

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
CIVIC DEVELOPMENT CORPORATION
Resolution No. CDC-23-03-07
March 30, 2023

ACCEPTING FY2022 SLCIDA-CDC AUDIT

WHEREAS, on September 15, 2021 the SLCIDA appointed, 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”), Pinto, Mucenski, Hooper, VanHouse & Co. as the independent audit firm for the fiscal years 2021 through 2025, 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, 2022 and 2021

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:	LaBaff			
Second:	Reagen			
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
March 30, 2023

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of 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 year ended December 31, 2022 and 2021, 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.

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, 2022 and 2021, and the changes in financial position and cash flows thereof 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 SLCIDA-CDC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 SLCIDA-CDC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 SLCIDA-CDC'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 SLCIDA-CDC'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 30, 2023, 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 SLCIDA-CDC's internal control over financial reporting and compliance.

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

March 30, 2023



ST. LAWRENCE COUNTY

INDUSTRIAL DEVELOPMENT AGENCY
CIVIC DEVELOPMENT CORPORATION

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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, 2022. 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, 2022, of \$50,970. Unrestricted net position had a balance of \$541,613.

Corporation Highlights

- March 2022. The SLCIDA-CDC completed its annual review of the Disposition of Real Property Guidelines 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 2021.
- July 2022. The SLCIDA-CDC authorized the continuation of remote public meetings.
- August 2022. The SLCIDA-CDC determined Type II SEQRA for the Issuance and Sale of SLU Series 2022 Bonds and approved the final resolution authorizing the issuance of Tax-Exempt Bonds (SLU Project), Series 2022.
- September 2022. The SLCIDA-CDC authorized a Subvention to the St. Lawrence County Property Development Corporation and accepted a 2023 Tentative Budget.
- October 2022. The SLCIDA-CDC completed annual reviews of the Procurement Policy, Conflict of Interest Policy, Investment Policy, Sexual Harassment Policy and adopted the FY2023 Budget

USING THIS ANNUAL REPORT

This annual report consists of two parts: Management's Discussion and Analysis and Financial Statements. 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 creditworthiness.

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 \$ 592,583 as of December 31, 2022. 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, 2022, and 2021.

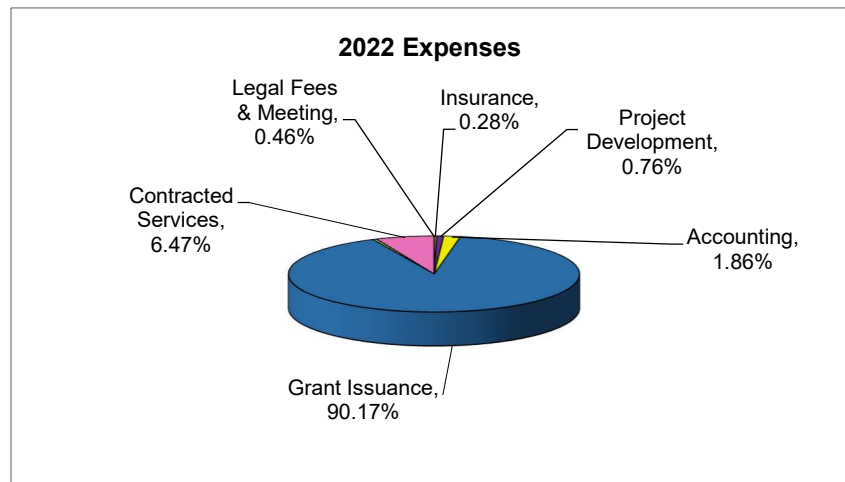
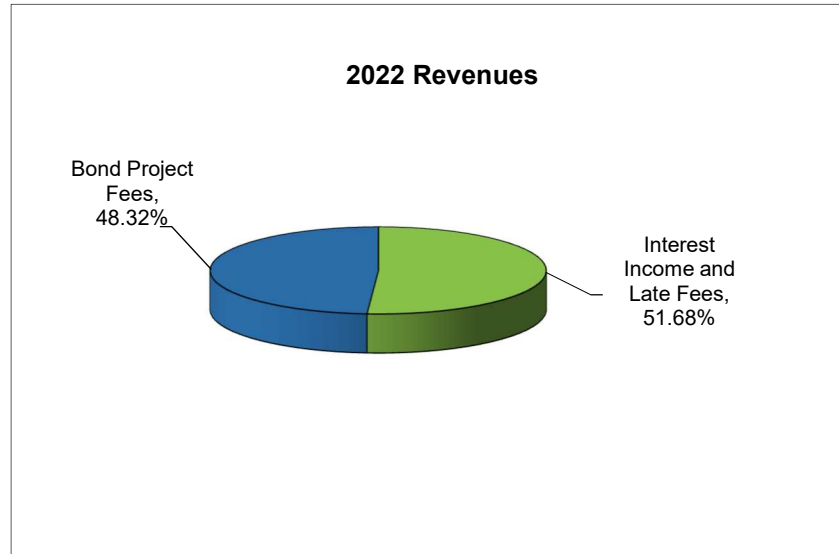
Table 1

