

Steuben Area Economic Development Corporation
7234 Route 54 North
PO Box 393
Bath, NY 14810

Board Meeting Notice

June 25, 2026

Steuben Area Economic Development Corporation will hold a Board Meeting at 12:00 pm on June 25, 2026. The meeting is open to the public and those wishing to view the meeting as it is being held may do so by visiting:

[Steuben Area EDC Board of Directors Meeting June 25, 2026](#)

Sincerely,

Dean Strobel
Board Chair

Steuben Area Economic Development Corporation
Regular Meeting of the Board of Directors
Agenda
June 25, 2026, 12:00 pm

- | | | |
|----|---|------------------|
| 1. | Call to Order – Quorum present | Strobel |
| 2. | Secretary’s Report – March 19, 2026, minutes | Davidson |
| 3. | Treasurer’s Report –
a) March-May Financials
b) CD Ratification | Russo
Johnson |
| 4. | New Business
a) Kristie Beach -Audit Engagement Letter | Johnson |
| 5. | Adjournment | Strobel |

Steuben Area Economic Development Corporation
7234 Route 54N, P.O. Box 393, Bath, NY 14810
Meeting Minutes
March 19, 2026

- I. **Call to Order** – The Regular Meeting of the Steuben Area Economic Development Corporation was called to order at 2:52 pm by Secretary Davidson, who confirmed that there was a quorum present.

Present:	Kelly Fitzpatrick	Vice Chair
	Tony Russo	Treasurer
	Mike Davidson	Secretary
	Sarah Creath	Member
	James Johnson	Executive Director
	Jill Staats	Deputy Director
	Matt Bull	Director of Community and Infrastructure Development
	Russ Gaenzle	IDA Counsel
	Kelly Hortman	Administrative Assistant
Zoom:	Dean Strobel	Chairman (did not vote)
	Mark Alger	Member (did not vote)
Guests:	None	

- II. **Secretary's Report** – A motion to approve the February 26, 2026, meeting minutes as presented in the board materials was made by Russo and seconded Fitzpatrick. All voted in favor and the motion passed.

- a) **Treasurer's Report** –Russo reviewed the monthly financial reports as presented in the Board Packet; there was no activity during the month. A motion to approve the financial statements as presented was made by Fitzpatrick and seconded by Creath. All voted in favor and the motion passed.
- b) **Audit Presentation** – As was reported during the IDA Board Meeting, Kristie Beach of Kristie M. Beach CPAs, PLLC reviewed the financial audit for 2025. She reported that there were no findings and the only activity was the repayment of the bond with the CCC Housing Foundation. Creath motioned to accept the audit results and Fitzpatrick seconded. All voted in favor and the motion passed.

III. **New Business:**

- a) **Ratification of PARIS report** – During the IDA Board Meeting, Julie Marshall, of Harris Beach Murtha, provided an overview of this year's reporting results, noting this entity reports only on the SUNY CCC dorm project for which the EDC had offered conduit financing. This financing paid off in 2025, and it will be the final year of reporting for the project. Creath motioned to accept the PARIS report and documents and authorize their submission. Russo seconded and all voted in favor. The motion passed.
- i. **Operations and Accomplishments:** Johnson presented the report which is also included with PARIS. Fitzpatrick motioned to approve the report as presented, and Creath seconded the motion. All voted in favor and the motion passed.
- ii. **Performance Measurements:** Johnson presented the report that lists the agency's performance goals. He reviewed the questions at the end to verify the Board's agreement. Russo motioned to approve the report as presented, and Creath seconded the motion. All voted in favor and the motion passed.
- iii. **Management Assessment of Effectiveness of Internal Controls:** Johnson presented the document which outlines and certifies the various internal control policies in place. Fitzpatrick motioned to approve the document with an amended date, and Russo seconded the motion. All voted in favor and the motion passed.

- IV. Board Evaluations** – Johnson presented the 2025 Board Evaluation results. Russo motioned to accept the results and Fitzpatrick seconded the motion. All voted in favor and the motion passed.
- V. Adjournment** – With no further business to discuss, a motion was made by Fitzpatrick to adjourn the meeting at 2:55 pm, seconded by Creath. All voted in favor and the motion passed.

