

HON. GARY W. DOMALEWICZ, CHAIR  
HON. WANDA WILLINGHAM, VICE CHAIR  
MICHAEL J PAPARIAN, TREASURER  
WILLIAM MURPHY, SECRETARY  
HON. DENNIS FEENEY, MEMBER



ALBANY COUNTY BUSINESS HUB  
111 WASHINGTON AVE  
SUITE 100  
ALBANY, NEW YORK 12210  
(518) 447-5602

**Albany County Capital Resource Corporation**  
**Audit Committee Meeting**

**Wednesday, March 25, 2026, at 5:00 p.m.**  
**111 Washington Ave, Suite 100, Albany, NY 12210**  
**Conference Room**

**AGENDA**

- |   |         |                          |
|---|---------|--------------------------|
| 1. Welcome & Roll Call                                |         | William Murphy, Chair    |
| 2. Meeting Minutes Review – November 5, 2025          | p.3-4   | William Murphy, Chair    |
| 3. 2025 Audit Report                                  | p.5-30  | Brendan Kennedy, BST     |
| a. Review Independence of Auditor                     |         | Christopher Canada, Esq. |
| i. (action) Resolution 0326-01                        | p.31-34 |                          |
| b. Draft Audited Financial Statements & Audit Results |         | Christopher Canada, Esq. |
| i. (action) Resolution 0326-02                        | p.35-37 |                          |
| c. Audit Committee Charter Review                     |         | Christopher Canada, Esq. |
| i. (action) Resolution 0326-03                        | p.38-44 |                          |
| d. Assessment of Effectiveness of Internal Controls   |         | Christopher Canada, Esq. |
| i. (action) Resolution 0326-04                        | p.45-50 |                          |
| 4. Executive Session (if necessary)                   |         |                          |
| 5. Adjournment  |         | William Murphy, Chair    |

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<b>Committee Member</b>	<b>Present / Excused / Absent</b>
William Murphy, Chairman	
Michael Paparian, Member	
Hon. Wanda Willingham, Member	

**ALBANY COUNTY CAPITAL RESOURCE CORPORATION (ACCRC)**  
**AUDIT COMMITTEE MEETING MINUTES**  
**November 5, 2025**

A meeting of the Albany County Capital Resource Corporation (ACCRC) Audit Committee was held on Wednesday November, 2025, at 5:00 p.m. at 111 Washington Ave, Suite 100, Albany, New York 12210. Members of the public were invited to attend in person.

**Attending** William Murphy, Chairman; Michael Paparian, member

**Excused:** Hon. Wanda Willingham, Member

**Also Present:** Hon. Gary Domalewicz, CRC Chairman; Hon. Dennis Feeney, ACCRC Board Member; Kevin O'Connor, Chief Executive Officer; Amy Thompson, Chief Financial Officer; Antionette Hedge, Economic Development Coord.; Sara Paulsen, Executive Assistant; Kevin Catalano, SVP; Clayton Besch, Project Manager; Mark Opalka, Controller; Alexander Mathes, AACA Consultant; Christopher C. Canada, Esq. Hodgson Russ LLP., and Brendan Kennedy, CPA, BST (video)

**Call to Order:**

The meeting of the ACCRC Audit Committee was called to order by Chair William Murphy at 5:00 p.m.

**Roll Call:**

Roll was called, and it was noted a quorum was present.

**Meeting Minutes:**

Chairman Murphy presented the Minutes from March 26, 2025. There were no changes. Chairman Murphy asked for a Motion to accept the Meeting Minutes of March 26, 2025.

Motion by Michael Paparian and Seconded by William Murphy

Vote: Motion was adopted (2-0)

**Audit Engagement Presentation:**

Brendan Kennedy from BST Co. presented the proposal for Audit Services. There was a discussion on the 5% fee increase and Mr. Kennedy answered questions from the committee.

Chairman Murphy asked for a Motion to present the Audit Engagement to the ACCRC Board of Directors.

Motion by Michael Paparian and Seconded by William Murphy

Vote: Motion was adopted (2-0)

**Executive Session**

None.

**Adjournment**

Chairman Murphy asked for a Motion to conclude the Audit Committee Meeting at 5:06 p.m.

Motion by Michael Paparian and Seconded by William Murphy

Vote: Motion was adopted (2-0)

DRAFT

# **Albany County Capital Resource Corporation**

Report to Chair and Members of the Audit Committee  
December 31, 2025



February 25, 2026

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

Attention: William Murphy, Audit Committee Chair

We are pleased to present this report related to our 2025 audit of Albany County Capital Resource Corporation's (Corporation) basic financial statements. Our 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 audit committee 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 continue to be of service to the Corporation.

Very truly yours,

BST & Co. CPAs, LLP

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 from our audit that are significant and relevant to your responsibility to oversee the financial and compliance reporting process.

