

Jefferson County Industrial Development Agency
800 Starbuck Avenue, Suite 800
Watertown, New York 13601
Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915
www.jcida.com

Notice of Board Meeting

Date: March 20, 2025

To: Hon. William W. Johnson
David Converse
W. Edward Walldroff
Paul Warneck
Lisa L'Huillier
John Condino

From: Chairman Robert Aliasso

Re: Notice of Board of Directors Meeting

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The Jefferson County Industrial Development Agency will hold its Board Meeting on **Thursday, April 3, 2025 at 8:30 a.m.** in the board room at 800 Starbuck Avenue, Watertown, NY.

The live stream link will be available at www.jcida.com.

Zoom:
<https://us02web.zoom.us/j/84355250468?pwd=R0t4VjRPdGJBZDJrL2JQYVVjKytDdz09>
Meeting ID: 843 5525 0468
Passcode: 011440
1-929-205-6099 US (New York)

Please confirm your attendance with Peggy Sampson pssampson@jcida.com at your earliest convenience.

pss

c: Marshall Weir, CEO
Lyle Eaton
Jay Matteson
Robin Stephenson
Dr. Gregory A. Gardner
Rob Aiken
Dawn Robinson
Charles Capone
Justin S. Miller, Esq.
Stephen Maier, Esq.
Media

REVISED BOARD MEETING AGENDA

Thursday, April 3, 2025 - 8:30 a.m.

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Privilege of the Floor**
- IV. Minutes – March 6, 2025**
Special Minutes – March 20, 2025
- V. Treasurer’s Report – March 31, 2025**
- VI. Committee Reports**
 - a. Alternative Energy Ad Hoc Committee**
 - b. Building & Grounds Ad Hoc Committee**
- VII. Unfinished Business**
 - 1. Consideration of Executive Session**
- VIII. New Business**
 - 1. Fixed Asset Policy Amendment**
- IX. Counsel**
 - 1. Project Authorizing Resolution No. 04.03.2025.01 for CWT Farms International, Inc. Project – Project Extension**
- X. Adjournment**

**Jefferson County Industrial Development Agency
Board Meeting Minutes
March 6, 2025**

DRAFT

The Jefferson County Industrial Development Agency held its board meeting on Thursday, March 6, 2025 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Robert E. Aliasso, Jr., W. Edward Walldroff, David Converse, Paul Warneck, John Condino, William Johnson
Zoom: Lisa L'Huillier

Excused: None

Absent: None

Also Present: Charles Capone, Rob Aiken, Dawn Robinson, Ryan Piche (Jefferson County Administrator)
Zoom: Justin Miller, Esq. (Harris Beach), Craig Fox (Watertown Daily Times)

Staff Present: Marshall Weir, Jay Matteson, Lyle Eaton, Peggy Sampson, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:16 a.m.
- II. Privilege of the Floor:** No one spoke.
- III. Minutes:** Minutes of the meeting held on February 6, 2025 were presented. A motion to approve the minutes as presented was made by Mr. Johnson, seconded by Mr. Warneck. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending February 28, 2025. Mr. Warneck mentioned the large payment made to North Country Contractors and noted that Mr. Eaton has not transferred the \$1M loan from JCLDC yet. He reviewed the delinquent accounts: MICRO – Painful Acres, Taste of Design, and Colleen's Cherry Tree Inn (CCTI) and RLF – Convalt (legal action) and LCO (to close on sale of building in April). After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Mr. Johnson. All in favor. Carried.
- V. Committee Reports:**
 - a. Loan Review Committee** – Mr. Condino reviewed the minutes. He said the committee reviewed the AES Black River Solar PILOT application. He said the committee recommended it be brought to the full board today. Mr. Weir said the public hearing was held and noted that there was one attendee, and no comments were made.

Mr. Walldroff asked if the board will remain firm on declining sales tax abatement on solar projects. AES did request it in the application. Mr. Warneck said it's important to remember that not granting the sales tax abatement was because the County took a strong position on not providing it. He said if the County's position changes, then ours might change.

Mr. Walldroff asked if other solar projects around the state are getting sales tax abatement. Attorney Miller said generally yes and indicated that it is a mixed bag for exemptions in NYS for the actual solar equipment where the state provides an exemption from their share across the board and subject to local opt-in at the County level, the local share could be exempted

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EDWARD

(just for the equipment). He said in our particular case the County hasn't opted in for their portion of the exemption and communicated to the IDA that an outright exemption shouldn't be considered or provided. He said the balance of the project is always subject to sales tax. He said JCIDA is the only IDA that he is aware of that generally doesn't provide it.

Board members briefly discussed tariffs and our Foreign Trade Zone. Mr. Warneck said it's something to look into, just knowing what some of the products our businesses use.

- b. Alternative Energy** – Mr. Warneck shared that the Supreme Court decision came down that deemed the state's valuation model unconstitutional, which started a year and a half ago by Schoharie County. Mr. Warneck thinks the state will appeal the decision and indicated that we may see more projects if it is not in place. He said that until we know the final decision, he is encouraging assessors to continue to use the model for this year or use last year's assessment for a second year.

- c. Building and Grounds Committee** – No report.

Mr. Aiken asked about the activity at the airport site. Mr. Condino said the contractor for the bridge in Brownville is using the site for staging equipment and the County is out there moving soil and removing stumps. Mr. Matteson said the County Highway Department has a crew out there working to clean up some of the old piles of stumps and moving things around to clean up the property.

Mr. Walldroff asked if all the stuff is going to the landfill or used at other sites. Mr. Weir said that Jim Lawrence does a great job of saving all of the material and will move it to wherever it is appropriate.

VI. Unfinished Business:

- 1. Resolution No. 03.06.2025.01 to Amend the Audit Fee to Include a Single Audit and Extra Billing** – Chairman Aliasso read the resolution. A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Walldroff. Discussion ensued.