Respectfully submitted,
Mike Davidson
Secretary

Statement of Financial Position by Fund with Comparison to Prior Year End
Steuben Area Economic Development Council
For 3/31/2026

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SAEDC

	This Year	Last Year	Change
Assets			
Current Assets			
20.0200.020.00 SAEDC Checking xx2455 - Five Star Bank	104,432.68	105,432.68	(1,000.00)
20.0201.020.00 SAEDC Five Star CD	<u>109,292.15</u>	<u>109,292.15</u>	<u>0.00</u>
Total Current Assets	213,724.83	214,724.83	(1,000.00)
Non-Current Assets			
Fixed Assets			
Land			
Buildings			
Equipment			
Goodwill			
Depreciation			
Total Assets	<u>213,724.83</u>	<u>214,724.83</u>	<u>(1,000.00)</u>
Liabilities and Fund Balance			
Liabilities			
Current Liabilities			
Non-Current Liabilities			
Fund Equity			
NonSpendable Fund Balance			
Fund Balance			
20.0915.090.00 Fund Balance	<u>214,724.83</u>	<u>223,974.58</u>	<u>(9,249.75)</u>
Total Fund Balance	214,724.83	223,974.58	(9,249.75)
Current Year Change in Fund Balance	<u>(1,000.00)</u>	<u>(9,249.75)</u>	<u>8,249.75</u>
Total Fund Equity	<u>213,724.83</u>	<u>214,724.83</u>	<u>(1,000.00)</u>
Total Liabilities and Fund Balance	<u>213,724.83</u>	<u>214,724.83</u>	<u>(1,000.00)</u>

Statement of Activity - MTD and YTD by Department
Steuben Area Economic Development Council
For 3/31/2026

SAEDC

Income	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Administrative Income				
Business Development Income				
Other Income	0.00	0.00	3,500.00	(3,500.00)
20.2791.100.00 Interest Income	0.00	0.00	3,500.00	(3,500.00)
Total Other Income	0.00	0.00	11,000.00	(11,000.00)
Total Income				
Expenses				
Office Expenses				
Professional Services Expense	1,000.00	1,000.00	8,000.00	7,000.00
20.6210.400.00 Accounting	1,000.00	1,000.00	8,000.00	7,000.00
Total Professional Services Expenses				
Salaries & Wages Expense				
Administrative Expenses	0.00	0.00	4,000.00	4,000.00
20.6630.400.00 Marketing	0.00	0.00	4,000.00	4,000.00
Total Administrative Expenses				
Utility Expenses	0.00	0.00	3,600.00	3,600.00
20.6670.400.00 Program Expense	0.00	0.00	3,600.00	3,600.00
Total Utility Expenses				
Travel Expenses				
Insurance Expense	0.00	0.00	721.00	721.00
20.6800.400.00 Insurance	0.00	0.00	721.00	721.00
Total Insurance Expense				
Infrastructure Expense				
Other Expenses				
Total Expenses	1,000.00	1,000.00	16,321.00	15,321.00
Excess Revenue Over (Under) Expenses	(1,000.00)	(1,000.00)	(5,321.00)	4,321.00

Statement of Financial Position by Fund with Comparison to Prior Year End
Steuben Area Economic Development Council
For 4/30/2026

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SAEDC

	This Year	Last Year	Change
Assets			
Current Assets			
20.0200.020.00 SAEDC Checking xx2455 - Five Star Bank	103,357.68	105,432.68	(2,075.00)
20.0201.020.00 SAEDC Five Star CD	<u>112,357.57</u>	<u>109,292.15</u>	<u>3,065.42</u>
Total Current Assets	215,715.25	214,724.83	990.42
Non-Current Assets			
Fixed Assets			
Land			
Buildings			
Equipment			
Goodwill			
Depreciation			
Total Assets	<u><u>215,715.25</u></u>	<u><u>214,724.83</u></u>	<u><u>990.42</u></u>
Liabilities and Fund Balance			
Liabilities			
Current Liabilities			
Non-Current Liabilities			
Fund Equity			
NonSpendable Fund Balance			
Fund Balance			
20.0915.090.00 Fund Balance	<u>214,724.83</u>	<u>223,974.58</u>	<u>(9,249.75)</u>
Total Fund Balance	214,724.83	223,974.58	(9,249.75)
Current Year Change in Fund Balance	<u>990.42</u>	<u>(9,249.75)</u>	<u>10,240.17</u>
Total Fund Equity	<u>215,715.25</u>	<u>214,724.83</u>	<u>990.42</u>
Total Liabilities and Fund Balance	<u><u>215,715.25</u></u>	<u><u>214,724.83</u></u>	<u><u>990.42</u></u>

