

City of Albany Capital Resource Corporation

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
Fax: (518) 434-9846

Elizabeth Staubach, Chair
Lee Eck, Vice Chair
Darius Shahinfar, Treasurer
Anthony Gaddy, Secretary
Joseph Better
John Maxwell
Christopher Betts

Sarah Reginelli, Chief Executive Officer
Andy Corcione, Chief Operating Officer
Marisa Franchini, Agency Counsel
A. Joseph Scott, Special Counsel

To: Elizabeth Staubach
Lee Eck
Darius Shahinfar
Anthony Gaddy

Joseph Better
Christopher Betts
John Maxwell

CC: Sarah Reginelli
Marisa Franchini
Joe Scott
Amy Horwitz

Andy Corcione
Emma Fullem

Date: October 13, 2023

CRC REGULAR BOARD MEETING

A Regular Meeting of the City of Albany Capital Resource Corporation Board of Directors will be held on **Thursday, October 19, 2023 at 12:15 pm (or immediately following the meeting of the IDA Regular Board Meeting)** at 21 Lodge St., Albany, NY 12207

AGENDA

Roll Call, Reading & Approval of the Minutes of the Board Meeting of June 22, 2023

Report of Chief Financial Officer

A. Financial Report

Unfinished Business

A. None

New Business

A. 2024 CACRC Budget

i. 2024 Budget Approval Resolution

B. Approval of Accounting Firm 2023

i. Approval Resolution Selection of Accountants – FY 2023 Audit

Other Business

A. Corporation Update

B. Compliance Update

Adjournment

City of Albany Capital Resource Corporation

21 Lodge Street
Albany, NY 12207
Telephone: (518) 434-2532

Elizabeth Staubach, *Chair*
Lee Eck, *Vice Chair*
Darius Shahinfar, *Treasurer*
Anthony Gaddy, *Secretary*
John Maxwell
Chris Betts
Joseph Better

Sarah Reginelli, *Chief Executive Officer*
Thomas Conoscenti, *COO/Interim CFO*
Andy Corcione, *Project Services Director*
Marisa Franchini, *Agency Counsel*
A. Joseph Scott, *Special Counsel*

CRC MINUTES OF THE REGULAR BOARD MEETING June 22, 2023

Attending: Liz Staubach, Joseph Better, Darius Shahinfar, Anthony Gaddy,
John Maxwell

Absent: Christopher Betts, Lee Eck

Also Present: Sarah Reginelli, Thomas Conoscenti, Andy Corcione, Tom Libertucci,
Michael Bohne, Emma Fullem, Renee McFarlin, Joe Scott, Patrick Owens,
Marisa Franchini, Amy Horwitz

Public Present: None

Chair Elizabeth Staubach called the Regular Meeting of the CRC to order at 12:40 p.m.

Roll Call, Reading and Approval of Minutes of the May 18, 2023, Board Meeting

Chair Elizabeth Staubach conducted a roll call of Board members, and all were present with the exception of Christopher Betts and Lee Eck. Since the minutes of the previous meeting had been distributed to Board members in advance for review, Ms. Staubach made a proposal to dispense with their reading and to approve the minutes of the regular Board meeting of May 18, 2023, as presented. A motion to accept the minutes was made by Darius Shahinfar and seconded by Anthony Gaddy. A vote being taken, the motion passed with all members voting aye.

Report of Chief Financial Officer

Staff asked BST to provide an update on the financials. BST reviewed the May financial report with the Board. The projected cash balance for the end of 2023 is approximately \$592,571.

Unfinished Business

The College of Saint Rose – Series 2021 Reissuance

Staff reviewed a request for a *Bond Resolution-Reissuance of Certain Bonds related to Proposed Sale of Bond Financed Properties* for the *College of Saint Rose* project. Staff reported that the College of Saint Rose is seeking an amendment to the Series 2021 tax-exempt bond issuance totaling approx. \$55,000,000. The requested amendment consists of a reallocation of approximately \$2,330,000 resulting from the disposition of real property that was financed by the original issuance. Pursuant to Treasury regulations, the disposition proceeds would be applied to specific capital expenditures and/or used for the redemption of a portion of the bonds. A public hearing was held prior to the previous Finance Committee meeting and no public comments were received.

