

THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION

548 Broadway
Monticello, New York 12701
(845) 428-7575 - Voice
(845) 428-7577 – Fax
www.sullivanlhc.com
TTY 711

SPECIAL MEETING NOTICE

TO: Ira Steingart, Chairman
Suzanne Loughlin, Vice Chair
Sean Rieber, Secretary
Howard Siegel, Treasurer
Edward Sykes, Assistant Secretary & Chief Executive Officer
Scott Smith, Assistant Treasurer
Paul Guenther, Member
Joseph Perrello, Member
Carol Roig, Member
Chairman and Members of the Sullivan County Legislature
Josh Potosek, Sullivan County Manager
Walter Garigliano, Esq., Counsel

FROM: Jennifer Flad, Executive Director

DATE: September 6, 2019

PLEASE TAKE NOTICE that there will be a Special Meeting of The Sullivan County Infrastructure Local Development Corporation scheduled as follows:

DATE: September 9, 2019-- Monday
TIME: 11:15 AM
LOCATION: Legislative Committee Room, Sullivan County Government Center, 100 North Street, Monticello, New York 12701

MEETING AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

March 11, 2019 Special Meeting; March 29, 2019 Special Meeting

IV. BILLS AND COMMUNICATIONS

V. NEW BUSINESS

Resolution: Authorizing the Amendment and Restatement of the Corporation's By-Laws

Discussion and Approval: Adelaar Infrastructure Project Special Assessment Report for Fiscal Year 2020

VI. ADJOURN

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The Sullivan County Infrastructure Local Development Corporation

548 Broadway
Monticello, New York 12701
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SPECIAL MEETING MINUTES Monday, March 11, 2019

I. CALL TO ORDER

Chairman Steingart called to order the special meeting of The Sullivan County Infrastructure Local Development Corporation at approximately 11:19 A.M., in the Legislative Committee Room at the Sullivan County Government Center, 100 North Street, Monticello, NY 12701.

II. ROLL CALL

Members Present-

Ira Steingart
Sean Rieber
Joseph Perrello
Edward Sykes
Scott Smith

Members Absent-

Suzanne Loughlin
Howard Siegel
Paul Guenther
Carol Roig

Staff Present-

Jennifer Flad, Executive Director
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant

Staff Absent-

Others Present-

Walter Garigliano, Agency Counsel
Tara Lewis, Garigliano Law Offices (*By Phone)
Nancy Buck, Sullivan County Treasurer
Dan Hust, Sullivan County Director of Communications
Matthew Nanci, Times Herald Record
Patricio Robayo, Sullivan County Democrat
Ken Walter

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Sykes and seconded by Mr. Perrello, the Board voted, and the minutes of the February 11, 2019 Special Meeting were unanimously approved.

IV. BILLS AND COMMUNICATIONS

On a motion made by Mr. Sykes and seconded by Mr. Perrello, the Board voted, and the schedule of payments was unanimously approved.

V. NEW BUSINESS

The Board reviewed the TSCILDC Procurement Policy, Investment Policy and Property Disposal Policy. Mr. Rieber made a motion to approve the policies. Mr. Perrello seconded the motion, the Board voted, and these policies were unanimously approved.

The Board reviewed the TSCILDC Mission Statement and Performance Measurements. Mr. Rieber made a motion to approve the Mission Statement and Performance Measurements. Mr. Perrello seconded the motion, the Board voted, and these documents were unanimously approved.

VI. PUBLIC COMMENT

The Board recognized the comments of Ken Walter.

VII. EXECUTIVE SESSION

Ms. Flad advised that the Board must conduct its Annual Self-Evaluation in accordance with New York State Public Authorities Law, and this can be done in Executive Session if desired. Mr. Smith made a motion to enter into Executive Session for this purpose. Mr. Perrello seconded the motion. The Board entered into Executive Session at 11:26 A.M.

Mr. Sykes made a motion to exit Executive Session. Mr. Smith seconded the motion and the Board exited Executive Session at 11:43 A.M.

VIII. ADJOURN

On a motion made by Mr. Smith and seconded by Mr. Rieber the meeting was adjourned at approximately 11:49 A.M.

Respectfully submitted:
Cassandra Egan, Administrative Assistant
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The Sullivan County Infrastructure Local Development Corporation

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SPECIAL MEETING MINUTES Monday, March 29, 2019

I. CALL TO ORDER

Treasurer Howard Siegel called to order the Special meeting of the Sullivan County Infrastructure Local Development Corporation at approximately 2:01 P.M., in the Legislative Committee Room at the Sullivan County Government Center, 100 North Street, Monticello, NY 12701.

II. ROLL CALL

Members Present-

Howard Siegel
Edward Sykes
Scott Smith
Joseph Perrello
Carol Roig

Members Absent-

Ira Steingart
Suzanne Loughlin
Sean Rieber
Paul Guenther (*By Phone)

Staff Present-

Jennifer Flad, Executive Director
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant

Staff Absent-

None

Others Present-

Walter Garigliano, Agency Counsel
Matt Shortall, Sullivan County Democrat
Ken Walter

III. NEW BUSINESS

The Board discussed the FY 2018 PARIS Reports to the New York State Authorities Budget Office. Ms. Roig made a motion to approve the reports. Mr. Sykes seconded the motion, the Board voted and the reports were approved.

The Board discussed the audit report submitted by Cooper Arias LLC. Ms. Flad stated that on pages four and seven of the audit report the auditors re-classified some of the bonds, but there is no change in the financial information.. Ms. Flad stated that March 1st, 2018 is the in-service date for **Adelaar Infrastructure** improvements which is the date the Casino opened. Ms. Flad stated that the auditors assigned a thirty-year useful life for the infrastructure improvements.

Mr. Perrello made a motion to approve the audit report. Mr. Sykes seconded the motion, the Board voted and the report was approved.

IV. EXECUTIVE SESSION

On a motion made by Mr. Perrello and seconded by Ms. Roig, the Board entered executive session at 2:11 P.M. to discuss legal advice.

On a motion made by Ms. Roig and seconded by Mr. Sykes, the Board exited executive session at 2:37 P.M.

V. ADJOURN

On a motion made by Mr. Sykes and seconded by Mr. Perrello the meeting was adjourned at 2:38 P.M.

Respectfully submitted:
Cassandra Egan, Administrative Assistant

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The Sullivan County Infrastructure Local Development Corporation
548 Broadway, Monticello, NY 12701
845-428-7575

SCHEDULE OF PAYMENTS AS OF SEPTEMBER 9, 2019

Vendor	Description	Amount
TOTAL		\$ -

I certify that the payments listed above were audited by the Board of the TSCILDC on September 9, 2019 and allowed in the amounts shown. You are hereby authorized and directed to pay each of the claimants the amount opposite its name.

9/9/2019 Date		
Expenses Approved and Paid Since Last Special Meeting (3/29/19)		
Vendor	Description	Amount
Cooper Arias, LLP.	2018 Financial Statement Audit	\$ 7,500.00
MuniCap, Inc.	Administrative Services February 2019 - Adelaar	\$ 246.25
MuniCap, Inc.	Administrative Services March 2019 - Adelaar	\$ 1,605.00
MuniCap, Inc.	Administrative Services April 2019 - Adelaar	\$ 402.50
MuniCap, Inc.	Administrative Services May 2019 - Adelaar	\$ 866.25
MuniCap, Inc.	Administrative Services June 2019 - Adelaar	\$ 903.75
MuniCap, Inc.	Administrative Services July 2019 - Adelaar	\$ 1,936.25
Wilmington Trust	Administrative Services May 2019 - Adelaar	\$ 8,575.00
TOTAL		\$ 22,035.00

Other Expenses and Items Paid Since Last Special Meeting (3/29/19)—no approval required

RESOLUTION

A special meeting of The Sullivan County Infrastructure Local Development Corporation ("TSCILDC") was convened in public session at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, on September 9, 2019, at 11:15 a.m. local time.

The meeting was called to order by Chairman Ira Steingart, and, upon roll being called, the following directors of TSCILDC were:

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[]	[]
Suzanne Loughlin	[]	[]
Sean Rieber	[]	[]
Edward T. Sykes	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Joseph Perrello	[]	[]
Carol Roig	[]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director
Edward T. Sykes, Chief Executive Officer
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant
Walter F. Garigliano, General Counsel

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

Resolution No. ____ - 19

***RESOLUTION AUTHORIZING AND APPROVING AN AMENDMENT AND
RESTATEMENT OF THE BYLAWS OF TSCILDC PURSUANT TO
PARAGRAPH 701 OF THE BYLAWS***

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), the Certificate of Incorporation for TSCILDC was filed with the Secretary of State on the 10th day of February, 2016, as amended by that certain Certificate of Amendment of the Certificate of Incorporation files with the Secretary of State on the 6th day of May, 2016; and

WHEREAS, pursuant to paragraph 701 of TSCILDC’s Bylaws (the “Bylaws”), the same can be amended upon seven (7) days written notice to the directors; and

WHEREAS, TSCILDC desires to amend and restate its Bylaws as set forth on the blackline attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, BY THE DIRECTORS OF TSCILDC AS FOLLOWS:

Section 1. The Bylaws as set forth in Exhibit B attached hereto are hereby approved and adopted, and supercedes and replaces all previous Bylaws of TSCILDC.

Section 2. This resolution shall take effect immediately.

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

Ira Steingart	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Suzanne Loughlin	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sean Rieber	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Edward T. Sykes	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Howard Siegel	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Scott Smith	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Paul Guenther	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Joseph Perrello	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Carol Roig	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.

STATE OF NEW YORK :
: ss.:
COUNTY OF SULLIVAN :

I, the undersigned Secretary (Assistant) of TSCILDC DO CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of TSCILDC with the original thereof on file in the office of TSCILDC, and that the same is a true and correct copy of such resolution and of the proceedings of TSCILDC in connection with such matter.
2. Such resolution was passed at a meeting of TSCILDC duly reconvened in public session on the 9th day of September, 2019 at 11:30 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, State of New York, at which the following directors were:

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[]	[]
Suzanne Loughlin	[]	[]
Sean Rieber	[]	[]
Edward T. Sykes	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Joseph Perrello	[]	[]
Carol Roig	[]	[]

3. The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Ira Steingart	[] Yes	[] No	[] Absent	[] Abstain
Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Sean Rieber	[] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain

and therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of TSCILDC had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 9th day of September, 2019.

Secretary

BY-LAWS

OF

**THE SULLIVAN COUNTY INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION**

Amended and Restated _____, 2019

Adopted May 9, 2016

Article 100 – THE CORPORATION

101. NAME. The name of the Corporation shall be "**THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION**" hereinafter referred to as the Corporation.