Mr. Walldroff asked if this is a one-time deal. Chairman Aliasso said it could occur next year if we surpass the threshold. Chairman Aliasso said Bowers initially quoted \$13,250. Mr. Walldroff said even with carryover we shouldn't hit the \$750,000 threshold. Mr. Weir said he doesn't believe so. He said the issue with the single audit came up because of when the cost is incurred, and we were functioning under when the bill was paid. He said the issue is going to be the amount of grant funds that are being used for the infrastructure project at the Business Complex. Chairman Aliasso said in 2025 we are not expecting it to be significant to reach the \$750,000 threshold. Mr. Converse said Bowers is saying \$3,500 for the single audit; Mr. Weir said yes. Mr. Converse asked where the extra \$10,000 is coming from. Chairman Aliasso said the extra time for them to do it. Mr. Converse said it is above their initial quote. Mr. Weir said yes and indicated that the initial quote didn't include a single audit. Mr. Converse said the way he is reading the resolution is that the quote for a single audit is \$3,500. Mr. Aliasso said it is not their time. Mr. Weir said no, it is just their single audit fee. Mr. Converse said they are saying now they need an additional \$10,000 on top of that to do the audit. Mr. Weir said the only additional piece on top of that is the \$6,500 to

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DRAFT

Resolution No. 03.06.2025.01 continued –

\$7,000. Chairman Aliasso said that if you put the two paragraphs together, the time and audit fee filing will be \$10,000 for the single audit. Mr. Converse said the single audit is basically going to cost us up to \$10,000. Mr. Weir said yes. Mr. Converse said the resolution reads differently than that. Mr. Warneck said it is a significant ask but indicated that it is a significant requirement. Mr. Converse said they came in and gave us a price to do our audit and wanted to know how they are justifying upwards of \$10,000 for the single audit when they are saying \$3,500 for a single audit. Mr. Weir said they weren't anticipating doing a single audit and then when they got into the numbers and all the files it came to light. He said we hadn't anticipated the single audit because we thought that project grant funds would have been in 2025.

Mr. Converse said the resolution should read that the quote for the single audit is between \$3,500 and \$7,000. Mr. Weir said it should be read that the single audit could cost \$10,500. Chairman Aliasso said he believes the \$3,500 is their filing fee and then there is the time to complete it. Mr. Weir said that he may have overstated it. He said the typical single audit filing fee and work involved is \$3,500 and additional services and significant additional time is upwards of \$7,000. Mr. Walldroff asked how much the filing fee is. Mr. Weir said he doesn't know what it is, but typically for them to do a single audit it is \$3,500. He said that with all the different things involved and hours and the grants and as Ms. Stephenson mentioned earlier, we had to do draft submissions for these grants. He said there is a significant amount of time involved in these things that we have to do on our side for them to do on their side. Chairman Aliasso asked how we will know that the additional work is not going to blend into the original work and suggested that Bowers can address this when they come in for the special meeting later this month. Mr. Walldroff said we can ask for an itemized bill.

Mr. Converse said that in reading this resolution and talking about and understanding it now, in a year from now, if someone looks at this resolution, they will wonder what it really says. Mr. Walldroff said it comes back to the estimated bill with so much filing fee and so many hours per person. Chairman Aliasso said that we could blend the two paragraphs. Mr. Converse said that it could say in the second WHEREAS that Bowers anticipates for the single audit and additional services a total not to exceed \$10,500. Mr. Weir said that he feels comfortable with that given where we are at in the process as well as talking to the audit manager and expressing our displeasure on the additional costs. He said the audit manager assured him that they wouldn't come back with a higher rate.

Mr. Warneck and Mr. Walldroff withdrew the first motion.

Mr. Converse made a motion that the resolution be amended to say that the single audit and the additional services and time estimated that the total cost will not exceed \$10,500, seconded by Mr. Walldroff. Mr. Weir asked Ms. Sampson if the resolution came from Harris Beach. Ms. Sampson said she created it. Mr. Weir asked if she had any issues with the change. Ms. Sampson said that according to the audit manager, the extra billing will be beyond the audit fee and single audit fee, so they are 3 separate fees and that's why she put \$23,750 as the total not to be exceeded. Mr. Weir said basically the \$23,750 fee is doing what the board is proposing. Mr. Converse said that we would need a fourth WHEREAS for the initial resolution stating what it was going to be.

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Resolution No. 03.06.2025.01 continued –

Mr. Condino asked Ms. Sampson if the additional \$7,000 is additional work for all the audits or just the single audit. Ms. Sampson said it is all combined but for the general audit. Mr. Condino said what they are saying is the initial cost was \$13,250, the single audit now that we need it is \$3,500, and to complete all of the work they need an additional allocation of up to \$7,000. He said this is not just the cost of the single audit; it is additional work that they found is necessary after they started. Ms. Sampson said yes because they had to go back and redo and update work already completed. Mr. Condino said it is pretty clear that the additional \$7,000 is to complete the initial audit and the single audit. He said the language in the current resolution is fine. Mr. Weir said that he feels that to a certain extent, and it's not to disagree with Mr. Converse's comment, other than they both would get us to the same place.

Mr. Converse said to clarify it should read that the additional time is to complete all audits. He said that the board has questions right now about it and that down the road someone will look at this and wonder what it really means. Mr. Walldroff said coming back to having an itemized bill showing the hours and rate and filing fee, it will be documentation to support the end numbers.

Mr. Converse withdrew his initial motion and made a new motion to amend the third WHEREAS to say that 'additional services and time to service all audits estimated at a range of \$6,500 and \$7,000', seconded by Mr. Condino. All in favor. Carried.

2. **Resolution No. 03.06.2025.03 to Amend the RLF Reserve for Bad Debt Allowances for CYE 2024** – Chairman Aliasso read the resolution. Mr. Eaton said the table provided is justification for having our allowance so high. He said that we have so few receivables that our allowance would appear to be out of sync with the dollar amount for receivables. He said it is an explanation of why, what if, and so on. He said it is part of Bowers' attempt to make us justify it. A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Warneck. All in favor. Carried.

