

**INDUSTRIAL DEVELOPMENT AGENCY  
ANNUAL FINANCIAL REPORT**

\_\_\_\_\_ Please check here if the name, address, and/or telephone number is different from last year.

FOR CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY  
(Name of Industrial Development Agency)

CITY OF AMSTERDAM  
(Name of sponsoring municipality)

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

General Municipal Law, Section 859 (1):

(b) Within ninety days following the close of its fiscal year, each agency or authority shall prepare a financial statement for that fiscal year in such form as may be prescribed by the State Comptroller. Such statement shall be audited within such ninety day period by an Independent certified public accountant.

(c) Within thirty days after completion, a copy of the audited financial statement shall be transmitted to the Commissioner of the Department of Economic Development, the State Comptroller and the governing body of the municipality for whose benefit the agency was created.

OFFICE OF THE STATE COMPTROLLER  
LOCAL GOVERNMENT SERVICES AND ECONOMIC DEVELOPMENT  
DATA MANAGEMENT UNIT  
110 STATE STREET  
ALBANY, NEW YORK 12236-0001

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

AMSTERDAM, NEW YORK

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AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2016

AND JUNE 30, 2015 COMPARATIVE

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***PHILIP BECKETT CPA, P.C.***  
132 East State Street Gloversville, New York 12078

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**PHILIP BECKETT CPA, P.C.**

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**INDEPENDENT AUDITOR'S REPORT**

To the Chairman and Board of Directors  
City of Amsterdam Industrial Development Agency  
Amsterdam, New York

***Report on the Financial Statements***

We have audited the accompanying financial statements of the City of Amsterdam Industrial Development Agency (a public benefit corporation), a component unit of the City of Amsterdam, New York, which comprise the statement of net position as of June 30, 2016, and the related statements of revenues, expenses, and changes in net position, operating expenses, and cash flows for the year then ended, and the related notes to the financial statements. The prior year comparative information has been derived from the City of Amsterdam Industrial Development Agency's 2015 financial statements, and in the report prepared by another auditor dated September 28, 2015, an unqualified opinion was expressed on those financial statements by the other auditor.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2016, and the changes in its financial

position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

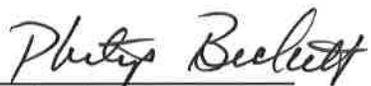
Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 and 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the Agency's basic financial statements. The schedule of indebtedness is presented for purposes of additional analysis and is not a require part of the basic financial statements. The schedule of indebtedness is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of indebtedness is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Governmental Auditing Standards*, we have also issued our report dated September 21, 2016, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.



Philip Beckett CPA, P.C.

September 21, 2016

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**  
(A Component Unit of the City of Amsterdam, New York)

Management Discussion and Analysis  
June 30, 2016

**Introduction**

The following Management Discussion and Analysis (MD&A) provides an introduction and overview to the financial activities and performance of the City of Amsterdam Industrial Development Agency (Agency) for the year ended June 30, 2016, as mandated by Governmental Accounting Standards. This information should be reviewed in conjunction with the financial statements of the Agency.

The City of Amsterdam Industrial Development Agency (IDA or AIDA) is a public benefit corporation created by state legislation to promote economic development within the City of Amsterdam. The City of Amsterdam's Common Council appoints the board members of the agency, but the City exercises no oversight responsibility. The board members of the agency are involved in the management of the agency and accountability for fiscal matters.

During the fiscal year of 2015-2016, the Agency continues to be committed to assisting the City of Amsterdam in its efforts to further economic development opportunity. The Agency continues to seek and market companies who may be interested in expanding or moving to the city. The Agency is mindful of the need to assist companies wanting to relocate to the city. To that end, AIDA continues to offer assistance through loans, financial assistance and through bonding opportunities.

**Overview of Financial Statements**

The Agency's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) promulgated by GASB. The Agency is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and depreciated over their useful lives. See the notes to the financial statements for a summary of the Agency's significant accounting policies.

The *Statements of Net Position* present information on the Agency's assets and liabilities, with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of the Agency's financial position.

The *Statements of Revenues, Expenses, and Changes in Net Position* present information showing how the Agency's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported in these statements for items that result in cash flows in future years.

The *Statements of Cash Flows* relate to the flows of cash and cash equivalents. Only transactions that affect the Agency's cash accounts are recorded in these statements. These statements provide an understanding of the differences between cash flows from operating, investing, and financing activities and operating income.

In addition to the financial statements and accompanying notes, this report also presents the *Supplemental Schedule of Indebtedness*.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**  
(A Component Unit of the City of Amsterdam, New York)

Management Discussion and Analysis  
June 30, 2016

**Financial Highlights**

A comparison of this year to the prior year financial information is as follows:

	<u>2015 – 2016</u>	<u>2014 - 2015</u>
<b>Assets</b>		
Current Assets	\$ 487,093	\$ 274,684
Capital Assets	<u>2,544,213</u>	<u>2,673,945</u>
<b>Total Assets</b>	3,031,306	2,948,629
 <b>Liabilities</b>	 840,829	 921,030
 <b>Net Position</b>		
Net Investment in Capital Assets	1,746,915	1,799,411
Unrestricted	423,312	205,574
Restricted	<u>20,250</u>	<u>22,614</u>
<b>Total Net Position</b>	<u>\$ 2,190,477</u>	<u>\$ 2,027,599</u>

**Activities**

During fiscal year 2015-2016, the Amsterdam Industrial Development Agency continued to work with existing manufacturing companies to expand with the aid of federal and state grant assistance, stabilized the agency's income, reduced its debt load, and work to redevelop the former Mohasco site formally owned by the City of Amsterdam.