102. SEAL OF CORPORATION. The seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and the year of its organization. The use of the Corporation seal shall not be required for the validity of any action of the Corporation. A facsimile seal or use of the word seal may also be used if deemed appropriate.

103. OFFICE OF THE CORPORATION. The office of the Corporation shall be at ~~One Cablevision Center, Ferndale~~ 548 Broadway, Monticello, New York ~~12734~~ 12701 or such other location within the County of Sullivan as the Corporation may from time to time designate by resolution.

Article 200 – APPOINTING MEMBER or MEMBERS

201. – COMPOSITION OF APPOINTING MEMBER.

Unless later modified by amendment to these By-Laws, the sole Appointing Member of the Corporation shall be Sullivan County, New York, acting by and through its County Manager, ex officio. The Corporation shall be managed by its Board of Directors in accordance with the provisions contained herein. After the initial meeting of the sole Appointing Member, which will be documented by resolutions of the meeting being acknowledged by the County Manager, all future meetings will be subject to Open Meetings Law and the related notices.

202. - RIGHTS AND POWERS OF THE APPOINTING MEMBER.

The Appointing Member shall have and exercise all the rights and powers of corporate membership required by the laws of the State of New York and created by the Certificate of Incorporation and the By-Laws of the Corporation.

203. - ANNUAL MEETING OF THE APPOINTING MEMBER.

The Appointing Member shall hold an annual meeting of the Appointing Member in the third week of January of each fiscal year at a convenient time and place designated by the Appointing Member. At the annual meeting, the Appointing Member shall appoint Directors pursuant to Article 300 hereof for positions where a new directorship is created or the term of a Director has expired or otherwise terminated and transact such other business as may properly come before the meeting.

204. – ANNUAL REPORT TO THE APPOINTING MEMBER.

At the annual meeting of the Appointing Member, the Directors or designated officer of the Corporation shall present an annual report showing in appropriate detail the following information:

(i) A complete verified or audited financial statement of the Corporation for the fiscal year immediately preceding the date of the report showing the assets and liabilities, principal changes in assets and liabilities, revenue, receipts, expenses and disbursements of the Corporation; and

(ii) A summary of the activities of the Corporation during the preceding year.

The annual report shall be filed with the minutes of the annual meeting of the Appointing Member.

205. - SPECIAL MEETINGS OF THE APPOINTING MEMBER.

Special meetings of the Appointing Member may be called at any time by the Appointing Member. Such request shall state the purpose or purposes for the proposed meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of such special meeting; provided, however, if at such meeting, the Appointing Member elects to transact business not previously described in the aforementioned notice, then the Corporation may transact such other business.

206. - PLACE OF MEETINGS; ORGANIZATION

All membership meetings shall be held at the principal office of the Corporation or at such other convenient location as may be determined by the Appointing Member. At each membership meeting, the Appointing Member shall preside. The Secretary, or, in his or her absence, a person chosen by the Appointing Member, shall keep complete and accurate minutes of the meeting.

207. - NOTICE OF MEMBERSHIP MEETINGS; WAIVERS

(a) Notice of each membership meeting shall state the purpose or purposes for which the meeting is called, the place, date and time of the meeting and, unless it is the annual meeting, shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. Such notice shall be given either personally or by mail to each Appointing Member not less than ten (10) nor more than fifty (50) days before the date of the meeting. If mailed, the notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the Appointing Member at his or her address as it appears on the record of the Appointing Member or, if he or she shall have filed with the Secretary a written request that notices be mailed to some other address, then directed to such other address.

(b) Formal notice of meeting need not be given to an Appointing Member if he or she executes a waiver of notice, either before or after the meeting. The attendance of an Appointing Member at a meeting, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice.

208. – PROPERTY RIGHTS OF APPOINTING MEMBER

The Appointing Member shall not have any rights or interests in or to the property or assets of the Corporation.

Article 300- BOARD OF DIRECTORS ~~(REFERRED TO AS "BOARD MEMBERS" or "DIRECTORS")~~ and OFFICERS

301. The number of ~~Board Members~~Directors shall be nine (9). The ~~Board Members~~Directors shall be eligible to serve an unlimited number of consecutive terms. The Directors shall serve terms of three (3) years. However, the Directors first appointed by the Member shall serve staggered terms as follows (the "Initial Terms"), with subsequent terms being for three (3) years: (A) Directors Joseph Perrello, Suzanne Loughlin and Howard Siegel shall each serve Initial Terms expiring December 31, 2016; (B) Directors Charles Barbuti, Jr., Carol Roig and Scott Smith shall each serve Initial Terms expiring December 31, 2017; (C) Directors Ira Steingart, Sean Rieber and Paul Guenther shall each serve Initial Terms expiring December 31, 2018. The ~~Board Members~~Directors shall exercise all rights of Directors as described herein and in the Certificate of Incorporation or any applicable resolution. Any subsequent increase or decrease in the size of the Board of Directors will require the approval of the Member. As used in these By-laws, "the entire Board of Directors" means the total number of Directors that the Corporation would have if there were no vacancies on the Board. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at meetings of the Board. When a quorum is once present to organize a meeting, it shall not be broken by the subsequent withdrawal of any Director(s). A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. If a quorum is present at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting. Notice of the adjourned meeting shall be given to all Directors.

Any Director of the Corporation may resign at any time by giving written notice to the Chief Executive ~~Director~~Officer or the Secretary. Such resignation shall take effect at the time specified therein or, if no time is specified, then on delivery. Acceptance of the resignation shall not be necessary to make it effective.

Any Director may be removed from the Board with or without cause by the Appointing Member or for cause by a vote of a majority of the Directors, provided there is a quorum of not less than a majority of the entire Board present.

Newly created directorships resulting from an increase in the number of Directors, and vacancies occurring for any reason, shall be filled by the Appointing Member as soon as practicable but in no event later than sixty (60) days after the increase or vacancy occurs. A Director appointed to fill a vacancy caused by resignation, death, disability or removal shall hold office for the unexpired term of his or her predecessor in office and until a successor is appointed and takes office.

~~The Board Members of the Corporation shall:~~

- ~~(a) — execute direct oversight over the Corporation's Chief Executive Officer, Chief Financial Officer and Executive Director ("Management") in the effective and ethical management of the Corporation;~~
- ~~(b) — understand, review and monitor the implementation of fundamental financial and management controls and operation decisions of the Corporation;~~
- ~~(c) — establish policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of, the Management;~~
- ~~(d) — adopt a code of ethics applicable to each officer, director and employee that, at a minimum, includes the standards established in Section 74 of the Public Officers Law;~~
- ~~(e) — establish written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or director of the Corporation, investments, travel, the acquisition of real property and the disposition of real and personal property and the procurement of goods and services;~~
- ~~(f) — adopt a defense and indemnification policy and disclose such policy to any and all prospective board members;~~
- ~~(g) — perform each of their duties as Board Members, including but not limited to those imposed by the Public Authorities Law, in good faith and with that degree of diligence, care and skill which an ordinarily prudent person in like position would use under similar circumstances, and may take into consideration the views and policies of any elected official or body, or other person and ultimately apply independent judgment in the best interest of the Corporation, its mission and the public; and~~
- ~~(h) — at the time that each Director takes and subscribes his or her oath of office, execute an acknowledgment, in the form prescribed by the Authorities Budget Office, in which the Director acknowledges that he or she understands his or her role, and fiduciary responsibilities as set forth in paragraph (g) of above, and acknowledges that he or she understands his or her duty of loyalty and care to the Corporation and commitment to the Corporation's mission and the public interest.~~

302. ~~TRAINING.—Board Members must participate in New York State approved training regarding their legal, fiduciary, financial and ethical responsibilities as board members of the Corporation within one (1) year of appointment to the board of the Corporation and shall participate in such continuing training as may be required to remain~~

~~informed of best practices, and regulatory and statutory changes relating to effective oversight of management and financial activities of the Corporation.~~

~~303. SEPARATION OF BOARD AND MANAGEMENT. No Board Member shall serve as the Corporation's Chief Executive Officer or Executive Director or hold any other equivalent position while also serving as a member of the Board.~~

~~304. EXTENSION OF CREDIT. The Board is prohibited from extending or maintaining credit, arranging for the extension of credit, or renewing an extension of credit, in the form of a personal loan to or for any member, officer or employee of the Corporation.~~

~~305. INDEPENDENCE. Except for Board Members who serve as Board Members by virtue of holding a civil office of the state, the majority of the remaining Board Members must be independent. An independent Board Member is one who:~~

~~(a) is not, and in the past two years has not been, employed by the Corporation or an affiliate in an executive capacity;~~

~~(b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided to the Corporation or received any other form of financial assistance valued at more than \$15,000 from the Corporation;~~

~~(c) is not a relative of an officer or employee in an executive position of the Corporation or an affiliate of the Corporation; and~~

~~(d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Corporation or an affiliate of the Corporation.~~

~~306. BOARD OFFICERS. The Board officers of the Corporation ("Board Officers") shall be a Chairman, one or more Vice Chairmen, a Secretary, and a Treasurer. There may be an Assistant Secretary and an Assistant Treasurer. Each of the foregoing Board offices shall be held by a ~~Board Member~~Director, and except for the offices of Chairman and Vice Chairman, and Chairman and Secretary; one person may hold more than one office. ~~Officers authorized to sign orders and checks shall give such bond for the faithful performance of the duties of such office as the Corporation may determine.~~~~

~~307.~~303. CHAIRMAN. The Chairman shall preside at all meetings of the Corporation. Except as otherwise authorized by resolution of the Corporation, the Chairman shall sign all agreements, contracts, deeds, bonds, mortgages, and other instruments of indebtedness, and any other instrument of indebtedness. At each meeting the Chairman shall submit such recommendations and information as the Chairman may consider proper concerning the business, affairs and policies of the Corporation.

~~308.304.~~ VICE CHAIRMAN. A Vice Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman; in case of the resignation or death of the Chairman, a Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Corporation shall appoint a successor Chairman.

~~309.305.~~ SECRETARY. The Secretary shall keep the records of the Corporation, shall act as Secretary of the meetings of the Corporation and record all votes and shall keep a record of the proceedings of the Corporation in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall keep in safe custody the seal of the Corporation and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Corporation.

~~310.306.~~ ASSISTANT SECRETARY. The Assistant Secretary shall perform the duties of the Secretary in the absence or incapacity of the Secretary; in case of the resignation or death of the Secretary the Assistant Secretary shall perform such duties as are imposed on the Secretary until such time as the Corporation shall appoint a successor Secretary.

