

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 Resolution No. IDA-24-03-13
 March 26, 2024

ACCEPTING FY2023 SLCIDA AUDIT

WHEREAS, on September 15, 2021, the St. Lawrence County Industrial Development Agency appointed Pinto, Mucenski, Hooper, VanHouse & Co. as its 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
 Financial Statements and Supplementary Information
 For the Years Ended December 31, 2023 and 2022

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence County Industrial Development Agency accepts said report and directs its staff to remit payment to Pinto, Mucenski, Hooper, VanHouse & Co. in accordance with the terms set forth in St. Lawrence County Industrial Development Agency Resolution No. 21-11-28, and

BE IT FURTHER RESOLVED that the SLCIDA 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 26, 2024

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

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

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
St. Lawrence County Industrial Development Agency

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of St. Lawrence County Industrial Development Agency (Agency), a component unit of St. Lawrence County, New York, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Agency'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 St. Lawrence County Industrial Development Agency, as of December 31, 2023 and 2022, 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 the Agency 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 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 Agency'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 opinions. 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 Agency'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 Agency'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 on Pages 4 through 8, and the schedules on Pages 33 and 34, 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

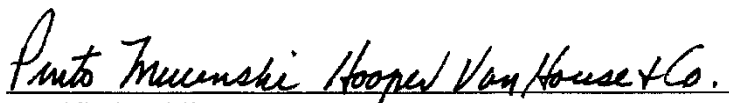
or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying schedules on Pages 36 and 37, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules on Pages 36 and 37, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.


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

March 26, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the St. Lawrence County Industrial Development Agency's financial performance provides an overview of the Agency's financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the Agency's financial statements.

HIGHLIGHTS

Financial Highlights

- Total Assets and Deferred Outflows of Resources increased by \$ 850,600 primarily due an allocation of American Rescue Plan Act funds to be administered by the Agency on behalf of St. Lawrence County.
- Total Liabilities and Deferred Inflows of Resources increased by \$ 1,079,078 primarily due to an increase in net pension liability and post-employment benefits other than pension liabilities.

Agency Highlights

- February 2023. The Agency authorized the Standard Workday Reporting Resolution and a commitment of funds to the Drum Country Business Regional Marketing Initiative. The Agency also authorized allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program.
- March 2023. The Agency conducted its annual review of its governance and finance policies. The Agency accepted the FY2022 Audit and authorized allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program. The Agency also approved the third phase of redevelopment and tenant improvement projects within the 100 Paterson Street facility in Ogdensburg.
- May 2023. The Agency authorized a Subrecipient Agreement with St. Lawrence County for the St. Lawrence County ARPA Economic Development and Tourism Funding Program. The Agency also approved resolutions for three solar projects, Atlantic Testing Laboratories, and an initial project resolution for Air Products and Chemicals, Inc.
- June 2023. The Agency approved a solar project, authorized an agreement with the Village of Massena in relation to the Massena School of Business DRI Project, and authorized allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program.
- July 2023. The Agency adopted a policy for providing notice to affected taxing jurisdictions, authorized a lease for a portion of the 100 Paterson Street Building to Corning Incorporated, and approved a solar project.
- August 2023. The Agency approved a solar project and authorized allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program.
- September 2023. The Agency adopted its FY2024 Tentative Budget, approved allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program, approved an agreement with the Development Authority of the North Country for the Massena School of Business DRI Project, and accepted an initial resolution for the Benson Mines BR Project 1, LLC solar project.
- October 2023. The Agency authorized allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program, adopted the FY2024 Final Budget, and approved an Authorizing Resolution for Air Products and Chemicals, Inc. project.
- December 2023. The Agency authorized allocations through the St. Lawrence County ARPA Economic Development and Tourism Funding Program and reviewed and accepted its Conflicts of Interest Policy, Procurement Policy, Sexual Harassment Policy, and Investment Policy. The Agency authorized project authorizing resolutions for Northeastern Sign Corporation, BR Project 1, LLC, and a project modification resolution for the St. Lawrence Suds Project. The Agency authorized continued improvements to the Paterson Street Facility for Phase III and authorized the disposal of a vehicle and purchase of a new vehicle.

USING THIS ANNUAL REPORT

This annual report consists of four parts: Management's Discussion and Analysis, Financial Statements, Required Supplementary Information, and other 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 Agency's basic financial statements. The financial statements of the Agency 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 Agency's overall financial status. The Agency'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 Agency's assets, deferred outflows of resources, liabilities and deferred inflows of resources, and the remaining net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency 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 Agency's operations over the past year and can be used to determine whether the Agency 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 Agency'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; capital and related financing; and investing activities. The purpose of this statement is to tell the user where the Agency'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.

Required Supplementary Information. This information is required in connection with the Agency's pension plan held with New York State and Local Employees' Retirement System and Other Post-Employment Benefits. The purpose of Required Supplementary Information presented on pages 33 and 34 is for additional analysis only.