**Business Assistance**

During the fiscal year, the agency worked with Beckmann's Converting, ATG Services, Memory Lane Day Care and 10 Market Street, LLC.

Reconstruction of a secondary boiler room and a perimeter security fence were completed at Beckmann's Converting through a small cities grant obtained by AIDA. All job requirements and expenditures were reached by Beckmann's. The repairs to the boiler room will allow Beckmann's to retain one of its largest customers since this boiler room is used exclusively with their product line. The perimeter security fence was required due to their work with companies dealing with homeland security issues.

In addition, the IDA received a new grant from the NYS Empire State Development for Memory Lane Day Care's planned expansion, and a \$3 million ESD Grant for AGT Services to be used toward the purchase and installation of a balancing machine at an estimated cost of \$15 million. Memory Lane Day Care plans to hire approximately 14 new employees and move into a new location to accommodate a growing client base. Memory Lane Day Care provides day care services to several of the County's large manufacturing companies in the County's Industrial Park.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**  
(A Component Unit of the City of Amsterdam, New York)

Management Discussion and Analysis  
June 30, 2016

**Business Assistance (continued)**

AGT is planning a \$15 million expansion of their facility in the City's Industrial Park. With the planned expansion, the Company plans to hire some 20 new employees. The installation of the balance machine will allow the company to remain competitive in the market. AIDA is now working to provide additional financing to improve the electric distribution into the Park for the planned expansion.

The Agency also approved a new Payment-in-lieu-of-tax Agreement with Noteworthy Industries to allow them to purchase additional equipment and both stabilize and expand employment.

Finally, AIDA also approved a sales tax exemption, a Payment-in-lieu-of-tax Agreement and mortgage recording fees for 10Market Street, LLC, an assisted living facility in downtown Amsterdam. The Agency also received approval from NYS ESD to issue \$12 million tax-exempt multi-family housing revenue bonds for 10 Market Street, LLC, which closed in August 2016. The company plans to hire approximately 80 new workers.

**Finances**

The Agency was reimbursed by the New York State Department of State \$180,000 for the reconstruction of 44-46 East Main Street, and also received another \$60,000 from fees associated with the Sales Tax Exemption issued for 10 Market Street, LLC. This \$240,000 was placed in the Agency's fund balance. In addition, all manufacturing facilities are fully leased and five of the six units at 44-46 East Main Street are rented.

**Mohasco Redevelopment Site**

AIDA acquired, through eminent domain proceedings, property formerly owned by Noteworthy which separated the formerly city-owned Mohasco Site from the formerly city-owned Esquire Building site. By acquiring the property from Noteworthy, the entire 23 acre site is now contiguous. AIDA has also mapped out the developable portions of the site and is now in the process of marketing it to perspective developers.

Jody Zakrevsky  
Chief Executive Officer

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, N.Y.)

Statements of Net Position

As of June 30, 2016

<b>- ASSETS -</b>		<b>As of June 30,</b>	
	<u><b>2016</b></u>		<u><b>2015</b></u>
<b>CURRENT ASSETS</b>			
Cash balances - unrestricted	\$ 350,589	\$	114,719
Cash balances - restricted	20,250		22,614
Total cash balances	\$ 370,839	\$	137,333
Investments	31,500		31,500
Accounts receivable	0		2,618
Notes receivable	71,476		93,123
Land deposit	0		500
Prepaid expenses	13,278		9,610
<b>TOTAL CURRENT ASSETS</b>	\$ 487,093	\$	274,684
<b>CAPITAL ASSETS</b>			
Land and improvements	\$ 727,127	\$	727,127
Buildings and improvements	3,496,398		3,496,398
Office equipment	13,211		13,211
Less accumulated depreciation	(1,692,523)		(1,562,791)
<b>NET PROPERTY AND EQUIPMENT</b>	2,544,213		2,673,945
<b>TOTAL ASSETS</b>	\$ 3,031,306	\$	2,948,629
<b>- LIABILITIES AND NET POSITION -</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 6,422	\$	6,795
Accrued liability	0		2,953
Accrued compensated absences	5,328		5,267
Security deposits	4,800		4,500
<b>TOTAL CURRENT LIABILITIES</b>	\$ 16,550	\$	19,515
<b>LONG-TERM LIABILITIES</b>			
Bond payable	797,300		874,536
<b>OTHER LIABILITIES</b>			
Due to other governments	26,979		26,979
<b>TOTAL LIABILITIES</b>	\$ 840,829	\$	921,030
<b>NET POSITION</b>			
Net investment in capital assets	\$ 1,746,915	\$	1,799,411
Restricted - cash	20,250		22,614
Unrestricted	423,312		205,574
<b>NET POSITION</b>	2,190,477		2,027,599
<b>TOTAL LIABILITIES AND NET POSITION</b>	\$ 3,031,306	\$	2,948,629

See accompanying footnotes.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, N.Y.)

