

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 CIVIC DEVELOPMENT CORPORATION
 Resolution No. CDC-20-06-02
 June 29, 2020

ACCEPTING FY2019 SLCIDA-CDC AUDIT

WHEREAS, on August 28, 2018 the St. Lawrence County Industrial Development Agency (the “SLCIDA”) released, on behalf of the SLCIDA, the SLCIDA-Local Development Corporation, the SLCIDA-Civic Development Corporation, and the St. Lawrence County Property Development Corporation (collectively, the “Entities”), a Request for Proposal for audit services for each of the entities, and

WHEREAS, on September 28, 2018 the SLCIDA appointed Pinto, Mucenski, Hooper, VanHouse & Co. as the independent audit firm for the fiscal years 2018 through 2020, and

WHEREAS, as a result of the Request for Proposal, the St. Lawrence County Industrial Development Agency Civic Development Corporation (the “SLCIDA-CDC”) also appointed Pinto, Mucenski, Hooper, VanHouse & Co. as its independent audit firm, and

WHEREAS, the firm has prepared and provided the following report (attached):

St. Lawrence County Industrial Development Agency Civic Development Corporation
 Financial Statements for the Years Ended December 31, 2019 and 2018

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence County Industrial Development Agency Civic Development Corporation accepts said report and authorizes that payment be made to Pinto, Mucenski, Hooper, VanHouse & Co. in accordance with the terms set forth in the agreement for audit services; and

BE IT FURTHER RESOLVED that the SLCIDA-CDC shall cause this report to be forwarded to:

- St. Lawrence County Treasurer
- St. Lawrence County Legislative Chairman
- New York State Department of Economic Development
- New York State Office of the Comptroller, Bureau of Municipal Research and Statistics
- New York State Authorities Budget Office

Move:	Blevins			
Second:	Morrill			
VOTE	AYE	NAY	ABSTAIN	ABSENT
Blevins	X			
Hall	X			
LaBaff	X			
McMahon	X			
Morrill	X			
Reagen	X			
Staples	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
 June 29, 2020

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY -
CIVIC DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2019 AND 2018**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
St. Lawrence County Industrial Development Agency -
Civic Development Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of the St. Lawrence County Industrial Development Agency – Civic Development Corporation (SLCIDA-CDC), a component unit of St. Lawrence County, New York, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the SLCIDA-CDC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SLCIDA-CDC, as of December 31, 2019 and 2018, and the changes in its financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on Pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2020, on our consideration of the SLCIDA-CDC'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 SLCIDA-CDC'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 SLCIDA-CDC's internal control over financial reporting and compliance.


Prnto Mucinski Hooper Van House & Co.
Certified Public Accountants, P.C.
March 16, 2020



ST. LAWRENCE COUNTY

INDUSTRIAL DEVELOPMENT AGENCY
CIVIC DEVELOPMENT CORPORATION

Ernest J. LaBaff Industrial Building ~ 19 Commerce Lane, Suite 1 ~ Canton, New York 13617
Phone: (315) 379-9806 ~ Fax: (315) 386-2573 ~ www.slcida.com

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the St. Lawrence County Industrial Development Agency Civic Development Corporation's (the "SLCIDA-CDC") financial performance provides an overview of the SLCIDA-CDC's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the SLCIDA-CDC's financial statements.

HIGHLIGHTS

Financial Highlights

- The Board Designated net position for the SLCIDA-CDC had a balance on December 31, 2019 of \$68,107. Unrestricted net position had a balance of \$659,621.

Corporation Highlights

- March 2019. The SLCIDA-CDC completed its annual review of the Disposition of Real Property Guidelines and authorized modifications to the FY2018 budget and adopted policies on Compensation, Reimbursement and Attendance, Whistleblower Policy and Procedures, Defense and Indemnification, and Code of Ethics policies and accepted the Annual Audit for 2018.
- September 2019. The SLCIDA-CDC accepted a 2020 Tentative Budget.
- October 2019. The SLCIDA-CDC completed annual reviews of the Procurement Policy, Conflict of Interest Policy, and Sexual Harassment Policy. The SLCIDA-CDC approved and adopted the FY2020 Budget.
- December 2019. The SLCIDA-CDC completed annual reviews of its Investment Policy and Authorization of Depositories.