~~311.307.~~ TREASURER. The Treasurer shall have the care and custody of all funds of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks as the Corporation may select. Unless otherwise provided by resolution, the Treasurer shall sign all orders and all checks for the payment of money; and shall pay out and disburse such moneys under the direction of Corporation. If authorized, by resolution, the Chairman and, in the event of the absence or incapacity of the Chairman, a Vice Chairman, shall sign all orders and checks prepared by the Treasurer. The Treasurer shall keep regular books of account showing receipts and expenditures, and shall render to the Corporation at regular intervals an account of all transactions and also of the financial condition of the Corporation.

~~312.308.~~ ASSISTANT TREASURER. The Assistant Treasurer shall perform the duties of the Treasurer in the absence or incapacity of the Treasurer; in case of the resignation or death of the Treasurer, the Assistant Treasurer shall perform such duties as are imposed on the Treasurer until such time as the Corporation shall appoint a successor Treasurer.

~~313. ADDITIONAL DUTIES. The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Corporation by the By Laws of the Corporation, or by the rules and regulations of the Corporation.~~

~~314.309.~~ APPOINTMENT OF BOARD OFFICERS. All ~~officers~~Board Officers of the Corporation except the first Chairman shall be appointed at the annual meeting of the Corporation from among the ~~members~~Directors of the Corporation, and shall hold office for one year or until their successors are appointed.

~~315.310.~~ BOARD OFFICER VACANCIES. In the event that any Board office shall become vacant, the Board shall appoint a successor, and such appointment shall be for the unexpired term of said office.

~~316. EXECUTIVE DIRECTOR. The Executive Director shall be appointed by the Board, and shall have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Board. The Executive Director shall not be a member of the Board of the Corporation.~~

311. CORPORATE OFFICERS. The corporate officers of the Corporation ("Corporate Officers") shall be a Chief Executive Officer, a Chief Financial Officer, a Chief Operating Officer and an Executive Director. The appointment, compensation, terms and conditions of such Corporate offices shall be determined by the Board in accordance with these By-Laws and subject to the laws of the State of New York.

~~317.312.~~ CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be appointed by the Board, and shall be charged with the management of all projects of the Corporation. ~~The Chief Executive Officer shall not be a member of the Board of the Corporation.~~

~~318.313.~~ CHIEF FINANCIAL OFFICER. ~~The~~^A Chief Financial Officer shall~~may~~ be appointed by the Board, and shall be charged with the management of the Corporation's financial business and activities, subject to the direction of the Chief Executive Officer and the Board.~~The~~

314. CHIEF OPERATING OFFICER. A Chief ~~Financial~~Operating Officer may be a member of appointed by the Board, and shall be charged with the management of the Corporation's day to day business activities, subject to the direction of the Chief Executive Officer and the Board.

315. EXECUTIVE DIRECTOR. An Executive Director may be appointed by the Board, and shall have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Chief Executive Officer and the Board.

316. ADDITIONAL DUTIES. The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Corporation by the By-Laws of the Corporation, or by the rules and regulations of the Corporation. Officers authorized to sign orders and checks shall give such bond for the faithful performance of the duties of such office as the Corporation may determine.

~~319.317.~~ ADDITIONAL PERSONNEL. The Corporation may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Board subject to the laws of the State of New York.

Article 400 – INDEMNIFICATION

401. INDEMNIFICATION. The New York State Legislature has enacted legislation permitting public entities, to provide for the defense and indemnification of officers and employees of those agencies. This Article 400 implements that concept and the statutory intent set forth in Article 2, Section 18 of the Public officers Law of the State of New York.

402. DEFINITION OF EMPLOYEE. The term "employee" [for purposes of this Article 400](#) shall mean any commissioner, member of a public board or commission, trustee, director, officer, employee, volunteer expressly authorized to participate in a publicly sponsored volunteer program, or any other person holding a position by election, appointment or employment in the service of the Corporation whether or not compensated. The term "employee" shall include a former employee, his estate or judicially appointed personal representative.

403. DEFENSE.

- (a) Upon compliance by the employee with the provisions of Section 405 hereof, the Corporation shall provide for the defense and indemnification of the employee in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties. This duty to provide for a defense and indemnification shall not arise where such civil action or proceeding is brought by, or at the behest of the Corporation;
- (b) Subject to the conditions set forth in this Article 400, the employee shall be represented by Counsel to the Corporation or an attorney employed or retained by the Corporation for the defense of the employee. The Corporation shall employ or retain an attorney for the defense of the employee whenever (1) the Corporation does not have Corporation Counsel, (2) the Corporation determines, based upon its investigation and review of the facts and circumstances of the case, that representation by the Corporation Counsel would be inappropriate, or (3) a court of competent jurisdiction determines that a conflict of interest exists and that the employee cannot be represented by Corporation Counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Corporation to such attorney employed or retained, from time to time, during pendency of the civil action or proceeding, subject to certification by the Chairman that the employee is entitled to representation under the terms and conditions hereof. Payment of such fees and expenses shall be made in the same manner as payment of other claims and expenses of the Corporation. Any dispute with respect to representation of multiple employees by Corporation Counsel or by an attorney employed or retained for such purposes, or with respect to the amount of the fees or expenses shall be resolved by the court upon motion or by way of a special proceeding; and
- (c) Where the employee delivers process and a written request for a defense to the Corporation, under Section 405 hereof, the Corporation shall take the necessary

steps on behalf of the employee to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

404. DEFENSE AND INDEMNIFICATION.

- (a) The Corporation, shall indemnify and save harmless its employees in the amount of any judgment obtained against such employees in a state or federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by the members of the Board of the Corporation, or its insurance company. This obligation by the Corporation to indemnify shall not apply to any claims against officers and employees of the Corporation, currently outstanding, or reduced to judgment, or settlement;
- (b) Except as otherwise provided by law, this duty to indemnify and save harmless prescribed by this section shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the employee;
- (c) Nothing in this section shall authorize the Corporation to defend, indemnify or save harmless an employee with respect to any claims filed, or money recovered from an employee pursuant to Section 51 of the General Municipal Law or for any claims alleging intentional wrongdoing or a reckless act; and
- (d) Upon entry of a final judgment against the employee, or upon the settlement of the claim, the employee shall serve a copy of such judgment or settlement, personally or by certified or registered mail within five (5) days of the date of entry or settlement, upon the Chairman of the Corporation and Corporation Counsel, and if not inconsistent with the provisions of this resolution, the amount of such judgment or settlement shall be paid by the Corporation.

405. DUTY TO NOTIFY. The duty to defend or indemnify and save harmless prescribed herein shall be conditioned upon:

- (a) Delivery by the employee to Corporation Counsel and to the Chairman of the Corporation a written request to provide for his defense, together with the original or a copy of any summons, complaint, process, notice, demand or pleading within five (5) days after he is served with such document, and
- (b) The full cooperation of this employee in the defense of such action or proceeding and in defense of any action or proceeding against the Corporation based upon the same act or omission, and in the prosecution of any appeal.

406. OTHER RIGHTS. The benefits conferred in this Article 400 shall inure only to employees as deemed herein and shall not enlarge or diminish the rights of any other

party nor shall any provision of this Article 400 be construed to affect, alter or repeal any provision of the Worker's Compensation Law.

407. NOTICE. This Article 400 shall not in any way affect the obligation of any claimant to give notice to the Corporation under Section Ten of the Court of Claims Act, Section 50 (e) of the General Municipal Law, or any other provisions of law.

408. INSURANCE. The Corporation is hereby authorized and empowered to purchase insurance from any insurance company created by, or under, the laws of the State of New York, or authorized by law to transact business in this state, against any liability imposed by the provisions of this Article 400 or to act as a self insurer with respect thereto.

409. PAYMENTS. All payments made under the terms of this Article 400, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

410. INSURER RIGHTS. The provisions of this Article 400 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

411. IMMUNITY. Except as otherwise specifically provided in this Article 400, the provisions of this Article 400 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to, or conferred upon, any unit, entity officer or employee of the Corporation, by, in accordance with, or by reason of, any other provision of state or federal statutory or common law.

412. OTHER ENACTMENTS. Except as otherwise provided in this Article 400, benefits accorded to employees under this Article 400 shall supplement, and be available in addition to, defense or indemnification protection conferred by any other enactment of the Corporation, or common law. Notwithstanding anything contained herein to the contrary, the Corporation shall be entitled to contribution and/or indemnification by the employee and/or other Corporation in the event that such other Corporation is also obligated to provide a defense for the employee and/or pay any sums of monies by way of indemnification and/or judgment or award.

413. APPLICABILITY. The provisions of this Article 400 shall apply to all actions or proceedings specified herein which have been commenced, instituted or brought on or after the adoption of these By-laws.

414. NO DUTY TO DEFEND AND/OR INDEMNIFY.

- (a) Notwithstanding anything to the contrary contained herein there shall be no duty of the Corporation to defend or indemnify any employee unless the members of the Board finds (1) that the claim arose during the course of his normal employment and within the scope of his employment in a matter in which the Corporation had an interest; (2) the employee was acting in discharge of a duty

imposed or authorized by law, and (3) the employee acted in good faith and without malice.

- (b) In the event the Corporation assumes the duty of defense and in the event a court determines that the employee acted in bad faith or with malice or in a wanton or willful manner so as to cause the claim, or was not acting in a bona fide discharge of his or her municipal duties, the employee shall reimburse the Corporation for all expenses incurred for defense of claims arising out of the alleged civil action or civil proceeding. Upon such finding by a court, the Corporation shall have no duty to satisfy any judgment or claim against the employee, and in the event the Corporation has satisfied or is ordered to satisfy said judgment or claim, the employee must reimburse the Corporation for any sum paid for the said satisfaction.

415. SEVERABILITY. If any provisions of this Article 400 or the application thereof to any person or circumstance be held unconstitutional or invalid in whole or in part by any court, such holding of unconstitutionality or invalidity shall in no way affect or impair any other provision of this Article 400, or the application of any such provision to any other person or circumstance.

Article 500 – MEETINGS

501. ANNUAL MEETINGS. The annual meeting of the Corporation shall be held in the month of February of each year at the Sullivan County Government Center, 100 North Street, Monticello, New York or at a meeting place designated by the Corporation. If the Corporation shall fail to hold an annual meeting in any year the ~~officers~~Board Officers shall continue in office until their successors shall be chosen and all proceedings of the Corporation shall be regular and valid.

502. REGULAR MEETINGS. Regular meetings of the ~~Board Members of the~~ Corporation may be held with such notice as required by law at such times and places as from time to time may be determined by resolution of the Corporation.

