

Columbia County Industrial Development Agency

COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
MEETING NOTICE

Please take notice that there will be a regular meeting of the Columbia County Industrial Development Agency and its Committees held on February 1, 2022 at 8:30am. This meeting will be held to consider all appropriate business brought before it. The Columbia County IDA will be held in person at One Hudson City Centre, Suite 30, Hudson, NY 12534, as well as Zoom. The public will have an opportunity to hear the meeting live and provide comments. Comments can also be provided via email before and during the meeting to mtucker@columbiaedc.com. Please check the meeting agenda posted on the IDA's website on www.columbiaedc.com for updated information. Join Zoom Meeting <https://us06web.zoom.us/j/82737180055?pwd=cDRjc3JWLD25pWWxwbkIzeEVKYTZlZlFOT09>
Meeting ID: 827 3718 0055, Passcode: 916775, Dial by your location 1 646 558 8656
Find your local number: <https://us06web.zoom.us/j/knp4MjTA3>

Dated: January 25, 2022
Nina Fingar-Smith
Secretary, Columbia County Industrial Development Agency

IDA Board of Members Agenda

Members:

Nina Fingar-Smith	Bob Galluscio	William Gerlach	Brian Keeler
Carmine Pierro	Rick Rector	Sarah Sterling	

1. Slate of Directors*
2. Annual Housekeeping Resolution*
3. Draft Minutes, December 7, 2021*

Consent Agenda

1. Annual Reports
 - a. 2021 Performance Measures Report*
 - b. 2021 Operations and Accomplishments*
 - c. 2022 Mission Statement and Measurements Goals*
 - d. 2021 Discharged Duties*
2. Committee Reports
 - a. Audit Committee
 - i. Audit Committee Charter*
 - ii. 2021 Internal Controls Statement*
 - b. Finance Committee
 - i. Treasurer's Report*
 - ii. Finance Committee Charter*
 - c. Governance Committee
 - i. Governance Committee Charter*
 - ii. Anti-Nepotism Policy*
 - iii. 2022 Compliance Calendar*
4. 2022 CEDC/ IDA Contract*
5. Administrative Directors Report
6. Klocke Estate Distillery, LLC (Drumlin Fields Spirits)
7. 178 Healy Assoc.
8. Public Comments

Attachments:

Slate of Directors	2022 Mission Statement and Measurements Goals	Finance Committee Charter
Annual Housekeeping Resolution	2021 Discharged Duties	Governance Committee Charter
Draft Minutes, December 7, 2021	Audit Committee Charter	2022 Compliance Calendar
Anti-Nepotism Policy	2021 Internal Controls Statement	2022 CEDC/IDA Contract
2021 Performance Measures Report	Treasurer's Report	
2021 Operations and Accomplishments	Finance Committee Charter	

* Requires Action

**One Hudson City Centre, Suite 301
Hudson, New York 12534
518-828-4718**

2022 Columbia County Industrial Development Agency
Slate of Officers

Chairman – Carmine Pierro
Vice-Chairman – Sarah Sterling
Secretary – Nina Fingar-Smith
Treasurer – Robert Galluscio

ANNUAL HOUSEKEEPING RESOLUTION 2022

A regular meeting of Columbia County Industrial Development Agency (the "Agency") was convened at One Hudson City Centre, Suite 301, Hudson, New York on February 1, 2022 at 8: am o'clock a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT: _____

ABSENT: _____

THE FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by _____, seconded by _____, to wit:

RESOLUTION APPROVING CERTAIN APPOINTMENTS AND ADMINISTRATIVE MATTERS OF THE AGENCY.

WHEREAS, Columbia County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 366 of the 1976 Laws of New York, as amended constituting Section 895-i of said General Municipal Law (Said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve

their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, under Section 858 of the Act, the Agency has the power to make certain appointments and approve certain administrative matters; and

WHEREAS, under Section 856 of the Act, the members of the Agency shall elect the officers of the Agency; and

WHEREAS, as provided in the Agency's by-laws and the Governance Committee Charter, the members of the Governance Committee have reviewed and made certain recommendations on the Agency policies; and

WHEREAS, the members of the Agency desire to make certain appointments and approve certain administrative matters;

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

Section 1. The Agency hereby takes the following actions:

(A) Approves the appointments and the administrative matters described in Schedule A attached hereto.

(B) Approves and confirms the policies described in Schedule A and contained in the Agency's Policy Manual.

Section 2. The Agency hereby authorized the Chairman and the Chief Executive Officer to take all steps necessary to implement the matters described in Schedule A attached.

Section 3. This Resolution shall take effect immediately.

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

	AYE/NAY/Absent
Nina Fingar-Smith	_____
Robert Galluscio	_____
William Gerlach	_____
Brian Keeler	_____
Carmine Pierro	_____
Rick Rector	_____
Sarah Sterling	_____

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF COLUMBIA)

I, the undersigned Secretary of Columbia County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on February 1, 2022 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

(Assistant) Secretary

(SEAL)

SCHEDULE A

1. Confirmation of Regular Agency Meeting Schedule - The regular meeting schedule shall be the first Tuesday of every other month commencing February 2022.

2. Election of Officers of the Agency - The following officers were unanimously elected: _____, Chairman; _____, Vice-Chairman; _____, Secretary; _____, Treasurer.