Statements of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2016

	<u>Years Ended June 30,</u>	
	<u>2016</u>	<u>2015</u>
<b>OPERATING REVENUES:</b>		
Service fee income	\$ 68,500	\$ 6,120
Rental and lease income	<u>252,951</u>	<u>361,214</u>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ <u>321,451</u></b>	<b>\$ <u>367,334</u></b>
<b>OPERATING EXPENSES (page 8)</b>	<u>431,211</u>	<u>385,398</u>
<b>NET OPERATING (LOSS)</b>	<b>\$ <u>(109,760)</u></b>	<b>\$ <u>(18,064)</u></b>
<b>NON-OPERATING INCOME (EXPENSE)</b>		
Grant income	\$ 193,499	\$ 225,000
Investment income	79,405	2,916
Interest expense	(267)	(46,042)
(Loss) on disposal of net assets	<u>0</u>	<u>(12,289)</u>
<b>TOTAL NON-OPERATING INCOME</b>	<b>\$ <u>272,637</u></b>	<b>\$ <u>169,585</u></b>
<b>NET INCREASE IN NET POSITION FOR THE YEAR</b>	<b>\$ <u><u>162,877</u></u></b>	<b>\$ <u><u>151,521</u></u></b>

**STATEMENTS OF CHANGES IN NET POSITION**

Net position at the beginning of the year	\$ 2,027,599	\$ 1,876,078
Net increase for the year	162,877	151,521
Rounding	<u>1</u>	<u>0</u>
<b>NET POSITION - END OF YEAR</b>	<b>\$ <u><u>2,190,477</u></u></b>	<b>\$ <u><u>2,027,599</u></u></b>

See accompanying footnotes.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, N.Y.)

Statements of Operating Expenses  
For the Year Ended June 30, 2016

<u>Statements of Operating Expenses</u>	<u>Years Ended June 30,</u>	
	<u>2016</u>	<u>2015</u>
Salaries and wages	\$ 103,668	\$ 98,273
Payroll taxes and fringes	10,217	10,532
Legal and professional fees	67,278	47,849
Payroll and bank fees	2,107	1,803
Insurance	13,742	10,135
General office expense	1,724	3,053
Repairs and maintenance	45,034	20,715
Water, sewer and refuse fees	8,469	13,190
Membership and dues	390	203
Utilities	4,200	2,729
Commission expense	700	2,150
Pilots	39,780	36,631
Property tax	4,170	2,254
Project fee	0	2,882
Depreciation expense	<u>129,732</u>	<u>132,999</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 431,211</u>	<u>\$ 385,398</u>

See accompanying footnotes.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, N.Y.)

Statements of Cash Flows  
For the year ended June 30, 2016

	<u>Years ended June 30,</u>	
	<u>2016</u>	<u>2015</u>
<b>Cash flows from (used in) operating activities:</b>		
Net increase in net position	\$ 162,877	\$ 151,521
Adjustments to reconcile net increase in net position to net cash provided by (used in) operating activities:		
Depreciation	\$ 129,732	\$ 132,999
Loss on disposal of property, plant and equipment	0	12,289
Accounts receivable	2,618	4,403
Prepaid expenses	(3,168)	(2,518)
Accounts payable and accrued expenses	(3,265)	(3,611)
Deferred revenue and security deposits	300	(1,700)
Total adjustments	\$ 126,217	\$ 141,862
<b>Net cash from operating activities</b>	<b>\$ 289,094</b>	<b>\$ 293,383</b>
<b>Cash flows from (used in) investing activities:</b>		
Capital expenditures	\$ 1	\$ (64,160)
Proceeds from property, plant and equipment	0	9,885
<b>Net cash (used in) investing activities</b>	<b>1</b>	<b>(54,275)</b>
<b>Cash flows from (used in) financing activities:</b>		
Notes receivable	\$ 21,647	\$ 20,846
Payments on term debt	(77,236)	(228,976)
<b>Net cash (used in) financing activities</b>	<b>(55,589)</b>	<b>(208,130)</b>
<b>Net increase in cash</b>	<b>\$ 233,506</b>	<b>\$ 30,978</b>
<b>Cash at the beginning of the year</b>	<b>137,333</b>	<b>106,355</b>
<b>Cash at the end of the year</b>	<b>\$ 370,839</b>	<b>\$ 137,333</b>

See accompanying footnotes.

# **CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, New York)

Notes to Financial Statements

June 30, 2016

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Organization**

The City of Amsterdam Industrial Development Agency (Agency) is a public benefit corporation created by State legislation in 1973 to promote economic development within the City of Amsterdam, New York. The Board members of the Agency are appointed by the City of Amsterdam's Common Council, but the City exercises no oversight responsibility. Agency Board members have complete responsibility for management of the Agency and accountability for fiscal matters.

### **General**

These financial statements have been prepared under the accrual method of accounting in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP). The accounting principles under U.S. GAAP are defined by the Financial Accounting Standards Board (FASB) under the Accounting Standards Codification (ASC) as updated by Accounting Standards Updates (ASU).