Other Supplementary Information. In addition to the basic financial statements and accompanying notes, this section presents Supplementary Schedules, which are presented for purposes of additional analysis only.

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government agency's financial position. In the case of the Agency, total net position is \$ 6,086,521 as of December 31, 2023.

The Agency's financial position is the product of several financial transactions including the net results of activities, the payment of debt, the disposal of capital assets, and the depreciation of capital assets.

The following tables present a summary of the Agency's derivation of net position at December 31, 2023 and 2022.

Schedule 1: Condensed Statement of Net Position

	2023	2022	Increase/ (Decrease)	Percentage Change
Current Assets	\$ 7,746,894	\$ 7,276,874	\$ 470,020	6.46%
Capital Assets, Net	2,836,753	2,080,062	756,691	36.38%
Other Long-Term Assets	<u>568,282</u>	<u>784,220</u>	<u>(215,938)</u>	-27.54%
Total Assets	11,151,929	10,141,156	1,010,773	9.97%
Deferred Outflows of Recourses	<u>911,388</u>	<u>1,071,561</u>	<u>(160,173)</u>	-14.95%
Total Assets and Deferred Outflows of Resources	<u>\$ 12,063,317</u>	<u>\$ 11,212,717</u>	<u>\$ 850,600</u>	7.59%
Current Liabilities	\$ 1,896,536	\$ 522,424	\$ 1,374,112	263.03%
Long-Term Liabilities	<u>3,183,107</u>	<u>3,489,566</u>	<u>(306,459)</u>	-8.78%
Total Liabilities	5,079,643	4,011,990	1,067,653	26.61%
Deferred Inflows of Resources	<u>897,153</u>	<u>885,728</u>	<u>11,425</u>	1.29%
Total Liabilities and Deferred Inflows of Resources:	<u>5,976,796</u>	<u>4,897,718</u>	<u>1,079,078</u>	22.03%
Net Position				
Net Investments in Capital Assets	2,335,814	1,556,563	779,251	50.06%
Unrestricted - Assigned	2,000,000	2,000,000	-	0.00%
Unrestricted - Unassigned	<u>1,750,707</u>	<u>2,758,436</u>	<u>(1,007,729)</u>	-36.53%
Total Net Position	<u>6,086,521</u>	<u>6,314,999</u>	<u>(228,478)</u>	-3.62%
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 12,063,317</u>	<u>\$ 11,212,717</u>	<u>\$ 850,600</u>	7.59%

Changes in the Agency's Net Position can be determined by reviewing the following condensed Statement of Revenues, Expenses, and Changes in Net Position for the fiscal years ended December 31, 2023 and 2022.