USING THIS ANNUAL REPORT

This annual report consists of three parts: Management's Discussion and Analysis, Financial Statements, and Supplementary Information. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the SLCIDA-CDC's basic financial statements. The financial statements of the SLCIDA-CDC report information using accounting methods similar to those used by private-sector companies. These statements provide both long-term and short-term information about the SLCIDA-CDC's overall financial status. The SLCIDA-CDC's basic financial statements include a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Net Position; and a Statement of Cash Flows. The financial statements also include notes that are considered essential to a full understanding of the data that is being presented on the statements.

The *Statement of Net Position* presents information on all of the SLCIDA-CDC's assets, and liabilities, with the difference between the assets and liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the SLCIDA-CDC is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* account for all of the current year's revenues and expenses. This statement measures the success of the SLCIDA-CDC's operations over the past year and can be used to determine whether the SLCIDA-CDC has successfully recovered all of its costs. It provides the user with basic financial information about profitability and credit worthiness.

The *Statement of Cash Flows* provides information about the SLCIDA-CDC's cash receipts and cash payments during the fiscal year. The statement reports cash receipts, cash payments and net changes in cash resulting from operating and investing activities. The purpose of this statement is to tell the user where the SLCIDA-CDC's cash came from, what the cash was used for, and by how much the cash balance changed over the course of the fiscal year.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

FINANCIAL ANALYSIS

Net Position may serve over time as a useful indicator of a government agency's financial position. In the case of the SLCIDA-CDC, assets exceeded liabilities by \$ 727,728 as of December 31, 2019. The SLCIDA-CDC's financial position is the product of several financial transactions including the net results of activities, the issuance of loans, the collection of payments from such loans, and fees collected from the issuance of bonds.

The following tables present a summary of the SLCIDA-CDC's derivation of net position for the fiscal year ended December 31, 2019 and 2018.

