

**TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY
FINANCIAL RECORDS POLICY; ANNUAL FINANCIAL STATEMENTS;
FILINGS WITH THE NYS COMPTROLLER
AND THE NYS AUTHORITY BUDGET OFFICE**

SECTION 801. PURPOSE AND AUTHORITY. The purpose of this Part is to implement Section 859 of Title One of Article 18-A of the General Municipal Law (the “Act”), which sets forth certain requirements that the Town of Bethlehem Industrial Development Agency (the “Agency”) must follow with regard to maintenance of financial records, the preparation of annual financial statements, and the filing of such annual financial statements with the New York State Comptroller (the “Comptroller”) and the New York State Authority Budget Office (the “ABO”).

SECTION 802. FINANCIAL RECORDS.

(A) Records regarding Agency Funds. The Agency shall maintain financial books and records in which full and correct entries shall be made of all business and financial affairs of the Agency relating to all funds for the use and account of the Agency (“Agency Funds”).

(B) Records regarding Non-Agency Funds. Financial books and records relating to funds held by a project occupant and/or project beneficiary and/or bondholder and/or trustee or other fiduciary serving on behalf of bondholders (each, a “Third Party”) need not be maintained by the Agency.

SECTION 803. ANNUAL FINANCIAL STATEMENT.

(A) General. Within ninety (90) days following the close of each fiscal year of the Agency, the Agency shall prepare or cause to be prepared a financial statement for such fiscal year in such form as is prescribed within the filing deadlines as established by the Comptroller and the ABO, such financial statement to include supplemental schedules containing certain additional information required by the Comptroller and the ABO. Such financial statement shall be executed by the Treasurer of the Agency.

(B) Contract with Independent Certified Public Accountant. Pursuant to the Act, such annual financial statement must be audited within sixty (60) days following the close of such fiscal year of the Agency by an independent certified public accountant (an “Auditor”) in accordance with generally accepted accounting principles established by the United States General Accounting Office. To implement this requirement, the Agency shall, in accordance with the Agency’s procurement guidelines, select and contract with an Auditor at least thirty (30) days prior to the end of such fiscal year. Such contract with the Auditor shall require completion of the audit within the timeframes required by the Comptroller and the ABO, and said audit report shall be submitted to the required parties.

(C) Waiver. If the Agency did not issue or have outstanding any bonds or notes and had no projects during the applicable accounting period, the Agency may apply to the Comptroller and the ABO for a waiver of the required audited financial statement. Such application shall be made on the form prescribed by the Comptroller and the ABO.

(D) Filings. The Act prescribes certain penalties for (1) failure to file the annual financial statement with the Comptroller and the ABO or (2) failure to substantially complete such annual financial statement, as determined by the Comptroller and the ABO. The Executive Director of the Agency shall ensure that the annual financial statement is substantially completed and is filed with the Comptroller and the ABO within the ninety (90) day period required by the Act. Within thirty (30) days after receipt of the annual financial statement, the Agency shall send a copy of such statement to the Comptroller, the ABO and the Town Supervisor.

(E) Failure to File. In the event that the Agency shall receive a notice from the Comptroller or the ABO that the Agency has either failed to file an annual financial statement, or that the Comptroller or the ABO has determined that a filed annual financial statement was deficient, the Executive Director of the Agency shall take steps to immediately prepare and file such annual financial statement or to remedy the deficiency.