Statement of Activity - MTD and YTD by Department
Steuben Area Economic Development Council
For 4/30/2026

SAEDC

Income	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Administrative Income				
Business Development Income				
Other Income				
20.2791.100.00 Interest Income	3,065.42	3,065.42	3,500.00	(434.58)
Total Other Income	3,065.42	3,065.42	3,500.00	(434.58)
Total Income	3,065.42	3,065.42	11,000.00	(7,934.58)
Expenses				
Office Expenses				
Professional Services Expense				
20.6210.400.00 Accounting	1,075.00	2,075.00	8,000.00	5,925.00
Total Professional Services Expenses	1,075.00	2,075.00	8,000.00	5,925.00
Salaries & Wages Expense				
Administrative Expenses				
20.6630.400.00 Marketing	0.00	0.00	4,000.00	4,000.00
Total Administrative Expenses	0.00	0.00	4,000.00	4,000.00
Utility Expenses				
20.6670.400.00 Program Expense	0.00	0.00	3,600.00	3,600.00
Total Utility Expenses	0.00	0.00	3,600.00	3,600.00
Travel Expenses				
Insurance Expense				
20.6800.400.00 Insurance	0.00	0.00	721.00	721.00
Total Insurance Expense	0.00	0.00	721.00	721.00
Infrastructure Expense				
Other Expenses				
Total Expenses	1,075.00	2,075.00	16,321.00	14,246.00
Excess Revenue Over (Under) Expenses	1,990.42	990.42	(5,321.00)	6,311.42

Statement of Financial Position by Fund with Comparison to Prior Year End
Steuben Area Economic Development Council
For 5/31/2026

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SAEDC

	This Year	Last Year	Change
Assets			
Current Assets			
20.0200.020.00 SAEDC Checking xx2455 - Five Star Bank	103,357.68	105,432.68	(2,075.00)
20.0201.020.00 SAEDC Five Star CD	<u>112,357.57</u>	<u>109,292.15</u>	<u>3,065.42</u>
Total Current Assets	215,715.25	214,724.83	990.42
Non-Current Assets			
Fixed Assets			
Land			
Buildings			
Equipment			
Goodwill			
Depreciation			
Total Assets	<u><u>215,715.25</u></u>	<u><u>214,724.83</u></u>	<u><u>990.42</u></u>
Liabilities and Fund Balance			
Liabilities			
Current Liabilities			
Non-Current Liabilities			
Fund Equity			
NonSpendable Fund Balance			
Fund Balance			
20.0915.090.00 Fund Balance	<u>214,724.83</u>	<u>223,974.58</u>	<u>(9,249.75)</u>
Total Fund Balance	214,724.83	223,974.58	(9,249.75)
Current Year Change in Fund Balance	<u>990.42</u>	<u>(9,249.75)</u>	<u>10,240.17</u>
Total Fund Equity	<u>215,715.25</u>	<u>214,724.83</u>	<u>990.42</u>
Total Liabilities and Fund Balance	<u><u>215,715.25</u></u>	<u><u>214,724.83</u></u>	<u><u>990.42</u></u>

Statement of Activity - MTD and YTD by Department Steuben Area Economic Development Council For 5/31/2026

