

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Resolution No. RVR-24-05-04

May 14, 2024

**ACCEPTING 2023 AUDIT**

**WHEREAS**, the St. Lawrence River Valley Redevelopment Agency has appointed the firm of Pinto, Mucenski, Hooper, VanHouse and Company, PC as its auditor for the years 2021 through 2025, and

**WHEREAS**, Pinto, Mucenski, Hooper, VanHouse and Company, PC has submitted the attached document entitled “St. Lawrence River Valley Redevelopment Agency Financial Statements, December 31, 2023 and 2022;”

**NOW, THEREFORE, BE IT RESOLVED** that the St. Lawrence River Valley Redevelopment Agency accepts and approves said report.

Move:	Forsythe			
Second:	Kramer			
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Clark	X			
Forsythe	X			
Kramer	X			
McNeil	X			
Strait	X			

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

\_\_\_\_\_  
Lori Sibley  
May 14, 2024

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**ST. LAWRENCE RIVER VALLEY  
REDEVELOPMENT AGENCY**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

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Pinto·Mucenski·Hooper  
Van House & Co.  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
St. Lawrence River Valley Redevelopment Agency

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of St. Lawrence River Valley Redevelopment Agency (SLRVRA) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SLRVRA as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the SLRVRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the SLRVRA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

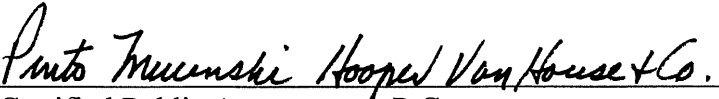
In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SLRVRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the SLRVRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2024, on our consideration of the SLRVRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the SLRVRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the SLRVRA's internal control over financial reporting and compliance.

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

March 26, 2024

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2023 AND 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 4,466,746	\$ 4,424,239
Investments	2,122,660	2,033,417
Accounts Receivable	2,851	5,637
Accrued Interest Receivable	20,109	20,763
Mortgages and Notes Receivable (Net of Credit Loss Allowance of \$ 110,000 and \$ 130,000 at December 31, 2023 and 2022, respectively)	516,568	586,160
Capital Lease Receivable	<u>22,984</u>	<u>21,251</u>
Total Current Assets	<u>7,151,918</u>	<u>7,091,467</u>
<b>Fixed Assets - Net</b>	<u>284,521</u>	<u>302,329</u>
<b>LONG-TERM ASSETS</b>		
Mortgages and Notes Receivable - Net of Current Portion	1,342,195	1,539,497
Capital Lease Receivable - Net of Current Portion	<u>282,207</u>	<u>304,224</u>
Total Long-Term Assets	<u>1,624,402</u>	<u>1,843,721</u>
<b>TOTAL ASSETS</b>	<u>\$ 9,060,841</u>	<u>\$ 9,237,517</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 21,668	\$ 2,815
Security Deposit Payable	<u>3,300</u>	<u>-</u>
Total Current Liabilities	24,968	2,815
<b>NET ASSETS</b>		
With Donor Restrictions	<u>9,035,873</u>	<u>9,234,702</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 9,060,841</u>	<u>\$ 9,237,517</u>