### **Our Responsibilities**

We described 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 October 23, 2025. 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 issued a separate communication dated February 19, 2026 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.



## REQUIRED COMMUNICATIONS (CONTINUED)

### **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.

### **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 basic 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 American Institute of Certified Public Accountants (AICPA) and *Government Accountability Office* (GAO) regularly emphasize that auditor independence is a **joint responsibility** and managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with AICPA independence rules. For BST & Co. CPAs, LLP (BST) to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and BST each play an important role.



## REQUIRED COMMUNICATIONS (CONTINUED)

### *Our Responsibilities*

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

### *The Corporation's Responsibilities*

- Timely inform BST, before the effective date of transactions or other business changes, of the following:
  - New affiliates, directors, or officers.
- Understand and conclude on the permissibility prior to the Corporation and its affiliates, officers, directors, or people in a decision-making capacity engaging in business relationships with BST.
- Not entering into relationships resulting in close family members of BST-covered people 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, CHAIR  
HON. WANDA WILLINGHAM, VICE CHAIR  
MICHAEL J PAPARIAN, TREASURER  
WILLIAM MURPHY, SECRETARY  
HON. DENNIS FEENEY, MEMBER



ALBANY COUNTY BUSINESS HUB  
111 WASHINGTON AVE  
SUITE 100  
ALBANY, NEW YORK 12210  
(518) 447-5602

February 25, 2026

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, 2025 and 2024 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 February 25, 2026:

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 23, 2025, 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:
  - 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*.
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.
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:

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

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Kevin O'Connor, Chief Executive Officer

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Amy Thompson, Chief Financial Officer

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Financial Statements  
December 31, 2025 and 2024

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Financial Statements  
December 31, 2025 and 2024

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## Independent Auditor's Report

Chair and Members of the Audit Committee  
Albany County Capital Resource Corporation

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the financial statements of the Albany County Capital Resource Corporation (Corporation), a component unit of Albany County, New York, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2025 and 2024, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives 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 an auditor's 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. 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. Misstatements 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.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Organization's internal control. Accordingly, no such opinion is expressed.
- 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of American require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated \_\_\_\_\_, 2026, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Latham, New York  
\_\_\_\_\_, 2026

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Statements of Net Position

	December 31,	
	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 319,170	\$ 1,564,035
Investments	1,504,410	-
Interest receivable	3,079	-
Prepaid expenses	1,915	1,826
	<b>\$ 1,828,574</b>	<b>\$ 1,565,861</b>
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ -	\$ 4,174
<b>NET POSITION</b>		
Unrestricted	1,828,574	1,561,687
	<b>\$ 1,828,574</b>	<b>\$ 1,565,861</b>

See accompanying Notes to Financial Statements.

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended December 31,	
	2025	2024
<b>OPERATING REVENUE</b>		
Charges for services	\$ 388,550	\$ 120,929
<b>OPERATING EXPENSES</b>		
Project expenses	25,000	20,000
General and administrative	143,217	168,626
Bad debt expense	-	194,988
	168,217	383,614
<b>Operating income (loss)</b>	<b>220,333</b>	<b>(262,685)</b>
<b>NONOPERATING REVENUES</b>		
Interest income	46,554	20,631
<b>Change in net position</b>	<b>266,887</b>	<b>(242,054)</b>
<b>NET POSITION, <i>beginning of year</i></b>	1,561,687	1,803,741
<b>NET POSITION, <i>end of year</i></b>	\$ 1,828,574	\$ 1,561,687

See accompanying Notes to Financial Statements.

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Statements of Cash Flows

	Years Ended December 31,	
	2025	2024
<b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Receipts from projects	\$ 388,550	\$ 120,929
Payments to vendors	(172,480)	(184,539)
	216,070	(63,610)
<b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
Interest income	43,475	20,631
Investment purchases	(1,504,410)	-
	(1,460,935)	20,631
<b>Net decrease in cash</b>	<b>(1,244,865)</b>	<b>(42,979)</b>
<b>CASH, beginning of year</b>	1,564,035	1,607,014
<b>CASH, end of year</b>	<b>\$ 319,170</b>	<b>\$ 1,564,035</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 220,333	\$ (262,685)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Bad debt expense	-	194,988
Increase in		
Prepaid expenses	(89)	(87)
Increase (decrease) in		
Accounts payable	(4,174)	4,174
	<b>\$ 216,070</b>	<b>\$ (63,610)</b>

See accompanying Notes to Financial Statements.

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Notes to Financial Statements  
December 31, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies**

*a. Organization and Purpose*

The Albany County Capital Resource Corporation (Corporation) was formed on September 8, 2014, pursuant to Sections 402 and 1411 of the Not-For-Profit Corporation Laws of the State of New York. The Corporation promotes community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of Albany County, New York by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses, and other entities to access low-interest tax-exempt and non-tax-exempt financing for their eligible projects.