Schedule 2: Condensed Statement of Activities

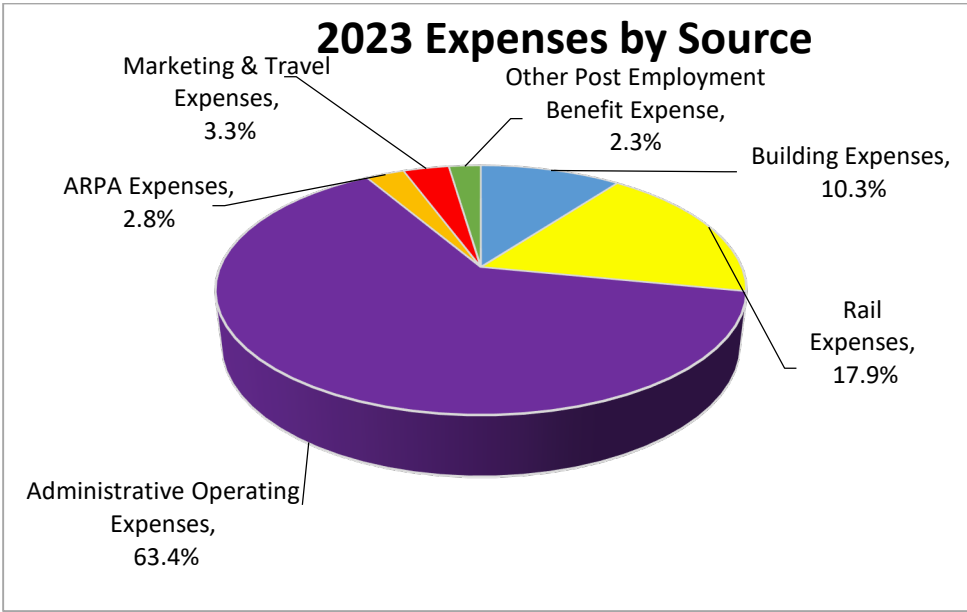
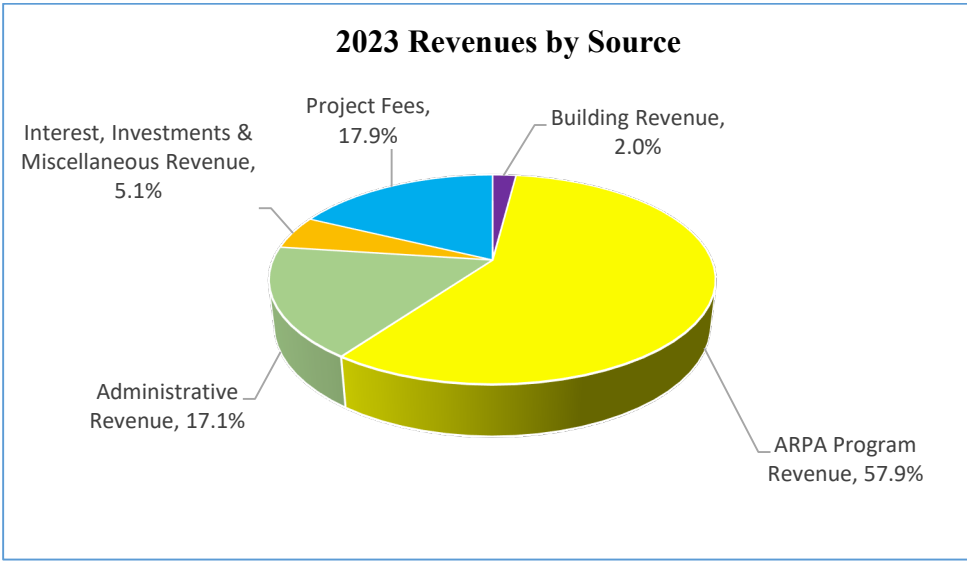
	2023	2022	Increase/ (Decrease)	Percentage Change
Revenues				
Program Revenue	\$ 130,238	\$ 984,381	\$ (854,143)	-86.77%
Other Revenue	951,401	2,033,291	(1,081,890)	-53.21%
Total Revenues	<u>1,081,639</u>	<u>3,017,672</u>	<u>(1,936,033)</u>	-64.16%
Expenses				
Program Expenses	427,436	1,154,760	(727,324)	-62.98%
Administrative Expenses	882,681	884,864	(2,183)	-0.25%
Total Expenses	<u>1,310,117</u>	<u>2,039,624</u>	<u>(729,507)</u>	-35.77%
Increase/(Decrease) in Net Position	<u>\$ (228,478)</u>	<u>\$ 978,048</u>	<u>\$ (1,206,526)</u>	-123.36%

Changes in the Agency's Capital Assets can be determined by reviewing the following condensed Statement for the fiscal years ended December 31, 2023 and 2022.

Capital Assets (net of depreciation)	Beginning	Ending	Increase/ (Decrease)	Percentage Change
Land - Non-Depreciable	\$ 206,750	\$ 206,750	\$ -	0.00%
Land Improvements - Non-Depreciable	251,593	251,593	-	0.00%
Buildings & Improvements	1,621,719	2,349,172	727,453	44.86%
Automobiles	-	23,390	23,390	100.00%
Equipment and Furnishings	-	5,848	5,848	100.00%
	<u>\$ 2,080,062</u>	<u>\$ 2,836,753</u>	<u>\$ 756,691</u>	36.38%

Changes in the Agency's Long-Term Debt can be determined by reviewing the following condensed Statement for the fiscal years ended December 31, 2023 and 2022.

Outstanding Long-Term Debt	Beginning	Ending	Increase/ (Decrease)	Percentage Change
SLCIDA-LDC	\$ 523,499	\$ 500,939	\$ (22,560)	-4.31%
Compensated Absences	306,082	300,664	(5,418)	-1.77%
Net Pension Liability	-	310,384	310,384	100.00%
OPEB	2,682,545	2,093,793	(588,752)	-21.95%
	<u>\$ 3,512,126</u>	<u>\$ 3,205,780</u>	<u>\$ (306,346)</u>	-8.72%



CASH AND INVESTMENT POLICY

The St. Lawrence County Industrial Development Agency 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 Agency to designate depositories. In accordance with this Article, five (5) banks are designated as depositories for Agency funds. Rates are competitively procured for each deposit, with no more than 60% of its total investments in any one institution.