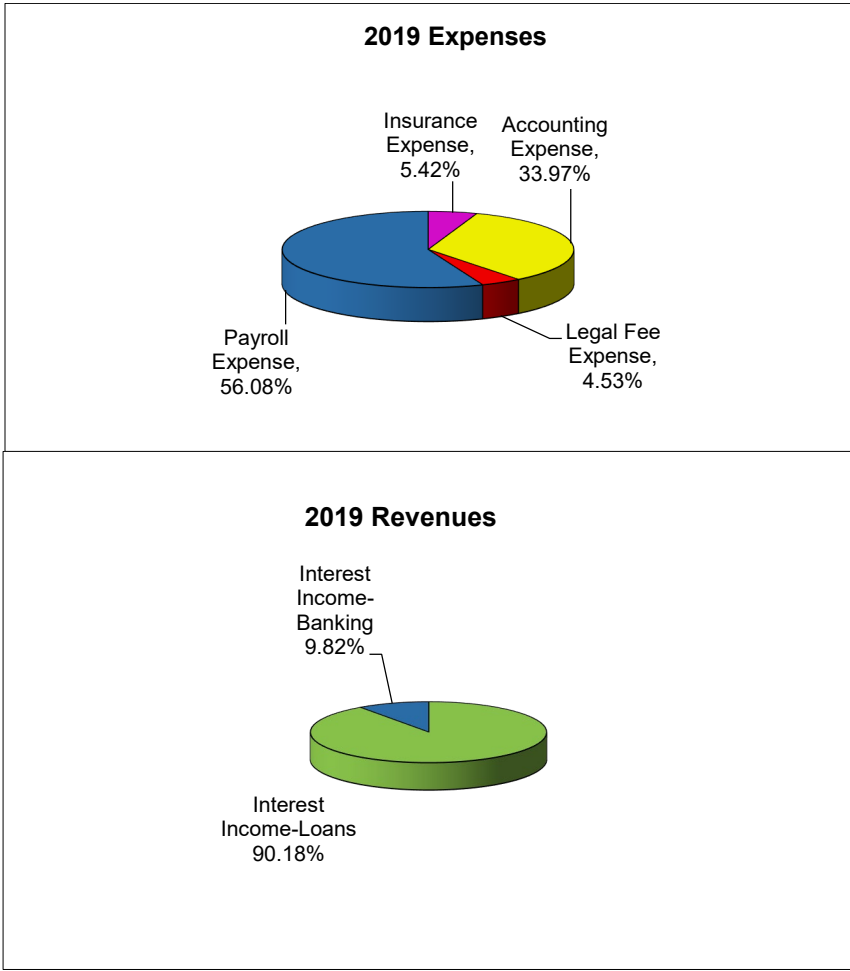
Table 1

	2019	2018
Total Current Assets	\$ 621,022	\$ 594,198
Total Fixed Assets (Net)	-	-
Total Long-term Assets	106,706	139,103
Total Assets	<u>\$ 727,728</u>	<u>\$ 733,301</u>
Total Liabilities	\$ -	\$ -
Total Net Position	<u>727,728</u>	<u>733,301</u>
Total Liabilities & Net Position	<u>\$ 727,728</u>	<u>\$ 733,301</u>

Changes in the SLCIDA-CDC's Net Position can be determined by reviewing the following condensed Statement of Revenues, Expenses, and Changes in Net Position for the years ended December 31, 2019 and 2018.

Table 2

	2019	2018
Industrial Development		
Project Revenue	\$ -	\$ 100
Other Revenue	5,466	3,000
Total Revenue	<u>5,466</u>	<u>3,100</u>
Industrial Development		
Project Expenses	-	179,545
Administrative Expenses	11,039	11,788
Total Expenses	<u>11,039</u>	<u>191,333</u>
Change in Net Position	(5,573)	(188,233)
Net Position – Beginning of Year	<u>733,301</u>	<u>921,534</u>
Net Position – End of Year	<u>\$ 727,728</u>	<u>\$ 733,301</u>



CASH AND INVESTMENT POLICY

The St. Lawrence County Industrial Development Agency Civic Development Corporation finds it necessary to place funds in various deposit accounts or certificates of deposit. Article 18A, Section 858(14) of the State General Municipal Law authorizes the SLCIDA-CDC to designate depositories. In accordance with this Article, five (5) banks are designated as depositories for SLCIDA-CDC funds. Rates are competitively procured for each deposit. Once the funds exceed the FDIC insurance, they are divided with no more than 60% of its total investments in any one institution.

CONTACTING THE SLCIDA-CDC’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers and creditors with a general overview of the SLCIDA-CDC’s finances and to demonstrate the SLCIDA-CDC’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the SLCIDA-CDC’s Chief Executive Officer at 19 Commerce Lane, Suite 1, Canton, New York 13617.

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY -
CIVIC DEVELOPMENT CORPORATION**

**STATEMENTS OF NET POSITION
DECEMBER 31, 2019 AND 2018**

	12/31/2019	12/31/2018
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents - Unrestricted	\$ 518,926	\$ 529,446
Cash and Cash Equivalents - Unrestricted - Board Designated	68,107	31,507
Notes Receivable	32,623	31,789
Accrued Interest Receivable	1,366	1,456
Total Current Assets	621,022	594,198
LONG-TERM ASSETS		
Notes Receivable - Net of Current Portion	106,706	139,103
TOTAL ASSETS	\$ 727,728	\$ 733,301
 LIABILITIES		
TOTAL LIABILITIES	\$ -	\$ -
 NET POSITION		
Unrestricted	659,621	701,794
Unrestricted - Board Designated	68,107	31,507
TOTAL NET POSITION	\$ 727,728	\$ 733,301