The Corporation's purpose is to undertake activities within Albany County for the purpose of relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding Albany County by attracting new industry to Albany County or by encouraging the development of, or retention of, an industry in Albany County, and lessening the burdens of government and acting in the public interest. The Directors of the Corporation are appointed by the Albany County Legislature. The Corporation's directors have complete responsibility for management of the Corporation and accountability for fiscal matters.

*b. Basis of Accounting and Financial Statement Presentation*

The Corporation's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting and financial reporting treatment applied to the Corporation is determined by its measurement focus. The transactions of the Corporation are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operations are included on the statements of net position. Net position consists of unrestricted assets and liabilities.

Revenues are recognized when earned, and expenses are recognized when incurred. The Corporation distinguishes operating revenues and expenses from nonoperating items. Operating revenues are determined based on the services provided by the Corporation. Operating expenses include the costs associated with providing those services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*c. Estimates*

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*d. Tax Status*

The Corporation is exempt from federal, state, and local income taxes.

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Notes to Financial Statements  
December 31, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies (Continued)**

*e. Cash and Investments*

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State of New York, its municipalities, and school districts. The Corporation's deposits were fully insured or collateralized at December 31, 2025 and 2024.

The Corporation's investment policies are governed by New York State statutes. In addition, the Corporation has its own written investment policy. Corporation monies must be deposited at Federal Deposit Insurance Corporation insured commercial banks or trust companies located within the State of New York. The Corporation is authorized to use demand accounts, money market accounts, and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State or its localities.

Investments include financial instruments with original maturities of more than three months and are recorded at amortized cost, which approximates fair value. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investments with original maturities of more than three months are not included in cash and cash equivalents in the statements of cash flows.

As of December 31, 2025, the fair value of the Corporation's investments approximated the carrying value (amortized cost) and consisted of U.S. Treasury Securities that mature in less than one year.

The Corporation addresses custodial credit risk by holding investment securities in trustee/custodian accounts under its own name. Interest rate risk is managed by holding investment securities to maturity.

*f. Loans receivable*

The Corporation had a loan receivable that was due in December 2031. During 2023, payments on the loan ceased and the Corporation commenced legal proceedings regarding the unpaid balance. In December 2024, the underlying property was purchased by Albany County, which satisfied senior lienholders, but no proceeds were received by the Corporation. The Corporation's loan receivable was written off as bad debt expense during the year ended December 31, 2024.

*g. Industrial Development Revenue Bonds*

The Corporation may issue Industrial Development Revenue Bonds. The bonds are special obligations of the Corporation payable solely from revenue derived from the leasing, sale, or other disposition of a project. As explained more fully in Note 2, there is no liability to the Corporation; therefore, the obligations are not accounted for in the accounts of the Corporation.

*h. Employee Benefit Plans*

The Corporation outsources its day-to-day operations to the Advance Albany County Alliance Local Development Corporation (AACALDC). Any employee benefit obligations belong to Albany County. The Corporation has no employees.

*i. Subsequent Events*

The Corporation has evaluated subsequent events for potential recognition or disclosure through \_\_\_\_\_, 2026, the date the financial statements were available to be issued.

**Albany County Capital Resource Corporation**  
(A Component Unit of Albany County, New York)

Notes to Financial Statements  
December 31, 2025 and 2024

**Note 2. Industrial Development Revenues Bonds and Notes**

The bonds and notes are not obligations of New York State or Albany County and are not general obligations of the Corporation. The Corporation does not record the assets or liabilities resulting from completed bond and note issues in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. For providing this service, the Corporation receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon the issuance of bonds and notes. Revenue bonds outstanding at December 31, 2025 and 2024 were as follows:

Project Description	Year Ended December 31, 2025						
	Principal Amount of Issue	Current Interest Rate	Outstanding December 31, 2024	Issued During 2025	Principal Payments 2025	Outstanding December 31, 2025	Final Maturity Date
CIDC Colonie LLC 2019A	\$ 7,723,011	4.69%	\$ 6,848,440	\$ -	\$ 311,073	\$ 6,537,367	7/1/2040
CIDC Colonie II LLC 2020A	48,064,101	5.29%	46,585,316	-	1,510,943	45,074,373	6/30/2037
CIDC Colonie III LLC 2021A	19,386,000	5.01%	17,380,276	-	713,397	16,666,879	4/1/2042
CIDC Colonie III LLC 2021C	390,000	5.50%	321,807	-	21,340	300,467	4/1/2036
CIDC Colonie IV LLC 2024A	12,628,729 *	7.02%	12,628,729	-	107,739	12,520,990	7/1/2045
CIDC Colonie IV LLC 2024B	3,300,000 *	6.50%	3,310,000	-	3,310,000	-	7/1/2040
CIDC Albany Center LLC 2025	38,705,000	4.99%	-	38,705,000	-	38,705,000	3/1/2057
Wildwood Programs, Inc -Series 2019A	2,880,000	3.10%	1,410,000	-	355,000	1,055,000	7/1/2030
			\$ 88,484,568	\$ 38,705,000	\$ 6,329,492	\$ 120,860,076	

\*Debt has been issued on a drawdown basis.