503. SPECIAL MEETINGS. The Chairman of the Corporation may, when the Chairman deems it desirable, and shall, upon the written request of two ~~Board Members~~Directors of the Corporation, call a special meeting of the Corporation for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each ~~Board Member~~Director of the Corporation or may be mailed to the business or home address of each ~~Board Member~~Director of the Corporation on such notice as required by law. Waivers of notice may be signed by any ~~Board Members~~Directors failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all the ~~Board Members~~Directors of the Corporation are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

504. QUORUM. At all meetings of the Corporation, a majority of the ~~Board Members~~Directors of the Corporation shall constitute a quorum for the purpose of

transacting business. A number smaller than a quorum may meet and adjourn to some other time or until the quorum is obtained.

505. ORDER OF BUSINESS. At the regular meetings of the Corporation the following shall be the order of business.

- (a) Roll call.
- (b) Reading and approval of the minutes of the previous meeting.
- (c) Bills and communications.
- (d) Reports of the Treasurer.
- (e) Report of Chief Executive Director ~~Officer and/or Staff~~.
- (f) Report of the Committees.
- (g) ~~Reports of staff.~~
- ~~(h)~~ Old business.
- ~~(h)~~ New business.
- ~~(i)~~ Adjournment.

All resolutions shall be reduced to written form and incorporated in the minutes of the meetings of the Corporation.

The voting on all questions coming before the Corporation may be by show of hands or calling for the ayes and nays unless a ~~Board Member~~ Director shall request a roll call vote. In any event, the ayes and nays shall be recorded in the minutes of such meeting. Appointments may be voted upon by ballot. The affirmative vote of a majority of the entire Board of Directors shall be the act of the Corporation.

Article 600 – COMMITTEES

601. STANDING COMMITTEES. The Corporation shall have the following standing committees:

(a) Audit Committee. There shall be an Audit Committee consisting of at least three Directors who shall be appointed by the Board at each annual meeting of the Corporation and shall serve until the next annual meeting. To the extent practicable, members of the Audit Committee should be familiar with corporate financial and accounting practices. The Audit Committee shall oversee the accounting and financial reporting processes of the Corporation and the audit of the Corporation's financial statements.

(b) Governance Committee. There shall be a Governance Committee consisting of at least three Directors who shall be appointed by the Board at each annual meeting of the Corporation and shall serve until the next annual meeting. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Corporation's corporate governance principles, and advise the Appointing Member on the skills and experience required of potential Directors.

(c) Finance Committee. There shall be a Finance Committee consisting of at least three Directors who shall be appointed by the Board at each annual meeting of the Corporation and shall serve until the next annual meeting. The Finance Committee shall have the

responsibility to review proposals for the issuance of debt by the Corporation and make recommendations.

602. SPECIAL COMMITTEES. The Board of the Corporation, by resolution adopted by a majority of the Board, may create Special Committees, which shall have only the powers specifically delegated to them.

Article 700 - AMENDMENTS AND REPEAL

~~601.~~701. AMENDMENTS TO BY-LAWS. The By-Laws of the Corporation shall be amended only with the approval of at least a majority of all the ~~Board Members~~Directors of the Corporation at a regular or special meeting, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has been previously given to all ~~Board Members~~Directors of the Corporation. The notice by this section cannot be waived.

~~Article 700 - FREEDOM OF INFORMATION, PUBLIC AUTHORITIES, ACCOUNTABILITY ACT and STATE ENVIRONMENTAL QUALITY REVIEW ACT~~

~~The Corporation is subject to Freedom of Information Law, the Corporation shall comply with the Freedom of Information Law of the State of New York, as set forth within Article 6 of the Public Officers Law. The Corporation is subject to the Public Authorities Accountability Act of 2005, as amended by Chapter 506 of the Laws of 2009 (collectively, the "PAAA") and shall comply with the PAAA, as set forth within the New York State Public Authorities Law. The Corporation shall comply with the State Environmental Quality Review Act, as set forth within Article 8 of the New York Environmental Conservation Law.~~

702. EFFECT of AMENDMENTS. The By-Laws heretofore in effect are hereby repealed and these By-Laws are intended to replace in their entirety such By-Laws as were heretofore in effect. Nothing contained herein is intended to affect the validity of any action taken by the Corporation pursuant to By-Laws heretofore in effect.

Approved and adopted this 9th day of May, 2016

~~70255-029v2~~

Amended and Restated this ___ day of _____, 2019

Document comparison by Workshare Compare on Thursday, August 22, 2019
11:59:56 AM

Input:	
Document 1 ID	netdocuments://4830-9181-0210/1
Description	SCILDC By-Laws
Document 2 ID	netdocuments://4830-9181-0210/3
Description	SCILDC By-Laws
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	70
Deletions	70
Moved from	3
Moved to	3
Style change	0
Format changed	0
Total changes	146

BY-LAWS

OF

**THE SULLIVAN COUNTY INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION**

Amended and Restated _____, 2019
Adopted May 9, 2016

EXHIBIT B

Article 100 – THE CORPORATION

101. NAME. The name of the Corporation shall be "**THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION**" hereinafter referred to as the Corporation.

102. SEAL OF CORPORATION. The seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and the year of its organization. The use of the Corporation seal shall not be required for the validity of any action of the Corporation. A facsimile seal or use of the word seal may also be used if deemed appropriate.

103. OFFICE OF THE CORPORATION. The office of the Corporation shall be at 548 Broadway, Monticello, New York 12701 or such other location within the County of Sullivan as the Corporation may from time to time designate by resolution.

Article 200 – APPOINTING MEMBER or MEMBERS

201. – COMPOSITION OF APPOINTING MEMBER.

Unless later modified by amendment to these By-Laws, the sole Appointing Member of the Corporation shall be Sullivan County, New York, acting by and through its County Manager, ex officio. The Corporation shall be managed by its Board of Directors in accordance with the provisions contained herein. After the initial meeting of the sole Appointing Member, which will be documented by resolutions of the meeting being acknowledged by the County Manager, all future meetings will be subject to Open Meetings Law and the related notices.

202. - RIGHTS AND POWERS OF THE APPOINTING MEMBER.

The Appointing Member shall have and exercise all the rights and powers of corporate membership required by the laws of the State of New York and created by the Certificate of Incorporation and the By-Laws of the Corporation.

203. - ANNUAL MEETING OF THE APPOINTING MEMBER.

The Appointing Member shall hold an annual meeting of the Appointing Member in the third week of January of each fiscal year at a convenient time and place designated by the Appointing Member. At the annual meeting, the Appointing Member shall appoint Directors pursuant to Article 300 hereof for positions where a new directorship is created or the term of a Director has expired or otherwise terminated and transact such other business as may properly come before the meeting.

204. – ANNUAL REPORT TO THE APPOINTING MEMBER.

At the annual meeting of the Appointing Member, the Directors or designated officer of the Corporation shall present an annual report showing in appropriate detail the following information:

(i) A complete verified or audited financial statement of the Corporation for the fiscal year immediately preceding the date of the report showing the assets and liabilities, principal changes in assets and liabilities, revenue, receipts, expenses and disbursements of the Corporation; and

(ii) A summary of the activities of the Corporation during the preceding year.

The annual report shall be filed with the minutes of the annual meeting of the Appointing Member.

205. - SPECIAL MEETINGS OF THE APPOINTING MEMBER.

Special meetings of the Appointing Member may be called at any time by the Appointing Member. Such request shall state the purpose or purposes for the proposed meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of such special meeting; provided, however, if at such meeting, the Appointing Member elects to transact business not previously described in the aforementioned notice, then the Corporation may transact such other business.

206. - PLACE OF MEETINGS; ORGANIZATION

All membership meetings shall be held at the principal office of the Corporation or at such other convenient location as may be determined by the Appointing Member. At each membership meeting, the Appointing Member shall preside. The Secretary, or, in his or her absence, a person chosen by the Appointing Member, shall keep complete and accurate minutes of the meeting.

207. - NOTICE OF MEMBERSHIP MEETINGS; WAIVERS

(a) Notice of each membership meeting shall state the purpose or purposes for which the meeting is called, the place, date and time of the meeting and, unless it is the annual meeting, shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. Such notice shall be given either personally or by mail to each Appointing Member not less than ten (10) nor more than fifty (50) days before the date of the meeting. If mailed, the notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the Appointing Member at his or her address as it appears on the record of the Appointing Member or, if he or she shall have filed with the Secretary a written request that notices be mailed to some other address, then directed to such other address.

(b) Formal notice of meeting need not be given to an Appointing Member if he or she executes a waiver of notice, either before or after the meeting. The attendance of an Appointing Member at a meeting, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice.

208. – PROPERTY RIGHTS OF APPOINTING MEMBER

The Appointing Member shall not have any rights or interests in or to the property or assets of the Corporation.

Article 300- BOARD OF DIRECTORS and OFFICERS

301. The number of Directors shall be nine (9). The Directors shall be eligible to serve an unlimited number of consecutive terms. The Directors shall serve terms of three (3) years. However, the Directors first appointed by the Member shall serve staggered terms as follows (the "Initial Terms"), with subsequent terms being for three (3) years: (A) Directors Joseph Perrello, Suzanne Loughlin and Howard Siegel shall each serve Initial Terms expiring December 31, 2016; (B) Directors Charles Barbuti, Jr., Carol Roig and Scott Smith shall each serve Initial Terms expiring December 31, 2017; (C) Directors Ira Steingart, Sean Rieber and Paul Guenther shall each serve Initial Terms expiring December 31, 2018. The Directors shall exercise all rights of Directors as described herein and in the Certificate of Incorporation or any applicable resolution. Any subsequent increase or decrease in the size of the Board of Directors will require the approval of the Member. As used in these By-laws, "the entire Board of Directors" means the total number of Directors that the Corporation would have if there were no vacancies on the Board. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at meetings of the Board. When a quorum is once present to organize a meeting, it shall not be broken by the subsequent withdrawal of any Director(s). A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. If a quorum is present at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting. Notice of the adjourned meeting shall be given to all Directors.

Any Director of the Corporation may resign at any time by giving written notice to the Chief Executive Officer or the Secretary. Such resignation shall take effect at the time specified therein or, if no time is specified, then on delivery. Acceptance of the resignation shall not be necessary to make it effective.

Any Director may be removed from the Board with or without cause by the Appointing Member or for cause by a vote of a majority of the Directors, provided there is a quorum of not less than a majority of the entire Board present.

Newly created directorships resulting from an increase in the number of Directors, and vacancies occurring for any reason, shall be filled by the Appointing Member as soon

as practicable but in no event later than sixty (60) days after the increase or vacancy occurs. A Director appointed to fill a vacancy caused by resignation, death, disability or removal shall hold office for the unexpired term of his or her predecessor in office and until a successor is appointed and takes office.