Chair Elizabeth Staubach asked for a motion to approve the *Bond Resolution-Reissuance of Certain Bonds Related to Proposed Sale of Bond Finance Properties*. A motion was made by Joseph Better and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously with all members voting aye.

New Business

Capitalize Albany Corporation – Resolutions Approving Grant Agreements and 2023 Allocations

Staff provided a detailed update on the ongoing success of the four CRC-funded small business grants programs. Staff provided a recommendation to streamline the existing grants contracts to avoid conflicting program timelines and the expiration of overlapping funds. The recommendation included contracting with Capitalize Albany for budgeted increases to the Downtown Retail Grant, Small Business Façade Improvement and Amplify Albany Programs totaling \$170,000 for 2023.

Chair Elizabeth Staubach asked for a motion to approve the *Resolutions Approving Master Grant Agreements and 2023 Allocations* for the *Amplify Albany, Downtown Retail, and Façade Improvement Grant Programs*. A motion was made by Darius Shahinfar and seconded by John Maxwell. A vote being taken, the resolution passed unanimously with all members voting aye.

Other Business

Corporation Update

None

Compliance

None.

Capitalize Albany Corp.'s Senior Vice President and COO of the CRC, Thomas Conoscenti, announced his acceptance of a position within NYS government, and noted this will be his last Board Meeting. Agency staff and Board members expressed gratitude for the leadership and service he provided to the Agency during his tenure.

There being no further business, a motion to adjourn the meeting was made by Anthony Gaddy and seconded by Joseph Better. A vote being taken, the meeting was adjourned at 12:56 p.m.

Respectfully submitted,

Anthony Gaddy, Secretary

City of Albany CRC
2023 Monthly Cash Position
September 2023

	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>					
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 609,632	\$ 596,881	\$ 596,949	\$ 592,424	\$ 592,496	\$ 592,571	\$ 592,644	\$ 593,219	\$ 543,294	\$ 543,361	\$ 543,361	\$ 543,361	\$ 609,632
Revenue													
Fee Revenue													
Application Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Agency Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative Fee	2,000	-	-	-	-	-	500	-	-	-	-	-	2,500
Modification Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Fee Revenue	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>
Other Revenue													
Interest Income	\$ 76	68	75	72	75	73	75	75	67	-	-	-	656
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	<u>\$ 76</u>	<u>\$ 68</u>	<u>\$ 75</u>	<u>\$ 72</u>	<u>\$ 75</u>	<u>\$ 73</u>	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 67</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 656</u>
Total - Revenue	<u>\$ 2,076</u>	<u>\$ 68</u>	<u>\$ 75</u>	<u>\$ 72</u>	<u>\$ 75</u>	<u>\$ 73</u>	<u>\$ 575</u>	<u>\$ 75</u>	<u>\$ 67</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,156</u>
Expenditures													
Audits	-	-	4,600	-	-	-	-	-	-	-	-	-	4,600
Strategic Activities	-	-	-	-	-	-	-	50,000	-	-	-	-	50,000
IDA	14,827	-	-	-	-	-	-	-	-	-	-	-	14,827
D & O Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc.	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Expenditures	<u>\$ 14,827</u>	<u>\$ -</u>	<u>\$ 4,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,427</u>
Ending Balance	<u>\$ 596,881</u>	<u>\$ 596,949</u>	<u>\$ 592,424</u>	<u>\$ 592,496</u>	<u>\$ 592,571</u>	<u>\$ 592,644</u>	<u>\$ 593,219</u>	<u>\$ 543,294</u>	<u>\$ 543,361</u>	<u>\$ 543,361</u>	<u>\$ 543,361</u>	<u>\$ 543,361</u>	<u>\$ 543,361</u>