**Note 3. Transactions With Related Organization**

The Corporation has entered into an agreement with the AACA to provide professional economic development management and administrative support services to the Corporation. The terms of the agreement, as extended, commenced on June 21, 2023, and continue through December 31, 2027. In consideration of the terms and conditions of the agreement, the Corporation has agreed to pay the AACA \$133,333 annually in equal monthly installments. The agreement may be terminated by either party for any reason upon thirty (30) days' prior written notice.

**Note 4. Accounting Pronouncements Issued But Not Yet Implemented**

GASB Statement No. 103, *Financial Reporting Model Improvements*. This statement improves key components of the financial reporting model, including a reiteration of the Management's Discussion and Analysis requirements, description and presentation requirements for unusual or infrequent items, definitions of nonoperating revenues and expenses, major component unit presentation requirements, and the requirement that budgetary comparison information be presented as required supplementary information versus a statement. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. It also establishes disclosure requirements for capital assets held for sale, including disclosures relating to debt for which the capital assets held for sale are pledged as collateral. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

The Corporation's management is not yet able to estimate the extent of the potential impact of these statements on the Corporation's financial statements.



**Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance  
With Government Auditing Standards**

**Independent Auditor's Report**

Chair and Members of the Audit Committee  
Albany County Capital Resource Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Albany County Capital Resource Corporation (Corporation), a component unit of Albany County, New York, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated \_\_\_\_\_, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Latham, New York  
\_\_\_\_\_, 2026



**Report on Compliance With Section 201.3 of  
Title Two of the Official Compilation of Codes, Rules  
and Regulations of the State of New York**

**Independent Accountant's Report**

Chairman and Corporation Board  
Albany County Capital Resource Corporation

We have examined the Albany County Capital Resource Corporation's (Corporation) compliance with the requirements of Section 201.3 of Title Two of the *Official Compilation of Codes, Rules, and Regulations of the State of New York* (Section 201.3) during the year ended December 31, 2025. Management of the Corporation is responsible for the Corporation's compliance with Section 201.3. Our responsibility is to express an opinion on the Corporation's compliance with Section 201.3 based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Corporation complied, in all material respects, with Section 201.3. An examination involves performing procedures to obtain evidence about whether the Corporation complied with Section 201.3. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Corporation's compliance with Section 201.3.

We are required to be independent and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Corporation complied, in all material respects, with Section 201.3 during the year ended December 31, 2025.

In accordance with *Government Auditing Standards*, we are required to report material weaknesses and significant deficiencies in internal control, violations of provisions of laws, regulations, contracts, and grant agreements, and abuse that are material to the Corporation's compliance with Section 201.3 and any fraud or illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain views of management on those matters. We performed our examination to express an opinion on the Corporation's compliance with Section 201.3 and not for the purpose of expressing an opinion on internal control over compliance with Section 201.3 or other matters; accordingly, we express no such opinion. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of Corporation management, the Board of Directors, and New York State and is not intended to be and should not be used by anyone other than these specified parties.

Latham, New York  
\_\_\_\_\_, 2026

DRAFT

**RESOLUTION CONFIRMING INDEPENDENCE  
OF CORPORATION CERTIFIED AUDITOR  
AND APPROVING NON-AUDIT SERVICES**

A regular meeting of the Audit Committee (the “Committee”) of the Albany County Capital Resource Corporation (the “Corporation”) was convened in public session at the offices of the Corporation located at 111 Washington Avenue, Suite 100 in the City of Albany, Albany County, New York on March 25, 2026 at 5:00 o’clock p.m., local time.

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

PRESENT:

William Murphy	Chairperson
Michael J. Papanian	Member
Hon. Wanda Willingham	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Kevin O’Connor	Chief Executive Officer
Amy Thompson	Chief Financial Officer
Antionette Dukes-Hedge	Economic Development Coordinator
Sara Paulsen	Executive Assistant
Christopher C. Canada, Esq.	Corporation Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Audit Committee Resolution No. 0326-01

**RESOLUTION CONFIRMING THE INDEPENDENCE OF THE INDEPENDENT  
AUDITOR OF THE ALBANY COUNTY CAPITAL RESOURCE CORPORATION  
AND AUTHORIZING SUCH AUDITOR TO PERFORM NON-AUDIT SERVICES.**

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, (A) the County Legislature (the “Legislature”) of Albany County, New York (the “County”) adopted a resolution on September 8, 2014 (the “Sponsor Resolution”) (1) authorizing the incorporation of Albany County Capital Resource Corporation (the “Corporation”) as a public instrumentality of the County and (2) appointing the initial members of the board of directors of the Corporation, who serve at the pleasure of the Legislature, and (B) in September, 2014, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Corporation as a public instrumentality of the County; and