CONTACTING THE AGENCY’S FINANCIAL MANAGEMENT

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

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 5,474,823	\$ 4,753,642
Cash - Security Deposits	9,061	9,059
Investments - Special Reserve	2,103,341	2,013,289
Accounts Receivable	36,032	218,489
Accrued Interest Receivable	12,679	17,175
Grants Receivable	16,840	100,577
Leases Receivable	-	50,356
Capital Leases Receivable	93,306	113,797
Prepaid Expenses	812	490
Total Current Assets	<u>7,746,894</u>	<u>7,276,874</u>
Long-Term Assets		
Capital Assets		
Nondepreciable	1,242,265	458,343
Depreciable, Net of Accumulated Depreciation	1,594,488	1,621,719
Capital Leases Receivable, Net of Current Portion	568,282	662,352
Net Pension Asset - Proportionate Share	-	121,868
Total Long-Term Assets	<u>3,405,035</u>	<u>2,864,282</u>
Total Assets	<u>11,151,929</u>	<u>10,141,156</u>
Deferred Outflows of Resources		
Pension	269,435	288,690
Other Post Employment Benefits	641,953	782,871
Total Deferred Outflows of Resources	<u>911,388</u>	<u>1,071,561</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 12,063,317</u>	<u>\$ 11,212,717</u>
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 192,137	\$ 328,308
Rental and Refundable Deposits	9,061	9,059
Deferred Revenue and Grant Advances	1,672,665	162,497
Long Term Debt - Current Portion	22,673	22,560
Total Current Liabilities	<u>1,896,536</u>	<u>522,424</u>
Long-Term Liabilities		
Compensated Absences	300,664	306,082
Postemployment Benefits Other Than Pensions	2,093,793	2,682,545
Long Term Debt - Less Current Portion	478,266	500,939
Net Pension Liability - Proportionate Share	310,384	-
Total Long-Term Liabilities	<u>3,183,107</u>	<u>3,489,566</u>
Total Liabilities	<u>5,079,643</u>	<u>4,011,990</u>
Deferred Inflows of Resources		
Pension	23,920	431,778
Other Postemployment Benefits	873,233	453,950
Total Deferred Inflows of Resources	<u>897,153</u>	<u>885,728</u>
NET POSITION		
Net Investment in Capital Assets	2,335,814	1,556,563
Unrestricted - Assigned	2,000,000	2,000,000
Unrestricted - Unassigned	1,750,707	2,758,436
Total Net Position	<u>6,086,521</u>	<u>6,314,999</u>
Total Liabilities, Deferred Outflows of Resources, and Net Position	<u>\$ 12,063,317</u>	<u>\$ 11,212,717</u>

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

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>
REVENUES		
Program Revenues		
100 Paterson Street	67,346	-
Newton Falls Rail Repair Grants	-	870,666
Canton Industrial Building Rent	47,940	108,660
Benson Mines Rehabilitation	14,952	-
Lease Interest Income	25,177	28,742
Bank Interest Income	93,312	21,155
USDA Rural Business Grants	-	5,055
Administration Fees	407,200	357,200
Project Fees	422,366	1,501,414
Miscellaneous Income	3,346	1,419
Realized Gain (Loss) on Investments	-	9,121
Unrealized Gain (Loss) on Investments	-	<u>(5,260)</u>
Total Revenues	<u>1,081,639</u>	<u>2,898,172</u>
EXPENSES		
Program Expenses		
100 Paterson Street	90,312	-
Gouverneur Industrial Park	3,941	3,058
Newton Falls Rail Repair	219,269	870,666
Canton Industrial Park	7,946	12,601
Canton Industrial Building	88,377	118,170
Benson Mines Rehabilitation	17,591	-
Other Program Expenses	34,551	30,765
Administrative Operating Expenses	848,130	884,864
Total Expenses	<u>1,310,117</u>	<u>1,920,124</u>
Net Operating Income	<u>(228,478)</u>	<u>978,048</u>
NON-OPERATING REVENUES (EXPENSES)		
ARPA Grant Income	1,375,526	119,500
ARPA Grant Expense	<u>(1,375,526)</u>	<u>(119,500)</u>
Total Non-Operating Revenues (Expenses)	<u>-</u>	<u>-</u>
Change in Net Position	(228,478)	978,048
Net Position - Beginning of Year	<u>6,314,999</u>	<u>5,336,951</u>
Net Position - End of Year	<u><u>\$ 6,086,521</u></u>	<u><u>\$ 6,314,999</u></u>