VII. New Business: None.

VIII. Counsel:

1. **Project Authorizing Resolution No. 03.06.2025.02 for AES Black River Solar, LLC** – Attorney Miller said it is a standard authorizing project resolution, and it appears to be a timely close to occur this year and noted that AES holds their assets. Chairman Aliasso said the cost benefit analysis is in the packet. He read the purpose of the resolution. A motion was made by Mr. Warneck to approve the resolution, seconded by Mr. Johnson. Roll call vote. Mr. Aliasso – Yea, Mr. Converse – Yea, Mr. Condino – Yea, Mr. Johnson – Yea, Ms. L'Huillier – Yea, Mr. Walldroff – Yea, and Mr. Warneck – Yea. Carried.

Consideration of Executive Session

At 9:02 a.m. Mr. Condino made a motion to enter into executive session for legal advice and to discuss the financials of a particular company, seconded by Mr. Warneck. All in favor. Board Members, LDC Board Members (Aiken, Capone, Robinson), Staff, Attorney Miller, and Mr. Piche remained. All in favor.

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At 9:35 a.m. a motion was made by Mr. Converse to leave executive session, seconded by Mr. Warneck. All in favor. No action was taken.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Mr. Walldroff. All in favor. The meeting was adjourned at 9:37 a.m.

Respectfully submitted,

Peggy Sampson

**Jefferson County Industrial Development Agency
Special Board Meeting Minutes
March 20, 2025**

CONFIDENTIAL

The Jefferson County Industrial Development Agency held a special board meeting on Thursday, March 20, 2025 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Robert E. Aliasso, Jr., Chair, David Converse, Paul Warneck, Lisa L'Huillier, John Condino, William Johnson

Excused: None

Absent: W. Edward Walldroff

Also Present: Marshall Weir, Jay Matteson, Lyle Eaton, Peggy Sampson, Robin Stephenson, Charles Capone, Laurie Podvin and Lyndi Hill (Bowers CPAs)
Zoom: Justin Miller, Esq. (Harris Beach)

I. Call to Order: Chairman Aliasso called the special meeting to order at 8:26 a.m.

II. Special Business:

1. Audit Report for 2024 (Bowers CPAs) –

Chairman Aliasso asked if the JCCFDC is a part of the IDA audit. Ms. Hill said yes.

Lyndi Hill said this is a combination of IDA, LDC and FDC. Mr. Converse stated that we started the Deferiet last year and asked if it is included. Ms. Podvin said it is noted.

Ms. Hill presented a clean unmodified opinion. She said the IDA ended up needing a single audit which is included. She said the audit report was issued on March 10th.

Ms. Hill said the two-year comparison Management Discussion and Analysis is included for review and provides a good explanation of current activities and future outlook.

Ms. Hill said that overall cash decreased about 25% in the current year to \$4.9M, restricted cash went down about 14% to just over \$2M, capital assets increased from \$1M to \$5.6M in the current year for total assets of just over \$15M, which is down about 6% from the previous year. She said outstanding liabilities are about \$2.5M in the short term, other liabilities are about \$350,000 leaving total liabilities of about \$2.9M which is down by about 22% from the previous year. The total net position is about \$12M, which is down 2% from the previous year; \$2.5M of that is unrestricted.

Ms. Hill reviewed the notes in the audited basic financial statements which mention the blended component units including the Deferiet Redevelopment Corporation.

Ms. Hill said there were no new accounting policies in the current year.

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2025.03.20

Ms. Hill said the budget was modified to \$2,079,950 for the year ending 12/31/24 in Note 13 (Business Complex Grant Revenue). She said \$500,000 was recognized as grant income for the first and final reimbursement submitted to Northern Border for expenditures incurred in 2024. She said they are federal funds, and that is why a single audit was required. She said there is a disclosure in Note 14 (Commitments and Contingencies) that there was an outstanding loan commitment that was not completed by year-end. She said Note 18 (Subsequent Events) mentions that the Agency approved a resolution for an inter-fund cash flow loan from JCLDC and also a notification of the Agency filing a complaint in the Supreme Court regarding the outstanding loan and default.

Ms. Hill reviewed the SS1 Combining Schedule of Net Position specifically for the JCIDA. She noted a deficit of \$903,737 for the unrestricted net position. She said that overall, the assets were comparable to the prior year and increasing liabilities is what is driving that deficit at year-end. There is over \$1M in net operating loss. She said non-operating grant income exceeds grant expenses by about \$500,000 because some of the costs were capitalized leaving a total change in net position at a loss of about \$619,000.

Ms. Hill said the FDC does have a positive net position of just under \$31,000 at the end of the year.

Ms. Hill said the last section is the single audit reporting. She said originally, they didn't think the IDA would have to have a single audit but during testing of the airport project with federal funds that will be submitted based on expenditures in 2024 exceeded the threshold of \$750,000.

Ms. Hill said that while it was an unmodified opinion there were some findings of a significant deficiency and non-compliance.

Findings (Financial Statement Audit):

2024-001 Project Management – Financial Reporting and General Ledger Maintenance on Accrual Basis:

Ms. Hill said that with the ongoing business complex project that has multiple funding sources (federal, state, and local), there were payables for contractors and engineers that were not properly recorded and were picked up during the audit. The grant reimbursement request was not prepared at year-end. She said that overall, the oversight and management of the project was not properly monitored since the grant reimbursement requests were not prepared timely, causing material audit entries for the financial statement to be properly stated.

Recommendation – Procedures should be implemented to improve overall project management, timely recognition and monitoring of contractor work and expenditures incurred, plans on which grants will be used to cover project costs, and timely submission of grant reimbursement requests. She said the findings do have corrective action plans from management as listed.

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Findings (Single Audit):

2024-002 COVID-19 Funds – Assistance Listing 21.027 Identification of Federal Subaward:

Ms. Hill said these are the same findings that JCLDC had last year. She said the Agency didn't identify a subrecipient of the fund and applicable requirements at the time a sub-award was made to the Organization. She said because they weren't identified we weren't ensuring that they were complying with regulations that we have to follow.

2004-003 Subrecipient Monitoring:

Ms. Hill said that since the Organization was not identified as a subrecipient, the Agency did not properly monitor them to provide assurance that they were administering the compliance and receive a copy of their single audit if they had expenditures over the \$750,000 threshold.