### **Activities, Programs, and Services**

The financial reporting entity includes functions and activities over which the Board exercises oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Based on the foregoing criteria and the significant factors presented below, the following programs and activities are included in the reporting entity.

#### **Jobs for Amsterdam Grant**

The Agency is a named participating party in a Housing and Urban Development (HUD) grant to the City of Amsterdam for the Amsterdam Community Development Program to operate a revolving loan fund of \$195,000. These funds are to be loaned, for a period not to exceed ten years, to industry and not-for-profit organizations for the purpose of creating and retaining permanent jobs within the City of Amsterdam. Significant factors requiring inclusion of the grant activity in the Agency reporting entity are as follows:

1. Loans are made to area businesses in the name of the Agency and repayment is due to the Agency.
2. The Agency's Board approves all loans.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**  
(a Component Unit of the City of Amsterdam, New York)  
Notes to Financial Statements  
June 30, 2016

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Basis of Accounting**

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principle generally accepted in the United States of America. Under this method of accounting, revenues are recognized when earned and expenses are recorded when incurred. Revenues from federal, state and other grants designated for payment of specific expenditures are recognized when the related expenditures are incurred. Any excess grant receipts or expenditures at the fiscal year-end are recorded as deferred revenue or accounts receivable, as appropriate.

Agency policy defines operating revenues as those which are a result of having provided services to local businesses, such as lease and rental income. Non-operating revenues can include grant proceeds and interest earned on deposits in banks.

**Provision for Uncollectible Accounts**

The Agency uses the allowance method to account for uncollectible accounts based on an estimate of amounts deemed uncollectible. When the continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

**Capital assets**

Capital assets are recorded at cost. Expenditures for additions, renewals, and betterments are capitalized; expenditures for maintenance and repairs are charged against operations. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets.

The Agency pursues economic development, in part, by purchasing real property and preparing the property for resale or lease, with an option to buy, to local businesses or to those businesses which desire to relocate to the City of Amsterdam. During the time the Agency holds the property, the Agency attempts to maintain the condition of the property by offering it to businesses under the terms of operating leases. The operating leases are incidental to the objective of selling the property and thereby increasing the City's real property tax base. Depreciation is recognized when the asset is placed in service.

The estimated useful lives of depreciable assets are:

	<u>Useful Lives</u>
Furniture, fixtures and equipment	5 years
Improvements to Edson Street Industrial Park picnic area	8 years
Improvements to Edson Street Industrial Park railroad spur	30 years
Buildings	23-30 years
Improvements to 44-46 East Main St.	20 years

# CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

(a Component Unit of the City of Amsterdam, New York)

Notes to Financial Statements

June 30, 2016

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **Industrial Revenue Bonds**

The Agency may issue industrial revenue bonds. The bonds are special obligations of the Agency payable solely from revenue derived from the leasing, sale or other disposition of a project. The Agency has no responsibility to repay the bonds in event of default. There is no liability to the Agency; therefore, the obligations are not accounted for in the accounts of the Agency. However, memorandum accounts are maintained until the bonds are paid.

### **Investments**

Investments are stated at historical cost.

Investments as of June 30, 2016 and 2015 consist of:

	<u>2016</u>	<u>2015</u>
Amsterdam Chuctanunda and Northern Railroad Company	<u>\$ 31,500</u>	<u>\$ 31,500</u>

### **Risk Management**

The Agency has purchased insurance coverage for property damage and personal injury liability for the Agency's real property. Judgements and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. There were no claims that exceeded coverage for the years ended June 30, 2016 and 2015.

### **Compensated Absences**

Agency employees are granted vacation and sick leave in varying amounts. In the event of termination, employees are entitled to payment of accumulated vacation time.

### **Cash**

The Agency's investment policies are governed by State statutes. Agency monies must be deposited in any bank or trust company located within the State. The Agency is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State and its localities.

Collateral is required for demand deposits and certificates of deposit for all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, and obligations of the State and its municipalities and school districts.

### **Cash and Cash Equivalents**

For the purpose of statement of cash flows, cash and cash equivalents are those investments that have an initial maturity less than three months.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, New York)

Notes to Financial Statements

June 30, 2016

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Subsequent Events**

The organization has evaluated subsequent events through September 21, 2016, the date on which the financial statements were available to be issued. No subsequent events have been recognized or disclosed. During fiscal year 2016 AIDA received and reported \$60,000 in bonding service fees for 10 Market Street, LLC, with the balance of \$60,000 received and reported in August 2016.

**FINANCIAL INSTRUMENTS AND CONCENTRATIONS OF CREDIT RISK**

The carrying values of cash, accounts and notes receivable, accounts payable and accrued expenses approximate fair market value due to the short-term nature of these financial instruments. Financial instruments that potentially subject the organization to a concentration of credit risk consist primarily of cash, and accounts and notes receivable. The organization maintains its cash with established financial institutions. From December 31, 2010 through December 31, 2012, accounts at each financial institution are fully insured by the FDIC. Due to recent changes in FDIC insurance coverage, accounts are insured to \$250,000 per account. There are no uninsured cash balances at June 30, 2016 and 2015.