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

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash Flows from Operating Activities		
Cash Received from Others for Services and Grants	\$ 1,269,527	\$ 2,329,088
Cash Paid for Goods and Services	(634,277)	(716,126)
Cash Paid for Employee Services	(507,329)	(473,476)
Cash Paid for Employee Benefits	(222,334)	(232,737)
Net Cash Provided (Used) By Operating Activities	<u>(94,413)</u>	<u>906,749</u>
Cash Flows from Investing Activities		
Purchase of Investments	-	(3,505,652)
Proceeds from Sale of Investments	-	2,495,000
Payments Received on Leases	114,561	111,900
Net Cash Provided (Used) By Investing Activities	<u>114,561</u>	<u>(898,752)</u>
Cash Flows from Noncapital Financing Activities		
Nonoperating Grants Received	2,928,800	119,500
Nonoperating Grants Paid	(1,375,526)	(119,500)
Net Cash Provided (Used) By Noncapital Financing Activities	<u>1,553,274</u>	<u>-</u>
Cash Flows from Capital and Financing Activities		
Purchase of Property and Equipment	(829,681)	(24,500)
Payments Received from Other Governments	-	-
Payments Made on Long-Term Debt	(22,560)	(22,448)
Net Cash Provided (Used) By Financing Activities	<u>(852,241)</u>	<u>(46,948)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	721,181	(38,951)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>4,753,642</u>	<u>4,792,593</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,474,823</u>	<u>\$ 4,753,642</u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities		
Change in Net Position	\$ (228,478)	\$ 978,048
Adjustments to Reconcile Change in Net Position to Net Cash Provided By Operating Activities		
Depreciation	72,990	70,370
Interest Earned on Investments	(90,052)	-
(Gains) Losses on Investments	-	(3,861)
Changes in Operating Assets and Liabilities		
Accounts Receivable	181,108	(209,438)
Accrued Interest Receivable	4,496	(9,051)
Grants Receivable	83,737	(100,577)
Prepaid Expenses	(321)	(490)
Accrued Expenses - Other	136,171	319,428
Deferred Revenue and Grant Advances	7,250	(246,157)
Compensated Absences	5,418	9,453
Postemployment Benefits	588,752	190,712
Net Pension Liability	(188,516)	(123,156)
Net Pension Deferred Outflows/Inflows	(388,603)	61,739
Net OPEB Deferred Outflows/Inflows	(278,365)	(30,271)
Net Cash Provided (Used) By Operating Activities	<u>\$ (94,413)</u>	<u>\$ 906,749</u>

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

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the St. Lawrence County Industrial Development Agency (Agency) have been prepared in conformity with generally accepted accounting principles (GAAP). Those principles are prescribed 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 Agency are described below.

Reporting Entity

The Agency 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 Agency.

Nature of Organization

The Agency is an industrial development agency duly established under Title 1, Article 18-A of the General Municipal Law of the State of New York and Chapter 358 of the Laws of 1971 of the State of New York, and is a corporate governmental agency constituting a public benefit corporation of the State of New York. The Agency is exempt from federal, state, and local income taxes.

Measurement Focus

The Agency'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 Agency 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.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Bad Debts

The Agency has elected not to establish an allowance for bad debts 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.

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 Agency-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	\$ 5,000	Straight Line (SL)	40 years
Building Improvements	2,500	SL	10 years
Land Improvements	2,500	SL	3 years
Office Furniture and Equipment	2,500	SL	7 years
Automobiles	2,500	SL	5 years

Deferred Revenue and Grant Advances

The Agency recognizes revenue when it is earned. The Agency will sometimes receive grant funds prior to the expenditure of grant expenses. This results in the recording of deferred revenue/grant advances until such expenditures are made.

Vested Employee Benefits

Agency employees are granted vacation and sick time in varying amounts based primarily on length of service. There are limits on the amount of time that can be either accrued and/or used during any one fiscal year. Also, in the event of certain terminations, some earned benefits may be forfeited.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Vested Employee Benefits (Continued)

Personal time and other forms of leave are specified in the Agency's Employee Handbook. Personal time must be utilized during a 12-month period that begins on the first day of the month the employee was hired. Personal time is non-cumulative from year to year. Any unused time at the end of the employee's anniversary year will be subject to forfeiture. Sick and vacation leave is cumulative from year to year with maximum accruals based on years of service as outlined in the employee handbook. Upon retirement, resignation, or death, employees may receive a payment for accrued vacation and personal time based on the employee's regular rate of pay. Upon retirement, employees may receive a medical insurance credit based on unused sick time accrued at the employee's regular rate of pay as outlined in the employee handbook. Consistent with GASB Statement No. 16, *Accounting for Compensated Absences*, an accrual for accumulated sick and vacation leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the pay rates in effect at year end.

Eligible Agency employees participate in the New York State and Local Employees Retirement System. In addition to providing pension benefits, the Agency participates in a health insurance program through St. Lawrence County which provides medical insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Agency's employees may become eligible for these benefits if they reach normal retirement age while working for the Agency. Medical benefits are provided through a plan whose premiums are based on the benefits paid during the year. The Agency recognizes the cost of providing medical insurance by recording its share of insurance premiums as expenditures in the year paid.

Budgetary Procedures and Budgetary Accounting

The Agency administration prepares a proposed budget for operations annually for approval by the Board of Directors. Appropriations are adopted at the program line item level as established by the adoption of the budget which constitutes a limitation on expenditures which may be incurred. Appropriations lapse at the end of the fiscal year unless expended. Budgets are adopted annually on a basis consistent with GAAP.

Pension Accounting

The Agency has adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses. The employer liability is to be measured as the difference between the present values of projected benefit payments to be provided through the pension plan for past periods of service less the amount of the pension plan's fiduciary net position. Obligations for employers with cost sharing plans will be based on their proportionate share of contributions to the pension plan.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Postemployment Benefits Other Than Pensions (OPEB)

In addition to providing the retirement benefits described in the Note above, the Agency provides postemployment health insurance coverage to its retired employees and their survivors. The payment of this benefit is not governed by any employment contract and is done at the discretion of the Agency Board in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (Statement 75).