City of Albany CRC

Fee Detail by Month

September 2023

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	Albany Medical Center	\$ -	\$ -	\$ 2,000	\$ -	\$ 2,000
	TOTAL	\$ -	\$ -	\$ 2,000	\$ -	\$ 2,000
<i>February</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>March</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>April</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>May</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>June</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -

City of Albany CRC

Fee Detail by Month

September 2023

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	The College of St. Rose	\$ -	\$ -	500	-	500
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ 500	\$ -	\$ 500
<i>August</i>		\$ -	\$ -	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>September</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>October</i>		\$ -	\$ -	\$ -	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>December</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
	2023 TOTAL	\$ -	\$ -	\$ 2,500	\$ -	\$ 2,500
		Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION
2024 BUDGET APPROVAL RESOLUTION**

A regular meeting of City of Albany Capital Resource Corporation (the “Corporation”) was convened in public session at the office of the Corporation located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2023 at 12:15 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Corporation and, upon roll being called, the following members of the Corporation were:

PRESENT:

Elizabeth Staubach	Chair
Lee E. Eck, Jr.	Vice Chair
Hon. Darius Shahinfar	Treasurer
Anthony Gaddy	Secretary
Joseph Better	Director
Christopher Betts	Director
John F. Maxwell, Esq.	Director

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Andrew Corcione	Chief Operating Officer
Ashley Mohl	Senior Vice President, Capitalize Albany Corporation
Renee McFarlin	Senior Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing Manager, Capitalize Albany Corporation
Emma Fullem	Program Assistant, Capitalize Albany Corporation
Amy Horwitz	Executive Assistant, Capitalize Albany Corporation
Marisa Franchini, Esq.	Corporation Counsel
Nadene E. Zeigler, Esq.	Special Corporation Counsel

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

Resolution No. 1023-

**RESOLUTION APPROVING THE 2024 BUDGET OF THE CITY OF ALBANY
CAPITAL RESOURCE CORPORATION.**

WHEREAS, the Corporation is authorized and empowered by the provisions of Section 1411 of the New York State Not-For-Profit Corporation Law (the “NFPCL”) to take steps to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, instruct or train individuals to improve or develop their capabilities for such jobs, carry on scientific research for the purpose of aiding a community or geographical area by attracting new industry

to the community or area or by encouraging the development of, or retention of, an industry in the community or area, lessening the burdens of government and acting in the public interest; and

WHEREAS, under the NFPCL and the Corporation’s certificate of incorporation the Corporation has proposed a budget for its fiscal year commencing January 1, 2024 (the “2024 Budget”); and

WHEREAS, the members of the Corporation desire to approve the 2024 Budget;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF ALBANY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Corporation hereby approves the 2024 Budget as presented to this meeting.

Section 2. The Corporation hereby authorizes the Chair, the CEO and the CFO to take all steps necessary to implement the 2024 Budget.

Section 3. All action taken by the CEO and the CFO of the Corporation in connection with the preparation and adoption of the 2024 Budget prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

Elizabeth Staubach	VOTING	_____
Lee E. Eck, Jr.	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Anthony Gaddy	VOTING	_____
Joseph Better	VOTING	_____
Christopher Betts	VOTING	_____
John F. Maxwell, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of City of Albany Capital Resource Corporation (the “Corporation”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Corporation, including the Resolution contained therein, held on October 19, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein 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 Corporation 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 Corporation 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 Corporation this ____ day of October, 2023.

Secretary

(SEAL)