**RECEIVABLES**

Receivables as of June 30 are comprised of the following:

	<u>2016</u>	<u>2015</u>
Accounts receivable	\$ -0-	\$ 2,618
Notes receivable	<u>71,476</u>	<u>93,123</u>
Totals	<u>\$ 71,476</u>	<u>\$ 95,741</u>

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, New York)

Notes to Financial Statements

June 30, 2016

**NOTES RECEIVABLE**

Notes receivable as of June 30, 2016 are as follows:

<u>Payable From/Description</u>	<u>Original Amount</u>	<u>Interest Rate (%)</u>	<u>Monthly Payment</u>	<u>Balance at June 30, 2016</u>
A & M Cleaners	\$ 20,000	3.25	\$ 365.98	\$ 17,018
La Cucina di Parillo	26,234	4.25	263.84	13,465
Vida-Blend, Inc.	52,801	3.25	954.64	17,657
William McCord DTE Caboose, Inc.	50,000	3.75	915.20	25,336
Less: Allowance for Uncollectible Accounts				<u>(2,000)</u>
Note receivable				<u>\$ 71,476</u>

Notes receivable as of June 30, 2015 are as follows:

<u>Payable From/Description</u>	<u>Original Amount</u>	<u>Interest Rate (%)</u>	<u>Monthly Payment</u>	<u>Balance at June 30, 2015</u>
A & M Cleaners	\$ 20,000	3.25	\$ 365.98	\$ 17,018
La Cucina di Parillo	26,234	4.25	263.84	16,366
Vida-Blend, Inc.	52,801	3.25	954.64	26,591
William McCord DTE Caboose, Inc.	50,000	3.75	915.20	35,148
Less: Allowance for Uncollectible Accounts				<u>(2,000)</u>
Notes receivable				<u>\$ 93,123</u>

- a) The Michael DeRose Jr., A & M Cleaners note is payable over 57 monthly payments starting October 1, 2012 at an interest rate of 3.25%. The note is secured by certain equipment and a personal guarantee from the owner.
- b) The La Cucina di Parillo note is payable over 72 monthly payments of \$264, beginning March 15, 2011 at an interest rate of 4.25% with the remaining balance due at the end of the 72 months. The note is secured by certain equipment and a personal guarantee from the owner.
- c) The Vida-Blend, Inc. note is payable over 60 monthly payments of \$954, beginning November 2012 at an interest rate of 3.25%. The note is secured by certain equipment and a personal guarantee from the owners.
- d) The William McCord DTE Caboose, Inc. note is payable over 60 monthly payments of \$915, beginning April 2013 at an interest rate of 3.75%. The note is secured by certain equipment and a personal guarantee from the owner.

# CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

(a Component Unit of the City of Amsterdam, New York)

Notes to Financial Statements

June 30, 2016

## CAPITAL ASSETS

Capital assets for the year ended June 30, 2016 are as follows:

	Balance June 30, 2015	Increase	Decrease	Balance June 30, 2016
Capital assets not being depreciated:				
Land	\$ 204,076	\$ 0	\$ 0	\$ 204,076
Land improvements	<u>78,322</u>	<u>0</u>	<u>0</u>	<u>78,322</u>
Totals	<u>282,398</u>	<u>0</u>	<u>0</u>	<u>282,398</u>
Capital assets being depreciated:				
Land improvements	444,729	0	0	444,729
Buildings and improvements	3,496,398	0	0	3,496,398
Office equipment	<u>13,211</u>	<u>0</u>	<u>0</u>	<u>13,211</u>
Total	<u>3,954,338</u>	<u>0</u>	<u>0</u>	<u>3,954,338</u>
Less accumulated depreciation:				
Land improvements	444,729	0	0	444,729
Buildings and improvements	1,105,655	129,202	0	1,234,857
Office equipment	<u>12,407</u>	<u>530</u>	<u>0</u>	<u>12,937</u>
Total	<u>1,562,791</u>	<u>129,732</u>	<u>0</u>	<u>1,692,523</u>
Total capital assets, net	<u>\$ 2,673,945</u>	<u>\$ 129,732</u>	<u>\$ 0</u>	<u>\$ 2,544,213</u>

## Description of Capital Asset and Location

a) VanDerveer Park

Located at the northeastern corner of Park Street and Locust Avenue.

b) Edson Street Industrial Park

The Park is located in the City of Amsterdam and contains 38.5 acres of land as of June 30, 2016. The Agency has subdivided the industrial park and prepared parcels for sale or lease.

c) Front Street

During August 1994, the Agency purchased land from individual property owners. The property is in the process of development for sale or lease by the Agency.

## COMPENSATED ABSENCES

The Agency does not accrue a liability for accumulated sick leave, since payment is based on an uncontrollable future event. In accordance with the provisions of Governmental Accounting Standards Board provisions, the value of accumulating sick leave is considered a contingent liability. The amount of accumulated sick leave at June 30, 2016 and 2015 is negligible.

