

## **Albany County Capital Resource Corporation**

Communication to Those Charged With Governance  
December 31, 2024



March 26, 2025

Chair and Members of the Audit Committee  
Albany County Capital Resource Corporation  
111 Washington Ave., Suite 100  
Albany, New York 12210

Dear Chair and Members of the Audit Committee:

We are pleased to present this report related to our audit of the financial statements of the Albany County Capital Resource Corporation (Corporation) as of and for the year ended December 31, 2024. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Corporation's financial reporting process.

This report is intended solely for the information and use of the board members and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to be of service to the Corporation.

Very truly yours,

BST & Co. CPAs, LLP

A handwritten signature in black ink that reads "Brendan K. Kennedy". The signature is fluid and cursive, with "Brendan" on the top line and "K. Kennedy" on the line below it.

Brendan K. Kennedy, Partner

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## REQUIRED COMMUNICATIONS

The following required communications summarize our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and compliance reporting process.

### **Our Responsibilities**

We describe our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States to you in our engagement letter dated December 2, 2024. Our audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

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

We have previously issued a separate communication dated January 16, 2025 regarding the planned scope and timing of our audit and identified significant risks.

### **Accounting Policies and Practices**

#### *Preferability of Accounting Policies and Practices*

Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

#### *Adoption of, or Change in, Accounting Policies*

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Corporation. The Corporation did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

#### *Significant Accounting Policies*

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Unusual Transactions*

We did not identify any significant unusual transactions.

### **Audit Adjustments and Uncorrected Misstatements**

There were no audit adjustments made to the original trial balance presented to us to begin our audit.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.



## REQUIRED COMMUNICATIONS (CONTINUED)

### **Observations About the Audit Process**

#### *Disagreements With Management*

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

#### *Consultations With Other Accountants*

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

#### *Significant Issues Discussed With Management*

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

#### *Significant Difficulties Encountered in Performing the Audit*

We did not encounter any significant difficulties in dealing with management during the audit.

#### *Significant Matters That Required Consultation*

We did not encounter any difficult or contentious matters that required consultation outside the engagement team and that are, in our professional judgment, significant and relevant to your responsibility to oversee the financial reporting process.

### **Shared Responsibilities: AICPA Independence**

The AICPA regularly emphasizes that auditor independence is a joint responsibility and managed most effectively when management, audit committees, and audit firms work together in considering compliance with AICPA independence rules. For BST to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and BST each play an important role.

#### *Our Responsibilities*

- AICPA rules require independence, both of mind and in appearance, when providing audit and other attestation services. BST is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.



## REQUIRED COMMUNICATIONS (CONTINUED)

### *The Corporation's Responsibilities*

- Timely inform BST, before the effective date of transactions or other business changes, of the following:
  - New directors, officers, or people in financial reporting oversight roles.
- Understand and conclude on the permissibility prior to the Corporation and its officers, directors, or people in a decision-making capacity engaging in business relationships with BST.
- Not entering into relationships resulting in BST, BST-covered people or their close family members temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the Corporation.

### **Significant Written Communications Between Management and Our Firm**

A copy of significant written communications between our firm and the management of the Corporation, specifically the representation letter provided to us by management, is attached as Exhibit A.



## **Exhibit A**

### **Significant Written Communications Between Management and Our Firm**

Representation Letter



HON. GARY W. DOMALEWICZ,  
CHAIRMAN  
HON. WILLIAM M. CLAY,  
VICE CHAIRMAN  
MICHAEL J PAPARIAN  
GENE MESSERCOLA  
WILLIAM MURPHY  
HON. WANDA WILLINGHAM



ADVANCE ALBANY COUNTY ALLIANCE  
111 WASHINGTON AVE  
SUITE 100  
ALBANY, NEW YORK 12207-2021  
(518) 447-7707

ALBANY COUNTY  
CAPITAL RESOURCE CORPORATION

March 26, 2025

BST & Co. CPAs, LLP  
10 British American Blvd.  
Latham, New York 12110

This representation letter is provided in connection with your audits of the basic financial statements of Albany County Capital Resource Corporation, a component of Albany County (Corporation), as of and for the years ended December 31, 2024 and 2023 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, that as of March 26, 2025:

**Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 2, 2024, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. 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.
3. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.
4. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Types of related party transactions engaged in by the Corporation include:

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VICE CHAIRMAN  
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- a. Those with the Albany County.
- b. Those with Albany County Alliance Local Development Corporation who shares common management.
- 5. 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.
- 6. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- 7. Management has followed applicable laws and regulations in adopting, approving and amending budgets.
- 8. Provisions for uncollectible receivables have been properly identified and recorded.
- 9. The government properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in the debt agreements related to significant default or termination events with finance-related consequences and significant subjective acceleration clauses in accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.
- 10. Components of net position (net investment in capital assets, restricted, and unrestricted) are properly classified and, if applicable, approved.
- 11. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 12. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 13. The Corporations' policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.
- 14. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, that is not disclosed in the financial statements.
- 15. The government has properly disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASB Statement No. 91, *Conduit Debt Obligations*.

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16. We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
17. We have reviewed the GASB Statements effective for the fiscal year ending December 31, 2024, and concluded the implementation of the following Statements did not have a material impact on the basic financial statements:
  - a. GASB Statement No. 99, *Omnibus 2022*
  - b. GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*
  - c. Statement No. 101, *Compensated Absences*
18. We have no knowledge of any uncorrected misstatements in the financial statements.

**Information Provided**

19. 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 basic financial statements such as records, documentation and other matters.
  - b. Additional information that you have requested from us for the purpose of the audits.
  - c. Unrestricted access to persons within the Corporation from whom you determined it necessary to obtain audit evidence.
  - d. Minutes of the meetings of the Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
20. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.
21. We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.

HON. GARY W. DOMALEWICZ,  
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22. We have no knowledge of allegations of fraud or suspected fraud affecting the Corporation's basic financial statements involving:
  - a. Management.
  - b. Employees who have significant roles in internal control.
  - c. Others where the fraud could have a material effect on the basic financial statements.
23. We have no knowledge of any allegations of fraud or suspected fraud affecting the Corporation's basic financial statements received in communications from employees, former employees, analysts, regulators, or others.
24. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
25. We are not aware of any pending or threatened litigation, claims or assessments; unasserted claims or assessments are probable of assertion and must be disclosed in accordance with Government Accounting Standards Board (GASB) Codification Section C50, Claims and Judgments; or other matters, including gain or loss contingencies, whose effects should be considered when preparing the financial statements.
26. We have disclosed to you the identity of all of the Corporation's related parties and all the related-party relationships and transactions of which we are aware.
27. We are aware of no deficiencies in internal control over financial reporting, including significant deficiencies or material weaknesses, in the design or operation of internal controls that could adversely affect the Corporation's ability to record, process, summarize and report financial data.
28. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
29. During the course of your audits, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

#### Compliance Considerations

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

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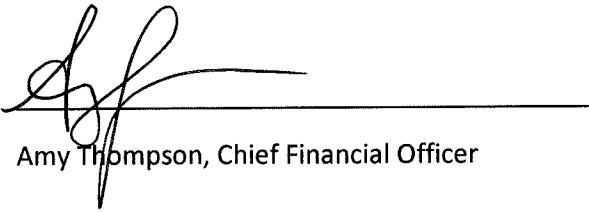
30. Is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
31. Is responsible for compliance with the laws, regulations and provisions of contracts and grant agreements applicable to the Corporation.
32. Is not aware of any instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.
33. Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
34. Acknowledges its responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.
35. Has a process to track the status of audit findings and recommendations.

Very truly yours,

ALBANY COUNTY CAPITAL RESOURCE CORPORATION

A handwritten signature of Kevin O'Connor in black ink.

Kevin O'Connor, Chief Executive Officer

A handwritten signature of Amy Thompson in black ink.

Amy Thompson, Chief Financial Officer