Mr. Matteson asked what it was that we didn't do and asked for it in common terms so he could understand it. Ms. Hill said it was basically telling the people that it's federal dollars and they are required to follow uniform guidance, so they have to report the federal funds in their audit reports similar to the Agency. Mr. Matteson said for example with the Agricultural grants, if we awarded a \$10,000 grant to a farm to purchase equipment, what should we have done to comply? Ms. Hill said they are not a subrecipient because they are the end user of the grant funds, so that's not what the finding is in regards to. She said there is one specific entity that the Agency gave the funds to out of the IDA similar to the LDC last year with one user who received the money and then passed it on to someone else outside of their organization, so they were not an end user of the grant funds. Mr. Warneck asked who the subrecipients were. Ms. Hill said the Town of Hounsfield is the subrecipient mentioned for the IDA. Ms. Stephenson said it was CAPC last year for JCLDC. Mr. Matteson acknowledged that we were fine on the smaller grants and noted that it was the larger grants that we were passing larger amounts of funds to, and they were then awarded or used in some other fashion and those are the ones that are noted in the report. Ms. Hill said yes. Ms. Podvin said uniform guidance is compliance steps that are designated that they have to follow so there is no subjectivity so the subrecipient monitoring is one of the steps that they have to do.

Management letter:

Ms. Hill said they are the same comments that were just discussed in the JCLDC meeting.

1. Measurement of Credit Loss – Update the lending policy to include the methodology for calculating the expected credit loss on loans receivable and then document with supporting factors for board approval and auditing.
2. Journal Entries – Have dual control over the review and approval of all journal entries monthly.
3. Capitalization Policy – Update the policy for a higher threshold for capitalization.

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4. **Bank Reconciliations** – Unreconciled differences and transactions identified relating to two PILOT payments. There was a material outstanding transfer between two Agency accounts on the bank reconciliation, which caused material variances for both accounts on internal financial statements. The reconciled cash balances that were designated for PILOT and loan programs were not in agreement with the ending net position based on current-year receipts and disbursements. Transactions were deposited or paid out of incorrect accounts or adjusted with entries incorrectly to the general ledger.

Recommendation – Make sure the bank reconciliation items are identified at the time, that they are completed and signed off on a monthly basis, and that the designated bank accounts reconcile back to the support information for cash flows in and out and make sure they are in the correct bank accounts.

Ms. Hill said they issued a report for the Investment Report for the Public Authority Law even though the IDA does not hold any investments.

2. **Annual Meeting Resolution No. 03.20.2025.01** (including acceptance of Audit and PARIS Reports, Ratification of Mission Statement and Performance Measurements, Property Disposition, Investment and Procurement Policies, Election of Officer/Board Positions and Appointment of Staff) – A motion was made by Mr. Johnson to approve the resolution, seconded by Mr. Condino. Roll call vote. Mr. Converse – Yea, Mr. Condino – Yea, Mr. Aliasso – Yea, Mr. Walldroff – Absent, Mr. Warneck – Yea, Mr. Johnson – Yea, Ms. L'Huillier – Yea. Carried.

- III. **Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Mr. Condino. The special meeting was adjourned at 8:52 a.m.

Respectfully submitted,

Peggy Sampson

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 Prepared by Lyle Eaton, UNRECONCILED
Income Statement for the Three Month Period Ending March 31, 2025

| | Current Year Budget | Year-to-Dat e Total | Current Month | Previous Month | Balance Remaining |
|-------------------------------------|---------------------------|------------------------|----------------------|-------------------|----------------------|
| Revenues | | | | | |
| Application & Process Fees | \$ 12,000.00 | 0.00 | \$ 0.00 | 0.00 | 12,000.00 |
| PILOT/Sale Leaseback Fees | 594,433.00 | 0.00 | 0.00 | 0.00 | 594,433.00 |
| Fee Income - RLF Program | 43,000.00 | 0.00 | 0.00 | 0.00 | 43,000.00 |
| Fee Income - Micro Program | 24,000.00 | 1,876.06 | 0.00 | 0.00 | 22,123.94 |
| Interest Income | 3,000.00 | 37.17 | 0.00 | 14.86 | 2,962.83 |
| Interest Income - RLF Program | 60,000.00 | 15,225.41 | 6,617.02 | 3,935.89 | 44,774.59 |
| Interest Income - City Fund | 14,987.00 | 3,745.29 | 1,247.81 | 1,247.48 | 11,241.71 |
| Interest Income - Micro Prog. | 5,000.00 | 1,329.36 | 290.60 | 339.67 | 3,670.64 |
| Late Payment Penalty - Micro | 300.00 | 0.00 | 0.00 | 0.00 | 300.00 |
| Miscellaneous Income | 500.00 | 81.83 | 0.00 | 30.00 | 418.17 |
| YMCA Income | 0.00 | 1.00 | 0.00 | 0.00 | (1.00) |
| Total Revenues | 757,220.00 | 22,296.12 | 8,155.43 | 5,567.90 | 734,923.88 |
| Operations | | | | | |
| Office Expense | 2,000.00 | 1,293.88 | 7.52 | 286.36 | 706.12 |
| Admin Services Exp | 453,399.00 | 200.00 | 0.00 | 0.00 | 453,199.00 |
| Depreciation Expense - Siding | 16,296.00 | 4,073.88 | 1,357.96 | 1,357.96 | 12,222.12 |
| D&O Insurance | 17,000.00 | 4,116.24 | 1,372.08 | 1,372.08 | 12,883.76 |
| Commercial Insurance | 10,000.00 | 2,552.16 | 850.72 | 850.72 | 7,447.84 |
| Legal- Retainer | 18,000.00 | 3,000.00 | 3,000.00 | 0.00 | 15,000.00 |
| Legal - Unrestricted | 8,600.00 | 0.00 | 0.00 | 0.00 | 8,600.00 |
| Accounting & Auditing | 19,000.00 | 0.00 | 0.00 | 0.00 | 19,000.00 |
| Coffeen Park Taxes | 2,500.00 | 2,987.15 | 0.00 | 0.00 | (487.15) |
| Airport Park Taxes | 1,200.00 | 1,106.13 | 0.00 | 0.00 | 93.87 |
| Deferit Expense | 5,000.00 | 1,755.00 | 1,755.00 | 0.00 | 3,245.00 |
| Fees Expense | 500.00 | 3,251.01 | 0.00 | 0.00 | (2,751.01) |
| RLF Program Expense | 41,300.00 | 0.00 | 0.00 | 0.00 | 41,300.00 |
| Microenterprise Program Exp | 24,000.00 | 0.00 | 0.00 | 0.00 | 24,000.00 |
| Building Depreciation- 146 Ars | 123,000.00 | 0.00 | 0.00 | 0.00 | 123,000.00 |
| Miscellaneous - Unrestricted | 438.00 | 2,140.00 | 2,140.00 | 0.00 | (1,702.00) |
| Total Operations | 742,233.00 | 26,475.45 | 10,483.28 | 3,867.12 | 715,757.55 |
| Total Revenue | 757,220.00 | 22,296.12 | 8,155.43 | 5,567.90 | 734,923.88 |
| Total Expenses | 742,233.00 | 26,475.45 | 10,483.28 | 3,867.12 | 715,757.55 |
| Net Income Over Expenditures | \$ 14,987.00 | (4,179.33) | \$ (2,327.85) | 1,700.78 | 19,166.33 |