WHEREAS, the Corporation is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better

and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Corporation will be performing essential governmental functions; and

WHEREAS, pursuant to a requirement under Chapter 506 of the 2009 Laws of the State of New York (the “Public Authorities Reform Act”), the Audit Committee (the “Committee”) of the Corporation was formed to, among other things, appoint, compensate and oversee independent auditors retained by the Corporation; review and approve the Corporation’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; and

WHEREAS, the Corporation has retained BST & Co. CPAs, LLP to act as the independent auditor of the Corporation (the “Auditor”); and

WHEREAS, pursuant to Section 2802(4) of the Public Authorities Law of the State of New York (the “PAL”), the certified independent public accounting firm providing the Corporation’s annual independent audit will be prohibited in providing audit services to the Corporation if the lead (or coordinating) audit partner (having primary responsibility for the audit), or the audit partner responsible for reviewing the audit, has performed audit services for the Corporation in each of the five (5) previous fiscal years of the Corporation; and

WHEREAS, further, pursuant to Section 2802(5) of the PAL, the certified independent public accounting firm performing the Corporation’s audit may not perform any non-audit services to the Corporation contemporaneously with the Corporation’s independent audit, including: (a) bookkeeping or other services related to the accounting records or financial statements; (b) financial information systems design and implementation; (c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (d) actuarial services; (e) internal audit outsourcing services; (f) management functions or human services; (g) broker or dealer, investment advisor, or investment banking services; and (h) legal services and expert services unrelated to the audit, unless such independent public accounting firm receives previous written approval from the Committee; and

WHEREAS, the Committee and Corporation staff have reviewed the identity of the lead (or coordinating) audit partner of the Auditor and have confirmed that such lead (or coordinating) audit partner has not performed audit services for the Corporation in each of the five (5) previous fiscal years of the Corporation; and

WHEREAS, the members of the Committee desire to document the confirmation of the independence of the Corporation’s Auditor and provide approval for the Auditor to provide non-audit services to the Corporation, if necessary;

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

Section 1. All action taken by the staff, counsel, and/or the members of the Committee with respect to (a) the confirmation of the independence of the Auditor and (b) the approval of the provision of non-audit services by the Auditor is hereby ratified and confirmed.

Section 2. Based on the information presented by the staff of the Corporation, the members of the Committee hereby (a) find and confirm that the Auditor, is fully “independent” pursuant to, and in accordance with, the PAL, and (b) approve the provision of non-audit services by the Auditor, if necessary.

Section 3. 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:

William Murphy	VOTING	_____
Michael J. Paparian	VOTING	_____
Hon. Wanda Willingham	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Chairperson of the Audit Committee (the “Committee”) of Albany County 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 Committee, including the resolution contained therein, held on March 25, 2026 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 Committee 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 duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Committee 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 this 25<sup>th</sup> day of March, 2026.

\_\_\_\_\_  
Chairperson

**RESOLUTION RECOMMENDING APPROVAL OF  
2025 AUDITED FINANCIAL STATEMENTS  
AND 2025 INDEPENDENT AUDIT**

A regular meeting of the Audit Committee (the “Committee”) of the Albany County Capital Resource Corporation (the “Corporation”) was convened in public session at the offices of the Corporation located at 111 Washington Avenue, Suite 100 in the City of Albany, Albany County, New York on March 25, 2026 at 5:00 o’clock p.m., local time.

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

**PRESENT:**

William Murphy	Chairperson
Michael J. Paparian	Member
Hon. Wanda Willingham	Member

**ABSENT:**

**CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:**

Kevin O’Connor	Chief Executive Officer
Amy Thompson	Chief Financial Officer
Antionette Dukes-Hedge	Economic Development Coordinator
Sara Paulsen	Executive Assistant
Christopher C. Canada, Esq.	Corporation Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Audit Committee Resolution No. 0326-02

**RESOLUTION APPROVING THE 2025 AUDITED FINANCIAL STATEMENTS AND  
ACCEPTING 2025 INDEPENDENT AUDIT OF THE ALBANY COUNTY CAPITAL  
RESOURCE CORPORATION.**

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, (A) the County Legislature (the “Legislature”) of Albany County, New York (the “County”) adopted a resolution on September 8, 2014 (the “Sponsor Resolution”) (1) authorizing the incorporation of Albany County Capital Resource Corporation (the “Corporation”) as a public instrumentality of the County and (2) appointing the initial members of the board of directors of the Corporation, who serve at the pleasure of the Legislature, and (B) in September, 2014, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Corporation as a public instrumentality of the County; and

WHEREAS, the Corporation is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in

carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Corporation will be performing essential governmental functions; and