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 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 - NET POSITION CLASSIFICATION

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

Net Investment in Capital Assets - Consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of those assets. The Agency had \$ 2,335,814 and \$ 1,556,563 invested in capital assets, net of related debt as of December 31, 2023 and 2022, respectively.

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, 2023 and 2022, respectively.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 - NET POSITION CLASSIFICATION (Continued)

Unrestricted Net Position - Reports all other net assets that do not meet the definition of the above classifications and are deemed to be available for general use by the Agency. The Agency's unrestricted net position has two classifications, Unassigned and Assigned. The Agency's unassigned net position was \$ 1,750,707 and \$ 2,758,436 as of December 31, 2023 and 2022, respectively. The assigned net position was \$ 2,000,000 for both December 31, 2023 and 2022. The Board of Directors designated the assigned net position of \$ 2,000,000 in 2001 for the purpose of assisting in the future solvency of the Agency.

When an expense is incurred for which restricted or unrestricted net position is available, the Agency considers amounts to have been spent first out of restricted and then unrestricted, as needed.

NOTE 3 - CASH AND INVESTMENTS

The Agency'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. Resources must be deposited in FDIC insured commercial banks or trust companies located within the State. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

New York State law governs the Agency's investment policies. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Investments are stated at fair value.

NOTE 4 - INVESTMENTS

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash and Cash Equivalents	\$ 513,341	\$ 13,289
Certificates of Deposit	<u>1,590,000</u>	<u>2,000,000</u>
	<u>\$ 2,103,341</u>	<u>\$ 2,013,289</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 5 - LEASES RECEIVABLE

The Agency carries leases receivable at cost. Balances at December 31, 2023 and 2022 are as follows:

Note Receivable	Interest Rate	Maturity	Original Amount	Balance	
				2023	2022
LC Drives Corp. (RDBG)	0.000%	09/01/2024	\$ 47,621	\$ -	\$ 16,421
LC Drives Corp. (RDBG)	0.000%	10/01/2025	57,850	-	33,935
				<u>\$ -</u>	<u>\$ 50,356</u>

LC Drives Corp. ceased operations in 2021. The lease amounts above were moved into the current asset category in 2021. In 2022, the equipment was liquidated and the grant was closed out.

NOTE 6 - CAPITAL LEASES (LEASE-PURCHASE AGREEMENTS)

The Agency leases buildings under lease-purchase agreements. Through these agreements, as the Lessor the Agency provides financial assistance for the acquisition of Agency-owned properties for companies as part of economic development projects. Balances at December 31, 2023 and 2022 are as follows:

Capital Leases	Original Date	Maturity Date	Interest Rate	Original Amount	Balance	
					2023	2022
Op-Tech	07/01/09	05/11/24	2.625%	\$ 540,000	\$ 20,358	\$ 63,377
New York Power Tools	07/01/17	06/30/27	3.000%	350,000	127,714	165,268
From the Heart Cabinetry	01/01/20	12/31/36	3.750%	645,140	513,516	547,504
					<u>\$ 661,588</u>	<u>\$ 776,149</u>

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

December 31, 2024	\$ 93,306
2025	74,628
2026	77,187
2027	56,050
2028	41,829
Thereafter	318,588
	<u>\$ 661,588</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 7 - CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2023 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Nondepreciable				
Land	\$ 206,750	\$ -	\$ -	\$ 206,750
Land Improvements	251,593	-	-	251,593
Construction in Progress	<u>-</u>	<u>783,922</u>	<u>-</u>	<u>783,922</u>
Total nondepreciable cost	<u>458,343</u>	<u>783,922</u>	<u>-</u>	<u>1,242,265</u>
Depreciable				
Building and Improvements	2,230,366	-	-	2,230,366
Automobiles	39,560	39,910	(39,560)	39,910
Office Equipment and Furnishings	<u>25,880</u>	<u>5,849</u>	<u>-</u>	<u>31,729</u>
Total depreciable cost	2,295,806	45,759	(39,560)	2,302,005
Less accumulated Depreciation	<u>674,087</u>	<u>72,990</u>	<u>(39,560)</u>	<u>707,517</u>
Total depreciable cost, net	<u>1,621,719</u>			<u>1,594,488</u>
Total capital assets cost, net	<u>\$ 2,080,062</u>			<u>\$ 2,836,753</u>

Depreciation expense was charged to activities as follows:

	<u>2023</u>	<u>2022</u>
Canton Industrial Building	\$ 65,243	\$ 67,208
Canton Industrial Park	<u>7,065</u>	<u>3,162</u>
Total Program Depreciation	72,308	70,370
Administrative Operating	<u>682</u>	<u>-</u>
Total Depreciation Expense	<u>\$ 72,990</u>	<u>\$ 70,370</u>

NOTE 8 - DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Agency has two items that meet this criterion - OPEB and pension plan contributions.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 8 - DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has two items that meet the criterion of this category – OPEB and pension related deferrals.