The accompanying notes are an integral part of these financial statements.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Totals
<b>SUPPORT AND REVENUE</b>						
Rental Income	\$ -	\$ 59,090	\$ 59,090	\$ -	\$ 34,690	\$ 34,690
Interest Income - Banks	-	133,287	133,287	-	33,328	33,328
Interest Income - Loans/Leases	-	83,467	83,467	-	80,633	80,633
Application Fees	-	1,000	1,000	-	1,200	1,200
Late Payment Fees	-	575	575	-	575	575
Unrealized Gains	-	-	-	-	5,501	5,501
Realized Gains	-	-	-	-	(10,965)	(10,965)
Net Assets Released from Restrictions	476,248	(476,248)	-	493,326	(493,326)	-
<b>Total Support and Revenue</b>	<b>476,248</b>	<b>(198,829)</b>	<b>277,419</b>	<b>493,326</b>	<b>(348,364)</b>	<b>144,962</b>
<b>EXPENSES</b>						
Program Services						
Contractual	330,000	-	330,000	330,000	-	330,000
Community Development	89,999	-	89,999	122,037	-	122,037
Depreciation	17,807	-	17,807	17,807	-	17,807
Advertising & Marketing	21,517	-	21,517	16,812	-	16,812
Insurance	4,639	-	4,639	4,845	-	4,845
Repairs and Maintenance	1,295	-	1,295	1,102	-	1,102
Underwriting Fees	435	-	435	572	-	572
Utilities	4,062	-	4,062	2,111	-	2,111
<b>Total Program Services</b>	<b>469,754</b>	<b>-</b>	<b>469,754</b>	<b>495,286</b>	<b>-</b>	<b>495,286</b>
Management and General						
Accounting	4,228	-	4,228	4,125	-	4,125
Bank Fees	33	-	33	436	-	436
Office Expenses	95	-	95	360	-	360
D & O Insurance	2,138	-	2,138	619	-	619
<b>Total Management and General</b>	<b>6,494</b>	<b>-</b>	<b>6,494</b>	<b>5,540</b>	<b>-</b>	<b>5,540</b>
<b>Total Expenses</b>	<b>476,248</b>	<b>-</b>	<b>476,248</b>	<b>500,826</b>	<b>-</b>	<b>500,826</b>
<b>OTHER GAINS (LOSSES)</b>						
Change in Credit Loss Allowance	-	-	-	7,500	-	7,500
<b>Total Other Gains (Losses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,500</b>	<b>-</b>	<b>7,500</b>
<b>CHANGE IN NET ASSETS</b>	<b>-</b>	<b>(198,829)</b>	<b>(198,829)</b>	<b>-</b>	<b>(348,364)</b>	<b>(348,364)</b>
<b>Net Assets - Beginning of Year</b>	<b>-</b>	<b>9,234,702</b>	<b>9,234,702</b>	<b>-</b>	<b>9,583,066</b>	<b>9,583,066</b>
<b>Net Assets - End of Year</b>	<b>\$ -</b>	<b>\$ 9,035,873</b>	<b>\$ 9,035,873</b>	<b>\$ -</b>	<b>\$ 9,234,702</b>	<b>\$ 9,234,702</b>

The accompanying notes are an integral part of these financial statements.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Interest	\$ 128,165	\$ 105,380
Cash Received from Building Rents	59,090	33,330
Cash Received from Others	7,661	1,775
Cash Paid to Others for Community Development Projects	(89,999)	(122,037)
Cash Paid for Goods and Services	<u>(349,743)</u>	<u>(358,446)</u>
Net Cash Provided (Used) By Operating Activities	<u>(244,826)</u>	<u>(339,998)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed Asset Purchases	-	(17,492)
Purchase of Investments	-	(3,558,497)
Proceeds from Sale of Investments	-	2,238,000
Payments Received on Capital Lease	20,283	20,375
Issuance of New Mortgages and Notes	(422,000)	(567,192)
Payments Received on Mortgages and Notes	<u>689,050</u>	<u>717,858</u>
Net Cash Provided (Used) By Investing Activities	<u>287,333</u>	<u>(1,166,948)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	42,507	(1,506,946)
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<u>4,424,239</u>	<u>5,931,185</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 4,466,746</u>	<u>\$ 4,424,239</u>

The accompanying notes are an integral part of these financial statements.



## ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### NOTE 1 - HISTORY AND BASIS OF FINANCIAL STATEMENT PRESENTATION

The St. Lawrence River Valley Redevelopment Agency (SLRVRA) is a joint action agency formed on June 2, 2010 to make use of certain New York Power Authority (NYPA) assets for the purposes of economic development in the St. Lawrence Valley and surrounding communities. Under the 2010 agreement, the New York Power Authority made available for economic development purposes a \$ 16,000,000 fund and 20 megawatts of electrical power generation from hydro-electric facilities situated on the St. Lawrence River. A parallel agreement, also dated June 2, 2010, between the SLRVRA and the St. Lawrence County Industrial Development Agency Local Development Corporation (SLCIDA-LDC) provided the mechanism for administering these assets. The SLRVRA has no employees.

As per the 2010 agreements, NYPA has provided the \$ 16,000,000 to the SLRVRA and the SLCIDA-LDC. On October 18, 2013, NYPA executed an agreement with the Massena Electric Department (as proposed in the 2010 agreements) that made the 20 megawatts of electricity allocated to the SLRVRA available for economic development projects in St. Lawrence County.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of St. Lawrence River Valley Redevelopment Agency (SLRVRA) have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

##### **Financial Statement Presentation**

The SLRVRA has adopted *FASB ASC 958-205*. Under this standard, the SLRVRA is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Net Assets Without Donor Restrictions:** Net assets not subject to donor-imposed stipulations.