3. Appointment of Administrative Officer and Staff to the Agency – The Chief Executive Officer of Columbia Economic Development Corporation shall act as the administrative director to the Agency; Columbia Economic Development Corporation shall act as staff to the Agency pursuant to Agreement between the parties.

4. Appointment of Accounting Firm of the Agency – UHY LLP shall be the accounting firm of the Agency.

5. Appointment of Agency Counsel – Freeman Howard, PC shall serve as agency counsel.

6. Appointment of Bank of the Agency and Accounts - The agency is hereby authorized to continue to maintain and utilize all of its current accounts in the various banking institutions in the County.

7. Approval and Confirmation of Agency Policies and Procedures - The agency is hereby authorized to continue the existing policies and procedures, which it has previously adopted for:

Check Approval/Signature Approval	Procurement Policy
Code of Ethics	Property Disposition Policy
Conflict of Interest Policy	Real Property Acquisition Policy
Data Gathering Policy	Recapture of Benefits Policy
Defense and Indemnification Policy	Record Retention Policy
Employee Compensation Policy	Reimbursement and Attendance Policy
Equal Employment Opportunities Policy	Travel Policy
Fee Schedule Policy	Uniform Application
Financial Disclosure Policy	Uniform Criteria for Evaluation of Project
Investment Policy	Uniform Tax Exemption Policy
Minority and Women’s Business Enterprise Policy	Whistleblower Policy

pursuant to the Public Authorities Accountability Act as well as New York State Not-For-Profit Law.

8. Appointment of Governance Committee Members - The Governance Committee for the Agency shall be Carmine Pierro, Robert Galluscio, Sarah Sterling, Nina Fingar-Smith, William Gerlach, Brian Keeler and Rick Rector.

9. Appointment of Audit Committee Members - The Audit Committee Members shall be Carmine Pierro, Robert Galluscio, Sarah Sterling, Nina Fingar-Smith, William Gerlach, Brian Keeler and Rick Rector.

10. Appointment of Finance Committee Members – The Finance Committee Members shall be Carmine Pierro, Robert Galluscio, Sarah Sterling, Nina Fingar-Smith, William Gerlach, Brian Keeler and Rick Rector.

11. Appointment of Ethics Officer – The Ethics Officer shall be William Gerlach.

12. Designation of Procurement Officer – The Procurement Officer shall be the CEO/President of CEDC in his role of administrative director.



**Columbia County
Industrial Development Agency**

**MINUTES
COLUMBIA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
Full Board
Tuesday, December 7, 2021**

A regular meeting of Columbia County Industrial Development Agency’s Board held Tuesday, December 7, 2021 by Google Meet and in person. The meeting was called to order at 8:43am by Carmine Pierro, Chair.

Attendee Name	Title	Status	Arrived
Nina Fingar-Smith	Secretary	Present via Meet	
Robert Galluscio	Treasurer	Present	
William Gerlach	Board Member	Excused	
Brian Keeler	Board Member	Present	
Carmine Pierro	Chair	Present	
Sarah Sterling	Vice-Chair	Present	
Andrew Howard	Counsel	Present	
F. Michael Tucker	President/CEO	Present	
Lauren Cranna	Business Development Partner	Present via Meet	
Lisa Drahushuk	Administrative Supervisor	Present	
Cathy Lyden	Bookkeeper	Present	
Martha Lane	Business Development Director	Present via Meet	
518-***-**01	Member of the Public	Present via Meet	
518-***-**00	Member of the Public	Present via Meet	

Mr. Pierro called the meeting to order at 8:43 am.

Minutes:

Ms. Sterling made a motion, seconded by Mr. Galluscio to approve the minutes from November 2, 2021 as presented. Carried.

Treasurer’s Report:

Mr. Tucker reviewed the financials with the Board. *Mr. Galluscio made a motion, seconded by Mr. Keeler to approve the report as presented. Carried.*

Audit Egnagement Letter:

Mr. Keeler made a motion, seconded by Ms. Sterling to approve the 2022 audit engagement letter as presented. Carried.

2022 Meeting Schedule:

Ms. Sterling made a motion, seconded by Mr. Keeler to approve the 2022 Meeting schedule as presented. Carried.

Administrative Director's Report:

Mr. Tucker stated there were two projects to be discussed.

Former Saad Development Corp. Property:

He informed the IDA Board the Board of Supervisors had approved the sale of the property located in the Commerce Park to the IDA for re-sale to a company who had requested the parcel. He noted after a the potential buyer had completed preliminary engineering and environmental studies, they had decided the parcel was not large enough to site the building they required. He stated the property was back on the market.

Limz Machinery Group, LLC.

Mr. Tucker noted the Limz building was nearly finished and anticipated a ribbon cutting soon. He stated conversations continued with Hudson River Valley Holding, LLC. He noted the deadline was June 2022 for that building.

Hudson River Valley Holding , LLC:

Mr. Tucker reminded the Board the business had been granted an extension to June 2022 to construct their building on the parcel.

Harpis:

Mr. Tucker reminded the board this was a CEDC parcel.

