

**ST. LAWRENCE COUNTY
PROPERTY DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2020 AND 2019**

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION

	<u>Page</u>
Independent Auditor's Report	1 - 2
Financial Statements	
Statements of Financial Position December 31, 2020 and 2019	3
Statements of Activities for the Years Ended December 31, 2020 and 2019	4
Statements of Cash Flows for the Years Ended December 31, 2020 and 2019	5
Notes to Financial Statements	6 - 8
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 <i>Government Auditing Standards</i>	9 - 10



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

301 Ford Street
P.O. Box 327
Ogdensburg, NY 13669
(315) 393-7502
Fax: (315) 393-9231
www.pmhvcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
St. Lawrence County Property Development Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of the St. Lawrence County Property Development Corporation (SLCPDC) (a nonprofit organization), a component unit of St. Lawrence County, New York, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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 SLCPDC as of December 31, 2020 and 2019, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2021, on our consideration of the SLCPDC'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 SLCPDC'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 SLCPDC's internal control over financial reporting and compliance.


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

March 26, 2021

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION

**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019**

	<u>12/31/2020</u>	<u>12/31/2019</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ <u>53,302</u>	\$ <u>19,358</u>
LONG-TERM ASSETS		
Cash Held in Escrow - Property Purchase	-	65,000
Property Held for Sale	<u>344,369</u>	<u>344,369</u>
Total Long-Term Assets	<u>344,369</u>	<u>409,369</u>
TOTAL ASSETS	\$ <u><u>397,671</u></u>	\$ <u><u>428,727</u></u>
LIABILITIES AND NET ASSETS		
LONG-TERM LIABILITIES		
Due to Affiliates	\$ 129,926	\$ 129,926
Due to Others	<u>214,443</u>	<u>214,443</u>
Total Long-Term Liabilities	344,369	344,369
NET ASSETS		
Without Donor Restrictions	<u>53,302</u>	<u>84,358</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>397,671</u></u>	\$ <u><u>428,727</u></u>

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

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>12/31/2020</u>	<u>12/31/2019</u>
SUPPORT AND REVENUE		
Interest Income - Banks	\$ 13	\$ 6
EXPENSES		
Program Services		
Property Related Expenses	<u>18,740</u>	<u>-</u>
Management and General		
Accounting	3,938	4,500
Administration	6,336	6,191
D & O Insurance	528	-
Legal Expenses	1,500	2,100
Office Supplies	<u>27</u>	<u>14</u>
Total Management and General	<u>12,329</u>	<u>12,805</u>
Total Expenses	<u>31,069</u>	<u>12,805</u>
CHANGE IN NET ASSETS	(31,056)	(12,799)
Net Assets - Beginning of Year	<u>84,358</u>	<u>97,157</u>
Net Assets - End of Year	<u><u>\$ 53,302</u></u>	<u><u>\$ 84,358</u></u>

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

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>12/31/2020</u>	<u>12/31/2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Interest	\$ 13	\$ 6
Cash Paid to Suppliers for Goods and Services	<u>(31,069)</u>	<u>(12,805)</u>
Net Cash Provided (Used) By Operating Activities	<u>(31,056)</u>	<u>(12,799)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Deposits from Escrow Account	<u>65,000</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33,944	(12,799)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>19,358</u>	<u>32,157</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 53,302</u></u>	<u><u>\$ 19,358</u></u>

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

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Reporting Entity

The financial statements of the St. Lawrence County Property Development Corporation (SLCPDC) 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.

The SLCPDC 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.

Financial Statement Presentation

The SLCPDC has adopted *FASB ASC 958-205*. Under this standard, the SLCPDC 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. In addition, the SLCPDC is required to present a statement of cash flows. As directed by this statement, the SLCPDC has arranged its financial statements to present the two classes of net assets required, as applicable.

Contributions

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

Nature of Operations

The SLCPDC is a Not-For-Profit Local Development Corporation formed pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York as defined in subparagraph (a)(5) of Section 102 of the Law. The SLCPDC was formed on July 12, 2018.

The purposes for which the SLCPDC was formed is to operate exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to relieve and reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, lessen the burdens of government, and act in the public interest.

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 PROPERTY DEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Income Taxes

The SLCPDC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is also duly established under Section 102 of the Not-For-Profit Corporation Law of the State of New York.

Accounting principles generally accepted in the United States of America require management to evaluate all significant tax positions. As of December 31, 2020, the SLCPDC does not believe that it has taken any positions that would require the recording of any tax liability or tax benefit.

Allocation of Functional Expenses

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.

New Accounting Pronouncement

On January 1, 2019, the SLCPDC adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively known as "ASC 606"), which creates a single framework for recognizing revenue from contracts with customers that fall within its scope. All of the SLCPDC's revenues are outside the scope of ASC 606.

NOTE 2 - CASH HELD IN ESCROW

During 2019, the SLCPDC had \$ 65,000 held in escrow in an attorney trust account pertaining to the possible acquisition of real property. As of December 31, 2020, the money was transferred to cash and out of escrow.

NOTE 3 - LIQUIDITY AND AVAILABILITY

Financial assets available within one year of the balance sheet date are as follows:

	<u>12/31/2020</u>	<u>12/31/2019</u>
Cash and cash equivalents	\$ 53,302	\$ 19,358
Cash held in escrow	-	65,000
	<u>\$ 53,302</u>	<u>\$ 84,358</u>

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 - SUBSEQUENT EVENTS

Management has reviewed and evaluated all subsequent events and transactions from January 1, 2021 through March 26, 2021, 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.

NOTE 5 - PROPERTY HELD FOR SALE

Property held for sale consists of a parcel of commercial land and building located in Star Lake, New York. The SLCPDC obtained a deed in lieu of foreclosure on the property on December 12, 2019. The carrying value of \$ 344,369 represents the outstanding balance of the existing mortgages at the time of acquisition.

The mortgages were assigned to the SLCPDC upon acquisition of the property and the related liability is now recorded as due to affiliates and due to others on the statement of financial position.

NOTE 6 - RELATED-PARTY TRANSACTIONS

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

In 2019, the SLCIDA-LDC assigned all of its right, title and interest in and to the mortgages related to the property described in Note 5 to the St. Lawrence County Property Development Corporation. The assigned mortgages amounted to \$ 129,926. The amounts are now being carried as a long-term liability with no stated repayment terms or conditions.



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P.O. Box 327
Ogdensburg, NY 13669
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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

To the Board of Directors
St. Lawrence County Property Development Corporation

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 County Property Development Corporation (SLCPDC) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, 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, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the SLCPDC'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 SLCPDC's internal control. Accordingly, we do not express an opinion on the effectiveness of the SLCPDC'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 SLCPDC'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 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.


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

March 26, 2021