WHEREAS, pursuant to a requirement under Chapter 506 of the 2009 Laws of the State of New York (the “Public Authorities Reform Act”), the Audit Committee (the “Committee”) of the Corporation was formed to, among other things, appoint, compensate and oversee independent auditors retained by the Corporation; review and approve the Corporation’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; and

WHEREAS, BST & Co. CPAs, LLP, the independent auditor retained by the Corporation (the “Auditor”), has completed the preparation of the 2025 audited financial statements of the Corporation (the “2025 Audited Statements”) and the independent audit of the Corporation’s 2025 Audited Statements and the Corporation’s 2025 operations related thereto (the “2025 Independent Audit”); and

WHEREAS, the Treasurer of the Corporation and/or a representative of the Auditor has presented the 2025 Audited Statements and the 2025 Independent Audit to the members of the Committee, and the Auditor has reported on the results of the 2025 Independent Audit; and

WHEREAS, the Committee and Corporation staff, have (i) reviewed the Corporation’s 2025 Independent Audit and the 2025 Audited Statements, (ii) received a presentation from the Auditor on such 2025 Independent Audit and 2025 Audited Statements and the Auditor’s opinion on the Corporation’s system of internal controls, and (iii) discussed the findings of the 2025 Independent Audit, 2025 Audited Statements, and the Auditor’s opinion on internal controls; and

WHEREAS, the members of the Committee desire to recommend to the full board of the Corporation the approval and acceptance of the Corporation’s 2025 Independent Audit and the 2025 Audited Statements;

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

Section 1. All action taken by the staff, counsel, and/or the members of the Committee with respect to the review, approval and/or acceptance of the Corporation’s 2025 Independent Audit and the 2025 Audited Statements is hereby ratified and confirmed.

Section 2. The members of the Committee recommend that the full board of the Corporation approve and accept the Corporation’s 2025 Independent Audit and the 2025 Audited Statements.

Section 3. 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:

William Murphy	VOTING	_____
Michael J. Paparian	VOTING	_____
Hon. Wanda Willingham	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

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

I, the undersigned Chairperson of the Audit Committee (the “Committee”) of Albany County 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 Committee, including the resolution contained therein, held on March 25, 2026 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 Committee 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 duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Committee 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 this 25<sup>th</sup> day of March, 2026.

\_\_\_\_\_  
Chairperson

**RESOLUTION APPROVING AUDIT COMMITTEE CHARTER  
AND DOCUMENTING ANNUAL REPORT TO  
BOARD OF DIRECTORS ON DISCHARGE OF DUTIES**

A regular meeting of the Audit Committee (the “Committee”) of the Albany County Capital Resource Corporation (the “Corporation”) was convened in public session at the offices of the Corporation located at 111 Washington Avenue, Suite 100 in the City of Albany, Albany County, New York on March 25, 2026 at 4:00 o’clock p.m., local time.

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

PRESENT:

William Murphy	Chairperson
Michael J. Paparian	Member
Hon. Wanda Willingham	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Kevin O’Connor	Chief Executive Officer
Amy Thompson	Chief Financial Officer
Antionette Dukes-Hedge	Economic Development Coordinator
Sara Paulsen	Executive Assistant
Christopher C. Canada, Esq.	Corporation Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Audit Committee Resolution No. 0326-03

**RESOLUTION APPROVING AUDIT COMMITTEE CHARTER & DOCUMENTING  
ANNUAL REPORT TO BOARD OF DIRECTORS ON THE COMMITTEE’S  
DISCHARGE OF ITS DUTIES.**

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, (A) the County Legislature (the “Legislature”) of Albany County, New York (the “County”) adopted a resolution on September 8, 2014 (the “Sponsor Resolution”) (1) authorizing the incorporation of Albany County Capital Resource Corporation (the “Corporation”) as a public instrumentality of the County and (2) appointing the initial members of the board of directors of the Corporation, who serve at the pleasure of the Legislature, and (B) in September, 2014, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Corporation as a public instrumentality of the County; and

WHEREAS, the Corporation is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in

carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Corporation will be performing essential governmental functions; and

WHEREAS, pursuant to a requirement under Chapter 506 of the 2009 Laws of the State of New York (the “Public Authorities Reform Act”), the Audit Committee (the “Committee”) of the Corporation was formed to, among other things, appoint, compensate and oversee independent auditors retained by the Corporation; review and approve the Corporation’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; and

WHEREAS, the members of the Committee desire to approve a charter of the Committee (the “Charter”) setting forth the purposes and powers of the Committee; and

WHEREAS, counsel to the Corporation has prepared a draft Charter, a copy of which is attached hereto as Exhibit A, and has presented such Charter to the members of the Committee and the members of the board of directors of the Corporation for review and comment; and

WHEREAS, the members of the Committee desire to approve the Charter; and

WHEREAS, Charter provides that the Committee shall annually: (i) review the Committee Charter and present any recommended changes to the board of directors of the Corporation for consideration; and (ii) report to the board of directors of the Corporation of how it has discharged its duties and met its responsibilities as outlined in such Charter;

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

Section 1. All action taken by the staff, counsel, and/or the members of the Committee with respect to the conduct, approval and/or acceptance of the Charter and the Committee’s self-evaluation is hereby ratified and confirmed.