Klocke Estates, LLC – Project Update:

Mr. Tucker reviewed the project for the Board. He noted the approving Resolution in front of the Board, authorized the business to proceed with their project financing. Mr. Galluscio made a motion, seconded by Ms. Sterling to approve the resolution as presented. Mr. Keeler verified with Attorney Howard he had no conflict as a town board member of the Town of Claverack. The following is a record of the roll call vote:

- Carmine Pierro - yes
- Sarah Sterling – yes
- Robert Galluscio – yes
- Nina Fingar-Smith – yes
- William Gerlach – absent
- Brian Keeler - yes

Mrs. Drahushuk announced the tally of a vote of five yes votes and one member absent. Chair Pierro announced the resolution had been approved.

178 Healy Associates, LLC IDA Application-Project Presentation:

Mr. Tucker directed the Board's attention to the application from 178 Healy Associates, LLC. He noted the project consisted of 160 housing units. He introduced Tom Rossi and Joe Perniciaro the principals of the company.

Mr. Rossi noted the project was for market rate apartments. He stated the apartments would be 1 and 2 bedrooms and priced between \$1,100 - \$1,200 for a one bedroom unit. Mr. Perniciaro stated he went before the Greenport Planning Board recently, and anticipated approval in January or February.

DRAFT

**Columbia County
Industrial Development Agency**

Mr. Tucker stated the applicant was requesting a mortgage tax exemption, a sales tax exemption on construction and a PILOT. Mr. Tucker asked the applicant if they wanted to increase the amount of the mortgage recording tax due to the rate in Columbia County. He noted that would bring the request up to \$281,250 in mortgage recording taxes. He confirmed with the applicant they would be asking for a sales tax exemption on \$10,339,550 in construction costs. Chair Pierro reviewed the PILOT request. He noted in the first year of the PILOT, the project would bring in over \$90,000 as opposed to just over \$14,000 if the project was not approved.

Mr. Tucker stated the IDA was required to do a fiscal analysis. He had sent a copy of the application to the Town Supervisor. He stated further discussions could take place after the required public hearing. Mr. Rossi felt the project would begin in spring/summer 2022 and be a 12 to 14 month construction period.

Mr. Rossi discussed a warehouse project, which may or may not be brought to the IDA.

Public Hearing Resolution 178 Healy Assoc., LLC:

Ms. Sterling made a motion, seconded by Mr. Galluscio to take a vote. Chair Pierro asked for a roll call vote regarding the proposed Public Hearing Resolution:

Carmine Pierro - yes
Sarah Sterling – yes
Robert Galluscio – yes
Nina Fingar-Smith – yes
William Gerlach – absent
Brian Keeler - yes

Mrs. Drahushuk announced the tally of a vote of five yes votes and one member absent. Chair Pierro announced the resolution had been approved and a public hearing would be scheduled.

County Sewer Easement:

Mr. Tucker stated the docs had been signed and would be delivered to the County today.

With no public comment or further business, Mr. Galluscio made a motion, seconded by Mr. Keeler to adjourn the meeting. The meeting adjourned at 9:18am.

Respectfully submitted by Lisa Drahushuk

Columbia County Industrial Development
Agency Performance Measures Report 2021

DRAFT

Performance Measures:

- A. Educate local business owners, elected officials and other community representatives regarding the resources the Columbia County IDA has available to new and existing businesses in Columbia County.

The Columbia Economic Development Corporation (CEDC) has entered into contractual obligation with the Columbia County IDA to administer the organization. Included in those services are:

Participation in public meetings:

Columbia County Board of Supervisors meetings Monthly
CEDC Board meetings
Chamber of Commerce Meetings

Projects:

Drumlin Fields/Klocke Estate Holdings, LLC
178 Healy Associates

Potential Projects:

Housing

Communications:

e-blasts, newsletters and press releases
Monthly newsletters to 1500 subscribers

- B. Continue to work with all municipalities in Columbia County to assist with projects which will have an economic impact on local businesses including applications for grant funding and, if feasible, administration of grants secured.

Acts as agent for the county in the sale of Commerce Park property. The county transfers property to the IDA who then sells the property to the interested party. The County receives the funds less interest and a small fee for administration.

- C. Through and cooperatively with the Columbia Economic Development Corporation, (CEDC) continue to work with all Columbia County organizations and departments to ensure business issues are addressed (workforce training, business development, etc.).

- Monthly meetings with Columbia County Board of Supervisors Economic Development committee.
- Meetings with the Columbia County Chamber of Commerce, Hudson Development Corporation
- Individual business visits

- Communication with State and Federal representatives regarding potential issues
- Regular communication with regional partners
- Maintaining databases of professional services and available properties
- Meetings with Town officials to inform of the potential use of the IDA.

D. Continue to work with the CEDC to coordinate marketing efforts toward entrepreneurs and businesses looking to start, expand and/or relocate to Columbia County.

- Met with individual businesses and elected officials to educate them about the IDA and its potential value for future and potential projects
- Collaboration with Columbia Economic Development Corporation and Columbia-Greene Media to increase media outreach
- Communications with local and regional realtors regarding IDA benefits.