302. **BOARD OFFICERS.** The Board officers of the Corporation (“Board Officers”) shall be a Chairman, one or more Vice Chairmen, a Secretary, and a Treasurer. There may be an Assistant Secretary and an Assistant Treasurer. Each of the foregoing Board offices shall be held by a Director, and except for the offices of Chairman and Vice Chairman, and Chairman and Secretary; one person may hold more than one office.

303. **CHAIRMAN.** The Chairman shall preside at all meetings of the Corporation. Except as otherwise authorized by resolution of the Corporation, the Chairman shall sign all agreements, contracts, deeds, bonds, mortgages, and other instruments of indebtedness, and any other instrument of indebtedness. At each meeting the Chairman shall submit such recommendations and information as the Chairman may consider proper concerning the business, affairs and policies of the Corporation.

304. **VICE CHAIRMAN.** A Vice Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman; in case of the resignation or death of the Chairman, a Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Corporation shall appoint a successor Chairman.

305. **SECRETARY.** The Secretary shall keep the records of the Corporation, shall act as Secretary of the meetings of the Corporation and record all votes and shall keep a record of the proceedings of the Corporation in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall keep in safe custody the seal of the Corporation and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Corporation.

306. **ASSISTANT SECRETARY.** The Assistant Secretary shall perform the duties of the Secretary in the absence or incapacity of the Secretary; in case of the resignation or death of the Secretary the Assistant Secretary shall perform such duties as are imposed on the Secretary until such time as the Corporation shall appoint a successor Secretary.

307. **TREASURER.** The Treasurer shall have the care and custody of all funds of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks as the Corporation may select. Unless otherwise provided by resolution, the Treasurer shall sign all orders and all checks for the payment of money; and shall pay out and disburse such moneys under the direction of Corporation. If authorized, by resolution, the Chairman and, in the event of the absence or incapacity of the Chairman, a Vice Chairman, shall sign all orders and checks prepared by the Treasurer. The Treasurer shall keep regular books of account showing receipts and expenditures, and shall render to the Corporation at regular intervals an account of all transactions and also of the financial condition of the Corporation.

308. ASSISTANT TREASURER. The Assistant Treasurer shall perform the duties of the Treasurer in the absence or incapacity of the Treasurer; in case of the resignation or death of the Treasurer, the Assistant Treasurer shall perform such duties as are imposed on the Treasurer until such time as the Corporation shall appoint a successor Treasurer.

309. APPOINTMENT OF BOARD OFFICERS. All Board Officers of the Corporation except the first Chairman shall be appointed at the annual meeting of the Corporation from among the Directors of the Corporation, and shall hold office for one year or until their successors are appointed.

310. BOARD OFFICER VACANCIES. In the event that any Board office shall become vacant, the Board shall appoint a successor, and such appointment shall be for the unexpired term of said office.

311. CORPORATE OFFICERS. The corporate officers of the Corporation ("Corporate Officers") shall be a Chief Executive Officer, a Chief Financial Officer, a Chief Operating Officer and an Executive Director. The appointment, compensation, terms and conditions of such Corporate offices shall be determined by the Board in accordance with these By-Laws and subject to the laws of the State of New York.

312. CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be appointed by the Board, and shall be charged with the management of all projects of the Corporation.

313. CHIEF FINANCIAL OFFICER. A Chief Financial Officer may be appointed by the Board, and shall be charged with the management of the Corporation's financial business and activities, subject to the direction of the Chief Executive Officer and the Board.

314. CHIEF OPERATING OFFICER. A Chief Operating Officer may be appointed by the Board, and shall be charged with the management of the Corporation's day to day business activities, subject to the direction of the Chief Executive Officer and the Board.

315. EXECUTIVE DIRECTOR. An Executive Director may be appointed by the Board, and shall have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Chief Executive Officer and the Board.

316. ADDITIONAL DUTIES. The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Corporation by the By-Laws of the Corporation, or by the rules and regulations of the Corporation. Officers authorized to sign orders and checks shall give such bond for the faithful performance of the duties of such office as the Corporation may determine.

317. ADDITIONAL PERSONNEL. The Corporation may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as

prescribed by laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Board subject to the laws of the State of New York.

Article 400 – INDEMNIFICATION

401. INDEMNIFICATION. The New York State Legislature has enacted legislation permitting public entities, to provide for the defense and indemnification of officers and employees of those agencies. This Article 400 implements that concept and the statutory intent set forth in Article 2, Section 18 of the Public officers Law of the State of New York.

402. DEFINITION OF EMPLOYEE. The term "employee" for purposes of this Article 400 shall mean any commissioner, member of a public board or commission, trustee, director, officer, employee, volunteer expressly authorized to participate in a publicly sponsored volunteer program, or any other person holding a position by election, appointment or employment in the service of the Corporation whether or not compensated. The term "employee" shall include a former employee, his estate or judicially appointed personal representative.

403. DEFENSE.

- (a) Upon compliance by the employee with the provisions of Section 405 hereof, the Corporation shall provide for the defense and indemnification of the employee in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties. This duty to provide for a defense and indemnification shall not arise where such civil action or proceeding is brought by, or at the behest of the Corporation;
- (b) Subject to the conditions set forth in this Article 400, the employee shall be represented by Counsel to the Corporation or an attorney employed or retained by the Corporation for the defense of the employee. The Corporation shall employ or retain an attorney for the defense of the employee whenever (1) the Corporation does not have Corporation Counsel, (2) the Corporation determines, based upon its investigation and review of the facts and circumstances of the case, that representation by the Corporation Counsel would be inappropriate, or (3) a court of competent jurisdiction determines that a conflict of interest exists and that the employee cannot be represented by Corporation Counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Corporation to such attorney employed or retained, from time to time, during pendency of the civil action or proceeding, subject to certification by the Chairman that the employee is entitled to representation under the terms and conditions hereof. Payment of such fees and expenses shall be made in the same manner as payment of other claims and expenses of the Corporation. Any dispute with respect to representation of multiple employees by Corporation Counsel or by an attorney employed or

- retained for such purposes, or with respect to the amount of the fees or expenses shall be resolved by the court upon motion or by way of a special proceeding; and
- (c) Where the employee delivers process and a written request for a defense to the Corporation, under Section 405 hereof, the Corporation shall take the necessary steps on behalf of the employee to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

404. DEFENSE AND INDEMNIFICATION.

- (a) The Corporation, shall indemnify and save harmless its employees in the amount of any judgment obtained against such employees in a state or federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by the members of the Board of the Corporation, or its insurance company. This obligation by the Corporation to indemnify shall not apply to any claims against officers and employees of the Corporation, currently outstanding, or reduced to judgment, or settlement;
- (b) Except as otherwise provided by law, this duty to indemnify and save harmless prescribed by this section shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the employee;
- (c) Nothing in this section shall authorize the Corporation to defend, indemnify or save harmless an employee with respect to any claims filed, or money recovered from an employee pursuant to Section 51 of the General Municipal Law or for any claims alleging intentional wrongdoing or a reckless act; and
- (d) Upon entry of a final judgment against the employee, or upon the settlement of the claim, the employee shall serve a copy of such judgment or settlement, personally or by certified or registered mail within five (5) days of the date of entry or settlement, upon the Chairman of the Corporation and Corporation Counsel, and if not inconsistent with the provisions of this resolution, the amount of such judgment or settlement shall be paid by the Corporation.

405. DUTY TO NOTIFY. The duty to defend or indemnify and save harmless prescribed herein shall be conditioned upon:

- (a) Delivery by the employee to Corporation Counsel and to the Chairman of the Corporation a written request to provide for his defense, together with the original or a copy of any summons, complaint, process, notice, demand or pleading within five (5) days after he is served with such document, and
- (b) The full cooperation of this employee in the defense of such action or proceeding and in defense of any action or proceeding against the Corporation based upon the same act or omission, and in the prosecution of any appeal.

406. OTHER RIGHTS. The benefits conferred in this Article 400 shall inure only to employees as deemed herein and shall not enlarge or diminish the rights of any other party nor shall any provision of this Article 400 be construed to affect, alter or repeal any provision of the Worker's Compensation Law.

407. NOTICE. This Article 400 shall not in any way affect the obligation of any claimant to give notice to the Corporation under Section Ten of the Court of Claims Act, Section 50 (e) of the General Municipal Law, or any other provisions of law.

408. INSURANCE. The Corporation is hereby authorized and empowered to purchase insurance from any insurance company created by, or under, the laws of the State of New York, or authorized by law to transact business in this state, against any liability imposed by the provisions of this Article 400 or to act as a self insurer with respect thereto.

409. PAYMENTS. All payments made under the terms of this Article 400, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

410. INSURER RIGHTS. The provisions of this Article 400 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

411. IMMUNITY. Except as otherwise specifically provided in this Article 400, the provisions of this Article 400 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to, or conferred upon, any unit, entity officer or employee of the Corporation, by, in accordance with, or by reason of, any other provision of state or federal statutory or common law.

412. OTHER ENACTMENTS. Except as otherwise provided in this Article 400, benefits accorded to employees under this Article 400 shall supplement, and be available in addition to, defense or indemnification protection conferred by any other enactment of the Corporation, or common law. Notwithstanding anything contained herein to the contrary, the Corporation shall be entitled to contribution and/or indemnification by the employee and/or other Corporation in the event that such other Corporation is also obligated to provide a defense for the employee and/or pay any sums of monies by way of indemnification and/or judgment or award.

413. APPLICABILITY. The provisions of this Article 400 shall apply to all actions or proceedings specified herein which have been commenced, instituted or brought on or after the adoption of these By-laws.

414. NO DUTY TO DEFEND AND/OR INDEMNIFY.

- (a) Notwithstanding anything to the contrary contained herein there shall be no duty of the Corporation to defend or indemnify any employee unless the members of the Board finds (1) that the claim arose during the course of his normal

employment and within the scope of his employment in a matter in which the Corporation had an interest; (2) the employee was acting in discharge of a duty imposed or authorized by law, and (3) the employee acted in good faith and without malice.

- (b) In the event the Corporation assumes the duty of defense and in the event a court determines that the employee acted in bad faith or with malice or in a wanton or willful manner so as to cause the claim, or was not acting in a bona fide discharge of his or her municipal duties, the employee shall reimburse the Corporation for all expenses incurred for defense of claims arising out of the alleged civil action or civil proceeding. Upon such finding by a court, the Corporation shall have no duty to satisfy any judgment or claim against the employee, and in the event the Corporation has satisfied or is ordered to satisfy said judgment or claim, the employee must reimburse the Corporation for any sum paid for the said satisfaction.

415. SEVERABILITY. If any provisions of this Article 400 or the application thereof to any person or circumstance be held unconstitutional or invalid in whole or in part by any court, such holding of unconstitutionality or invalidity shall in no way affect or impair any other provision of this Article 400, or the application of any such provision to any other person or circumstance.