The Agency records the value of the earned and unused portion of the liability for vacation time for employees. The liability at June 30, 2016 and 2015 is \$5,328 and \$5,267, respectively. In addition, accrued payroll and payroll taxes at June 30, 2016 and 2015 are \$-0- and \$2,953, respectively.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**  
(a Component Unit of the City of Amsterdam, New York)  
Notes to Financial Statements  
June 30, 2016

**RESTRICTED ASSETS**

Restricted assets consist of cash. As of June 30, restricted assets consist of the following:

	2016	2015
Jobs for Amsterdam	\$ 20,250	\$ 22,614

- a) The cash can be used only for the purpose of loans to private industry and not-for-profit organizations for the purpose of creating and retaining permanent jobs within the City of Amsterdam.
- b) In September 2011 the Agency authorized a loan to Vida-Blend from the restricted Jobs for Amsterdam Fund. The balance owed at June 30, 2016 and 2015 is \$17,657 and \$26,591, respectively.
- c) In 2012, the Agency authorized a loan to A & M Cleaners for \$20,000. The loan is to be repaid to the restricted cash account. The balance owed is \$17,078 at June 30, 2016 and 2015. The Agency also authorized the purchase of 46 East Main Street for \$39,909 and the purchase of 2 Chuctanunda Street, Emma Lou's Diner, for \$24,818 with funds from the restricted cash account.
- d) In 2013, the Agency authorized a loan to William McCord, DTC Caboose, Inc. for \$50,000. The loan is to be repaid to the restricted cash account. The balance owed at June 30, 2016 and 2015 is \$25,336 and \$35,148, respectively.

**RESTRICTED NET ASSETS**

At June 30, 2016 and 2015, the Agency has \$20,250 and \$22,614, respectively, of restricted net assets from having received federal grant funds for a revolving loan fund.

**COMMITMENTS AND CONTINGENCIES**

**Grants and Contracts**

The Agency has received significant amounts of Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Agency believes such disallowance, if any, would be immaterial.

The Agency had committed a \$150,000 grant to the City of Amsterdam for the Bridge Street Reconstruction. As of June 30, 2016, the Agency had paid \$60,924 of the grant. The Waterfront Program closed, and no repayment is expected.

The Agency had committed up to \$70,000 for the construction of a building at Riverlink Park with the Amsterdam Waterfront Foundation. The Agency had advanced \$7,000 and \$3,497 in July and August 2007, respectively. No further money will be advanced as the Waterfront Foundation is defunct.

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**

(a Component Unit of the City of Amsterdam, New York)

Notes to Financial Statements

June 30, 2016

**COMMITMENTS AND CONTINGENCIES (continued)**

**Operating Leases**

The Agency has real property available for lease to promote economic development within the City of Amsterdam. These leases are as follows:

- a) Land and buildings in the Edson Street Park to AGT Services, Inc. This lease is for fifteen years and expires on December 31, 2023.
- b) Land and buildings in the Edson Street Park to AGT Services, Inc. This lease is for five years and expires on August 31, 2019.
- c) Land and buildings in the Edson Street Park to AGT Services, Inc. This lease is for fifteen years and expires November 30, 2024
- d) Land and buildings in the Edson Street Park to Breton Industries, Inc. This lease is for five years and expires on August 31, 2019.
- e) Land and buildings at 14 Park Drive to Beckmann Converting, Inc. for a period of three years and expires May 31, 2018.
- f) Land and buildings at 44-46 Main Street to Kristen Noelle Barringer through May 31, 2017, Geek Panthology through October 31, 2020, Sarada Setchfield & Trevor Jurquera through April 30, 2017, Joanna Kurtzner through May 31, 2017, and Kyla Santiago through January 31, 2017.

The following is a schedule of future minimum lease payments on non-cancellable operating leases:

2017	\$ 316,536
2018	282,779
2019	223,302
2020	144,802
2021	123,502
Thereafter	400,894

**CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY**  
**SCHEDULE OF INDEBTEDNESS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>Bonds Entity</u>	<u>Original Issue</u>	<u>Issued</u>	<u>Interest</u>	<u>Outstanding Beginning of Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity Date</u>
Conduit debt Key Bank NA and AGT				\$ 874,536	\$ -	\$ 77,236	\$ 797,300	

There was no outstanding bonding indebtedness as of June 30, 2016.

New indebtedness was issued to 10 Market Street, LLC in August 2016.

PHILIP BECKETT CPA, P.C.

132 East State Street Members AICPA AND NYSSCPA	Gloversville, New York 12078 Email phil@philipbeckettcpa.com	(518)773-7226 Fax (518)725-4921
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September 21, 2016

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Chairman and Board of  
City of Amsterdam Industrial Development Agency  
Amsterdam, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States, the financial statements of the City of Amsterdam Industrial Development Agency, a public benefit corporation, a component of the City of Amsterdam, New York, which comprise the statement of net position as of June 30, 2016, and the related statements of revenues, expenses, and changes in net position, operating expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 21, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Amsterdam Industrial Development Agency's (Agency) internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

(continued)

**Compliance and Other Matters**

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

**Purpose of this Report**

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



Philip Beckett CPA, P.C.

September 21, 2016

## Chapter 23

### ETHICS

#### ARTICLE I Code of Ethics

- § 23-1. Legislative intent.
- § 23-2. Definitions.
- § 23-3. Standards of conduct.
- § 23-4. Exemption for certain filings.
- § 23-5. Distribution of Code of Ethics.
- § 23-6. Initial disclosure statement.
- § 23-7. Penalties for offenses.