E. Organizational

Policies

Compliance

- Reviewed and reaffirmed Mission Statement and performance goals
- Reviewed the procurement policy reflecting best practices
- Adopted uniform application, uniform project criteria for project evaluation and uniform agency project agreement, benefit recapture policy
- Reviewed and reaffirmed committee charters
- Reviewed and adopted by-laws
- Reviewed and adopted 2020 Operations and Accomplishments, Assessment of Internal Controls, audited financials, management letter and board evaluation
- Reviewed the 2020 PARIS report
- Approved 2022 budget then submitted via PARIS
- Reviewed PILOTS
- Reviewed and developed a potential new fee schedule.

DRAFT

**COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
OPERATIONS AND ACCOMPLISHMENTS
January 1, 2021 – December 31, 2021**

Operations

The Columbia County Industrial Development Agency is able to assist economic development projects by lowering costs through tax-favored financing and exemption from specific local taxes. The Columbia County Industrial Development Agency (IDA) was created by the New York Legislature on January 14, 1976 under Article 18-A, Chapter 366 of the General Municipal Law. The Agency's mission is to facilitate the establishment of new businesses and the enhancement of existing businesses that create and/or retain jobs and promote private sector investment utilizing the statutory powers established under New York State law.

The Agency offers four basic forms of financial assistance that includes: (1) mortgage recording tax exemption, (2) sales and use tax exemption, (3) real property tax abatement and (4) interest rate savings via tax-exempt financing. The Agency has the power to issue taxable or tax-exempt bonds. These non-recourse bonds are not an obligation of the sponsoring community or state or its tax payees but rather are backed solely by the credit rating of the company.

Accomplishments

- Met with businesses and local officials to inform them of the mission and potential role of the IDA in local projects.
- Received project updates and information regarding potential projects.
- Regularly reviewed the internal financial reports.
- Reviewed, approved, and submitted to the Authority Budget Office, the mission statement and performance goals for 2021.
- Reviewed and discussed defaulted mortgages of Commerce Park property, approved extensions of the sale terms.
- Approved contract for a sale of property in the Commerce Park.
- Completed, compiled and submitted to the Authority Budget Office the annual confidential board evaluation summary.
- Reviewed and approved 2022 budget, 2021 audit engagement letter. Reviewed and approved 2020 audited financial statements and annual PARIS filing.
- Reviewed and approved contract for services with Columbia Economic Development Corp. Re-elected an Ethics Officer, designated the CEO/President as Procurement Officer.
- Reviewed and approved Audit, Finance and Governance committee charters, by-laws, 2020 operations and accomplishments, 2020 assessment of internal controls.
- Reviewed and re-affirmed previously adopted policies.
- Heard project updates on the Klocke Estate LLC project. Approved an inducement resolution for the project financing, and sales tax benefit.
- Discussed a potential change to the current Fee Schedule.
- Approved retaining a consultant for the regulatory compliance, selected new corporation attorney.
- Received an application from 178 Healy Associates, LLC, received a briefing on the project which was an affordable housing project to be located in the town of Greenport. Approved a resolution for a public hearing.

**Columbia County Industrial Development Agency
Mission Statement and Performance Goals 2022**

DRAFT

Public Authority's Mission Statement: Our mission is to facilitate the establishment of new businesses and the enhancement of existing businesses that create and/or retain jobs and promote private sector investment using the statutory powers established under New York State Law.

Columbia County Industrial Development Agency
Reviewed and reaffirmed

List of Performance Goals:

- A. Educate local business owners, elected officials and other community representatives regarding the resources the Columbia County IDA has available to new and existing businesses in Columbia County. This includes participating in appropriate public meetings, press releases, marketing of the Columbia County IDA website, etc.
- B. Continue to work with all municipalities in Columbia County to assist with projects which will have an economic impact on local businesses including applications for grant funding and, if feasible, administration of grants secured.
- C. Through and cooperatively with the Columbia Economic Development Corporation, (CEDC) continue to work with all Columbia County organizations and departments to ensure business issues are addressed (workforce training, business development, etc.).
- D. Continue to work with the CEDC to coordinate marketing efforts toward entrepreneurs and businesses looking to start, expand and/or relocate to Columbia County.

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the public authority? Yes
2. Who has the power to appoint the management of the public authority?
Columbia County Board of Supervisors
3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?
N/A
4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Board (with participation from management) will develop the mission statement and continually evaluate and assess the goals and measurable to ensure the authority is meeting its mission. The management will work to implement the authority's mission and continually monitor the goals and objectives with measurable to define performance results to achieve the intended public purpose.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions? Yes

**Columbia County Industrial Development Agency
2021 Discharged Duties**

DRAFT

Audit Committee:

- Reviewed and approved 2020 internal control statement.
- Reviewed and approved committee charter, committee evaluation and 2020 discharge of duties.
- Reviewed and recommended to the full board the 2020 audited financials.

Finance Committee:

- Reviewed and recommended to the full board: quarterly treasurer's reports, 2022 budget.
- Reviewed and approved: committee charter, committee evaluation, 2020 discharge of duties and the 2020 Investment Report

Governance Committee:

- Reviewed and recommended to the full board: slate of directors, 2021 compliance calendar.
- Reviewed and approved committee charter, 2020 discharged duties and committee evaluation.

