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March 31, 2026

To the Board of Directors of  
Columbia Economic Development Corporation:

We have audited the financial statements of Columbia Economic Development Corporation as of and for the year ended December 31, 2025, and have issued our report thereon dated March 31, 2026. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated January 6, 2026, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Columbia Economic Development Corporation solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team and others in our firm, as appropriate have complied with all relevant ethical requirements regarding independence. We have applied a safeguard which included a quality control partner review to the independence threat of our preparation of the Organization's financial statements, preparation of the Organization's annual tax return and preparation of the Organization's annual 1099 filing.

## **Significant Risks Identified**

We did not identify any significant risks, other than management override of internal controls, which is considered a risk in all financial statement audits. As a result of our audit procedures, we did not identify any control deficiencies related to the risk of management override of internal controls.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Columbia Economic Development Corporation is included in Note 2 to the financial statements. As described in Note 2 to the financial statements, during the year ended December 31, 2025, the Corporation adopted the provisions of Government Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures*. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting Columbia Economic Development Corporation's financial statements is the allowance for loan losses.

Management's estimate of the allowance for loan losses is based on a review of outstanding loans receivable on an individual loan basis which is subject to risk of material misstatement. Management performs a risk assessment of each loan considering collateral, payment history, delinquency status, and other matters indicating the borrower's ability to pay. While the method used to calculate the allowance for loans receivable is established and not complex, the application of risk ratings is a subjective process resulting in estimation uncertainty. We evaluated the key factors and assumptions used to develop the allowance for loan losses and determined that the estimate is reasonable in relation to the basic financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Columbia Economic Development Corporation's financial statements related to the allowance for loan losses, revenue recognition, loans and related party transactions.

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

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. The following summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole:

- Decrease administrative fee income from Columbia County Land Bank Corporation and increase net position by \$15,000 for 2024 administrative fee recorded as revenue in 2025.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Columbia Economic Development Corporation's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated March 31, 2026.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

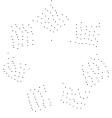
In the normal course of our professional association with Columbia Economic Development Corporation, we generally discuss a variety of matters, including the application of accounting

principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Columbia Economic Development Corporation's auditors.

This report is intended solely for the information and use of the board of directors and management of Columbia Economic Development Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*UHY LLP*



# Choose Columbia

Columbia Economic Development Corporation

March 31, 2026

UHY LLP

One Hudson City Centre, Suite 204

Hudson, New York 12534

This representation letter is provided in connection with your audit of the financial statements of Columbia Economic Development Corporation (the "Corporation") as of December 31, 2025 and for the year then ended, the memorandum only financial statements as of December 31, 2024 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of Columbia Economic Development Corporation in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Except where otherwise stated below, immaterial matters less than \$3,000 collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 31, 2026:

## **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated January 6, 2026, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. We acknowledge our responsibility 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.
6. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. There following uncorrected misstatements were identified:
  - a. Decrease revenue and increase net position by \$15,000 for administrative fees earned from Columbia County Land Bank Corporation in 2024 but recognized in 2025.
9. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* (FASB Accounting Standards Codification™ (ASC) 450, *Contingencies*, and we have not consulted a lawyer concerning litigation, claims, or assessments
10. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed. There are none.
11. All funds and activities are properly classified.
12. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus as amended*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
13. All components of net position, non-spendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
14. All revenues within the statement of revenues, expenses and change in net position have been properly classified.

15. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
16. All interfund and intra-entity transactions and balances have been properly classified and reported.
17. Special items and extraordinary items have been properly classified and reported.
18. Deposit and investment risks have been properly and fully disclosed.
19. Capital assets, including infrastructure assets (if any), are properly capitalized, reported, and if applicable, depreciated.
20. All required supplementary information is measured and presented within the prescribed guidelines.
21. Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
22. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
23. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
24. We have a process to track the status of audit findings and recommendations.
25. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
26. We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement No. 102, *Certain Risk Disclosures*. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.
27. We have evaluated the concentrations and constraints, including those that occur subsequent to the statement of net position date but before the financial statements are issued and have been properly disclosed in the financial statements as subsequent events.
28. With respect to the preparation of the financial statements, preparation of the annual tax return and preparation of the Corporation's annual form 1099s, we have performed the following:
  - a. Made all management decisions and performed all management functions;
  - b. Assigned a competent individual to oversee the services;
  - c. Evaluated the adequacy of the services performed;

- d. Evaluated and accepted responsibility for the result of the service performed; and
  - e. Established and maintained internal controls, including monitoring ongoing activities.
29. During the year ended December 2020, the Corporation received a Paycheck Protection Program (PPP) loan in the amount of \$68,700 which was forgiven during 2021. In February 2021, the Corporation obtained a second PPP loan in the amount of \$64,114. In December 2021, the second PPP loan was fully forgiven by the SBA. The Corporation elected to account for the PPP loan in accordance with ASC Topic 470, Debt. We represent the following to you with regards to the Corporation's accounting for the PPP loan:
- a. The Corporation is compliant with all PPP loan eligibility criteria, document retention requirements, and if applicable, we evaluated and concluded that the conditions for forgiveness are or will be satisfied.
  - b. We have disclosed and/or provided copies of all correspondence with the Small Business Association (SBA) regarding our compliance with PPP loan requirements, including any notification of review by the SBA, results of a review by the SBA, and/or notifications of material non-compliance with the SBA.

### **Information Provided**

30. We have provided you with:
- a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit; and
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d. A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
  - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
31. The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements
32. All transactions have been recorded in the accounting records and are reflected in the financial statements.
33. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
34. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
- a. Management;
  - b. Employees who have significant roles in internal control; or
  - c. Others where the fraud could have a material effect on the financial statements.
35. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other

instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), analysts, regulators, or others.

36. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
37. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
38. We have a process to track the status of audit findings and recommendations.
39. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
40. We have provided you our evaluation of the entity's ability to continue as a going concern, including significant conditions, events present, concentrations and constraints, and we believe that our use of the going concern basis of accounting is appropriate.
41. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
42. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
43. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
44. Columbia Economic Development Corporation has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
45. We have disclosed to you all guarantees, whether written or oral, under which Columbia Economic Development Corporation is contingently liable. There are none.
46. We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee. There are none.
47. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to

volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

48. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
49. There are no:
  - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
  - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
50. Columbia Economic Development Corporation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
51. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
52. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with FASB Accounting Standards Codification 275, Risks and Uncertainties.
53. We have reviewed the reserve for loan losses as of December 31, 2025 and believe that the reserve is reasonable based on our current knowledge of the underlying loan portfolio. The reserve percentages used are consistently applied and reflect our best estimate based on historical experience. The Corporation recorded \$433,394 for an allowance for loan loss as of December 31, 2025.
54. Required supplementary information (RSI) is measured and presented within prescribed guidelines.
55. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations. There is none.
56. We have reviewed, approved, and taken responsibility for all adjustments and an acknowledgment of the auditor's role in the preparation of the adjustments.
57. No events, including instances of noncompliance, have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to, or

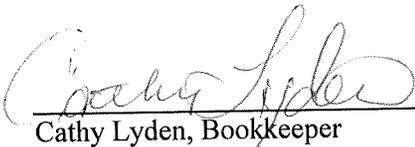
disclosure in, the aforementioned financial statements or in the schedule of findings and questioned costs.

58. The CEDC will continue to support the Columbia County Capital Resource Corporation up to \$5,000 each year to the extent such support is needed through March 31, 2027. The CEDC will reduce its annual management fee to the Columbia County IDA or provide additional support, as needed, through March 31, 2027, to ensure the IDA has sufficient funds to maintain its operations.



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F. Michael Tucker, President and CEO



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Cathy Lyden, Bookkeeper