

**ST. LAWRENCE COUNTY IDA CIVIC DEVELOPMENT CORPORATION
AUDIT COMMITTEE MEETING AGENDA**

Agenda subject to change

February 15, 2023 at 3:00 PM

Ernest J. LaBaff Industrial Building
19 Commerce Lane, Suite 1
Canton, New York 13617

Audit Entrance

Call to Order

Roll Call

Public Notice

Posted to Website

Presentation from Audit Team

Ed Mucenski, Partner: Pinto Mucenski Hooper VanHouse, & Co. CPA, PC
(Mr. Mucenski to present audit plan for FY2022 audit)

Discussion

Adjournment

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St. Lawrence County Industrial Development Agency

St. Lawrence County Industrial Development Agency
Civic Development Corporation

St. Lawrence County Industrial Development Agency
Local Development Corporation

St. Lawrence River Valley Redevelopment Agency

Greater Massena Economic Development Fund

St. Lawrence County Property Development Corporation

2022 AUDIT SERVICE PLAN

February 15, 2023



Pinto·Mucenski·Hooper
Van House & Co.
Certified Public Accountants, P.C.

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**St. Lawrence County Industrial Development Agency
2022 Audit Service Plan**

February 15, 2023

The Board of Directors and Management
St. Lawrence County Industrial Development Agency

We are pleased to be of service to the St. Lawrence County Industrial Development Agency. The following report describes our audit plan for the year ending December 31, 2022, and discusses other services provided by us. This report is designed to communicate matters relevant to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. This report provides an overview of our plan for the 2022 audits including a summary of our overall objectives for the audit; the nature, scope, and timing of the planned audit work; and any other services required by the St. Lawrence County Industrial Development Agency.

Respectfully,

Pinto Mucenski Hooper Van House & Co.
Certified Public Accountants, P.C.

Engagement Team

The team members for this year's audit and tax services are listed below. All team members are available to be reached throughout the engagement.

Edward Mucenski, CPA
Engagement Partner



Jacqueline Davison
Senior Auditor



Sarah Whitcombe, CPA
Senior Auditor



Management's Responsibilities

The engagement letters provide specific details regarding management responsibilities. A summary of management responsibilities includes the following:

- Preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States.
- Designing, implementing, establishing, and maintaining effective internal controls over financial reporting.
- Implementing systems to achieve compliance with applicable laws and regulations.
- Selection and application of appropriate accounting principles.
- Making all financial records and related information available to us.
- Recording material audit adjustments and confirming to us that the effects of any uncorrected misstatements are immaterial to the financial statements taken as a whole.
- Designing and implementing programs and controls to prevent and detect fraud, and for informing us about any known or suspected fraud.
- Assuming all management responsibilities relating to the tax services, financial statements, related notes, and any other non-audit services.
- Evaluating whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability to continue as a going concern.
- Providing a letter confirming representations made during the audit.

Engagement Objectives and Auditor's Responsibilities

- Plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatements, whether caused by error or fraud. Our audits do not provide absolute assurance and is subject to the inherent risk that errors or fraud, if they exist, may not be detected.
- Obtain a sufficient understanding of internal control to plan the audits of the financial statements. However, such understanding is required for the purpose of determining our audit procedures and not to provide any assurance concerning internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about an entity's ability to continue as a going concern.
- Communicate our responsibilities in relation to the audit and establish an understanding of the terms of the engagement.
- Perform tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements.
- Communicate to management and the Audit Committee, in writing, significant deficiencies and material weaknesses identified during our audits.
- Use professional judgment and exercise professional skepticism throughout the audits.
- Maintain our independence with respect to the St. Lawrence County Industrial Development Agency.

Overall Audit Strategy

Overall, our audit strategy is to focus on areas with a higher risk of material misstatement (whether due to fraud or error) and any other areas of concern brought forward by management or the Board of Directors.

Our audit strategy includes consideration of the following:

- Prior year audit results together with interim financial information and preliminary analytical reviews, including discussions with management and others.
- Inherent risk within the Agency before recognizing internal controls.
- Materiality thresholds.
- New accounting and financial reporting standards and guidance.
- Industry developments and general economic conditions.
- Accounting policies and procedures of the Agency.
- Significant management judgments and accounting estimates.
- Changes to internal controls and the susceptibility of internal controls to failure.
- Computer systems.