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

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY -
CIVIC DEVELOPMENT CORPORATION**

**STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>12/31/2019</u>	<u>12/31/2018</u>
REVENUES		
Interest Income - Loans	\$ 4,929	\$ 2,793
Interest Income - Banks	537	207
Loan Application Fees	<u>-</u>	<u>100</u>
Total Revenues	<u>5,466</u>	<u>3,100</u>
 EXPENSES		
Program Services		
Project Development	<u>-</u>	<u>179,545</u>
Management and General		
Contracted Services	6,191	7,691
Professional Fees	4,250	3,469
Insurance	<u>598</u>	<u>628</u>
Total Management and General	<u>11,039</u>	<u>11,788</u>
Total Expenses	<u>11,039</u>	<u>191,333</u>
Excess (Deficiency) of Revenues Over Expenses	(5,573)	(188,233)
Net Position - Beginning of Year	<u>733,301</u>	<u>921,534</u>
Net Position - End of Year	<u><u>\$ 727,728</u></u>	<u><u>\$ 733,301</u></u>

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

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY -
CIVIC DEVELOPMENT CORPORATION**

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	12/31/2019	12/31/2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Interest	\$ 5,556	\$ 3,247
Cash Received from Others for Services	-	100
Cash Paid to Others for Economic Development Projects	-	(179,545)
Cash Paid for Goods and Services	(11,039)	(11,788)
Net Cash Provided (Used) By Operating Activities	(5,483)	(187,986)
CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of New Notes	-	(120,475)
Payments Received on Notes	31,563	13,777
Net Cash Provided (Used) By Investing Activities	31,563	(106,698)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	26,080	(294,684)
CASH AND CASH EQUIVALENTS - Beginning of Year	560,953	855,637
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 587,033	\$ 560,953
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Change in Net Position	\$ (5,573)	\$ (188,233)
Adjustments to Reconcile Change in Net Position to Net Cash Provided (Used) By Operating Activities		
Changes in Operating Assets and Liabilities		
Accrued Interest Receivable	90	247
Net Cash Provided (Used) By Operating Activities	\$ (5,483)	\$ (187,986)

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

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY -
CIVIC DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the St. Lawrence County Industrial Development Agency - Civic Development Corporation (SLCIDA-CDC) have been prepared in conformity with generally accepted accounting principles (GAAP). Those principles are established by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Certain significant accounting principles and policies utilized by the SLCIDA-CDC are described below.

Reporting Entity

The SLCIDA-CDC is considered a component unit of the financial reporting entity known as County of St. Lawrence, New York based upon criteria set forth by GASB Statement No. 14, *The Financial Reporting Entity*, as amended.

The accompanying financial statements present the activities of the SLCIDA-CDC.

Nature of Organization

The SLCIDA-CDC was established on April 13, 2010 pursuant to Section 402 of the Not-for-Profit Corporation Law of the State of New York as a local development corporation under Section 1411 of the Law, for the purpose of, among other things, relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, and lessening the burdens of government and acting in the public interest. The establishment of the SLCIDA-CDC was authorized by St. Lawrence County on April 5, 2010 to support these purposes, and as such the SLCIDA-CDC has the powers to issue bonds, notes, and other obligations for the benefit of not-for-profit entities considered essential to the continued development, construction, improvement, and operation of projects for these entities. The SLCIDA-CDC may also support the project development activities of the St. Lawrence County Industrial Development Agency (SLCIDA) and the St. Lawrence County Industrial Development Agency-Local Development Corporation (SLCIDA-LDC).