Full Board:

- Appointed: corporate officers, corporate attorney, corporate accountant, administrative officer and staff, committee members, ethics and procurement officers.
- Reviewed and approved 2021 meeting schedule, corporate policies and procedures, banks and accounts, 2021 compliance calendar, 2020 committee discharges duties, 2020 internal controls statement, 2020 performance goals report, 2021 mission and measurements statement, 2020 operations and accomplishments, 2021 CEDC contract with the IDA, confidential board evaluation, 2022 budget.
- Heard update on Limz Machinery and Hudson Valley Real Estate Holding Company projects.
- Reviewed and discussed and heard project updates on the Klocke Estate project, approved an inducement Resolution for the project financing and sales tax benefit.
- Reviewed the 178 Healy Associates project application , approved a resolution allowing the scheduling of a Public Hearing.

Columbia County Industrial Development Agency
AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Board of Members of the Columbia County Industrial Development Agency, a public benefit corporation established under the laws of the State of New York, on this 7th day of February 2017.

Purpose:

Pursuant to Article IV, Section 3 of the Authority's bylaws, the purpose of the audit committee shall be to (1) assure that the authority's board fulfills its responsibilities for the authority's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, the independent auditors, the internal auditors, and the board of directors.

Powers of the Audit Committee

It shall be the responsibility of the audit committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by the authority.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from authority employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with authority staff, independent auditors or outside counsel, as necessary.
- Retain, at the authority's expense, such outside counsel, experts and other advisors as the audit committee may deem appropriate. The Columbia County Industrial Development Agency board will ensure that the audit committee has sufficient resources to carry out its duties.

Composition of Committee and Selection of Members

The audit committee shall be established as set forth in and pursuant to Article IV, Section 3 of the Authority's bylaws. The audit committee shall consist of at least three members of the board of directors who are independent of authority operations. The Authority's board will appoint the audit committee members and the audit committee chair. Audit committee members shall be prohibited from being an employee of the authority or an immediate family member of an employee of the authority.

In addition, audit committee members shall not engage in any private business transactions with the authority or receive compensation from any private entity that has material business relationships with the authority, or be an immediate family member of an engages in private business transactions with the authority or receives compensation from an entity that has material business relationships with the authority. Ideally, all members on the audit committee shall possess or obtain a basic understanding of governmental financial reporting and auditing. The audit committee shall have access to the services of at least one financial expert; whose name shall be disclosed in the annual report of the authority.

The audit committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with

the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls and, 5) an understanding of audit committee functions.

Meetings

The audit committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. Members of the audit committee are expected to attend each committee meeting, in person. The audit committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. The audit committee will meet with the authority's independent auditor at least annually to discuss the financial statements of the authority.

Meeting agendas will be prepared for every meeting and provided to the audit committee members along with briefing materials 5 business days before the scheduled audit committee meeting. The audit committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

Responsibilities

The audit committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Authority's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; and (e) miscellaneous issues related to the financial practices of the Authority.

A. Independent Auditors and Financial Statements

The audit committee shall:

- Appoint, compensate and oversee independent auditors retained by the authority and pre-approve all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The authority's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support the authority's operations, such as bookkeeping or other services related to the accounting records or financial statements of the authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve the authority's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Auditors

The audit committee shall:

- Review with management and the internal audit director, the charter, activities, staffing and organizational structure of the internal audit function. The audit committee shall have authority over the appointment, dismissal, compensation and performance reviews of the internal audit director.
- Ensure that the internal audit function is organizationally independent from authority operations.
- Review the reports of internal auditors, and have authority to review and approve the annual internal audit plan.
- Review the results of internal audits and approve procedures for implementing accepted recommendations of the internal auditor.

C. Internal Controls, Compliance and Risk Assessment

The audit committee shall:

- Review management's assessment of the effectiveness of the authority's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

D. Special Investigations

The audit committee shall:

- Ensure that the authority has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of the authority or any persons having business dealings with the authority or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

E. Other Responsibilities of the Audit Committee

The audit committee shall:

- Present annually to the authority's board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.

- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the authority. The audit committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.

- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

Reviewed and re-affirmed February 7, 2017

DRAFT

Statement of the Effectiveness of Internal Control

This Statement of the Effectiveness of Internal Controls was adopted by the Board of Directors of the Columbia County Industrial Development Agency, (the "Agency"), a public benefit corporation established under the laws of the State of New York, on this 1st day of February, 2022.

Purpose

To satisfy the requirement of Section 2800 (1)(a)(9) and Section 2800 (2)(a)(9) of Public Authorities Law, the Agency has prepared the following statement:

Statement of the Effectiveness of Internal Controls

This statement certifies that the Columbia County Industrial Development Agency followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2021.

To the extent that deficiencies were identified, the Agency has developed corrective action plans to reduce any corresponding risk.