**Net Assets With Donor Restrictions:** Net assets whose use is limited by donor-imposed time and/or purposes restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. When restrictions expire, net assets with donor restrictions are classified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Contributions**

The SLRVRA has also adopted *FASB ASC 958-605*. In accordance with this standard, contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

**Use of Estimates**

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

**Cash and Cash Equivalents**

For the purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and savings instruments with a maturity of less than three months.

**Mortgages and Notes Receivable**

Mortgages and notes receivable are reported at their principal amounts outstanding, net of allowances for possible credit losses. Interest revenue on the mortgages and notes are a credit to interest income based on loan principal amounts outstanding at appropriate interest rates.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Allowance for Credit Losses**

The SLRVRA issues mortgages and notes receivable to third parties to stimulate growth and development. At each balance sheet date, management evaluates each mortgage and note individually to consider the circumstances where amounts are considered at risk of being uncollectable.

The allowance estimate is derived from a review of the historical losses based on the aging of mortgages and accounts receivable outstanding. The estimate is adjusted for management's assessment of current economic conditions and any other factors deemed relevant by the SLRVRA. As a result of this analysis, SLRVRA has elected to establish an allowance for both 2023 and 2022. Management expects a lower than expected loss compared to 2022 and as a result reduced the allowance for credit losses for the year-ended December 31, 2023.

The SLRVRA will write-off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. There was one write-off in the amount of \$ 19,845 for the year ended December 31, 2023. This was netted against the allowance at year end.

**Capital Assets**

Capital assets are reported at actual cost. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the financial statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 5,000	Straight Line (SL)	50 years
Building Improvements	2,500	SL	10 years

**Net Assets with Donor Restrictions**

The net assets with donor restrictions represent activity related to the \$ 16,000,000 grant from the New York Power Authority.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

The SLRVRA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is also duly established under Section 402 of the Not-For-Profit Corporation Law of the State of New York. For tax reporting purposes, the accounts of the SLRVRA are consolidated with those of the SLCIDA-LDC for reporting as a combined entity.

**Advertising and Marketing**

The SLRVRA expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2023 and 2022 were \$ 21,517 and \$ 16,812, respectively.

**Depreciation**

Depreciation is calculated on buildings and improvements on the straight-line method over the assets estimated useful life. Depreciation expense for the years ended December 31, 2023 and 2022 was \$ 17,807 for both years.

**Allocation of Functional Expenses**

Program expenses are activities that directly fulfill the mission of the SLRVRA. Management and general expenses are supporting activities that are not directly identifiable with a program. Expenses of the SLRVRA consist of costs related to promoting economic development. The financial statements do not report any categories of expenses that are attributable to more than one program or supporting functions. Therefore, an allocation of functional expenses is not required.

**Adoption of New Accounting Pronouncement**

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the SLRVRA that are subject to the guidance in FASB ASC 326 were trade accounts receivable, mortgages and notes receivable.

SLRVRA adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 - MORTGAGES AND NOTES RECEIVABLE**

The SLRVRA carries its mortgages and notes receivable at cost recognizing interest income on the accrual basis as specified in the various agreements. The SLRVRA evaluates the collectability of its mortgages and notes receivable and the Board has established a loan loss reserve. The loan loss reserve at December 31, 2023 and 2022 was \$ 110,000 and \$ 130,000, respectively.

Mortgages and notes receivable balances at December 31, 2023 and 2022 consisted of the following:

	<u>Date</u>	<u>Due</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance 2023</u>	<u>Balance 2022</u>
ACCO Way	11/01/22	02/01/38	4.125%	\$ 225,000	\$ 224,115	\$ 225,000
Ansen	03/04/16	03/01/26	2.625%	241,954	58,692	84,471
Atlantic Testing	01/26/17	02/01/24	2.875%	218,160	14,368	47,868
Atlantic Testing	04/14/21	04/01/28	2.625%	344,500	220,623	267,903
Atlantic Testing	07/31/23	08/01/30	5.125%	322,000	309,414	-
Canexsys	09/15/17	01/01/24	3.125%	150,000	29,368	46,315
Canexsys	10/21/22	01/01/30	4.125%	130,000	116,807	128,881
Curran Renewable Energy	03/16/16	03/01/23	3.500%	1,356,278	208,848	386,769
High Peaks Winery	04/30/14	05/01/29	3.750%	36,500	16,450	18,812
Kingston Pharma, LLC	07/26/18	08/01/23	3.500%	96,000	14,845	26,490
North American Forest Group	11/21/18	11/01/33	3.625%	100,000	74,456	80,310
North Country Dairy, LLC	02/01/19	02/01/26	3.375%	800,000	256,834	376,843
Pepsi-Cola Ogdensburg Bottlers	11/21/19	12/01/24	3.375%	200,000	57,514	98,334
Pro Sport Trailer Mfg.	06/12/19	10/01/24	0.000%	45,000	-	19,845
PSP, Inc.	06/08/22	06/01/27	2.750%	87,192	62,280	78,991
Riverside Iron, LLC	03/18/22	03/01/32	2.625%	125,000	105,216	116,523
Structural Wood	04/09/20	04/01/30	2.625%	300,000	198,933	227,585
Swift Labs	09/22/16	10/01/23	2.750%	30,000	-	7,307
Thew Associates	11/05/18	11/01/23	3.675%	97,000	-	17,410
					<u>1,968,763</u>	<u>2,255,657</u>
				Less Allowance for Bad Debts	<u>(110,000)</u>	<u>(130,000)</u>
					<u>\$ 1,858,763</u>	<u>\$ 2,125,657</u>

Future maturities of the mortgages and notes receivable are as follows:

December 31, 2024	\$ 626,568
2025	354,429
2026	195,773
2027	191,309
2028	162,170
Thereafter	<u>438,514</u>
	<u>\$ 1,968,763</u>

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 - CREDIT LOSSES**

One delinquent loan was netted to the credit loss allowance for \$ 19,845. There were no loans written off during 2022. See Note 3 for credit loss allowance.

**NOTE 5 - CAPITAL LEASE (LEASE-PURCHASE AGREEMENTS)**

The SLRVRA leases a building under lease-purchase agreement. Through this agreement, as the Lessor the SLRVRA provides financial assistance for the acquisition of SLRVRA-owned properties for companies as part of economic development projects. Balances at December 31, 2023 and 2022 are as follows:

<u>Capital Lease</u>	<u>Original Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance 2023</u>	<u>Balance 2022</u>
AmTech Yarns, Inc.	07/24/19	12/31/34	3.750%	\$ 450,000	\$ 305,191	\$ 325,475

Future minimum lease payments under the capital lease are as follows:

December 31, 2024	\$ 22,984
2025	22,971
2026	23,847
2027	24,757
2028	25,701
Thereafter	<u>184,931</u>
	<u>\$ 305,191</u>

**NOTE 6 - INVESTMENTS**

Investments as of December 31, 2023 and 2022 consist of the following:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Certificates of Deposit	<u>\$ 2,122,660</u>	<u>\$ 2,033,417</u>

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 - COMMUNITY DEVELOPMENT ENVIRONMENTAL IMPROVEMENT PROJECTS**

The SLRVRA made grant awards during the years 2011 through 2023 as part of its Community Development Environmental Improvement Projects (CDEIP), as authorized by the June 2, 2010 contracts. The original grant award amounts and expenditures as of December 31, 2023 are as follows:

Date of Award	Grant Award	Expended			Total Expended	Balance of Grant Remaining
		Prior to 2022	2022	2023		
2011	\$ 522,553	\$ 522,553	\$ -	\$ -	\$ 522,553	\$ -
2012	556,694	556,694	-	-	556,694	-
2013	390,382	390,382	-	-	390,382	-
2014	415,152	415,152	-	-	415,152	-
2015	349,146	316,417	-	-	316,417	32,729
2016	349,099	335,851	6,000	-	341,851	7,248
2017	323,735	305,742	4,566	-	310,308	13,427
2018	99,235	86,347	4,310	7,607	98,264	971
2019	100,000	80,000	-	20,000	100,000	-
2020	98,378	43,178	16,420	18,200	77,798	20,580
2021	145,231	35,000	45,641	2,681	83,322	61,909
2022	95,100	-	45,100	40,133	85,233	9,867
2023	100,000	-	-	1,378	1,378	98,622
<b>Total</b>	<b>\$ 3,544,705</b>	<b>\$ 3,087,316</b>	<b>\$ 122,037</b>	<b>\$ 89,999</b>	<b>\$ 3,299,352</b>	<b>\$ 245,353</b>