JCIDA BALANCE SHEET

| Current Assets | IDA | 2/28/2025 | 3/31/2025 |
|-------------------------------|-----|------------------|------------------|
| General Checking | | \$ 6,960.15 | \$ 16,897.80 |
| Savings Account | | 159,019.38 | 159,034.24 |
| PILOT Checking | | 67,229.13 | 44,481.81 |
| Microenterprise Account | | 113,027.53 | 114,882.01 |
| City Loan Account | | 45,013.82 | 46,514.16 |
| Revolving Loan Fund Account | | 2,034,848.65 | 2,044,258.36 |
| PILOT Monies Receivable | | 99,958.91 | 51,933.89 |
| Miscellaneous Receivable | | 49,354.90 | 49,384.90 |
| RLF Loans Receivable | | 2,264,120.96 | 2,261,486.61 |
| Microenterprise Loans Rec. | | 111,906.32 | 110,260.03 |
| Want Economic Growth Rec | | 249,498.75 | 249,246.56 |
| Grants Receivable | | | 500,000.00 |
| Allowance for Bad Debt-RLF | | (300,000.00) | (570,000.00) |
| Allow. for Bad Debts-MICRO | | (35,000.00) | (35,000.00) |
| Prepaid Expense | | 16,009.89 | 13,787.09 |
| Total Current Assets | | \$ 4,881,948.39 | \$ 5,057,167.46 |
| Property and Equipment | | | |
| Accum Depr - Building | | (1,300,699.68) | (1,300,969.68) |
| Accum Depr. Equipment | | (52,269.66) | (52,269.66) |
| Accumulated Depreciation Sidm | | (62,466.16) | (63,824.12) |
| Total Property and Equipment | | (1,415,435.50) | (1,417,063.46) |
| Other Assets | | | |
| IT Server | | 6,050.00 | 6,050.00 |
| Equipment | | 13,366.00 | 13,366.00 |
| Corp. Park Improvements | | 209,995.14 | 209,995.14 |
| Airport Property | | 884,326.02 | 884,326.02 |
| Intangible Asset | | 53,195.00 | 53,195.00 |
| WIP Airport | | 1,392,274.16 | 1,397,681.31 |
| WIP Intersection | | 244,973.52 | 244,973.52 |
| Woolworth Building | | 505,000.00 | 505,000.00 |
| Rail Siding CCIP | | 244,434.00 | 244,434.00 |
| Land 146 Arsenal | | 126,577.50 | 126,577.50 |
| 146 Ars Building Improvements | | 3,264,556.08 | 3,264,556.08 |
| Total Other Assets | | 6,944,747.42 | 6,950,154.57 |
| Total Assets | | \$ 10,411,260.31 | \$ 10,590,258.57 |

JCIDA BALANCE SHEET

LIABILITIES AND CAPITAL

Current Liabilities

| | | | | | |
|---------------------------------|----|--------------|---|----|--------------|
| Accounts Payable - Unrestricted | \$ | 107,534.32 | X | \$ | 106,534.32 |
| PILOT Monies Payable | | 62,210.04 | | | 14,185.02 |
| RLF Loan Payable | | 700,000.00 | | | 700,000.00 |
| Due SHLDC | | | | | 215.00 |
| Due HUD - RLF Interest | | 1,736.88 | | | 1,895.22 |
| Due HUD - MICRO Interest | | 9.23 | | | 10.09 |
| Due HUD - CITY Loan Interest | | 12.16 | | | 12.50 |
| Due to JCIDA | | | | | 285.00 |
| ARPA Airport Sewer | | 916,000.00 | | | 916,000.00 |
| Car Freshner Signage | | 11,000.00 | | | 11,000.00 |
| Total Current Liabilities | \$ | 1,798,502.63 | | \$ | 1,750,137.15 |

Long-Term Liabilities

| | | | | | |
|-----------------------------|--|------------|--|--|------------|
| Due NYS/IAP L.T. | | 180,159.78 | | | 180,159.78 |
| Total Long-Term Liabilities | | 180,159.78 | | | 180,159.78 |

| | | | | | |
|-------------------|--|--------------|--|--|--------------|
| Total Liabilities | | 1,978,662.41 | | | 1,930,296.93 |
|-------------------|--|--------------|--|--|--------------|