Columbia County IDA
Balance Sheet Prev Year Comparison
As of December 31, 2021

	<u>Dec 31, 21</u>	<u>Dec 31, 20</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
Key Checking	37,979.66	5,890.64	32,089.12	544.76%
Key Money Market	5,805.02	35,803.96	-29,998.94	-83.79%
Comm - Escrow 2990 Rt 9 Realty	21,617.94	21,609.41	8.53	0.04%
Key - Escrow BAC Sales, Inc.	0.00	35,227.85	-35,227.85	-100.0%
Total Checking/Savings	<u>65,402.62</u>	<u>98,531.76</u>	<u>-33,129.14</u>	<u>-33.62%</u>
Total Current Assets	<u>65,402.62</u>	<u>98,531.76</u>	<u>-33,129.14</u>	<u>-33.62%</u>
Other Assets				
Comm. Park Land Sale Recv.				
HRVH, LLC	6,059.42	11,852.69	-5,793.27	-48.88%
Total Comm. Park Land Sale Recv.	<u>6,059.42</u>	<u>11,852.69</u>	<u>-5,793.27</u>	<u>-48.88%</u>
Total Other Assets	<u>6,059.42</u>	<u>11,852.69</u>	<u>-5,793.27</u>	<u>-48.88%</u>
TOTAL ASSETS	<u><u>71,462.04</u></u>	<u><u>110,384.45</u></u>	<u><u>-38,922.41</u></u>	<u><u>-35.26%</u></u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
*Accounts Payable	0.00	1,532.50	-1,532.50	-100.0%
Total Accounts Payable	<u>0.00</u>	<u>1,532.50</u>	<u>-1,532.50</u>	<u>-100.0%</u>
Other Current Liabilities				
Escrow 2990 Rt 9 Realty	21,617.94	21,609.41	8.53	0.04%
Escrow BAC Sales, Inc.	0.00	35,227.85	-35,227.85	-100.0%
due to CEDC	0.00	6,000.00	-6,000.00	-100.0%
Total Other Current Liabilities	<u>21,617.94</u>	<u>62,837.26</u>	<u>-41,219.32</u>	<u>-65.6%</u>
Total Current Liabilities	<u>21,617.94</u>	<u>64,369.76</u>	<u>-42,751.82</u>	<u>-66.42%</u>
Long Term Liabilities				
Due to Col.Cnty Land Sale				
HRVH, LLC	11,852.69	11,852.69	0.00	0.0%
Limz	-5,793.27	0.00	-5,793.27	-100.0%
Total Due to Col.Cnty Land Sale	<u>6,059.42</u>	<u>11,852.69</u>	<u>-5,793.27</u>	<u>-48.88%</u>
Total Long Term Liabilities	<u>6,059.42</u>	<u>11,852.69</u>	<u>-5,793.27</u>	<u>-48.88%</u>
Total Liabilities	<u>27,677.36</u>	<u>76,222.45</u>	<u>-48,545.09</u>	<u>-63.69%</u>
Equity				
Fund Balance - Unrestricted	34,162.00	65,255.44	-31,093.44	-47.65%
Net Income	9,622.68	-31,093.44	40,716.12	130.95%
Total Equity	<u>43,784.68</u>	<u>34,162.00</u>	<u>9,622.68</u>	<u>28.17%</u>
TOTAL LIABILITIES & EQUITY	<u><u>71,462.04</u></u>	<u><u>110,384.45</u></u>	<u><u>-38,922.41</u></u>	<u><u>-35.26%</u></u>

Columbia County IDA
Profit & Loss Budget vs. Actual
 January through December 2021

	Jan - Dec 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
other Income	7,500.00			
Comm Prk Principal Inc.	0.00	9,800.00	-9,800.00	0.0%
Interest	0.00	1,000.00	-1,000.00	0.0%
Land Sale Income				
Land Sale Inc. (Int)	544.51			
Total Land Sale Income	544.51			
Administration Fee Income	34,000.00	50,000.00	-16,000.00	68.0%
Application and Misc Income	0.00	7,500.00	-7,500.00	0.0%
Bank Interest	4.08	50.00	-45.92	8.2%
Total Income	42,048.59	68,350.00	-26,301.41	61.5%
Expense				
Comm. Park Land Sale				
Comm Park money to County	0.00	9,800.00	-9,800.00	0.0%
Total Comm. Park Land Sale	0.00	9,800.00	-9,800.00	0.0%
Consultants	4,300.00	7,500.00	-3,200.00	57.3%
Legal Fees	4,840.50	7,500.00	-2,659.50	64.5%
Accounting & Audit	7,950.00	8,500.00	-550.00	93.5%
Administration/CEDC	12,000.00	24,000.00	-12,000.00	50.0%
Insurance	3,310.73	2,500.00	810.73	132.4%
Office & Misc Exp	74.68	1,500.00	-1,425.32	5.0%
Professional Fees	950.00			
Total Expense	33,425.91	61,300.00	-27,874.09	54.5%
Net Ordinary Income	8,622.68	7,050.00	1,572.68	122.3%
Other Income/Expense				
Other Income				
PILOT Receipts	163,244.72			
Total Other Income	163,244.72			
Other Expense				
PILOT Payments	162,244.72			
Total Other Expense	162,244.72			
Net Other Income	1,000.00			
Net Income	9,622.68	7,050.00	2,572.68	136.5%

Columbia County Industrial Development Agency
FINANCE COMMITTEE CHARTER

Purpose

Pursuant to Article IV, Section 2 of the Authority's bylaws, the purpose of the finance committee is to oversee the Authority's debt and debt practices and to recommend policies concerning the Authority's issuance and management of debt.

Duties of the Finance Committee:

It shall be the responsibility of the finance committee to:

- Review proposals for the issuance of debt by the Authority and its subsidiaries and to make recommendations concerning those proposals to the board.

- Make recommendations to the board concerning the level of debt and nature of debt issued by the Authority.

- Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Authority, and to oversee the work performed by these individuals and firms on behalf of the Authority.

- Meet with and request information from Authority staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.

- Retain, at the Authority's expense, such outside counsel, experts and other advisors as the finance committee may deem appropriate.

- Review proposals relating to the repayment of debt or other long-term financing arrangements by the Authority and its subsidiaries.

- Annually review the Authority's financing guidelines and make recommendations to the board concerning criteria that should govern its financings. These should include security provision required for a bond financing undertaking, specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves.

- Report annually to the Authority's board how it has discharged its duties and met its responsibilities as outlined in the charter.

- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

Composition of Committee and Selection of Members

The finance committee shall consist of not less than three independent members of the board of directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee.

The Authority's board shall appoint the finance committee members and the finance committee chair. Members shall serve on the committee at the discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

Meetings

The finance committee shall meet at such times as deemed advisable by the chair, but not less than twice a year. The committee must meet prior to any debt issuance planned to be undertaken by the Authority. Members of the finance committee are expected to attend each committee meeting, in person. The finance committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

A majority of the committee members present or participating shall constitute a quorum. Meeting agendas shall be prepared prior to every meeting and provided to finance committee members along with briefing materials five (5) business days before the scheduled finance committee meeting. The finance committee may act only on the affirmative vote of a majority of the members or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee. Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

Review the Authority's Annual Budget

The finance committee shall:

- Review the Authority's proposed annual operating budget as presented by Authority management for the upcoming fiscal year.
- Recommend the annual budget to the board for approval after incorporating necessary amendments.
- Monitor and report to the board on the Authority's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on a monthly/quarterly basis.

Oversee the Authority's Investments

The finance committee shall:

- Annually review the Authority's investment policy and evaluate allocation of assets.
- Review and recommend to the board approval of the Authority's annual investment report.
- Annually review the Authority's audit of investments as provided by independent auditors.
- Recommend to the board the selection of investment advisors.
- Monitor the economic performance of the Authority's pension plans.

Assess the Authority's Capital Requirements and Capital Plan

The finance committee shall:

- Assess the financial requirements of the Authority's capital plans. The assessment is to include current and future capital needs, a justification of why such capital expenditure is required and an explanation of funding sources for capital projects such as grants, issuance of debtor specified pay-as-you-go resources.

- Review the financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and making action recommendations to the board.

Review Financial and Procurement Thresholds

The finance committee shall:

- Review and make recommendations to the board regarding any proposed procurements submitted to the committee by the Authority's procurement officer.
- Review and recommend changes to the Authority's thresholds for procuring goods and services and procurement policy.
- Review and recommend changes to the Authority's uniform tax exemption policy that includes general provisions for entering into payment-in-lieu-of-taxes (PILOT) agreements and allowing tax exemptions.
- Review and recommend changes to the Authority's fee schedules.
- Review the scope and terms of the Authority's insurance policies and liability coverage on an annual basis

Reviewed and re-affirmed February 7, 2017

Columbia County Industrial Development Agency
GOVERNANCE COMMITTEE CHARTER

This Governance Committee Charter was adopted by the Board of Members of the Columbia County Industrial Development Agency, a public benefit corporation established under the laws of the State of New York, on this 7th day of February 2017.

Purpose

Pursuant to Article IV, Section 1 of the Authority's bylaws, the purpose of the governance committee is to assist the Board by:

- Keeping the Board informed of current best practices in corporate governance;
- Reviewing corporate governance trends for their applicability to the Columbia County Industrial Development Agency;
- Updating the Columbia County Industrial Development Agency's corporate governance principles and governance practices; and
- Advising those responsible for appointing directors to the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members.

Powers of the Governance Committee

The Board of Directors has delegated to the governance committee the power and authority necessary to discharge its duties, including the right to:

- Meet with and obtain any information it may require from authority staff.
- Obtain advice and assistance from in-house or outside counsel, accounting and other advisors as the committee deems necessary.
- Solicit, at the Authority's expense, persons having special competencies, including legal, accounting or other consultants as the committee deems necessary to fulfill its responsibilities. The governance committee shall have the authority to negotiate the terms and conditions of any contractual relationship subject to the Board's adopted procurement guidelines as per Public Authorities Law Section 2879, and to present such contracts to the Board for its approval.

Composition and Selection

The membership of the committee shall be as set forth in accordance with and pursuant to Article IV, Section 1 of the Authority's bylaws. The governance committee shall be comprised of (X) independent members. (The size of the committee is determined by the Board of Members.) The governance committee members shall be appointed by, and will serve at the discretion of the IDA's Board of Members. The Board may designate one member of the governance committee as its Chair. The members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualified. When feasible, the immediate past governance committee Chair will continue serving as a member of the Committee for at least one year to ensure an orderly transition.

Governance committee members shall be prohibited from being an employee of the Authority or an immediate family member of an employee of the Authority. In addition, governance committee members shall not engage in any private business transactions with the Authority or receive compensation from any private entity that has material business relationships with the

authority, or be an immediate family member of an individual that engages in private business transactions with the Authority or receives compensation from an entity that has material business relationships with the Authority.

The governance committee members should be knowledgeable or become knowledgeable in matters pertaining to governance.