**NOTE 8 - FIXED ASSETS**

Fixed assets at December 31, 2023 and 2022 consisted of:

	2023	2022
Massena Lot 19 - Building and Improvements	\$ 450,232	\$ 450,232
Less: Accumulated Depreciation	<u>(165,711)</u>	<u>(147,903)</u>
	<u>\$ 284,521</u>	<u>\$ 302,329</u>

**NOTE 9 - SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions from January 1, 2024 through March 26, 2024, the date the financial statements were available to be issued, for possible disclosure and, or, recognition in the financial statements. There were no events or transactions that existed which would provide additional pertinent information about conditions at the balance sheet date which are required to be recognized or disclosed in the accompanying financial statements.

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 10 - CONCENTRATION OF CREDIT RISK**

At December 31, 2023, the SLRVRA had bank balances totaling \$ 4,458,334 with a carrying value of \$ 4,463,446. A combination of federal depository insurance and securities pledged and held by the bank fully covered these bank balances.

**NOTE 11 - LIQUIDITY AND AVAILABILITY**

All financial assets of the SLRVRA are subject to the terms and restrictions set forth by the New York Power Authority as more fully described in Note 1. The financial assets available within one year of the balance sheet date subject to these restrictions are as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash and Cash Equivalents	\$ 4,463,446	\$ 4,424,239
Accounts Receivable	2,851	5,637
Accrued Interest Receivable	20,109	20,763
Mortgages and Notes Receivable (Net)	543,560	586,160
Capital Lease Receivable	22,984	21,251
Investments	<u>2,122,660</u>	<u>2,033,417</u>
Total	<u>\$ 7,175,610</u>	<u>\$ 7,091,467</u>

Management has established a credit loss allowance. Therefore, the net mortgages and notes receivable above are expected to be received in full. The investments above consist of certificates of deposit with maturity dates within one year.

**NOTE 12 - RECOGNITION OF CERTAIN GRANT REVENUE AND EXPENDITURES**

Occasionally, the SLRVRA (the “grantee”) applies for and receives grants from government agencies and other organizations. These grants are usually “reimbursement grants”, i.e., the monies from the grant are only paid to the grantee as reimbursements after the grantee has documented to the grantor that the grantee has achieved defined benchmarks, paid out required funds, and otherwise complied with all other required grant conditions. Projects in which such grants are involved often span several fiscal years and long delays in the reimbursement process are frequent. Consequently, in cases involving reimbursement grants, the SLRVRA does not accrue expected grant revenue or receivables until it has complied with the conditions of the grant agreement(s) and submitted the necessary documentation that will trigger the payment process. Until such documentation has been submitted, and accepted, the grantor still has substantial discretion to deny or reduce payment. Accordingly, at year end the SLRVRA does not accrue any expenses or payables associated with items to be paid out for future grant reimbursement until the SLRVRA is satisfied that it has complied with all grant reimbursement eligibility requirements. These items are usually paid out in the subsequent period and will be recorded as project expenses. As of December 31, 2023, there were no active grants of this nature.



**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 12 - RECOGNITION OF CERTAIN GRANT REVENUE AND EXPENDITURES**  
(Continued)

The SLRVRA also funds a grant program of its own – the Community Development Environmental Improvement Program. Since these grants are also reimbursement grants, the SLRVRA adopts the same policy when acting as a grantor that is described above when it is a grantee, i.e., it doesn't accrue the expense until the grantee has documented satisfactorily that it has complied with the grant conditions.

**NOTE 13 - RELATED PARTY TRANSACTIONS**

The SLRVRA is related to the following entities:

- St. Lawrence County Industrial Development Agency Local Development Corporation (SLCIDA-LDC)  
- Program Administrative Agreements and Participation Loan Agreements.
  
- Greater Massena Economic Development Fund (GMEDF)  
- Participation Loan Agreements.

Administrative fees paid to the SLCIDA-LDC by SLRVRA totaled \$ 300,000 for both 2023 and 2022.



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

Board of Directors  
St. Lawrence River Valley Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the St. Lawrence River Valley Redevelopment Agency (SLRVRA) (a nonprofit organization), which comprise the statement of financial position as of December 31 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the SLRVRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the SLRVRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the SLRVRA's internal control.

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

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

March 26, 2024