SAEDC

Income	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Administrative Income				
Business Development Income				
Other Income				
20.2791.100.00 Interest Income	0.00	3,065.42	3,500.00	(434.58)
Total Other Income	0.00	3,065.42	3,500.00	(434.58)
Total Income	0.00	3,065.42	11,000.00	(7,934.58)
Expenses				
Office Expenses				
Professional Services Expense				
20.6210.400.00 Accounting	0.00	2,075.00	8,000.00	5,925.00
Total Professional Services Expenses	0.00	2,075.00	8,000.00	5,925.00
Salaries & Wages Expense				
Administrative Expenses				
20.6630.400.00 Marketing	0.00	0.00	4,000.00	4,000.00
Total Administrative Expenses	0.00	0.00	4,000.00	4,000.00
Utility Expenses				
20.6670.400.00 Program Expense	0.00	0.00	3,600.00	3,600.00
Total Utility Expenses	0.00	0.00	3,600.00	3,600.00
Travel Expenses				
Insurance Expense				
20.6800.400.00 Insurance	0.00	0.00	721.00	721.00
Total Insurance Expense	0.00	0.00	721.00	721.00
Infrastructure Expense				
Other Expenses				
Total Expenses	0.00	2,075.00	16,321.00	14,246.00
Excess Revenue Over (Under) Expenses	0.00	990.42	(5,321.00)	6,311.42

Certificate of Deposit

Date Opened: 04/17/2026 Term: 182 Days Tax ID: [REDACTED] Number: [REDACTED]
Dollar Account Number: [REDACTED]
Amount of Deposit: One hundred twelve thousand three hundred fifty seven & 57/100 \$ 112,357.57

This Time Deposit is Issued to:

Issuer:

STEUBEN AREA ECONOMIC
DEVELOPMENT CORPORATION
7234 STATE ROUTE 54
PO BOX 393
BATH NY 14810-0393

Five Star Bank
323 W. Washington Street
Bath, NY 14810
(607) 776-3381

Not Negotiable - Not Transferable - Additional terms are below.

By [Signature]
RYAN KUSTYLN

Additional Terms and Disclosures

This form contains the terms for your time deposit. It is also the Truth-in-Savings disclosure for those depositors entitled to one. There are additional terms and disclosures on page two of this form, some of which explain or expand on those below. You should keep one copy of this form.

Maturity Date. This account matures 10/16/2026
(See below for renewal information.)

Rate Information. The interest rate for this account is 3.35 % with an annual percentage yield of 3.35 %. This rate will be paid until the maturity date specified above. Interest begins to accrue on the business day you deposit any noncash item (for example, a check).

Interest will be compounded N/A
Interest will be credited at maturity to
the principal balance of your account

- The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.
 If you close your account before interest is credited, you will not receive the accrued interest.

The **Number of Endorsements** needed for withdrawal or any other purpose is: 1

Minimum Balance Requirement. You must make a minimum deposit to open this account of \$.01

- You must maintain this minimum balance on a daily basis to earn the annual percentage yield disclosed.

Withdrawals of Interest. Interest accrued credited during a term can be withdrawn: _____

Early Withdrawal Penalty. If we consent to a request for a withdrawal that is otherwise not permitted you may have to pay a penalty. The penalty will be an amount equal to: Seven days' interest on the amount withdrawn if the CONTINUED BELOW ** interest on the amount withdrawn.

Renewal Policy.

- Single Maturity.** If checked, this account will not automatically renew. Interest will will not accrue after maturity.
 Automatic Renewal. If checked, this account will automatically renew on the maturity date. (see page two for terms)
Interest will will not accrue after final maturity.

Account Ownership. You have requested and intend the type of account marked below.

- Individual
 Joint Account - With Survivorship (and not as tenants in common)
 Joint Account - No Survivorship (as tenants in common)
 Trust: Separate Agreement Dated _____
 Public Fund

Revocable Trust Designation as defined in this agreement (Beneficiaries' names and addresses)

TIN: [REDACTED]

Social Security or Employer's I.D. Number. A correct taxpayer identification number is required for almost every type of account. A certification of this number is also required and is contained on the first copy of this certificate.

Backup Withholding. A certification that you are not subject to backup withholding is necessary for almost all accounts (except for persons who are exempt altogether) - and a certification that the FATCA code (if any) is correct. These certifications are contained on the first copy of this form. Failure to provide these certifications when required will cause us to withhold a percentage of the interest earned (for payments to the IRS). Providing a false certification can result in serious federal penalties.

****EARLY WITHDRAWAL PENALTY CONTINUED:** withdrawal is made within the first six days after the deposit or 100% of interest paid and/or accrued as of the date of the early withdrawal.