NOTE 9 - PENSION PLANS

Plan Description

The St. Lawrence County Industrial Development Agency participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits, as well as, death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYSRSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Agency also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Funding Policies

The system is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 9 - PENSION PLANS (Continued)

Funding Policies (Continued)

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2023	\$ 60,933
2022	\$ 61,341
2021	\$ 52,812

Pension Liabilities/(Assets), Pension Expense/(Credit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the Agency reported a liability/(asset) of \$ 310,384 for its proportionate share of the net pension liability/(asset). The net pension liability/(asset) was measured as of March 31, 2023. The total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation. The Agency's proportion of the net pension liability/(asset) is based on a projection of the Agency's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System in reports provided to the Agency.

Actuarial Measurement Date	3/31/2023
Net Pension Liability/(Asset)	\$ 310,384
Agency's Portion of the Plan's Total Net Pension Liability/(Asset)	.0014474%

For the year ended December 31, 2023, the Agency recognized pension expense of \$ 107,084. At December 31, 2023, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 33,058	\$ 8,717
Change of Assumptions	150,742	1,666
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,823
Changes in Proportion and Differences between Employer Contribution and Proportionate Share of Contributions	22,200	11,714
Employer Contributions Subsequent to the Measurement Date	<u>63,435</u>	<u>-</u>
Total	<u>\$ 269,435</u>	<u>\$ 23,920</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities/(Assets), Pension Expense/(Credit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The \$ 63,435 reported as deferred outflows of resources related to pensions resulting from the Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

December 31, 2024	\$ 41,418
2025	(14,014)
2026	68,059
2027	<u>86,617</u>
	<u>\$ 182,080</u>

Actuarial Assumptions

The total pension liability at March 31, 2023 was determined by using an actuarial valuation as of April 1, 2022, with updated procedures to roll forward the total pension liability to March 31, 2023. The actuarial valuation used the following actuarial assumptions:

	<u>2023 ERS</u>	<u>2022 ERS</u>
Inflation	2.9%	2.7%
Salary Increases	4.4%	4.4%
Investment Rate of Return (Net of investment expense, including inflation)	5.9%	5.9%
Cost-of-Living Adjustments	1.5%	1.4%

Annuitant mortality rates are based on April 1, 2015 – April 1, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries’ Scale MP-2021. The previous actuarial valuation as of April 1, 2020 used the same assumptions to measure the total pension liability.

The actuarial assumptions used in the April 1, 2022 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – April 1, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 - PENSION PLANS (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	32.0%	4.30%
International Equity	15.0%	6.85%
Private Equity	10.0%	7.50%
Real Estate	9.0%	4.60%
Opportunistic/ARS Portfolio	3.0%	5.38%
Credit	4.0%	5.43%
Real Assets	3.0%	5.84%
Fixed Income	23.0%	1.50%
Cash	<u>1.0%</u>	0.00%
	<u>100.00%</u>	

The real rate of return is net of the long-term inflation assumption of 2.50%.

Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption

The following presents the current period proportionate share of the net pension liability of the Agency calculated using the current-period discount rate assumption of 5.9%, as well as what the Agency's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption:

	<u>1 Percent Decrease (4.9%)</u>	<u>Current Assumption (5.9%)</u>	<u>1 Percent Increase (6.9%)</u>
Agency's Proportionate Share of the Net Pension Liability/(Asset)	\$ 750,065	\$ 310,384	\$ (57,021)

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 9 - PENSION PLANS (Continued)

Actuarial Assumptions (Continued)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers participating in the System as of March 31, 2023, were as follows:

	Employees' <u>Retirement System</u> (dollars in thousands)
Employers' total pension liability	\$ 232,627,259
Fiduciary plan net position	<u>211,183,223</u>
Employers' net pension liability (asset)	<u>\$ 21,444,036</u>
Ratio of fiduciary net position to the Employers' total pension liability	90.78%

Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of December 31, 2023 represent the projected employer contribution for the period of April 1, 2023 through December 31, 2023 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of December 31, 2023 amounted to \$ 64,435.

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

The Agency's defined benefit OPEB plan, the St. Lawrence County Health Care Plan, provides OPEB for all permanent full-time employees of the Agency. The St. Lawrence County Health Care Plan is a single-employer defined benefit OPEB plan administered by St. Lawrence County. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the St. Lawrence County Board. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement 75.

The St. Lawrence County Health Care Plan provides healthcare benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The benefit terms provide for payment of 90 percent of the health insurance premiums for non-Medicare-eligible individual retirees.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

General Information about the OPEB Plan (Continued)

At December 31, 2023, the following employees were covered by the benefit terms:

Retirees and Survivors	1
Terminated Vested Employees	-
Active Employees	<u>6</u>
Total	<u><u>7</u></u>

Total OPEB Liability

The Agency's total OPEB liability of \$ 2,093,793 was measured as of January 1, 2023, and was determined by an actuarial valuation as of January 1, 2022.

