

Cohoes Industrial Development Agency
Board of Directors Meeting
Tuesday, October 17, 2017 @ 8:15 a.m.
Cohoes City Hall – Council Chambers

Present

Michael Jacobson, Ralph Signoracci, Rod Dion, Jennifer Spring, Marie Stark

Also in attendance: Shawn Morse, Michael Durocher, Cate Hedgeman, Debbie Jacques and Joseph Scott.

Members Absent: None

Meeting called to order by Ralph Signoracci at 8:17 a.m. with a quorum present.

APPROVAL OF MINUTES:

Mr. Signoracci asked the members if they had any questions or revisions to the September 19, 2017 Meeting. There were no questions or changes. Mr. Jacobson made a motion to accept the minutes. Dr. Spring seconded the motion. Motion carried.

Financial:

Mr. Durocher gave an update of the financial status as of October 16, 2017 and he reviewed the Profit and Loss Statement with the Board. There were no further questions or comments. Ms. Stark made a motion to accept the financial statements. Mr. Dion seconded the motion. Motion carried.

Resolution confirming SEQR Determination for Mosaic Village, LLC

Mr. Scott provided the board members with the Project Synopsis for Mosaic Village, LLC. Mr. Scott stated that the Public Hearing was held on September 27, 2016. The next step in the process is for the accept the determination by the City of Cohoes Planning Board to act as Lead agency for the Environmental Review of the Mosaic Village, LLC. Ms. Stark made a motion to approve the Resolution. Mr. Jacobson the motion. Motion carried.

Commercial /Retail Findings Resolutions Mosaic Village Cohoes, LLC

Mr. Scott stated that based on the plans the project will create 2 full time permanent jobs and over 60 sixty temporary construction jobs. Dr. Spring made a motion to approve the Resolution. Ms. Stark seconded the motion. Motion carried.

Pilot Deviation Approving Resolution Mosaic Village Cohoes, LLC

Mr. Scott stated that this project will deviate from the Uniform Policy and that letters have been sent to all agencies involved. He further stated that the PILOT will be for 32 years and will terminate at the end of year 32. Mr. Scott stated at the end of years 7 and 15 the company will be obligated to provide financial statements relating to the project. If the financial statements show cash flow greater than 30% of the estimated cash flow provided to the Agency at time of application, the agreement will be modified. Ms. Stark made a motion to approve the resolution. Dr. Spring seconded the motion. Motion carried.

Approving Resolution Mosaic Village Cohoes, LLC Project

Mr. Scott stated that the board needs to approve the resolution authorizing the execution of documents in connection with transaction for the Mosaic Village Cohoes, LLC. Mr. Jacobson stated that the closing will be November 27, 2017 and that the CLDC is in the process of having the house and garage at 55 Sargent Street demolished. Mr. Dion made a motion to approve the Resolution. Dr. Spring seconded the motion. Motion carried.

Acceptance of Resignation of IDA Planner

Mr. Jacobson stated that Kara McNight has given her resignation effective October 23, 2017. Mr. Jacobson stated that she has accepted a position in the private sector. Mr. Jacobson made a motion to accept the resignation. Mr. Dion seconded the motion. Motion carried.

Updates:

Mr. Jacobson stated that it is his understanding that 4 of the CFA Grants the City applied for have been given priority status which is a good sign. The awards should be announced in December.

Being no further business Mr. Jacobson made a motion to adjourn the meeting. Mr. Dion seconded the motion. Motion carried.

Meeting was adjourned at 8:52.

Cohoes Industrial Development Agency

Balance Sheet

As of December 18, 2017

	<u>Dec 18, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
Pioneer Operating Account	41,395.66
Total Checking/Savings	<u>41,395.66</u>
Total Current Assets	41,395.66
Other Assets	
Property Held for Investment	606,718.30
Total Other Assets	<u>606,718.30</u>
TOTAL ASSETS	<u>648,113.96</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	3,449.24
Total Accounts Payable	3,449.24
Other Current Liabilities	
Accrued Liability	14,350.00
Deferred Revenue	5,000.00
Payroll Liabilities	1,124.26
Total Other Current Liabilities	<u>20,474.26</u>
Total Current Liabilities	23,923.50
Long Term Liabilities	
Loan Payable- Pioneer	217,500.00
Total Long Term Liabilities	<u>217,500.00</u>
Total Liabilities	241,423.50
Equity	
Opening Bal Equity	55,646.74
Retained Earnings	156,065.51
Net Income	194,978.21
Total Equity	<u>406,690.46</u>
TOTAL LIABILITIES & EQUITY	<u>648,113.96</u>

1:27 PM
12/18/17
Accrual Basis

Cohoes Industrial Development Agency
Profit & Loss
January through December 2017

	<u>Jan - Dec 17</u>
Ordinary Income/Expense	
Income	
Administrative Fees	247,087.00
IDA Support	118,806.00
Rental Income	3,420.00
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Total Income	369,313.00
Expense	
Accounting Fees- CFO	6,500.00
CED grant expenses	2,754.05
Cohoes Music Hall	34,939.54
CPA Audit	1,800.00
Executive Director- CEO	15,000.00
Filing Fees	3,500.00
Health & Dental Insurance	5,867.67
Interest Expense	1,861.56
Legal Fees	14,977.78
Network Support- Web Site	608.40
Office Supplies	1,705.84
Payroll Expenses	36,009.89
Professional Services	43,356.70
Property Insurance	3,315.17
Training, Travel & Dues	270.00
Unemployment Insurance	430.24
Utilities	948.07
Workers Comp	499.50
	<hr/>
Total Expense	174,344.41
Net Ordinary Income	194,968.59
Other Income/Expense	
Other Income	
Interest Income	9.62
	<hr/>
Total Other Income	9.62
Net Other Income	9.62
Net Income	<hr/> <hr/> 194,978.21

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AMERICAN INSTITUTE OF
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MEMBERS OF:
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

December 1, 2017

Board of Directors
City of Cohoes Industrial Development Agency
97 Mohawk Street - Room 2
Cohoes, NY 12047

We are pleased to confirm our understanding of the services we are to provide the City of Cohoes Industrial Development Agency for the year ended December 31, 2017. We will audit the financial statements as of and for the year ended December 31, 2017.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will fully 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 to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cohoes Industrial Development Agency and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the 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 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 or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts 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, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. 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 present the supplementary information with the audited financial statements OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute 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 entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. 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 you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you 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.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. 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.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Cohoes Industrial Development Agency's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

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.

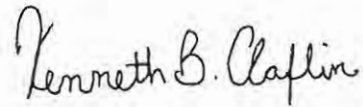
We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We expect to begin our audit in February and to issue our reports no later than March, 2018. Kenneth B. Claflin, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be \$1,900. We will also separately invoice you for the actual cost of bank confirmation charges which our Firm will pay in advance on your behalf. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected

circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City of Cohoes 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 enclosed copy and return it to us.

Very truly yours,



Kenneth B. Clafin, CPA
Engagement Partner

RESPONSE:

This letter correctly sets forth the understanding of the City of Cohoes Industrial Development Agency.

By: _____

Title: _____

Date: _____