Endorsements. Sign Only When You Request Withdrawal

X _____
X _____
X _____

May 26, 2026

Mr. James Johnson, Executive Director
Steuben Area Economic Development Corporation
7234 Route 54
P.O. Box 393
Bath, New York 14810

Dear Jamie:

We are pleased to confirm our understanding of the services we are to provide for Steuben Area Economic Development Corporation for the year ended December 31, 2026.

Audit Scope and Objectives

We will audit the financial statements of Steuben Area Economic Development Corporation, which comprise the statement(s) of financial position as of December 31, 2026, the related statements of activities and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"). As well as compliance with Section 2935(3)(f) of the New York State Public Authorities Law of the New York Codes, Rules and Regulations, of the Agency for the year ended December 31, 2026.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. 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. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether 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.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls - this significant risk is required to be identified as a part of professional standards
- Improper revenue recognition due to fraud - this significant risk is required to be identified as a part of professional standards

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the Organization and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Steuben Area Economic Development Corporation's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. The Organization is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Other Services

We will assist in preparing the financial statements and related notes of Steuben Area Economic Development Corporation in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, the financial statements, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

We will also prepare the Organization's federal information return for the year ended December 31, 2026 for the Internal Revenue Service based on information provided by you. This includes the IRS Form 990 - Return of Organization Exempt from Income Tax.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the information return, but management must make all decisions with regard to those matters.

Independence

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to your Organization and in the performance of our services. Any discussions that you have with personnel of our Firm regarding employment could pose a threat to our independence. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence. In addition, if you hire one of our personnel, you agree to pay us a fee of 20% of that individual's annual base compensation at your Organization within 90 days from the first day of employment.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Organization; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Kristie M. Beach, CPAs, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to regulators or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Kristie M. Beach, CPAs, PLLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the regulators. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Kristie M. Beach, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately January 18, 2027.

We estimate that our fees for these services described in the table below for year ended December 31, 2026. In addition, our fees for the subsequent two years are included below. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

	<u>2026</u>	<u>2027</u>	<u>2028</u>
Audit	\$ <u>2,350</u>	\$ <u>2,500</u>	\$ <u>2,650</u>

Our invoices for these fees will be rendered as work progresses and are due upon receipt. We will charge interest at the rate of 1% per month on all bills 30 days or more past due. The charge in interest on an annual basis is 12%. If we elect to terminate our services for nonpayment, our engagement will deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

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

You agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the county of Monroe and state of New York by NAM (National Arbitration and Mediation Inc.), according to its mediation rules, and any ensuing

Mr. James Johnson, Executive Director
Steuben Area Economic Development Corporation
May 26, 2026
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litigation shall be conducted within said county, according to New York State law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Reporting

We will issue a written report upon completion of our audit of Steuben Area Economic Development Corporation's financial statements. Our report will be addressed to the Board of Directors of Steuben Area Economic Development Corporation. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue reports, or we may withdraw from this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of 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 on compliance and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Steuben Area Economic Development Corporation is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,



Kristie M. Beach, CPAs, PLLC

/tr
Enc.

RESPONSE:

This letter correctly sets forth the understanding of Steuben Area Economic Development Corporation.

Management signature: _____

Title: _____

Date: _____

May 26, 2026

To the Board of Directors
Steuben Area Economic Development Corporation

We are engaged to audit the financial statements of Steuben Area Economic Development Corporation for the year ended December 31, 2026. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated May 26, 2026, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the system of internal control of Steuben Area Economic Development Corporation. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Steuben Area Economic Development Corporation's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests is not to provide an opinion on compliance with such provisions.

Planned Scope, Timing of the Audit, Significant Risks, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the Organization and its environment, including the system of internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We have identified the following significant risks of material misstatement as part of our audit planning:

- Management override of controls - this significant risk is required to be identified as a part of professional standards
- Improper revenue recognition due to fraud - this significant risk is required to be identified as a part of professional standards

To the Board of Directors
Steuben Area Economic Development Corporation
May 26, 2026
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We expect to begin our audit on approximately January 18, 2027 and issue our report on approximately March 31, 2027. Kristie M. Beach, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors and management of Steuben Area Economic Development Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Kristie M. Beach, CPAs, PLLC

Kristie M. Beach, CPAs, PLLC

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