	2022	2021	Increase/ Decrease	Percentage Change
Total Current Assets	\$ 587,214	\$ 219,465	\$ 367,749	167.57%
Total Long-Term Assets	9,814	590,915	(581,101)	-98.34%
Total Assets	<u>\$ 597,028</u>	<u>\$ 810,380</u>	<u>\$ (213,352)</u>	-26.33%
Total Liabilities	\$ 4,445	\$ 125	\$ 4,320	100.00%
Total Net Position	<u>592,583</u>	<u>810,255</u>	<u>(217,672)</u>	-26.86%
Total Liabilities & Net Position	<u>\$ 597,028</u>	<u>\$ 810,380</u>	<u>\$ (213,352)</u>	-26.33%

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, 2022, and 2021.

Table 2

	2022	2021	Increase/ (Decrease)	Percentage Change
Revenues				
Bond Project Fees	\$ 2,000	\$ 166,962	\$ (164,962)	-98.80%
Interest Income and Late Fees	2,139	3,557	(1,418)	-39.87%
Total Revenue	<u>4,139</u>	<u>170,519</u>	<u>(166,380)</u>	-97.57%
Expenses				
Development Project Expenses	201,694	83,431	118,263	141.75%
Administrative Expenses	20,117	10,964	9,153	83.48%
Total Expenses	<u>221,811</u>	<u>94,395</u>	<u>127,416</u>	134.98%
Change in Net Position	<u>\$ (217,672)</u>	<u>\$ 76,124</u>	<u>\$ (293,796)</u>	-385.94%



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, 2022 AND 2021**

	<u>12/31/2022</u>	<u>12/31/2021</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 26,167	\$ 64,956
Cash and Cash Equivalents - Board Designated	50,970	118,952
Notes Receivable	509,594	34,541
Accrued Interest Receivable	<u>483</u>	<u>1,016</u>
Total Current Assets	587,214	219,465
LONG-TERM ASSETS		
Notes Receivable - Net of Current Portion	<u>9,814</u>	<u>590,915</u>
TOTAL ASSETS	<u><u>\$ 597,028</u></u>	<u><u>\$ 810,380</u></u>
LIABILITIES		
Accounts Payable	\$ 125	\$ 125
Due to Affiliate	<u>4,320</u>	<u>-</u>
TOTAL LIABILITIES	<u>4,445</u>	<u>125</u>
NET POSITION		
Unrestricted	541,613	691,303
Unrestricted - Board Designated	<u>50,970</u>	<u>118,952</u>
TOTAL NET POSITION	<u>592,583</u>	<u>810,255</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 597,028</u></u>	<u><u>\$ 810,380</u></u>

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, 2022 AND 2021**

	<u>12/31/2022</u>	<u>12/31/2021</u>
REVENUES		
Interest Income - Loans	\$ 2,041	\$ 3,511
Interest Income - Banks	48	46
Late Payment Fee	50	-
Application Fees	2,000	-
Bond Fees	<u>-</u>	<u>166,962</u>
Total Revenues	<u>4,139</u>	<u>170,519</u>
EXPENSES		
Program Services		
Grant Issuance	200,000	-
Project Development	<u>1,694</u>	<u>83,431</u>
Total Program	<u>201,694</u>	<u>83,431</u>
Management and General		
Contracted Services	14,352	5,811
Professional Fees	5,125	4,437
Insurance	619	539
Office	<u>21</u>	<u>177</u>
Total Management and General	<u>20,117</u>	<u>10,964</u>
Total Expenses	<u>221,811</u>	<u>94,395</u>
Excess (Deficiency) of Revenues Over Expenses	(217,672)	76,124
Net Position - Beginning of Year	<u>810,255</u>	<u>734,131</u>
Net Position - End of Year	<u><u>\$ 592,583</u></u>	<u><u>\$ 810,255</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, 2022 AND 2021**

	<u>12/31/2022</u>	<u>12/31/2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Interest	\$ 2,622	\$ 3,796
Cash Received from Others for Services	2,050	166,962
Cash Paid for Issuance of Grant Award	(200,000)	-
Cash Paid to Others for Economic Development Projects	-	(83,431)
Cash Paid for Goods and Services	<u>(17,491)</u>	<u>(10,839)</u>
Net Cash Provided (Used) By Operating Activities	<u>(212,819)</u>	<u>76,488</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of New Notes	-	(550,000)
Payments Received on Notes	<u>106,048</u>	<u>33,472</u>
Net Cash Provided (Used) By Investing Activities	<u>106,048</u>	<u>(516,528)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(106,771)	(440,040)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>183,908</u>	<u>623,948</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 77,137</u></u>	<u><u>\$ 183,908</u></u>
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Change in Net Position	\$ (217,672)	\$ 76,124
Adjustments to Reconcile Change in Net Position to Net Cash Provided (Used) By Operating Activities		
Changes in Operating Assets and Liabilities		
Accrued Interest Receivable	533	239
Accounts Payable	-	125
Due to Affiliate	<u>4,320</u>	<u>-</u>
Net Cash Provided (Used) By Operating Activities	<u><u>\$ (212,819)</u></u>	<u><u>\$ 76,488</u></u>

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, 2022**

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 and governmental 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, 2022**

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, 2022**

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. As of December 31, 2022 and 2021, all deposits of the SLCIDA-CDC were 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, construction or improvement of those assets. The SLCIDA-CDC has no investment in capital assets, net of related debt at both December 31, 2022 and 2021.