Section 2. The members of the Committee hereby find and determine that: (a) the Committee has effectively completed its duties and obligations pursuant to the Charter for calendar year 2025, (b) the Charter attached hereto as Exhibit A is compliant with the Public Authorities Law of the State of New York and other industry standards, and (c) no changes to the Charter are recommended at this time.

Section 3. The Committee hereby approves the Charter and issues the report attached hereto as Exhibit B to the board of directors of the Corporation.

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:

William Murphy	VOTING	_____
Michael J. Paparian	VOTING	_____
Hon. Wanda Willingham	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

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

I, the undersigned Chairperson of the Audit Committee (the “Committee”) of Albany County 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 Committee, including the resolution contained therein, held on March 25, 2026 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 Committee 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 duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Committee 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 this 25<sup>th</sup> day of March, 2026.

\_\_\_\_\_  
Chairperson

## EXHIBIT A

### PROPOSED AUDIT COMMITTEE CHARTER

#### **Purpose**

Pursuant to the by-laws of the Albany County Capital Resource Corporation (the “Corporation”), the purpose of the Audit Committee shall be to (1) assure that the Corporation’s board fulfills its responsibilities for the Corporation’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 Corporation.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from Corporation employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with Corporation staff, independent auditors or outside counsel, as necessary.
- Retain, at the Corporation’s expense, such outside counsel, experts and other advisors as the Audit Committee may deem appropriate.
- The Corporation 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 the Corporation’s by-laws. The Audit Committee shall consist of at least three (3) members of the board of directors who are independent of Corporation operations. The Corporation’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 Corporation or an immediate family member of an employee of the Corporation. In addition, Audit Committee members shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation.

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 (1) financial expert*; whose name shall be disclosed in the annual report of the Corporation.

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 two (2) times per 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 or via videoconference. 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. A majority of the committee members present or participating through videoconference shall constitute a quorum.

Meeting agendas will be prepared for every meeting and provided to the Audit Committee members along with briefing materials five (5) calendar 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. Minutes of these meetings will be recorded.

The Audit Committee will meet with the Corporation's independent auditor at least annually to discuss the financial statements of the Corporation.

Minutes of the committee's meeting shall be prepared and filed in the records of the Corporation and posted to the Corporation's webpage.

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.

### **Responsibilities**

The Audit Committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Corporation'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 Corporation.

#### **A. Independent Auditors and Financial Statements**

The Audit Committee shall:

- Appoint, compensate and oversee independent auditors retained by the Corporation 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 Corporation'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 Corporation's operations, such as bookkeeping or other services related to the accounting records or financial statements of the Corporation, 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 Corporation'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 Corporation may, in its absolute discretion and by resolution of the members, create and establish an internal audit procedure. In the event such an internal audit procedure is created, 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 Corporation 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 Corporation'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 Corporation 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 Corporation or any persons having business dealings with the Corporation 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 Corporation's board a 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 Corporation. The Audit Committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual meeting and request the approval of the board of directors for any proposed changes to this charter.

**RESOLUTION DOCUMENTING MANAGEMENT'S  
ANNUAL ASSESSMENT OF EFFECTIVENESS OF  
INTERNAL CONTROLS**

A regular meeting of the Audit Committee (the "Committee") of the Albany County Capital Resource Corporation (the "Corporation") was convened in public session at the offices of the Corporation located at 111 Washington Avenue, Suite 100 in the City of Albany, Albany County, New York on March 25, 2026 at 5:00 o'clock p.m., local time.

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

PRESENT:

William Murphy	Chairperson
Michael J. Paparian	Member
Hon. Wanda Willingham	Member

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Kevin O'Connor	Chief Executive Officer
Amy Thompson	Chief Financial Officer
Antionette Dukes-Hedge	Economic Development Coordinator
Sara Paulsen	Executive Assistant
Christopher C. Canada, Esq.	Corporation Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Audit Committee Resolution No. 0326-04

**RESOLUTION DOCUMENTING MANAGEMENT'S ANNUAL ASSESSMENT OF  
EFFECTIVENESS OF INTERNAL CONTROLS.**

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act") and Revenue Ruling 57-187 and Private Letter Ruling 200936012, (A) the County Legislature (the "Legislature") of Albany County, New York (the "County") adopted a resolution on September 8, 2014 (the "Sponsor Resolution") (1) authorizing the incorporation of Albany County Capital Resource Corporation (the "Corporation") as a public instrumentality of the County and (2) appointing the initial members of the board of directors of the Corporation, who serve at the pleasure of the Legislature, and (B) in September, 2014, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate of Incorporation") creating the Corporation as a public instrumentality of the County; and