Committee Structure and Meetings

The governance committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. All committee members are expected to attend each meeting. Meeting agendas will be prepared for every meeting and provided to the governance committee members at least five days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The governance committee shall act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings are to be recorded.

Reports

The governance committee shall:

- Report its actions and recommendations to the Board at the next regular meeting of the Board.
- Report to the Board, at least annually, regarding any proposed changes to the governance charter or the governance guidelines.
- Provide a self-evaluation of the governance committee's functions on an annual basis.

Responsibilities

To accomplish the objectives of good governance and accountability, the governance committee has responsibilities related to: (a) the Authority's Board; (b) evaluation of the Authority's policies; and (c) other miscellaneous issues.

Relationship to the Authority's Board

The Board of Directors has delegated to the governance committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the governance committee has specific expertise, as follows:

- Develop the Authority's governance practices. These practices should address transparency, independence, accountability, fiduciary responsibilities, and management oversight.
- Develop the competencies and personal attributes required of Directors to assist those authorized to appoint members to the Board in identifying qualified individuals.

In addition, the governance committee shall:

- Develop and recommend to the Board the number and structure of committees to be created by the Board.
- Develop and provide recommendations to the Board regarding Board member education, including new member orientation and regularly scheduled board member training to be obtained from state-approved trainers.

- Develop and provide recommendations to the Board on performance evaluations, including coordination and oversight of such evaluations of the board, its committees and senior management in the Authority's governance process.

Evaluation of the Authority's Policies

The governance committee shall:

- Develop, review on a regular basis, and update as necessary the Authority's code of ethics and written policies regarding conflicts of interest. Such code of ethics and policies shall be at least as stringent as the laws, rules, regulations and policies applicable to state officers and employees.
- Develop and recommend to the Board any required revisions to the Authority's written policies regarding the protection of whistleblowers from retaliation.
- Develop and recommend to the Board any required revisions to the Authority's equal opportunity and affirmative action policies.
- Develop and recommend to the Board any required updates on the Authority's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Authority's procurement process.
- Develop and recommend to the Board any required updates on the authority's written policies regarding the disposition of real and personal property.
- Develop and recommend to the Board any other policies or documents relating to the governance of the Authority, including rules and procedures for conducting the business of the Authority's Board, such as the Authority's by-laws. The governance committee will oversee the implementation and effectiveness of the by-laws and other governance documents and recommend modifications as needed.

Other Responsibilities

The governance committee shall:

- Review on an annual basis the compensation and benefits for the Administrative Director and other senior Authority officials.
- Annually review, assess and make necessary changes to the governance committee charter and provide a self-evaluation of the governance committee.

Reviewed and re-affirmed February 7, 2017

DRAFT

Columbia County Industrial Development Agency Anti-Nepotism Policy

Purpose:

In accordance with Section 73, Article 4 of the New York State Public Officers law; the purpose of this policy is to avoid impropriety and the appearance of impropriety and the potential for conflict of interest.

Definition of a Close Relative:

A "close relative" is defined as an employee's parent, spouse, domestic partner, child, sibling, niece, nephew, aunt, uncle, grandparent and any person so related to an employee's spouse or domestic partner, and any person residing in an employee's household. This definition applies whether the relationship is by blood, adoption or is created by the marriage of a parent, child or sibling.

Policy:

No Columbia County Industrial Development Agency (IDA) staff member (including hourly, salaried or contract), Board member or volunteer shall participate in or attempt to influence employment or other employment decisions involving a close relative or pressure or cause others to do so.

There can be no supervisory relationship between close relatives, and all employment decisions must be made by others. If a close relative is assigned to a position under direct supervision of a relative, a management plan must be submitted for review and approval by the Administrative Director and/or the Board of Directors. A change of status due to marriage, or other circumstance must be reported if it causes a conflict with this policy.

The management plan's purpose is to eliminate and mitigate any possible conflicts of interest. The plan must include reporting relationships, supervision and evaluations, ensuring no decisions will be based upon relationships between close relatives in promotion, compensation, hours, conditions of employment or any approvals required for the expenditure of funds or use of resources.

The plan must address the approval and review process to preclude any potential appearance of nepotism or conflict of interest. A review of the management plan should take place in the event of any change in reporting relationships at a minimum.

Guidelines:

This policy is in addition to the IDA Conflict of Interest Policy, and applies to the instances of nepotism that existed before enactment of this policy. Any relationships or situations must be disclosed immediately, evaluated and managed as provided for in this policy.

IDA Compliance Calendar

Board Meeting Month	Activity	Notes
January	Board and Committee Self-Evaluations, Annual Financial Disclosures Distributed	Require Committee & Board review and approval
February	Review Mission Statement and Measurements Report for changes	Changes require BD approval and resubmission to ABO
March	Review Annual, Audit, Procurement and Investment Reports (Reports are produced by PARIS) DEADLINE 3/31/22	Require Board review and approval
April	Policy and Procedure Review and update	
May	Policy and Procedure Review and update	
June	Policy and Procedure Review and update	
July	Policy and Procedure Review and update	
August	Policy and Procedure Review and update	
September	Budget Review DEADLINE 10/31/22	
October	Budget Review and approval	Requires Board review and approval
November	Policy and Procedure Review and update	
December	Policy and Procedure Review and update	