Also, the SLCIDA-CDC is considered a “public authority” of New York State and must submit an annual report to the New York State Authorities Budget Office. The SLCIDA-CDC has one sole member (St. Lawrence County) and a Board of Directors appointed by the County. Those individuals appointed by the County to serve as members of the St. Lawrence County Industrial Development Agency shall automatically become Directors of the SLCIDA-CDC. In addition, the bylaws of the SLCIDA-CDC can be amended by the County, thus establishing its governance and control of the SLCIDA-CDC.

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY –
CIVIC DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nature of Organization (Continued)

Based on the preceding, a CHAR 410 with Exhibit E requesting exemption under Article 7-A and EPTL as an organization controlled by a government agency has been filed with New York State. The SLCIDA-CDC is exempt from federal, state and local income taxes and exempt from federal reporting requirements under Internal Revenue Procedure 95-48, 1995-2 C.B. 418 as a government unit or affiliate of a governmental unit described in such procedure. Also, the SLCIDA-CDC is exempt from state income tax reporting requirements under Article 7-A and EPTL.

Measurement Focus

The SLCIDA-CDC's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the SLCIDA-CDC gives or receives value without directly receiving or giving equal value in exchange, may include grants and donations. On an accrual basis, revenue is recognized in the fiscal year for which the revenue is earned. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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.

Allowance for Doubtful Accounts

The SLCIDA-CDC has elected not to establish an allowance for doubtful accounts since all receivables are deemed collectible. An allowance will be established when an event occurs in the future that would necessitate a reserve.

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.

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY –
CIVIC DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has reviewed and evaluated all events and transactions from January 1, 2020 through March 16, 2020, the date the financial statements were available to be issued, for possible disclosure and 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 required to be recognized or disclosed in the accompanying financial statements.

NOTE 2 - CASH AND INVESTMENTS

The SLCIDA-CDC's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the SLCIDA-CDC's investment policies. Resources must be deposited in FDIC insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Investments, if any, are stated at fair value.

NOTE 3 - NET POSITION CLASSIFICATION

GASB requires net position be reported in three classifications defined as follows:

Invested in Capital Assets, Net of Related Debt - Consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets. The SLCIDA-CDC has no investment in capital assets, net of related debt at both December 31, 2019 and 2018.

Restricted Net Position - Consists of amounts which have external constraints placed on their use imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law. No such amounts were restricted as of December 31, 2019 and 2018, respectively.

Unrestricted - Board Designated Net Position - Consists of funds designated by the SLCIDA-CDC's governing board to be used for a particular purpose. Such designations may be changed by board action. The SLCIDA-CDC had \$ 68,107 and \$ 31,507 in board designated net position at December 31, 2019 and 2018, respectively.

Unrestricted Net Position - Reports all other net positions that do not meet the definition of the above classifications and are deemed to be available for general use by the SLCIDA-CDC. The SLCIDA-CDC had \$ 659,621 and \$ 701,794 in unrestricted net position as of December 31, 2019 and 2018, respectively.

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY –
CIVIC DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 - NOTES RECEIVABLE

The SLCIDA-CDC carries its notes receivable at cost recognizing interest income on the accrual basis as specified in the various note agreements.

On a periodic basis, the SLCIDA-CDC evaluates its notes receivable and will establish write offs as economic conditions warrant. The Board will determine which notes are written off based on un-collectability. All notes are considered collectible until all legal remedies have been exhausted.

St. Lawrence County Fire Training Facility: On June 4, 2013, the SLCIDA-CDC passed Resolution #CDC-13-06-06 and agreed to lend up to \$ 290,000 to the St. Lawrence County Fire Training Facility, Inc. (FTF) for the construction of the FTF’s West Potsdam training facility. Of this amount, \$ 200,000 was for bridge financing, which was to be repaid from the proceeds of two \$ 100,000 grants for which the FTF had commitments from New York State. Both grants were received by the FTF in 2014 and paid to the SLCIDA-CDC. After these payments were received, the balance (including capitalized interest) of the loan was \$ 92,333 and is being amortized over 10 years. The balances at December 31, 2019 and 2018 were \$ 46,964 and \$ 55,921, respectively.