Capital

| | | | | | |
|---------------------------------|--|--------------|--|--|--------------|
| General Fund Bal - Unrestricted | | 2,867,181.39 | | | 4,196,147.39 |
| Fund Bal - RLF Restricted | | 4,109,139.27 | | | 3,992,048.27 |
| Fund Bal - Micro Restricted | | 190,659.76 | | | 186,824.76 |
| Fund Bal - City Restricted | | 287,870.22 | | | 289,120.22 |
| Cap. Impr. Convergys | | 979,560.33 | | | 0.33 |
| Net Income | | (1,813.07) | | | (4,179.33) |
| Total Capital | | 8,432,597.90 | | | 8,659,961.64 |

| | | | | | |
|-----------------------------|--|---------------|--|--|---------------|
| Total Liabilities & Capital | | 10,411,260.31 | | | 10,590,258.57 |
|-----------------------------|--|---------------|--|--|---------------|

Jefferson County IDA
Balance Sheet
March 31, 2025

ASSETS

| | | |
|--------------------------------|----------------|-----------------------------|
| Current Assets | | |
| General Checking | \$ | 16,897.80 |
| Savings Account | | 159,034.24 |
| PILOT Checking Account | | 44,481.81 |
| Microenterprise Account | | 114,882.01 |
| City Loan Account | | 46,514.16 |
| Revolving Loan Fund Account | | 2,044,258.36 |
| PILOT Monies Receivable | | 51,933.89 |
| Miscellaneous Receivable | | 49,384.90 |
| RLF Loans Receivable | | 2,261,486.61 |
| Microenterprise Loans Rec. | | 110,260.03 |
| Watn. Economic Growth Fund Rec | | 249,246.56 |
| Grants Receivable | | 500,000.00 |
| Allowance for Bad Debt-RLF | | (570,000.00) |
| Allow. for Bad Debts-MICRO | | (35,000.00) |
| Prepaid Expense | | 13,787.09 |
| | | <hr/> |
| Total Current Assets | | 5,057,167.46 |
| Property and Equipment | | |
| Accum Depr - Building | (1,300,969.68) | |
| Accum Depr. Equipment | (52,269.66) | |
| Accumulated Depreciation Sidin | (63,824.12) | |
| | | <hr/> |
| Total Property and Equipment | | (1,417,063.46) |
| Other Assets | | |
| IT Server | 6,050.00 | |
| Equipment | 13,366.00 | |
| Corp. Park Improvements | 209,995.14 | |
| Airport Property | 884,326.02 | |
| Intangible Asset | 53,195.00 | |
| WIP Airport | 1,397,681.31 | |
| WIP Intersection | 244,973.52 | |
| Woolworth Building | 505,000.00 | |
| Rail Siding CCIP | 244,434.00 | |
| Land 146 Arsenal | 126,577.50 | |
| 146 Ars Building Improvements | 3,264,556.08 | |
| | | <hr/> |
| Total Other Assets | | 6,950,154.57 |
| | | <hr/> |
| Total Assets | \$ | <u><u>10,590,258.57</u></u> |

LIABILITIES AND CAPITAL

| | |
|--------------------------------|---------------|
| Current Liabilities | |
| Accounts Payable - Unrestricte | \$ 106,534.32 |
| PILOT Monies Payable | 14,185.02 |
| RLF Loan Payable | 700,000.00 |
| Due SHLDC | 215.00 |
| Due HUD - RLF Interest | 1,895.22 |
| Due HUD - MICRO Interest | 10.09 |
| Due HUD - CITY Loan Interest | 12.50 |
| Due To JCIDA | 285.00 |
| ARPA Airport Sewer | 916,000.00 |
| Car Freshner Signage | 11,000.00 |
| | <hr/> |

Jefferson County IDA
Balance Sheet
March 31, 2025

| | | |
|--------------------------------|--------------|---------------|
| Total Current Liabilities | | 1,750,137.15 |
| Long-Term Liabilities | | |
| Due NYS/IAP L.T. | 180,159.78 | |
| Total Long-Term Liabilities | | 180,159.78 |
| Total Liabilities | | 1,930,296.93 |
| Capital | | |
| General Fund Bal - Unrestrict. | 4,196,147.39 | |
| Fund Bal - RLF Restricted | 3,992,048.27 | |
| Fund Bal - Micro Restricted | 186,824.76 | |
| Fund Bal - City Restricted | 289,120.22 | |
| Cap. Impr. Convergys | 0.33 | |
| Net Income | (4,179.33) | |
| Total Capital | | 8,659,961.64 |
| Total Liabilities & Capital | \$ | 10,590,258.57 |

Jefferson County IDA
General Checking Cash Receipts Journal
For the Period From Mar 1, 2025 to Mar 31, 2025

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

| Date | Account ID | Transaction | Line Description | Debit Amnt | Credit Amnt |
|---------|------------|-------------|----------------------------|-----------------|-----------------|
| 3/10/25 | 205602 | EFT | DUE SHLDC | | 500.00 |
| | 202702 | | DUE IDA | | 2,125.00 |
| | 100001 | | CONVALT ENERGY. LLC | 2,625.00 | |
| 3/20/25 | 710001 | 29208 | REFUND | | 37.77 |
| | 100001 | | FEDERAL EXPRESS-AR GLOBAL | 37.77 | |
| 3/20/25 | 207005 | 19988 | DUE JCIDA MICRO LOAN | | 285.00 |
| | 205602 | | DUE SHLDC | | 215.00 |
| | 100001 | | PAINFULL ACRES | 500.00 | |
| 3/24/25 | 121001 | EFT 3-17 | Invoice: 4011 | | 5,845.90 |
| | 100001 | | NEW YORK AIR BRAKE COMPANY | 5,845.90 | |
| | | | | 9,008.67 | 9,008.67 |

Jefferson County IDA
City Loan Fund Cash Receipts Journal
For the Period From Mar 1, 2025 to Mar 31, 2025

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

| Date | Account ID | Transaction | Line Description | Debit Amnt | Credit Amnt |
|---------|------------|-------------|------------------------|-----------------|-----------------|
| 3/13/25 | 127204 | 4559 | Invoice: 3960 | | 252.19 |
| | 415504 | | INTEREST | | 1,247.81 |
| | 104004 | | HALE'S BUS GARAGE, LLC | 1,500.00 | |
| | | | | <u>1,500.00</u> | <u>1,500.00</u> |