Restricted Net Position - Consists of amounts which have external constraints placed on their use imposed by creditors, grantors, contributors, or laws or regulations. No such amounts were restricted as of December 31, 2022 and 2021, 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 \$ 50,970 and \$ 118,952 in board designated net position at December 31, 2022 and 2021, 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 \$ 541,613 and \$ 691,303 in unrestricted net position as of December 31, 2022 and 2021, respectively.

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

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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 balance at December 31, 2022 and 2021 was \$ 19,408 and \$ 28,833, 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 balance at December 31, 2021 was \$ 46,623. This was paid in full during 2022.

St. Lawrence County Property Development Corporation: On April 20, 2021, the SLCIDA-CDC passed Resolution #CDC-21-04-08 authorizing a loan of up to \$ 500,000 to the St. Lawrence County Property Development Corporation (a related party) for rehabilitating the building formerly known as the Newell Building in the City of Ogdensburg, New York. The balance at December 31, 2022 was \$ 500,000.

Cornell Cooperative Extension Association of St. Lawrence County: On May 13, 2021, the SLCIDA-CDC passed Resolution #CDC-21-05-09 authorizing a loan of up to \$ 50,000 to the Cornell Cooperative Extension Association of St. Lawrence County to serve as bridge funding for Harvest Kitchen improvements and equipment. The balance at December 31, 2021 was \$ 50,000. This was paid in full during 2022.

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

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 - NOTES RECEIVABLE (Continued)

The outstanding balance for all notes at December 31, 2022 and 2021 was \$ 519,408 and \$ 625,456, respectively. Also, as of December 31, 2022, all loans were current.

Note Receivable	Date of Note	Interest Rate	Original Amount	Balance 2022	Balance 2021
SLC Fire Training Facility	06/17/14	2.650%	\$ 290,000	\$ 19,408	\$ 28,833
Town of Oswegatchie	09/10/18	3.500%	120,475	-	46,623
SLCPDC	04/27/21	0.000%	500,000	500,000	500,000
Cornell Coop Extension	06/22/21	2.625%	50,000	-	50,000
				<u>\$ 519,408</u>	<u>\$ 625,456</u>

Future maturities of the notes receivable are as follows:

December 31, 2023	\$ 509,594
2024	9,814
	<u>\$ 519,408</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. During 2022 and 2021, the SLCIDA-CDC paid SLCIDA \$ -0- and \$ 83,431, respectively.

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 2022 and 2021, the SLCIDA-CDC paid SLCIDA-LDC for management fees in the amount of \$ 14,352 and \$ 5,811, respectively.

The SLCIDA-CDC is related to the St. Lawrence County Property Development Corporation (SLCPDC) through common board membership and officers. During 2021, the SLCPDC borrowed funds from SLCIDA-CDC in the amount of \$ 500,000 for bridge funding. See Notes 3 and 4 for additional detail regarding this borrowing.

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

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 - SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions from January 1, 2023 through March 30, 2023, 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, except as noted below, which would provide additional pertinent information about conditions at the balance sheet date required to be recognized or disclosed in the accompanying financial statements.

In late December 2022, the SLCIDA-CDC closed on a bond financing with St. Lawrence University. An invoice for the SLCIDA-CDC project fee for the bond transaction was sent to the disbursing agent for the bond transaction, however, shortly after that transmission, the email account of an employee of the SLCIDA-CDC was compromised and an unauthorized invoice was also sent to the disbursing agent. The disbursing agent acted on the unauthorized invoice and funds for the SLCIDA-CDC project fee were transferred to an unauthorized bank account held and created by an unknown party. Currently the SLCIDA-CDC is working with law enforcement officials and all parties involved in the bond transaction in pursuit of the payment of the project fee for the bond transaction. The investigation is ongoing and, as a result of the nature of this transaction, the SLCIDA-CDC has not booked the project fee revenue in the approximate amount of \$ 328,000 as of December 31, 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 County Industrial Development Agency –
Civic 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 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, 2022, 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 30, 2023.

Report on 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) 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 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.

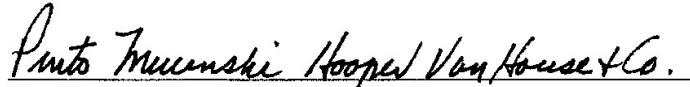
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on 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 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 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.


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

March 30, 2023