WHEREAS, the Corporation is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in

carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Corporation will be performing essential governmental functions; and

WHEREAS, pursuant to a requirement under Chapter 506 of the 2009 Laws of the State of New York (the “Public Authorities Reform Act”), the Audit Committee (the “Committee”) of the Corporation was formed to, among other things, appoint, compensate and oversee independent auditors retained by the Corporation; review and approve the Corporation’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; and

WHEREAS, the Chief Executive Officer and the Chief Financial Officer of the Corporation (collectively, “Corporation Management”) has conducted its annual assessment of the effectiveness of the Corporation’s internal controls and provided the report attached hereto as Exhibit A to the Committee on such assessment;

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

Section 1. All action taken by the staff, counsel, and/or the members of the Committee with respect to Corporation Management’s annual assessment of the effectiveness of the Corporation’s internal controls is hereby ratified and confirmed.

Section 2. The members of the Committee shall report to the board of directors of the Corporation that the Committee has received, reviewed and discussed Corporation Management’s annual assessment of the effectiveness of the Corporation’s internal controls and directs Corporation staff to post its written report on such assessment on the Corporation’s website.

Section 3. 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:

William Murphy	VOTING	_____
Michael J. Paparian	VOTING	_____
Hon. Wanda Willingham	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

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

I, the undersigned Chairperson of the Audit Committee (the “Committee”) of Albany County 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 Committee, including the resolution contained therein, held on March 25, 2026 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 Committee 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 duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Committee 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 this 25<sup>th</sup> day of March, 2026.

\_\_\_\_\_  
Chairperson

EXHIBIT A  
MANAGEMENT'S ASSESSMENT OF  
INTERNAL CONTROLS

[TO BE INSERTED]

**Albany County Capital Resource Corporation (ACCRC)  
Assessment of the Effectiveness of Internal Controls for 2025**

**Mission:**

The mission of the Albany County Capital Resource Corporation (“ACCRC”) is to encourage economic growth and expansion through the provision of financial assistance, thereby advancing job opportunities, health, general prosperity, and economic welfare of the people of Albany County and New York State.

**ACCRC Major Business Functions:**

No changes have occurred with respect to ACCRC’s mission or objectives during 2025. The Corporation continues to fulfill its purpose by providing financial assistance to eligible projects, including the issuance of taxable and tax-exempt bonds and the provision of tax-related incentives.

ACCRC’s major business functions, including financial administration, project evaluation, and compliance with applicable statutory requirements, are carried out by staff and reviewed by the Board of Directors during publicly advertised and open meetings. Meeting minutes and supporting documentation are maintained in accordance with applicable New York State requirements.

In 2025, ACCRC approved one (1) project, which is expected to generate significant capital investment and contribute to job creation and retention throughout Albany County.

**Risks Associated with ACCRC Operations:**

ACCRC maintains established governance practices to mitigate operational, financial, and legal risks. Public meeting requirements are consistently followed, and Board members—including the Chair and Treasurer—remain actively engaged in oversight.

Financial information is regularly reviewed and presented to the Board. Additionally, ACCRC utilizes independent third-party professionals, including legal counsel and auditors, to provide further oversight and ensure compliance with all applicable laws and regulations.

Based on these practices, risks associated with ACCRC operations are considered low. A review for 2025 indicates no material changes in risk exposure or oversight structure.

**Internal Control Systems in Place:**

ACCRC maintains a comprehensive system of internal controls, policies, and procedures designed to ensure accountability, transparency, and effective achievement of its mission. These controls remained in place and operational throughout 2025. Key internal controls include:

- Compliance with public meeting and disclosure requirements
- Annual review and adoption of required New York State Public Authorities Accountability Act (PAAA) policies

- Engagement of independent external professionals for audit and legal services
- Regular financial and operational reporting to management and the Board of Directors
- Annual independent financial audit with Audit Committee oversight
- Maintenance of records and reporting in accordance with applicable Authorities Budget Office (ABO) guidance

Additionally, ACCRC staff and advisors maintain awareness of relevant statutory and regulatory requirements to ensure continued compliance.

**Extent to Which the Internal Control System is Effective:**

Management has reviewed ACCRC's internal control systems for 2025 and determined that they remain in place and are functioning as intended.

The Corporation's independent financial audit identified no material weaknesses or significant deficiencies. Existing policies and procedures are considered appropriate and sufficient given the scope of ACCRC's operations.

ACCRC's project review and approval processes continue to support its mission, including facilitating projects that are expected to generate substantial capital investment and create and retain jobs within Albany County.

**Corrective Action:**

No specific corrective action is indicated to be required at this time. Management consistently works to strengthen controls as needed and/or recommended based on analysis.