City of Albany Capital Resource Corporation
2024 Proposed Budget

	2023 APPROVED Budget	2023 YTD Actual Through 6/30/23	2023 Projected July - Dec	2023 Total	2023 Projected Variance to Budget	2024 PROPOSED Budget
REVENUE						
Fees	\$ 33,675	\$ 500	\$ 33,175	\$ 33,675	\$ -	\$ 20,000
Interest	325	439	420	859	534	900
TOTAL REVENUE	\$ 34,000	\$ 939	\$ 33,595	\$ 34,534	\$ 534	\$ 20,900
OPERATING EXPENSES						
CAIDA Agreements	\$ 20,000	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ 20,000
Audits	4,830	4,600	-	4,600	(230)	5,000
D & O Insurance	1,785	-	1,785	1,785	-	1,875
Miscellaneous	100	-	100	100	-	100
TOTAL OPERATING EXPENSES	\$ 26,715	\$ 4,600	\$ 21,885	\$ 26,485	\$ (230)	\$ 26,975
Surplus/(Deficit) Before Other Expenses	\$ 7,285	\$ (3,661)	\$ 11,710	\$ 8,049	\$ 764	\$ (6,075)
OTHER EXPENSES						
Strategic Activities	\$ 170,000	\$ -	\$ 170,000	\$ 170,000	\$ -	\$ 70,000
TOTAL OTHER EXPENSES	\$ 170,000	\$ -	\$ 170,000	\$ 170,000	\$ -	\$ 70,000
Surplus/(Deficit)	\$ (162,715)	\$ (3,661)	\$ (158,290)	\$ (161,951)	\$ 764	\$ (76,075)

2023 Closed Projects
Admin fees

Project Amount	2023 Fee Collected
\$ -	\$ 500

Total

\$ -	\$ 500
------	--------

2023 Estimated Project Closings
Projected

Estimated Project Amount	Estimated 2023 Fee
12,000,000	\$ 33,175

Total

\$ 12,000,000	\$ 33,175
---------------	-----------

2024 Estimated Closings
Projected

Estimated Project Amount	Estimated 2024 Fees
-	\$ 20,000

Total

\$ -	\$ 20,000
------	-----------

Notes:

(1) YTD projected ending cash balance at December 31, 2024 is projected to be \$371,000. This represents a reserve of approximately 13.7 years at current projected operating level.

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION
APPROVAL RESOLUTION SELECTION OF ACCOUNTANTS – FY 12/2023**

A regular meeting of City of Albany Capital Resource Corporation (the “Corporation”) was convened in public session at the office of the Corporation located at 21 Lodge Street in the City of Albany, Albany County, New York on October 19, 2023 at 12:15 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Corporation and, upon roll being called, the following members of the Corporation were:

PRESENT:

Elizabeth Staubach	Chair
Lee E. Eck, Jr.	Vice Chair
Hon. Darius Shahinfar	Treasurer
Anthony Gaddy	Secretary
Joseph Better	Director
Christopher Betts	Director
John F. Maxwell, Esq.	Director

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Andrew Corcione	Chief Operating Officer
Ashley Mohl	Senior Vice President, Capitalize Albany Corporation
Renee McFarlin	Senior Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing Manager, Capitalize Albany Corporation
Emma Fullem	Program Assistant, Capitalize Albany Corporation
Amy Horwitz	Executive Assistant, Capitalize Albany Corporation
Marisa Franchini, Esq.	Corporation Counsel
Nadene E. Zeigler, Esq.	Special Corporation Counsel

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

Resolution No. 1023-____

RESOLUTION APPROVING THE RETAINING OF AN ACCOUNTING FIRM FOR CONDUCTING THE 2023 FY AUDIT OF THE CITY OF ALBANY CAPITAL RESOURCE CORPORATION.

WHEREAS, the Corporation is authorized and empowered by the provisions of Section 1411 of the New York State Not-For-Profit Corporation Law (the “NFPCL”) to take steps to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, instruct or train individuals to improve or develop their capabilities for such jobs, carry on

scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area or by encouraging the development of, or retention of, an industry in the community or area, lessening the burdens of government and acting in the public interest; and

WHEREAS, the Corporation is required to conduct an annual independent audit for its financial statements for the year ended December 31, 2023 (the “2023 Audit”); and

WHEREAS, the Corporation staff has recommended retaining the services of Teal, Becker & Chiaramonte CPAs, P.C.;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF ALBANY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Corporation hereby approves Teal, Becker & Chiaramonte CPAs, P.C. to perform the necessary professional services as outlined in the attached engagement letter to complete the audit of the financial statements as of and for the year ended December 31, 2023 at an estimated fee of \$5,800.00, plus out-of-pocket expenses.