On November 25, 2014, the FTF executed documents assigning the lease payments it receives from St. Lawrence County for the facility to the SLCIDA-CDC. These payments, which come directly from the County to the SLCIDA-CDC, began on January 1, 2015 and will continue as one annual payment due the first of each year.

Town of Oswegatchie: On June 22, 2018, the SLCIDA-CDC passed Resolution #CDC-18-06-08 authorizing a loan of up to \$ 130,000 to the Town of Oswegatchie for the construction of a second crematory chamber. The balances at December 31, 2019 and 2018 was \$ 92,365 and \$ 114,971, respectively.

The outstanding balance for all notes at December 31, 2019 and 2018 was \$ 139,329 and \$ 170,892, respectively. Also, as of December 31, 2019, all loans were current.

Note Receivable	Date of Note	Interest Rate	Original Amount	Balance	
				2019	2018
SLC Fire Training Facility	06/17/14	2.650%	\$ 290,000	\$ 46,964	\$ 55,921
Town of Oswegatchie	09/10/18	3.500%	120,475	92,365	114,971
				<u>\$ 139,329</u>	<u>\$ 170,892</u>

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY –
CIVIC DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 - NOTES RECEIVABLE (Continued)

Future maturities of the notes receivable are as follows:

December 31, 2020	\$	32,623
2021		33,546
2022		34,658
2023		28,885
2024		9,617
	<u>\$</u>	<u>139,329</u>

NOTE 5 - RELATED PARTY TRANSACTIONS

The SLCIDA-CDC is related to the St. Lawrence County Industrial Development Agency (SLCIDA) through common board membership and officers.

The SLCIDA-CDC is authorized to remit one-half of the bond fees received by SLCIDA-CDC to the SLCIDA. There are no restrictions on these payments and payments are made in accordance with enabling legislation and in accordance with resolution CDC-10-10-17, passed on October 10, 2010. This resolution adopted a policy which authorized the transfer to the SLCIDA of 50% of any and all Project/Bond Fees the SLCIDA-CDC receives. There was no such activity in 2019 or 2018.

The SLCIDA-CDC paid SLCIDA \$ 0 and \$ 79,545 in 2019 and 2018, respectively, for building project improvements undertaken in the Canton Industrial Building.

The SLCIDA-CDC is related to the St. Lawrence County Property Development Corporation (SLCPDC) through common board membership and officers. The SLCIDA-CDC contributed \$ 100,000 to the SLCPDC in 2018 for the purpose of defraying corporate organization and initial property development expenses.

The SLCIDA-CDC is related to the St. Lawrence County Industrial Development Agency-Local Development Corporation (SLCIDA-LDC) through common board membership and officers. During 2019 and 2018, the SLCIDA-CDC paid SLCIDA-LDC for management fees in the amount of \$ 6,191 and \$ 7,691, respectively.

SUPPLEMENTARY INFORMATION



Pinto·Mucenski·Hooper
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Certified Public Accountants, P.C.

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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 County Industrial Development Agency –
Civic Development Corporation

We have audited, 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, the financial statements of the business-type activities of the St. Lawrence County Industrial Development Agency – Civic Development Corporation (SLCIDA-CDC), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the SLCIDA-CDC's basic financial statements, and have issued our report thereon dated March 16, 2020.

Internal Control over Financial Reporting

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

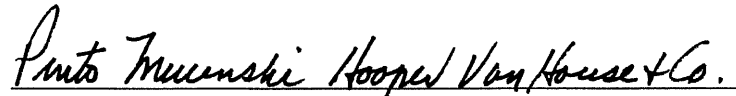
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the SLCIDA-CDC'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Pauto Mucenski Hooper Van House & Co.

Certified Public Accountants, P.C.

March 16, 2020