#### ARTICLE II Board of Ethics

- § 23-8. Board of Ethics established; membership.
- § 23-9. Powers and duties.
- § 23-10. Complaints.
- § 23-11. Conflict with General Municipal Law.
- § 23-12. Conflict with City Charter.

[HISTORY: Adopted by the Common Council of the City of Amsterdam; Article I, 8-4-1970; Article II, 8-4-1970. Amendments noted where applicable.]

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#### ARTICLE I Code of Ethics

[Adopted 8-4-1970; amended in its entirety 10-21-2014 by Ord. No. 2014-9]

##### § 23-1. Legislative intent.

Pursuant to the provisions of § 806 of the General Municipal Law, the Common Council of the City of Amsterdam recognizes that there are rules of ethical conduct for public officers and employees which must be observed if a high degree of moral conduct is to be obtained and if public confidence is to be maintained in our unit of local government. It is the purpose of this article to promulgate these rules of ethical conduct for the officers and employees of the City of Amsterdam. These rules shall serve as a guide for official conduct of the officers and employees of the City of Amsterdam. The rules of ethical conduct of this article, as adopted, shall not conflict with, but shall be in addition to, any prohibition of Article 18 of the General Municipal Law or any other general or special law relating to ethical conduct and interest in contracts of municipal officers and employees.

##### § 23-2. Definitions.

As used in this article, the following terms shall have the meanings indicated:

**INTEREST** — A direct or indirect pecuniary or material benefit accruing to a municipal officer or employee as the result of a contract with the municipality which such officer or

employee serves. For the purposes of this chapter, a municipal officer or employee shall be deemed to have an interest in the contract of:

- A. His spouse, minor children and dependents, except a contract of employment with the municipality which such officer or employee serves.
- B. A firm, partnership or association of which such officer or employee is a member or employee.
- C. A corporation of which such officer or employee is an officer, director or employee.
- D. A corporation, any stock of which is owned or controlled directly or indirectly by such officer or employee.

**MUNICIPAL OFFICER OR EMPLOYEE** — An officer or employee of the City of Amsterdam whether paid or unpaid, including members of any administrative board, commission or other agency thereof. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer fireman or civil defense volunteer, except a Chief Engineer or Assistant Chief Engineer.

**§ 23-3. Standards of conduct.**

Every officer or employee of the City of Amsterdam shall be subject to and abide by the following standards of conduct:

- A. Gifts. He shall not, directly or indirectly, solicit any gift or accept or receive any gift having a value of \$75 or more, whether in form of money, services, loan, travel, entertainment, hospitality, thing or promise or any other form under circumstances in which it could reasonably be inferred that the gift was intended to influence him in the performance of his official duties or was included as a reward for any official action on his part.
- B. Confidential information. He shall not disclose confidential information acquired by him in the course of his official duties or use such information to further his personal interest.
- C. Representation before one's own agency. He shall not receive or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any municipal agency of which he is an officer, member or employee, or of any municipal agency over which he has jurisdiction or to which he has the power to appoint any member, officer or employee.
- D. Representation before any agency for a contingent fee. He shall not receive or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any agency of his municipality, whereby his compensation is to be dependent or contingent upon any action by such agency with respect to such matter, provided that this subsection shall not prohibit the fixing at any time of fees based upon the reasonable value of the services rendered.
- E. Disclosure of the following is required

- (1) Disclosure of interest in legislation. To the extent that he knows thereof, a member of the Common Council and any officer or employee of the City of Amsterdam, whether paid or unpaid, who participates in the discussion, or gives official opinion to the Common Council on any legislation before the Common Council, shall publicly disclose on the official record the nature and extent of any direct or indirect financial or other private interest he has in such legislation. Such disclosure shall be written and made part of and shall be set forth in the official record of the proceedings of such body.
  - (2) Any officer or employee of the City of Amsterdam must comply with any and all other disclosure requirements contained in any and all provisions of state and local law.
  - (3) Disclosure of campaign contributions. Any officer or employee who individually or whose duly constituted campaign committee has, in any election cycle received contributions of \$250 or more from a firm or person with an interest in any matter before any City Board, Commission or the Common Council, where the officer or employee is a member or participates in the deliberation of such City Board, Commission or the Common Council, shall promptly disclose, in writing, to the respective board, commission, or council, the date, amount and recipient of such contribution. Such written disclosure shall be made part of and shall be set forth in the official record of the proceedings of such body. The officer or employee should then recuse himself in any such matter.
- F. Investment in conflict with official duties. He shall not invest or hold any investment directly or indirectly in any financial, business, commercial or other private transaction which creates a conflict with his official duties.
- G. Private employment. He shall not engage in, solicit, negotiate for or promise to accept private employment or render services for private interests when such employment or service creates a conflict with or impairs the proper discharge of his official duties.
- H. Future employment. He shall not, after the termination of service or employment with such municipality, appear before any board or agency of the City of Amsterdam in relation to any case, proceeding or application in which he personally participated during the period of his service or employment or which was under his active consideration.
- I. Appearance of impropriety. He shall avoid any appearance of impropriety.
- J. Private interest. A City officer or employee shall not use his or her official position, office, or City property or resources (e.g., official letterhead), nor take or fail to take any official action in a manner which he or she knows or has reason to know may result in a personal or financial benefit, or otherwise further the private interest of the officer or employee; his or her outside employer or business; his or her spouse, in-law, domestic partner, co-habitant, child, stepchild, sibling, parent or grandparents, or his or her customer or client. The rules of this section shall apply to contracts, employee relations decisions, and all other official actions.
- K. Political interest. No member of the Common Council or officer or employee of the City of Amsterdam may use his or her authority over City property, resources, or personnel to

further or inhibit the political interests of any candidate for public office; nor may he or she take or fail to take any official action to further or inhibit the political interests of any candidate for public office. No action taken by an officer or employee of the City of Amsterdam shall be considered to violate this provision if such action is part of the usual assigned work duties of that officer or employee, unless the actions are taken in a discriminatory manner that is intended by the officer or employee to further or hinder the political interests of any candidate.