Jefferson County IDA
Revolving Loan Fund Receivables
As of Mar 31, 2025

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

| Customer | Amount Due |
|------------------------------|-------------------------------|
| CONVALT ENERGY, LLC | 850,000.00 Legal Action |
| JEFFERSON COUNTY INDUSTRIAL | 700,000.00 |
| LCO DESTINY, LLC | 207,045.62 April Sale Pending |
| MARZANO EXCAVATING, LLC | 114,031.64 Current |
| SACKETS HARBOR BREW PUB, LLC | 144,724.50 Current |
| THREE MILE BAY VENTURES, LLC | 245,594.85 Current |
| | <u>2,261,396.61</u> |

Jefferson County IDA

Micro Loans Receivable

As of Mar 31, 2025

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

| Customer | Amount Due |
|------------------------------|----------------------------------|
| COLLEEN'S CHERRY TREE INN | 19,517.91 4 Months |
| CLAYTON ISLAND TOURS, LLC | 26,062.59 Current |
| DROIN DISTRIBUTION LTD | 19,135.72 Current |
| PAINFULL ACRES | 8,004.07 Making Monthly Payments |
| PINK KETTLE, LLC | 10,667.56 Current |
| TASTE OF DESIGN | 7,958.44 3 Months |
| THERARTPY | 3,122.29 Current |
| WILLOWBROOK ENTERPRISE, INC. | 15,791.45 Current |
| | <u>110,260.03</u> |

Jefferson County IDA
Miscellaneous Receivables
As of Mar 31, 2025

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Customer ID Customer Bill To Contact Telephone 1 | Invoice/CM | 0 - 30 | 31 - 60 | 61 - 90 | Over 90 days | Amount Due |
|---|----------------------|--------|---------|---------|-------------------------------------|-------------------------------------|
| CCTI COLLEEN'S CHERRY TREE INN | 4018 | | 30.00 | | | 30.00 |
| CCTI COLLEEN'S CHERRY TREE INN | | | 30.00 | | | 30.00 |
| CONVALT CONVALT ENERGY. LLC | 3669 3911 4009 | | | | 27,486.30 11,230.50 11,230.50 | 27,486.30 11,230.50 11,230.50 |
| CONVALT CONVALT ENERGY. LLC | | | | | 49,947.30 | 49,947.30 |
| THREE MILE BAY THREE MILE BAY VENTURES, LLC | 7-10-2020 | | | | 41,400.00 | 41,400.00 |
| THREE MILE BAY THREE MILE BAY VENTURES, LLC | | | | | 41,400.00 | 41,400.00 |
| Report Total | | | 30.00 | | 91,347.30 | 91,377.30 |

Jefferson County IDA
Unrestricted Aged Payables
As of Mar 31, 2025

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Vendor | Invoice/CM # | Date | Net To Pay |
|------------------------------------|--------------|----------|-------------------|
| JEFFERSON COUNTY INDUSTRIAL | CK19927 | 8/26/24 | 565.35 |
| JEFFERSON COUNTY INDUSTRIAL | | | 565.35 |
| JEFF COUNTY LDC | ADMIN12 | 12/1/24 | 59,475.00 |
| JEFF COUNTY LDC | | | 59,475.00 |
| NORTH COUNTRY CONTRACTORS | 3112-1 | 11/11/24 | 7,056.09 |
| | APP #2 | 11/30/24 | 39,013.86 |
| NORTH COUNTRY CONTRACTORS | | | 46,069.95 |
| SACKETS HARBOR LDC | CK 19927 | 8/26/24 | 424.02 |
| SACKETS HARBOR LDC | | | 424.02 |
| | | | 106,534.32 |

Jefferson County IDA
Cash Disbursements Journal
For the Period From Mar 1, 2025 to Mar 31, 2025

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

| Date | Check # | Account ID | Line Description | Debit Amount | Credit Amount |
|--------------|---------|------------------|--|------------------|------------------|
| 3/11/25 | 8175 | 200001 100001 | Invoice: 25-083 BERNIER, CARR & ASSOCIATES, P.C. | 3,013.20 | 3,013.20 |
| 3/11/25 | 8176 | 200001 100001 | Invoice: 165485 BROWNELL ABSTRACT CORP.35 PARK PLACE | 1,000.00 | 1,000.00 |
| 3/18/25 | 8177 | 200001 100001 | Invoice: 25-199 BERNIER, CARR & ASSOCIATES, P.C. | 2,393.95 | 2,393.95 |
| 3/18/25 | 8178 | 200001 100001 | Invoice: CONVALT 325 JEFFERSON COUNTY INDUSTRIAL | 2,125.00 | 2,125.00 |
| 3/18/25 | 8179 | 200001 100001 | Invoice: 325 SACKETS HARBOR LDC | 500.00 | 500.00 |
| 3/18/25 | 8180 | 799901 100001 | REFUNF SPECIAL ASSESSMENT TAX PAID TO JCIDA IN ERROR OYA ROBINSON ROAD LLC | 2,140.00 | 2,140.00 |
| 3/26/25 | 8181 | 200001 100001 | Invoice: 76053 FEDERAL EXPRESS CORP. | 45.29 | 45.29 |
| 3/26/25 | 8182 | 200001 100001 | Invoice: 4605 HARRIS BEACH MURTHA CULLINA | 3,000.00 | 3,000.00 |
| 3/26/25 | 8183 | 200001 100001 | Invoice: 325DEFERIET HARRIS BEACH MURTHA CULLINA | 1,755.00 | 1,755.00 |
| Total | | | | 15,972.44 | 15,972.44 |

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
FIXED ASSET POLICY**

Adopted 1/4/18 – Reviewed 10/1/20

Proposed 4/3/25

PURPOSE:

The purpose of this fixed asset policy is to establish guidelines for Management to follow in recording the purchase price of assets on the JCIDA's records as to whether they are to be capitalized or expensed.