Section 2. The Corporation hereby authorizes the Chair and CFO to take all steps necessary to implement this Resolution.

Section 3. All action taken by the staff of the Corporation in connection with the retaining of the accounting firm prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. 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:

Elizabeth Staubach	VOTING	_____
Lee E. Eck, Jr.	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Anthony Gaddy	VOTING	_____
Joseph Better	VOTING	_____
Christopher Betts	VOTING	_____
John F. Maxwell, Esq.	VOTING	_____

The resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of City of Albany Capital Resource Corporation (the “Corporation”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Corporation, including the Resolution contained therein, held on October 19, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein 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 Corporation 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 Corporation 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 Corporation this ____ day of October, 2023.

Secretary

(SEAL)

ENAGEMENT LETTER

-SEE ATTACHED-



Teal, Becker & Chiaramonte™
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

October 3, 2023

To The Board of Directors
City of Albany Capital Resource Corporation,
a Component Unit of the City of Albany
21 Lodge Street
Albany, NY 12207

The following represents our understanding of the services Teal, Becker and Chiaramonte, CPAs, P.C. (the Firm) will provide the City of Albany Capital Resource Corporation, a Component Unit of the City of Albany (the Corporation).

You have requested that the Firm audit the financial statements of the Corporation, which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and statements of functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if 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.

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and in accordance with *Government Auditing Standards*. As part of an audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

7 Washington Square, Albany, NY 12205 Ph: (518) 456-6663 | Fax: (518) 456-3975 www.tbccpa.com

Teal, Becker & Chiaramonte, CPAs, P.C. Firm Member of CPANet International | Members: AICPA and NYSSCPA

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and in accordance with *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Corporation's compliance with the provisions of applicable laws, regulations, 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.

Management Responsibilities

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. 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 error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the Corporation and others from whom we determine it necessary to obtain audit evidence.
- d. For including the auditors' report in any document containing financial statements that indicates that such financial statements have been audited by the Corporation's auditor;
- e. For identifying and ensuring that the Corporation complies with the laws and regulations applicable to its activities;

- f. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For providing access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, including an expectation that management will provide access to information relevant to disclosures;
- j. For informing us of any known or suspected fraud affecting the Corporation involving management, employees with a significant role in internal control, and others where fraud could have a material effect on the financials; and
- k. For the accuracy and completeness of all information provided.

As part of our audit process, we will request from management and those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest service we will perform the following:

- Financial Statement Preparation

With respect to the nonattest service listed above we agree to perform the following at the end of the year:

- Propose adjusting or correcting journal entries to be reviewed and approved by the Corporation's management.

We will not assume management responsibilities on behalf of the Corporation. However, we will provide advice and recommendations to assist management of the Corporation in performing its responsibilities.

The Corporation's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the service; (c) evaluating the adequacy of the service performed; (d) evaluating and accepting responsibility for the results of the service performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the service in accordance with applicable professional standards.
- This engagement is limited to the previously noted nonattest service above. Our Firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account codings and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the Corporation's basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditors' report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will 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.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

In connection with this engagement, we may communicate with you or others via e-mail. As e-mails can be intercepted, disclosed, used, and/or otherwise communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot ensure that e-mails from us will be properly delivered and read only by the addressee. Therefore, we disclaim and waive any liability for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage arising from the use of e-mail, including any punitive, consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

It is our policy to keep records related to this engagement for seven years, after which time the Firm will commence the process of destroying the contents of the engagement files. These records will be returned to you promptly upon the completion of the engagement along with a copy of the financial statements. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. The balance of the Firm's engagement file is the Firm's property, and we will provide copies of such documents at our discretion, if compensated for any time and costs associated with the effort, unless required by law.

Notwithstanding anything contained herein both the Firm and the Corporation agree that regardless of where the Corporation is domiciled and regardless of where this Agreement is physically signed, this Agreement shall have been deemed to have been entered into at the Firm's office located in the county of Albany, State of New York, USA and the county of Albany, State of New York, USA shall have the exclusive jurisdiction for resolving disputes related to this Agreement. This Agreement shall be interpreted and governed in accordance with the Laws of the State of New York.