Article 500 – MEETINGS

501. ANNUAL MEETINGS. The annual meeting of the Corporation shall be held in the month of February of each year at the Sullivan County Government Center, 100 North Street, Monticello, New York or at a meeting place designated by the Corporation. If the Corporation shall fail to hold an annual meeting in any year the Board Officers shall continue in office until their successors shall be chosen and all proceedings of the Corporation shall be regular and valid.

502. REGULAR MEETINGS. Regular meetings of the Corporation may be held with such notice as required by law at such times and places as from time to time may be determined by resolution of the Corporation.

503. SPECIAL MEETINGS. The Chairman of the Corporation may, when the Chairman deems it desirable, and shall, upon the written request of two Directors of the Corporation, call a special meeting of the Corporation for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each Director of the Corporation or may be mailed to the business or home address of each Director of the Corporation on such notice as required by law. Waivers of notice may be signed by any Directors failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all the Directors of the Corporation are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

504. QUORUM. At all meetings of the Corporation, a majority of the Directors of the Corporation shall constitute a quorum for the purpose of transacting business. A number smaller than a quorum may meet and adjourn to some other time or until the quorum is obtained.

505. ORDER OF BUSINESS. At the regular meetings of the Corporation the following shall be the order of business.

- (a) Roll call.
- (b) Reading and approval of the minutes of the previous meeting.
- (c) Bills and communications.
- (d) Reports of the Treasurer.
- (e) Report of Chief Executive Officer and/or Staff.
- (f) Report of the Committees.
- (g) Old business.
- (h) New business.
- (i) Adjournment.

All resolutions shall be reduced to written form and incorporated in the minutes of the meetings of the Corporation.

The voting on all questions coming before the Corporation may be by show of hands or calling for the ayes and nays unless a Director shall request a roll call vote. In any event, the ayes and nays shall be recorded in the minutes of such meeting. Appointments may be voted upon by ballot. The affirmative vote of a majority of the entire Board of Directors shall be the act of the Corporation.

Article 600 – COMMITTEES

601. STANDING COMMITTEES. The Corporation shall have the following standing committees:

(a) Audit Committee. There shall be an Audit Committee consisting of at least three Directors who shall be appointed by the Board at each annual meeting of the Corporation and shall serve until the next annual meeting. To the extent practicable, members of the Audit Committee should be familiar with corporate financial and accounting practices. The Audit Committee shall oversee the accounting and financial reporting processes of the Corporation and the audit of the Corporation's financial statements.

(b) Governance Committee. There shall be a Governance Committee consisting of at least three Directors who shall be appointed by the Board at each annual meeting of the Corporation and shall serve until the next annual meeting. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Corporation's corporate governance principles, and advise the Appointing Member on the skills and experience required of potential Directors.

(c) Finance Committee. There shall be a Finance Committee consisting of at least three Directors who shall be appointed by the Board at each annual meeting of the Corporation

and shall serve until the next annual meeting. The Finance Committee shall have the responsibility to review proposals for the issuance of debt by the Corporation and make recommendations.

602. SPECIAL COMMITTEES. The Board of the Corporation, by resolution adopted by a majority of the Board, may create Special Committees, which shall have only the powers specifically delegated to them.

Article 700 - AMENDMENTS AND REPEAL

701. AMENDMENTS TO BY-LAWS. The By-Laws of the Corporation shall be amended only with the approval of at least a majority of all the Directors of the Corporation at a regular or special meeting, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has been previously given to all Directors of the Corporation. The notice by this section cannot be waived.

702. EFFECT of AMENDMENTS. The By-Laws heretofore in effect are hereby repealed and these By-Laws are intended to replace in their entirety such By-Laws as were heretofore in effect. Nothing contained herein is intended to affect the validity of any action taken by the Corporation pursuant to By-Laws heretofore in effect.

Approved and adopted this 9th day of May, 2016

Amended and Restated this __ day of _____, 2019

**THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION REVENUE BONDS
(ADELAAR INFRASTRUCTURE PROJECT)
SERIES 2016**

**SPECIAL ASSESSMENT REPORT
FISCAL YEAR 2020**

September 3, 2019

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION (ADELAAR INFRASTRUCTURE PROJECT)

INTRODUCTION

The Sullivan County Infrastructure Local Development Corporation (the “Corporation”) issued the \$110,075,000.00 Series 2016 Revenue Bonds (the “Series 2016 Bonds”) for the purpose of financing public infrastructure improvements consisting of soil erosion and sediment controls, clearing and grubbing, earthwork, creation of wetlands, landscaping, installation of electrical systems, construction of sewer and water systems, creation of new roads, improvement of existing roads, lighting, and drainage (collectively, the “Facility” or the “Public Infrastructure Improvements”), to fund the Debt Service Reserve Fund, to fund the Administrative Expense Fund, to pay the interest on the Series 2016 Bonds prior to and during construction through June 1, 2020 and to fund the costs of issuing the Series 2016 Bonds. The Series 2016 Bonds are payable from and secured by a pledge of the Service Fees.

Pursuant to the Public Infrastructure Services Agreement (the “Services Agreement”) between the Town of Thompson, New York (the “Town”), and the Corporation, the Town is to pay Service Fees to the Corporation. The Town is to levy Special Assessments in an amount equal to the Special Assessment Requirement, which will be used to pay the Service Fees. The Corporation is required to provide the Town with a Special Assessment Roll and a Special Assessment Report explaining the methodology used to prepare the Special Assessment Roll each year. The Special Assessment Roll shall be prepared in accordance with the Services Agreement and the Rate and Method of Apportionment of Special Assessments (the “RMA”), which is an attachment to the Services Agreement.

According to the RMA for the Adelaar Resort Sewer District, the Adelaar Resort Water District, the Adelaar Drainage District, the Adelaar Resort Lighting District, and the Adelaar Resort Road District (collectively, the “Improvement Districts”), “Special Assessments for the Improvement Districts shall be collected each year in an amount equal to the Special Assessment Requirement for each of the Improvement Districts.” This report explains the calculation of the Special Assessment Requirement for the period of January 1, 2020 through December 31, 2020 (“Fiscal Year 2020”).

The first optional call date on the Series 2016 Bonds is November 1, 2026. Under federal tax law, tax exempt bonds may be advance refunded no sooner than ninety days prior to the call date. MuniCap, Inc. (the “Administrator”) will begin evaluating the opportunity to refund the Series 2016 Bonds two years prior to the call date. This will provide time to plan ahead if there is an opportunity to refund the Series 2016 Bonds.

Terms used herein and defined in the RMA and the Services Agreement shall have the meanings given to such terms therein.

TRUSTEE ACCOUNTS

The trustee for the Series 2016 Bonds is Wilmington Trust, N.A. (the “Trustee”). Table A below shows the account balances as of June 30, 2018, disbursements, additional proceeds, transfers, investment income and account balances as of June 30, 2019.

Table A
Fund Balances

Fund/Account	Balance 06/30/2018	Disburse- ments	Additional Proceeds	Transfers	Investment Income	Balance 06/30/2019
Revenue Fund	\$0	\$0	\$2,009,028	\$0	\$4,390	\$2,013,418
Interest Account ¹	\$0	\$5,759,663	\$0	\$5,759,663	\$0	\$0
Principal Account ¹	\$0	\$0	\$0	\$0	\$0	\$0
Redemption Account ¹	\$0	\$0	\$0	\$0	\$0	\$0
Rebate Fund	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Expense Account ²	\$190,898	\$0	\$0	\$0	\$3,754	\$194,652
Administrative Reserve Fund ²	\$95,852	\$0	\$0	\$0	\$1,885	\$97,737
Debt Service Reserve Fund	\$3,703,803	\$0	\$0	\$0	\$61,047	\$3,764,850
Construction Account ³	\$0	\$0	\$0	\$0	\$0	\$0
Sewer District Account ⁴	\$6,461,919	\$6,502,961	\$0	\$0	\$99,529	\$58,487
Water District Account ⁴	\$809,401	\$814,499	\$0	\$0	\$12,424	\$7,326
Drainage District Account ⁴	\$1,840,733	\$1,852,424	\$0	\$0	\$28,352	\$16,661
Lighting District Account ⁴	\$105	\$105	\$0	\$0	\$2	\$2
Road District Account ⁴	\$2,358,833	\$2,373,815	\$0	\$0	\$36,332	\$21,350
Capitalized Interest Account ⁴	\$6,451,025	\$0	\$0	(\$5,759,663)	\$113,270	\$804,632
Net Proceeds Fund ³	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Issuance Account ³	\$15,979	\$0	\$0	\$0	\$314	\$16,293
Total	\$21,928,548	\$17,303,467	\$2,009,028	\$0	\$361,299	\$6,995,408

¹This account is a subaccount of the Bond Fund.

²This account is a subaccount of the Administrative Expense Fund.

³This account is a subaccount of the Project Fund.

⁴This account is a subaccount of the Construction Account of the Project Fund.

- Disbursements from the Interest Account represent payment of debt service on the Series 2016 Bonds on November 1, 2018 and May 1, 2019.
- Disbursements from the Sewer District Account represent payments of the Sewer District Improvements funded with the Series 2016 Bonds.
- Disbursements from the Water District Account represent payments of the Water District Improvements funded with the Series 2016 Bonds.
- Disbursements from the Drainage District Account represent payments of the Drainage District Improvements funded with the Series 2016 Bonds.
- Disbursements from the Lighting District Account represent payments of the Lighting District Improvements funded with the Series 2016 Bonds.
- Disbursements from the Road District Account represent payments of the Road District Improvements funded with the Series 2016 Bonds.

- Transfers from the Capitalized Interest Account represent transfers to the Interest Account for payment of the debt service on the Series 2016 Bonds on November 1, 2018 and May 1, 2019.
- Additional proceeds to the Revenue Fund represent the deposit of Fiscal Year 2019 Special Assessments by the Town of Thompson.

The investment income deposited to the trust estate through June 30, 2019 does not include interest accrued but not yet deposited. The funds held in the Capitalized Interest Account are invested in a Natixis Funding Corporation Investment Agreement earning a rate of return of approximately 1.12 percent. The funds held in the Debt Service Reserve Fund are invested in a Natixis Funding Corporation Investment Agreement earning a rate of return of approximately 1.64 percent. Funds not invested in a Natixis Funding Corporation Investment Agreement are currently invested in a Federated Government Obligations money market fund earning a rate of return of approximately 2.07 percent per annum. Table B below shows the approximate rates of return on the funds and accounts held by the Trustee as of June 30, 2019.

