMENTS

DECEMBER 31, 2018

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY

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DECEMBER 31, 2018

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MEMBERS OF:
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the City of Cohoes Industrial Development Agency (the "Agency") which comprise the statement of net position as of December 31, 2018, and related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Cohoes Industrial Development Agency, as of December 31, 2018, and the changes in its financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

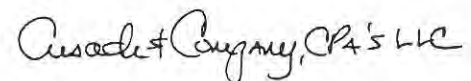
Other Matters

Our audit was conducted for the purpose of forming an opinion on the Agency's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying supplementary information on page 13 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information on page 13 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Management has omitted management's discussion and analysis. Such information is not a required part of the basic financial statements but is supplemental information required by accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2019 on our consideration of the City of Cohoes Industrial Development Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Cohoes Industrial Development Agency's internal control over financial reporting and compliance.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
January 31, 2019

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF NET POSITION

DECEMBER 31, 2018

ASSETS

Cash	\$ 596,594
Property Held for Development	<u>350,100</u>
Total Assets	<u>\$ 946,694</u>

LIABILITIES

Accounts Payable and Accrued Expenses	\$ 3,136
Note Payable	<u>266,203</u>
Total Liabilities	269,339

NET POSITION

Net Position	<u>677,355</u>
	<u>\$ 946,694</u>

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018

Revenue:	
Administrative Fees	\$ 198,750
Gain on Sale of Properties	132,212
Rental Income	5,000
Transfer from Cohoes Local Development Corporation	<u>67,600</u>
Total Revenue	<u>403,562</u>
Expenses:	
Professional Fees	45,873
Interest Expense	6,813
Other Expenses	<u>10,120</u>
Total Expenses	<u>62,806</u>
Excess of Revenue Over Expenses	340,756
Net Position, Beginning of Year	<u>336,599</u>
Net Position, End of Year	<u>\$ 677,355</u>

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

Cash Flows Provided by (Used in) Operating Activities:	
Received for Administrative Fees	\$ 198,750
Rent Received	5,000
Transfer from Cohoes Local Development Corporation	67,600
Paid for Suppliers and Vendors	(59,780)
Paid for Interest	<u>(6,813)</u>
Cash Flows Provided by Operating Activities	<u>204,757</u>
Cash Flows Provided by (Used in) Investing Activities	
Proceeds from Sale of Property Held for Development	370,430
Acquisition of Property Held for Development	<u>(146,515)</u>
Cash Flows Provided by Capital Activities	<u>223,915</u>
Cash Flows Provided by Financing Activities	
Proceeds, Notes Payable	<u>104,953</u>
Net Increase in Cash	533,625
Cash, Beginning of Year	<u>62,969</u>
Cash, End of Year	<u>\$ 596,594</u>
Reconciliation of Excess of Revenue over Expenses to Net Cash	
Provided by (Used in) Operating Activities	
Excess of Revenue Over Expenses	\$ 340,756
Adjustments to Reconcile Excess of Revenue Over Expenses to	
Net Cash Provided by Operating Activities	
Gain on Sale of Properties Held for Development	(132,212)
Decrease in	
Accounts Payable and Accrued Liabilities	<u>(3,787)</u>
Cash Flows Provided by Operating Activities	<u>\$ 204,757</u>

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Business Activity

The City of Cohoes Industrial Development Agency (the “Agency”) was created in 1972 by the State of New York under the provisions of Chapter 313 of the 1972 Laws of New York State for the purpose of encouraging economic growth in the City of Cohoes (the “City”). The City appoints the Agency’s governing board.

Basis of Accounting

The Agency has prepared its financial statements in accordance with accounting principles generally accepted in the United States of America as applied to government units (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing GAAP for state and local governments through its pronouncements (Standards and Interpretation).

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Contributions

Contributions received and unconditional promises to give are measured at their fair values.

Income Taxes

The Agency operates as an independent entity and is exempt from Federal, State and local income taxes.

Budget

Although the Agency submits an annual budget to the Authorities Budget Office, it does not have a budget created by appropriation bills or ordinances which are signed into law. Therefore, budgetary comparison schedules are not required as supplemental information.

Subsequent Events

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through January 31, 2019, the date the financial statements were available to be issued. No such events or transactions were identified.

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2018

2. INDUSTRIAL DEVELOPMENT REVENUE BOND AND NOTE TRANSACTIONS

Certain industrial development revenue bonds and notes issued by the Agency are collateralized by property which is leased to companies and is retired by lease payments. The bonds and notes are not obligations of the Agency, the City, or New York State. The Agency does not record the assets or liabilities resulting from completed bonds and notes issued in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes. Industrial bonds issued and outstanding at December 31, 2018 were \$3,875,000 for one loan to American Housing Management Co. Inc.

3. CASH

The Agency's investment policies are governed by State statutes. Agency monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Agency is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State and its localities.

The total bank balance of \$596,594 at December 31, 2018 was entirely covered by FDIC Insurance of \$250,000 with the remainder collateralized.

The Agency had no investments or investment income for 2018, and therefore an independent auditor's report on compliance with investment guidelines for public authorities was not issued.

4. PROPERTY HELD FOR DEVELOPMENT

Property held for development consists of the following:

Vacant Lot - Ontario Street	\$ 100
Commercial Lots - 178-182 Ontario Street	<u>350,000</u>
	<u>\$ 350,100</u>

Property held for development is evaluated for impairment on an annual basis.

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2018

5. NOTE PAYABLE

The Agency has a \$1,000,000 line of credit available to acquire property held for development, of which \$266,203 was outstanding at December 31, 2018. The line bears interest at 4.0175% and is collateralized by property held for development at 178 and 182 Ontario Street.

6. TRANSFER FROM CITY OF COHOES LOCAL DEVELOPMENT CORPORATION (“LDC”)

In 2017 the Agency transferred a property to the LDC to facilitate property consolidation for sale to a developer. In 2018, the LDC sold the property and returned the cost basis of the property, \$67,600, to the Agency.

**ADDITIONAL REPORT REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Cohoes Industrial Development Agency, which comprise the statement of net position as of December 31, 2018, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Cohoes Industrial Development Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Cohoes Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Cohoes Industrial Development Agency's internal control.

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

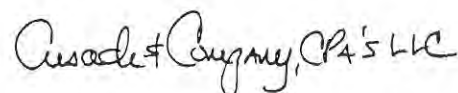
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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



CUSACK & COMPANY, CPA'S LLC

Latham, New York
January 31, 2019

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
DECEMBER 31, 2018

None

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
DECEMBER 31, 2018

None

SUPPLEMENTAL INFORMATION

**CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY
INDUSTRIAL DEVELOPMENT AGENCY**

SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2018

<u>Project</u>	<u>Issuance Date</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity Date</u>
American Housing Management Co, Inc. 427 Columbia Street Cohoes, NY 12047	1/14/2004	\$ 4,050,000	\$ -	\$ 175,000	\$ 3,875,000	2024