The Firm's liability relating to the performance of the services rendered under this letter is limited solely to direct damage sustained by you. In no event shall the Firm be liable for the consequential, special, incidental, or punitive loss, damage or expense caused to you or to any third party (including without limitation, lost profits, opportunity costs, etc.). Notwithstanding the foregoing, our maximum liability relating to services rendered under this letter (regardless of form of action, whether in contract, negligence or otherwise) shall be limited to the fees received by us for this engagement. The provisions set forth in this paragraph shall survive the completion of the engagement.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the county of Albany, New York, by the American Arbitration Association, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to the laws of the State of New York. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

The Firm may transmit confidential information that you provided us, to third parties, in order to facilitate the services provided to you by the Firm. Such encrypted transmissions might include, but are not limited to, the uploading of data to client portals. Information security is a priority at the Firm; we use the security model referred to as CIA Triad (confidentiality, integrity, and availability) to guide solutions, policies, and procedures implemented at our Firm. We are required by law to take reasonable precautions to protect your data. Outside service vendors utilized by the Firm in connection with our work performed under this engagement have been verified as secure and we have verified that all service providers take the necessary precautions to keep your information secure and confidential. By affixing your signature below, you consent to having confidential information transmitted to entities outside the Firm as may be necessary for the purpose of completion of services under the terms of this engagement. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the Firm.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fee. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such services, our services will continue to be governed by the terms of this engagement letter.

Provisions of Engagement Administration, Timing, and Fees

Stephanie Mumford, CPA is the engagement shareholder for the audit services specified in this letter. Her responsibilities include supervising Teal, Becker & Chiaramonte, CPAs, P.C.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit reports.

Our fees for the year ending December 31, 2023 will be \$5,800 and are based on our standard hourly rates plus out-of-pocket expenses. Individual hourly rates vary according to the degree of responsibility involved and the skill required. The above fees are based on anticipated cooperation from your personnel and the assumptions that unexpected circumstances will not be encountered during the audit. Interim billings will be submitted as work progresses and as expenses are incurred and are due and payable upon presentation of our invoices. A final bill will be provided at the conclusion of our services and payment is due upon presentation. Interest at the rate of 1.5% per month will be charged on all late payments forty five (45) days past due. In the event that your account is turned over to an attorney for collection, you agree to pay all costs of collection including, attorney's fees, costs and disbursements.

Our ability to provide services in accordance with our fees depends on the quality, timeliness, and accuracy of your records and the number of general ledger adjustments required as a result of our work. To assist you in this process, we provide you with a Client Request List (PBC List) that identifies the key work you will need to perform in preparation for the engagement. We will also need your accounting staff to be readily available during the engagement to respond in a timely manner to our requests. Lack of preparation, poor records, excessive general ledger adjustments, and/or untimely assistance, will result in an increase of our fees. Other circumstances that may result in an increase of our fees include significant unanticipated transactions, financial reporting issues, post-review or post-fieldwork circumstances requiring revisions to work previously completed, or delays in resolution of issues that extend the period of time necessary to complete the engagement.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the Corporation's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;

City of Albany Capital Resource Corporation,
a Component Unit of the City of Albany
October 3, 2023
Page 7 of 7

- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Teal, Becker & Chiaramonte, CPAs, P.C. and constitutes confidential information. However, we may be requested to make certain audit documentation available to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Teal, Becker & Chiaramonte, CPAs, P.C.'s personnel.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Very truly yours,

TEAL, BECKER & CHIARAMONTE, CPAs, P.C.



RESPONSE:

This letter correctly sets forth our understanding and Agreement and it is acknowledged and agreed to by an authorized representative of **City of Albany Capital Resource Corporation, a Component Unit of the City of Albany** by:

Signature: _____

Title: _____

Date: _____

Number of bound copies of the financial statements needed: _____

Special mailing instructions for the bound copies of the financial statements: _____

Do you need an electronic copy of the financial statements? _____

NP/jch
00117
Enclosures