Interest earned on and any profit realized from the investment of money in the Capitalized Interest Account will be retained in this account and used to make transfers to the Interest Account of the Bond Fund on or before each interest payment date. Interest accruing on and any profit realized from the investment of money in the Project Fund will be retained in the Project Fund as a part of the account or subaccount in which the investment is held. Interest received in and any profit realized from the investment of money in the Revenue Fund will be retained in the Revenue Fund as a part of the account in which the investment is held. Interest received on and any profit realized from the investment of money in the Bond Fund will become a part of the account in which the investment is held.

Interest received on and any profit realized from the investment of money in the Administrative Expense Fund will become a part of such account. Investment income earned on the Debt Service Reserve Fund shall be transferred at the written request of the Authorized Issuer Representative to the applicable accounts in the Bond Fund, Administrative Expense Fund or Project Fund.

Table B
Rates of Return

Fund/Account	Rates of Return
Revenue Fund	2.07%
Administrative Expense Account	2.07%
Administrative Reserve Fund	2.07%
Debt Service Reserve Fund	1.64%
Sewer District Account	2.07%
Water District Account	2.07%
Drainage District Account	2.07%
Lighting District Account	2.07%
Road District Account	2.07%
Capitalized Interest Account	1.12%
Cost of Issuance Account	2.07%

LEVY AND COLLECTION OF SPECIAL ASSESSMENTS

Pursuant to the RMA, the Special Assessment Requirement, for each year, for the Improvement Districts, shall equal “the amount of Special Assessments that are required to be collected to pay the Service Fee as set forth in the District Budget.” According to Section D of the RMA, “The District Budget for each Improvement District shall consist of the estimated District Revenues and District Expenditures for each Improvement District for the following calendar year.” District Revenues mean all revenues available to pay the District Expenditures, as provided for in the Services Agreement. The District Expenditures means an amount equal to the Service Fee. The Service Fee, as further defined in the Services Agreement, consists of the following components: Bonds Service Fee; Reserve Fund Service Fee; Additional Indebtedness Service Fee and Administrative Expenses Service Fee.

Pursuant to Section D of the RMA, “The District Budget shall identify the Special Assessment Requirement for each Improvement District, which shall be the amount required to be collected as Special Assessments on parcels in each of the Improvement Districts to pay the Service Fee. The District Budget shall separately identify each component of the Service Fee.” The components of the Service Fee are shown in Table C below.

Table C
Components of the Service Fee

Components of the Service Fee
Bonds Service Fee
Reserve Fund Service Fee
Additional Indebtedness Service Fee
Administrative Expenses Service Fee

Table D on the following page incorporates the components shown in Table C and the estimated budget for purposes of calculating the Special Assessment Requirement. As calculated and explained in the following sections, the Special Assessment Requirement for Fiscal Year 2020 is \$7,326,990.87. As a result, Special Assessments in the amount of \$7,326,990.87 are to be collected from parcels in the Improvement Districts in Fiscal Year 2020. The proposed budgets for Fiscal Years 2021 through 2023 are shown in Appendix B, attached hereto, and represent estimates of future revenues and expenditures based on assumptions stipulated in the executed bond documents.

Table D
Special Assessment Requirement

Service Fees:	
Bonds Service Fee	\$7,319,406
Reserve Fund Service Fee	\$0
Additional Indebtedness Service Fee	\$0
Administrative Expenses Service Fee	\$7,585
Total Service Fees for Fiscal Year 2020	\$7,326,991
Special Assessment Requirement for Fiscal Year 2020	\$7,326,991

COMPONENTS OF THE SERVICE FEE

Bonds Service Fee

Pursuant to the Services Agreement, the Bonds Service Fee means, collectively, the Sewer District Bonds Service Fee, the Water District Bonds Service Fee, the Drainage District Bonds Service Fee, the Lighting District Bonds Service Fee and the Roads District Bonds Service Fee. The Bonds Service Fee for each Improvement District is equal to the amount of principal of, interest on and premium for, if any, the Series 2016 Bonds and any Additional Bonds relating to such Improvement District becoming due during any calculation period under the Indenture, if any, less amounts on deposit in the accounts for payment on the Series 2016 Bonds and any Additional Bonds in the Bond Fund created and maintained pursuant to Section 7.1 of the Indenture, if any, less any moneys in the Capitalized Interest Account allocated to the interest due on the Series 2016 Bonds and any Additional Bonds for the applicable calculation period, as more fully set forth in the Indenture and payable from the Special Assessments calculated in accordance with the RMA. As shown in Table E below, the Bonds Service Fee is equal to \$7,319,406.30 for Fiscal Year 2020.

Table E
Bonds Service Fee

Debt service due for Fiscal Year 2020:	
Interest payment due on May 1, 2020	\$2,879,831
Interest payment due on November 1, 2020	\$2,879,831
Principal payment due on November 1, 2020	\$1,640,000
Total debt service due for Fiscal Year 2020	\$7,399,663
Funds available to reduce the Bonds Service Fee:	
Estimated Debt Service Reserve Fund investment income through November 1, 2020	(\$60,742)
Surplus from prior year	(\$19,514)
Funds available to pay a portion of the Bonds Service Fee	(\$80,256)
Bonds Service Fee for Fiscal Year 2020	\$7,319,406

Debt service includes interest payments on the Series 2016 Bonds payable on May 1, 2020 and November 1, 2020, each in the amount of \$2,879,831.25, which is equal to interest for six months on the par amounts of the Series 2016 Bonds. There is a principal payment in the amount

of \$1,640,000.00 due on the Series 2016 Bonds on November 1, 2020. As a result, total debt service on the Series 2016 Bonds to be paid from the Service Fees collected for Fiscal Year 2020 is equal to \$7,399,662.50 (\$2,879,831.25 + \$2,879,831.25 + \$1,640,000.00 = \$7,399,662.50).

Pursuant to Section 1.1 of the Indenture, the Debt Service Reserve Requirement is equal to six (6) months of the maximum principal and interest due on the Series 2016 Bonds in the current or any future Fiscal Year. The maximum principal and interest due on the Series 2016 Bonds is equal to \$3,703,802.50. As a result, the Debt Service Reserve Requirement is equal to \$3,703,802.50. The Debt Service Reserve Fund is invested in a Natixis Funding Corporation Investment Agreement earning a rate of return of 1.64 percent per annum. At this rate of return, it is estimated that investment income in the amount of \$60,742.36 will be earned on the Debt Service Reserve Requirement from November 2, 2019 through November 1, 2020.

As explained below, there is an estimated surplus from prior year in the amount of \$19,513.84 that may be made available to reduce the Bonds Service Fee for Fiscal Year 2020. The calculation of the surplus from prior year is shown in Table F below.

Table F
Surplus from Prior Year (Fiscal Year 2019)

Debt Service:	
Interest payment due on November 1, 2019	\$2,879,831
Principal payment due on November 1, 2019	\$0
Total debt service	\$2,879,831
Funds available to pay remaining Fiscal Year 2019 expenses:	
Available balance of the Capitalized Interest Account as of June 30, 2019 ¹	(\$804,632)
Available balance of the Revenue Fund as of June 30, 2019	(\$2,013,418)
Available balance of the Debt Service Reserve Fund as of June 30, 2019	(\$61,047)
Estimated Debt Service Reserve Fund investment income through November 1, 2019	(\$20,247)
Total funds available to pay remaining Fiscal Year 2019 expenses	(\$2,899,345)
Surplus from prior year	(\$19,514)

¹In accordance with Section 6.1 of the Indenture, the remaining balance of the Capitalized Interest Account was transferred to the Interest Account on July 2, 2019. These funds are anticipated to be used to pay a portion of the debt service due on November 1, 2019.

Remaining expenses for Fiscal Year 2019 include the November 1, 2019 interest payment in the amount of \$2,879,831.25, which is equal to six months of interest on the par amounts of the Series 2016 Bonds.

Pursuant to Section 6.1 of the Indenture, any amounts remaining on deposit in the Capitalized Interest Account after June 1, 2019 were to be transferred to the Interest Account of the Bond Fund to be applied to the payment of interest on the Series 2016 Bonds. Accordingly, the remaining balance of the Capitalized Interest Account of \$804,632.04 was transferred to the Interest Account and the account was subsequently closed. It is anticipated that the funds transferred to the Interest Account will be used to pay a portion of the debt service due on November 1, 2019.

As mentioned previously, the Debt Service Reserve Requirement is equal to \$3,703,802.50. As of June 30, 2019, the balance of the Debt Service Reserve Fund was equal to \$3,764,849.69. As a result, funds in excess of the Debt Service Reserve Requirement of \$61,047.19 ($\$3,764,849.69 - \$3,703,802.50 = \$61,047.19$) are available to be transferred to the Bond Fund. The balance of the Debt Service Reserve Fund is invested in a Natixis Funding Corporation Investment Agreement earning a rate of return of 1.64 percent per annum. At this rate of return, it is estimated that investment income in the amount of \$20,247.45 will be earned on the Debt Service Reserve Requirement from July 1, 2019 through November 1, 2019.

As shown in Table F and described above, remaining debt service expenses for Fiscal Year 2019 are equal to \$2,879,831.25. Funds available to pay the remaining debt service expenses are equal to \$2,899,345.09. As a result, there is a surplus from prior year of \$19,513.84 ($\$2,899,345.09 - \$2,879,831.25 = \$19,513.84$) available to reduce the Bonds Service Fee for Fiscal Year 2020.

As shown in Table E and explained in the preceding paragraphs, the debt service due on the Series 2016 Bonds to be paid from the Service Fees for Fiscal Year 2020 exceeds funds available to pay debt service by \$7,319,406.30 ($\$7,399,662.50 - \$80,256.20 = \$7,319,406.30$). As a result, the Bonds Service Fee for Fiscal Year 2020 is equal to \$7,319,406.30.

Reserve Fund Service Fee

The Reserve Fund Service Fee represents an amount to be deposited into the Debt Service Reserve Fund at bond closing or as needed to replenish the Debt Service Reserve Fund as outlined in the Indenture relating to the Improvement Districts. As mentioned above, the Debt Service Reserve Requirement is equal to \$3,703,802.50. As of June 30, 2019, the balance of the Debt Service Reserve Fund was equal to \$3,764,849.69. As a result, as shown in Table G below, there is no Reserve Fund Service Fee to be collected for Fiscal Year 2020.

Table G
Reserve Fund Service Fee

Debt Service Reserve Requirement as of November 1, 2019	\$3,703,803
Balance of the Debt Service Reserve Fund as of June 30, 2019	\$3,764,850
Surplus/(deficit) in the Debt Service Reserve Fund	\$61,047
Reserve Fund Service Fee	\$0

Additional Indebtedness Service Fee

The Additional Indebtedness Service Fee represents an amount equal to the principal of and interest on Additional Bonds related to the Improvement Districts as described in the Indenture. The Additional Indebtedness Service Fee shall be collected following the issuance of Additional Bonds. There have been no Additional Bonds issued; therefore, no Additional Indebtedness Service Fee is to be collected for Fiscal Year 2020.