Preliminary Risk Assessment

The assessment and identification of risk is performed throughout the audit process in coordination with management and staff. Our focus is on the risks that have a potential impact on financial reporting and financial accounting systems and assessing controls that mitigate those risks.

High Risk Assessment

- Long-term receivables
- Grant receivables and related revenue
- Due from Other Governments
- Related-party transactions
- Post-retirement and pension liabilities
- Other significant and unusual transactions

Moderate or Low Risk Assessment

- Cash and cash equivalents
- Investments
- Other receivables
- Property and equipment
- Accounts payable and accrued expenses
- Long-term debt
- Payroll and related payroll expenses
- Net position (or net assets)

FASB Accounting Standards

The Financial Accounting Standards Board (FASB) has issued several accounting standards that are effective for the year ending December 31, 2022 or later. These standards are as follows:

- ASU 2016-02 - *Leases (Topic 842)*
- ASU 2021-04 - *Earnings Per Share (Topic 260)*
- ASU 2021-05 - *Leases (Topic 842): Lessors – Certain Leases with variable lease payments*
- ASU 2021-07 - *Compensation – Stock Compensation (Topic 718)*
- ASU 2021-09 - *Leases (Topic 842): Discount Rate for Lessees that are not public business entities*
- ASU 2021-10 - *Government Assistance (Topic 832)*
- ASU 2022-06 - *Reference Rate Reform (Topic 848)*

We will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

GASB Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued several accounting standards that are effective for the year ending December 31, 2022 or later. These standards are as follows:

- GASB Statement No. 87 - *Leases*, effective for the year ending June 30, 2022.
- GASB Statement No. 89 - *Accounting for Interest Cost Incurred Before the End of a Construction Period*, effective for the year ending June 30, 2022.
- GASB Statement No. 92 - *Omnibus*, effective for the year ending June 30, 2022.
- GASB Statement No. 93 - *Replacement of Interbank Offered Rates (paragraphs 11b, 14 and 14)*, effective for the year ending June 30, 2022.
- GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, effective for the year ending June 30, 2022 (the requirements in paragraph 4, as they apply to defined contribution pension plans, defined contribution OPEB plans and other employee benefit plans, and paragraph 5 were effective as of June 2020).

We will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

Financial Statements Audit Timeline

Preliminary management meetings, interim audit fieldwork, and engagement communications will run from January through February 15, 2023.

The development of audit strategy, the determination of the nature and scope of audit procedures, and client communications will run throughout the engagement and will change as necessary.

Trial balances and audit documentation uploads to PMHV share drive started January 31st and is ongoing.

The individual audits will be presented to the Audit Committee and/or Board of Directors in March 2023.

Significant Transactions and Events

St. Lawrence County Industrial Development Agency

- Multi-jurisdictional bond with Rochester Regional Health and the St. Lawrence Health System
- Solar project fees
- ARPA fund administration

St. Lawrence County IDA Civic Development Corporation

- Bond fee income
- Two loans were paid off
- Issuance of Grant to SLC-PDC

St. Lawrence County IDA Local Development Corporation

- Two new mortgage receivables issued
- Two new loan receivables issued
- One loan was paid in full
- One Brasher Revolving Loan was paid off
- Two new loans issued from the micro-loan funds

St. Lawrence River Valley Redevelopment Agency

- Two new mortgage receivables issued
- Two new loan receivables issued
- Two loans were paid in full

Greater Massena Economic Development Fund

- One loan paid in full

St. Lawrence County Property Development Corporation

- Grant funds received from SLCIDA-CDC
- Finalized Phase 2 construction at 100 Patterson St, Ogdensburg

2022 Reporting Requirements

	SLC IDA	CDC	IDA-LDC	GMEDF	SLRVRA	PDC
Financial statement audit in accordance with GAAP	X	X	X	X	X	X
Auditor's required communications letter	X	X	X	X	X	X
Financial statement audit in accordance with Government Auditing Standards	X	X	X	X	X	X
Federal form 990 and NYS form CHAR500			X			X