- L. Recusal. Officers and employees should recuse themselves from participation in discussion, deliberation, or voting in any matter in which they have an actual or potential interest prohibited by this code.

#### § 23-4. Exemption for certain filings.

Nothing herein shall be deemed to bar or prevent the timely filing by a present or former municipal officer or employee of any claim, account, demand or suit against the City of Amsterdam, or any agency thereof on behalf of himself or any member of his family arising out of any personal injury or property damage or for any lawful benefit authorized or permitted by law.

#### § 23-5. Distribution of Code of Ethics.

- A. The Employee Relations Director, or any descendent position thereof, shall cause a copy of this Code of Ethics and the ethics disclosure statement to be distributed to every officer and employee of the City of Amsterdam. Each officer and employee elected or appointed on and after the effective date of this chapter shall be furnished such copy before entering upon the duties of his or her office or employment. The City Clerk shall keep on file a signed statement that the Code of Ethics was received. Failure to distribute any such copy or failure of any officer or employee to receive such copy shall have no effect on the duty of compliance with this chapter or with the enforcement of the provisions thereof.
- B. The Common Council may facilitate periodic ethics training programs for officers and employees of the City and for the public.

#### § 23-6. Initial disclosure statement.

- A. All officers and employees shall, at the time of filing his or her acknowledgement of receipt of the Code of Ethics, also file with the City Clerk an ethics disclosure statement, in a form established by the Board of Ethics.
- B. All officers and employees shall ensure that such disclosure statement remains current, and must file an updated disclosure statement as necessary.

**§ 23-7. Penalties for offenses.**

In addition to any penalty contained in any other provision of law, any person who shall knowingly and intentionally violate any of the provisions of this code may be fined, suspended or removed from office or employment, as the case may be, in the manner provided by law.

**ARTICLE II  
Board of Ethics**

[Adopted 8-4-1970; amended in its entirety 10-21-2014 by Ord. No. 2014-9]

**§ 23-8. Board of Ethics established; membership.**

There is hereby established a nonpartisan Board of Ethics, consisting of six members, five of whom shall be appointed by the Mayor and serve at the pleasure of the Mayor. One nonvoting member shall be appointed by the Common Council and serve at the pleasure of the Common Council. A majority of such voting members shall be persons other than officers or employees of the City of Amsterdam, New York. Such board shall include at least one voting member who is an elected or appointed municipal officer or employee. The Corporation Counsel shall act as an advisor to the Board.

**§ 23-9. Powers and duties.**

The Board of Ethics shall have the powers and duties prescribed by Article 18 of the General Municipal Law and shall render advisory opinions to the officers and employees of the City of Amsterdam with respect to Article 18 of the General Municipal Law and any Code of Ethics adopted pursuant to such article, under such rules and regulations as the Board may prescribe. In addition, the Board may make recommendations with respect to any amendments to the Code of Ethics upon request of the Common Council. To the extent permitted by law, the identity of the officer or employee seeking advice, and the nature of the inquiry shall be and remain confidential.

**§ 23-10. Complaints.**

- A. The Ethics Board shall have the authority to receive written complaints alleging violations of this code, to investigate such complaints, and to render advisory opinions thereon.
- B. Complaints shall be subscribed to the Ethics Board complaint form and presented to the City Clerk in a sealed envelope clearly marked to the Ethics Board. The City Clerk shall thereafter present the sealed envelope to the Chair of the Ethics Board.
- C. To maintain confidentiality, under no circumstances shall the envelope be opened by anybody other than a member of the Ethics Board.
- D. An officer or employee under investigation by the Board of Ethics shall be afforded written notice of the investigation, a copy of the complaint on which it is based, and an

opportunity to be heard. In the course of its investigations, the Board of Ethics may take testimony under oath.

- E. The Board shall promulgate its own rules and regulations as to its forms and procedures and shall maintain appropriate records of its proceedings.
- F. At the conclusion of its investigation, the Board shall render a written opinion stating its findings, conclusions, and recommendations. A copy of the opinion shall be furnished to the complainant, the subject officer or employee, and to the Mayor and Common Council for any action deemed necessary or appropriate.

**§ 23-11. Conflict with General Municipal Law.**

In the event that this chapter conflicts with General Municipal Law Article 18, General Municipal Law shall prevail.

**§ 23-12. Conflict with City Charter.**

In the event that any provision of this chapter shall conflict or be inconsistent with any provisions of the City Charter, the provisions of the City Charter shall prevail.