Administrative Expenses Service Fee

The Administrative Expenses Service Fee means the amount of administrative expenses to be deposited into the Administrative Expense Fund in accordance with Section 5.2(a) of the

Services Agreement. Administrative expenses generally include the annual fees of the Trustee, the annual charges of the Administrator, legal expenses associated with the Improvement Districts and the estimated expenses of the Town and County related to the billing and collection of the Special Assessments.

As of June 30, 2019, the balance of the Administrative Expense Account was equal to \$194,652.25. It is anticipated that a portion of the balance of the Administrative Expense Account will be used to pay remaining administrative expenses for Fiscal Year 2019. The estimated administrative expenses for Fiscal Year 2019 were equal to \$101,118.41. As of June 30, 2019, no Fiscal Year 2019 administrative expenses have been paid from the trust estate. As a result, the remaining administrative expenses for Fiscal Year 2019 are equal to \$101,118.41 ($\$101,118.41 - \$0.00 = \$101,118.41$). Accordingly, it is anticipated that a portion of the funds held in the Administrative Expense Account equal to \$101,118.41 will be disbursed for payment of Fiscal Year 2019 administrative expenses, leaving a balance of \$93,533.84 ($\$194,652.25 - \$101,118.41 = \$93,533.84$) available to pay estimated administrative expenses for Fiscal Year 2020.

As shown in Table H below, the total administrative expenses related to the Improvement Districts are estimated to be \$101,118.41 for Fiscal Year 2020. As mentioned above, it is anticipated that the remaining balance of the Administrative Expense Account after all Fiscal Year 2019 administrative expenses are paid will be equal to \$93,533.84. As a result, the Administrative Expenses Service Fee for Fiscal Year 2020 is equal to \$7,584.57 ($\$101,118.41$ administrative expenses – $\$93,533.84$ Administrative Expense Account = $\$7,584.57$ Administrative Expenses Service Fee).

Table H
Administrative Expenses Service Fee

Administrative expenses:	
Town/County expenses	\$5,000
Trustee fees	\$7,500
LDC counsel	\$9,000
Administrator's fees	\$31,444
PARIS reporting	\$12,000
Audit fees	\$7,500
Board member/LDC insurance	\$4,000
Estimation of Use Factors ¹	\$15,000
Contingency	\$9,675
Total administrative expenses for Fiscal Year 2020	\$101,118
Funds available to reduce the Administrative Expenses Service Fee:	
Available balance of the Administrative Expense Account ²	(\$93,534)
Total funds available to reduce the Administrative Expenses Service Fee	(\$93,534)
Administrative Expenses Service Fee for Fiscal Year 2020	\$7,585

¹Pursuant to Section F.3.a of the RMA, upon the development of all parcels in a property class, the allocation of the Special Assessment to each parcel will be revised to reflect the use of Public Infrastructure Improvements. It is anticipated that this allocation will be completed during Fiscal Year 2020.

²Represents the remaining balance of the Administrative Expense Account following the payment of all budgeted administrative expenses for Fiscal Year 2019.

Summary of the Special Assessment Requirement

As shown in Table D, the Service Fee, comprised of the Bonds Service Fee, Reserve Fund Service Fee, Additional Indebtedness Service Fee and Administrative Expenses Service Fee, for Fiscal Year 2020 is equal to \$7,326,990.87. As a result, the Special Assessment Requirement for Fiscal Year 2020 is equal to \$7,326,990.87.

METHOD OF ALLOCATING THE SPECIAL ASSESSMENT REQUIREMENT

As mentioned above, Special Assessments in an amount equal to the Special Assessment Requirement will be collected from parcels in the Improvement Districts to pay the Service Fees. Specifically, the Special Assessment Requirement will be further allocated to each parcel within each Improvement District by Land Use Class. For Fiscal Year 2020, the Special Assessment Requirement is equal to \$7,326,990.87. This amount will be allocated to the Improvement Districts and to each parcel using the methodology outlined below.

Allocation to Improvement Districts

The Special Assessments will first be determined for each of the Improvement Districts based on an allocation of the Service Fees. The method of allocating the Service Fees to each of the Improvement Districts is based on the costs funded from bond proceeds for each of the Public Infrastructure Improvements. The costs of each of the Public Infrastructure Improvement funded from bond proceeds will be based on the amounts deposited into the project funds held under the Indenture for each of the Public Infrastructure Improvements, including any transfers of bond proceeds to or from the various accounts and subaccounts within the project fund. The Service Fees will be allocated to each of the Improvement Districts pro rata to the costs of the Public Infrastructure Improvement funded from bond proceeds. Table I below provides the allocation of the Services Fees for Fiscal Year 2020.

Table I
Allocation to the Improvement Districts

Improvement District	Bond Proceeds Deposited to the Project Fund	Percent Allocation	Allocation of the Service Fees to each Improvement District
Sewer District	\$16,600,624	18.8%	\$1,376,237
Water District	\$17,242,327	19.5%	\$1,429,436
Lighting District	\$10,925,558	12.4%	\$905,759
Drainage District	\$14,654,126	16.6%	\$1,214,867
Road District	\$28,957,934	32.8%	\$2,400,692
Total costs	\$88,380,568	100.0%	\$7,326,991

Allocation to Land Use Classes

Following determination of the allocation of the Special Assessment Requirement for each of the Improvement Districts, the Special Assessment must be allocated to each Land Use Class within each of the Improvement Districts. For purposes of making this allocation, property has been classified into five types of property, which are shown in Table J on the following page.

Table J
Land Uses Classes

Land Use Class	Property Use
Land Use Class 1	Casino
Land Use Class 2	Indoor Waterpark/Lodge
Land Use Class 3	Entertainment Village
Land Use Class 4	Golf Course
Land Use Class 5	Reserved/Undeveloped

The Special Assessments to be levied in each of the Improvement Districts are to be allocated to each Land Use Class to reasonably reflect the benefit each property type will receive from the Public Infrastructure Improvements. The benefit each property type will receive is estimated based on the expected use of the Public Infrastructure Improvements by each property type. The Public Infrastructure Improvements include five types of improvements: sewer, water, lighting, drainage and road. The use of the sewer improvements is estimated on the basis of sewer demand in gallons per day for each Land Use Class. The use of the water improvements is estimated on the basis of water demand in gallons per day for each Land Use Class. The use of the road improvements, drainage improvements, and lighting improvements is estimated on the basis of average daily trips for each Land Use Class. The drainage and lighting improvements are largely related to the roads, so are allocated in the same manner. Estimates of gallons per day and trip factors for each Land Use Class will be applied to the properties within the Improvement Districts to determine the total demand for each Land Use Class. The estimated use of the improvements at full build-out for each Land Use Class is based on the Map, Plan and Report.

Table K below provides the allocation of each Improvement District's Service Fees to the five Land Use Classes based on the methodology outlined in the preceding paragraph.

Table K
Allocation to Land Use Classes

Allocation by Land Use Class	Property Use	Sewer District	Water District	Lighting District	Drainage District	Road District
Land Class 1	Casino	\$425,329	\$452,385	\$555,487	\$745,059	\$1,472,306
Land Class 2	Indoor Waterpark/Lodge	\$408,945	\$419,742	\$77,207	\$103,555	\$204,635
Land Class 3	Entertainment Village	\$308,395	\$316,538	\$198,532	\$266,285	\$526,203
Land Class 4	Golf Course	\$55,897	\$57,373	\$23,396	\$31,380	\$62,010
Land Class 5	Reserved/Undeveloped	\$177,671	\$183,398	\$51,137	\$68,588	\$135,537
Total		\$1,376,237	\$1,429,436	\$905,759	\$1,214,867	\$2,400,692

Allocation to Parcels

The Special Assessment per Land Use Class by Improvement District is to be allocated to the parcels in each Improvement District. The allocation is to be made in a manner that reasonably reflects the benefit each parcel will receive from the Public Infrastructure Improvements. Pursuant to Section F of the RMA, the means of estimating the benefit each parcel will receive, once the development on all of the parcels in a Land Use Class is known, will be based on the use of the

Public Infrastructure Improvements. That is, based on gallons per day for water and sewage and average daily trips for roads, storm drainage, and lighting. Prior to development of a parcel, the future development of a parcel may not be known. In that case, it would not be possible to estimate the future use of the Public Infrastructure Improvement by parcel. Consequently, prior to the development of all parcels in a Land Use Class, benefit will be estimated based on the Assessed Value for all parcels in a Land Use Class.

Pursuant to Section F.3.a of the RMA, upon the development of all parcels in a Land Use Class, the allocation of the Special Assessment to each parcel will be revised to reflect the use of Public Infrastructure Improvements. It is anticipated that certain Land Use Classes will be fully developed within the next year. However, as of June 30, 2019, final certificates of occupancy had not been issued for all of the parcels comprising any of the Land Use Classes. As a result, as of June 30, 2019, no Land Use Class has been fully developed. Accordingly, the Special Assessments for Fiscal Year 2020 will be allocated based on the 2019 taxable assessed values, as reported in the County's final assessment roll for 2019.

Summary

Based on the information provided in the preceding sections of this report and as shown in Table D, the estimated Service Fee to be collected from the Bonds Service Fee, Reserve Fund Service Fee, Additional Indebtedness Service Fee, and Administrative Expenses Service Fee for Fiscal Year 2020, which comprises the District Expenditures, exceeds District Revenues by \$7,326,990.87 resulting in a Special Assessment Requirement of \$7,326,990.87 for Fiscal Year 2020. As a result, Special Assessments in the amount of \$7,326,990.87 will be levied for Fiscal Year 2020.

SPECIAL ASSESSMENT ROLL

According to the RMA, the Corporation, or Administrator on behalf of the Corporation, shall each year submit to the Town Board a Special Assessment Roll for each of the Improvement Districts, which lists each parcel in the district, the property owner names for each parcel as well as the Special Assessment to be collected from each parcel.

As required by the RMA, the Special Assessment Roll for the Improvement Districts will identify the tax identification numbers for the parcels located within the Improvement Districts, the property owners and the Special Assessment for each parcel reflecting the Special Assessment Requirement as estimated in Table D. The Special Assessment for the parcels located within the Improvement Districts is shown in Special Assessment Roll, attached hereto as Appendix A. As shown in Appendices A-1 through A-5 and calculated above, the aggregate Special Assessments to be collected for Fiscal Year 2020 are equal to \$7,326,990.87.