OBJECTIVE:

To capitalize fixed asset purchases with a value of ~~\$1,000.00~~ \$5,000.00

To capitalize improvements that extend the estimated useful life of sites or buildings with a value of at least ~~\$1,000.00~~ \$5,000.00

PROCEDURE:

All fixed asset purchases are to be treated as complete units. If a purchase is less than the capitalization thresholds noted above, it will be expensed. If a purchase exceeds the capitalization threshold, it is to be capitalized and depreciated on the straight-line basis over the appropriate life using the standard use life table.

REVIEW:

This policy will be reviewed for updates ~~annually~~ periodically.

Jefferson County Industrial Development Agency
800 Starbuck Avenue, Suite 800
Watertown, NY 13601
(315) 782-5865

2025 Board Attendance

| Name | Jan | Feb | 6-Mar | 20-Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------------------|-----|-----|-------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Aliasso, Robert | P | P | P | P | | | | | | | | | |
| Condino, John | P | P | P | P | | | | | | | | | |
| Converse, David | P | P | P | P | | | | | | | | | |
| Johnson, William | P | P | P | P | | | | | | | | | |
| L'Huillier, Lisa | P | P | P | P | | | | | | | | | |
| Walldroff, W. Edward | P | P | P | A | | | | | | | | | |
| Warneck, Paul | P | P | P | P | | | | | | | | | |
| Totals: | 7 | 7 | 7 | 6 | | | | | | | | | |
| | | | | | | | | | | | | | |
| • Present | | | | | | | | | | | | | |
| • Excused | | | | | | | | | | | | | |
| A - Absent | | | | | | | | | | | | | |

PROJECT AUTHORIZING RESOLUTION
(CWT Farms International, Inc. Project – Project Extension)

A regular meeting of the Jefferson County Industrial Development Agency was convened on Thursday, April 3, 2025 at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 04.03.2025.01

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING (i) AN EXTENSION IN CONNECTION WITH A CERTAIN PROJECT PREVIOUSLY UNDERTAKEN FOR THE BENEFIT OF CWT FARMS INTERNATIONAL, INC. (THE “COMPANY”), AND (ii) THE EXECUTION AND DELIVERY OF AN AMENDMENT TO AGENT AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 369 of the Laws of 1971 of the State of New York, (the “Act”), the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”) was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, pursuant to a certain Project Authorizing Resolution adopted by the Agency on April 7, 2022 (the “Project Authorizing Resolution”), the Agency appointed CWT Farms International, Inc. (the “Company”) as agent to undertake a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in an approximately 6 acres of vacant real property located at 20835 Alexander Drive in the Town of Watertown, New York 13601 (the “Land”, being more particularly described as TMID No 82.00-2-1.5 and Lot 8 in the TIAG Park), (ii) the planning, design, construction, equipping and operation of an approximately 49,000 square foot poultry hatchery facility, including hatching spaces, warehousing, storage, shipping, receiving, office and mechanical spaces, external parking improvements, curbage, landscaping, storm water management and related site improvements (collectively, the “Improvements”), and (iii) the acquisition in and around the Improvements and of certain items of equipment and other tangible personal property and equipment (the “Equipment” and, collectively with the Land and the Improvements, the “Facility”), and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the “Straight Lease Transaction”); and

WHEREAS, in furtherance of the Project, and pursuant to the Project Authorizing Resolution, the Agency and Company undertook the Project and Straight Lease Transaction pursuant to certain Project Agreements, each dated as of August 16, 2022, including (i) a certain Agent and Financial Assistance and Project Agreement (the "Agent Agreement") (ii) a Lease Agreement (the "Lease Agreement") from the Company to the Agency (iii) a Leaseback Agreement by and between the Agency and the Company, (the "Leaseback Agreement"); (iv) a Payment-In-Lieu-of-Tax Agreement by and between the Agency and the Company, (the "PILOT Agreement"); (v) a PILOT Mortgage (the "PILOT Mortgage"); (vi) an Environmental Compliance and Indemnification Agreement from the Company to the Agency (the "Environmental Compliance Agreement"); and (vii) related documents (and collectively, the foregoing being referred to as the "Agency Documents"); and

WHEREAS, the Agent Agreement, as extended, expired as of December 31, 2024, and the Company has advised the Agency that additional time is required to complete the Project, and that the Company requires an increase in sales and use tax exemptions in connection with same; and

WHEREAS, in furtherance of the foregoing, the Agency desires to authorize (i) the extension of the appointment of the Company as agent of the Agency to undertake the Project through October 1, 2025, (ii) the execution and delivery of an amendment to the Agent Agreement; and (iii) the provision of additional the Financial Assistance to the Company in the form of a total of \$420,000 in sales tax exemptions (collectively, the "Extension Request").

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

Section 1. Subject to (i) the Company executing an amendment to the Agent Agreement, and (ii) delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, and (iii) payment of all costs and fees of the Agency, the Agency hereby authorizes the Extension Request.

Section 2. Section 3 of the Project Authorizing Resolution is hereby amended to read as follows: Based upon the representation and warranties made by the Company the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately \$5,250,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$420,000.00. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 3. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption

benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving sales and use tax exemption benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 4. The Chairman, Vice Chairman and/or Executive Director (or Deputy Executive Director) of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the amended Agent Agreement, and related documents with such changes as shall be approved by the Chairman, Vice Chairman, the Executive Director and counsel to the Agency upon execution.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately upon adoption.

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

| | <i>Yea</i> | <i>Nay</i> | <i>Absent</i> | <i>Abstain</i> |
|------------------------|------------|------------|---------------|----------------|
| Robert E. Aliasso, Jr. | | | | |
| David J. Converse | | | | |
| John Condino | | | | |
| William W. Johnson | | | | |
| Lisa L'Huillier | | | | |
| W. Edward Walldroff | | | | |
| Paul J. Warneck | | | | |

The resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) ss:

I, the undersigned W. Edward Walldroff Secretary of the Jefferson County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Jefferson County Industrial Development Agency (the "Agency") including the resolution contained therein, held on April 3, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

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

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this ____ day of _____, 2025.

W. Edward Walldroff, Secretary

[SEAL]