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Rate of Inflation	2.50%
Salary Increases	3.00%
Discount Rate	3.72%
Healthcare Cost Trend Rates	7.00% for 2024; reducing to 3.94% for 2093

Mortality rates were based on the Pub-2010 Mortality Table adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

Retirement participation rate assumed that 100% of eligible employees will elect medical coverage at retirement age and 85% of active member's spouses will elect medical coverage. Additionally, a tiered approach based on age and sex was used to determine retirement rate assumption.

Termination rates are based on tables used by the New York State and Local Retirement System. Rates are tiered based on the percentage of employees who will terminate employment at any given age each year, for reasons other than death or retirement.

The discount rate was based on the Bond Buyer Weekly 20-Bind Go Index.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>
Balance at January 1, 2022	\$ 2,682,545
Changes for the Year:	
Service Cost	129,353
Interest Cost	57,616
Changes in Benefit Terms	(151,883)
Differences between Expected and Actual Experience	-
Changes in Assumptions and Other Inputs	(593,845)
Benefit Payments	<u>(29,993)</u>
Net Changes	<u>(588,752)</u>
Balance at January 1, 2023	<u>\$ 2,093,793</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.06% on January 1, 2022 to 3.72% on January 1, 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Agency, as well as what the Agency's total OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (2.72%) or one-percentage point higher (4.72%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
	<u>(2.72%)</u>	<u>(3.72%)</u>	<u>(4.72%)</u>
Total OPEB Liability	\$ 2,474,966	\$ 2,093,793	\$ 1,786,552

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Agency, as well as what the Agency's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage point lower or one-percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,733,336	\$ 2,093,793	\$ 2,553,011

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the Agency recognized OPEB expense of \$ (28,551). At December 31, 2023, the Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 274,949	\$ 192,740
Change of Assumptions or Other Inputs	334,805	680,493
Employer Contributions Subsequent to the Measurement Date	<u>32,199</u>	<u>-</u>
Total	<u>\$ 641,953</u>	<u>\$ 873,233</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

December 31, 2024	\$ (31,438)
2025	(31,438)
2026	(24,702)
2027	510
2028	(22,450)
Thereafter	<u>(153,961)</u>
	<u>\$ (263,479)</u>

NOTE 11 - LONG-TERM LIABILITIES

St. Lawrence County Industrial Development Agency Local Development Corporation (Canton Industrial Building): On December 4, 2014, the Agency closed a \$ 1,400,000 loan from the SLCIDA-LDC consisting of \$ 700,000 from the River Valley Redevelopment Agency loan fund and \$ 700,000 from the SLCIDA-LDC revolving loan fund to finance some of the construction costs of the Canton Industrial Building. The Agency mortgaged the property to the SLCIDA-LDC as security for the loan. The River Valley Redevelopment Agency portion of the loan had a 7-year repayment with a 20-year amortization with an interest rate of 1%, and was paid off in 2021. The remaining portion of the loan has a 30-year amortization with an interest rate of ½ of 1%.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 11 - LONG-TERM LIABILITIES (Continued)

Long-term liabilities as of December 31, 2023 and 2022 consisted of the following:

Holder	Interest Rate	Maturity	Original Amount	Balance 2023	Balance 2022
SLCIDA-LDC – Canton Industrial Building	0.50%	11/01/44	\$ 700,000	\$ <u>500,939</u>	\$ <u>523,499</u>

Future maturities of long-term debt are projected as follows:

	<u>Principal</u>	<u>Interest</u>
December 31, 2024	\$ 22,673	\$ 2,453
2025	22,787	2,339
2026	22,901	2,225
2027	23,016	2,110
2028	23,131	1,995
2029 - 2033	117,406	8,224
2034 - 2038	120,378	5,252
2039 - 2043	123,424	2,205
2044 - 2048	<u>25,223</u>	<u>69</u>
	\$ <u>500,939</u>	\$ <u>24,647</u>

NOTE 12 - INDUSTRIAL REVENUE BOND ISSUES

At the date of these financial statements, the Agency had participated in excess of fifty-three bond issues in the total original issue amount in excess of \$ 785,530,700. These issues were made at various times between February 1973 and December 31, 2023. These issues are not reflected in the financial statements since they are considered to be special obligations of the Agency having no claim on the general assets or general funds of the Agency.

NOTE 13 - ST. LAWRENCE COUNTY IDA LOCAL DEVELOPMENT CORPORATION

On April 29, 1986, the Agency created a Local Development Corporation known as the St. Lawrence County Industrial Development Agency Local Development Corporation (SLCIDA-LDC). St. Lawrence County assigned all of the loan repayments from certain County Community Development Block Grant (CDBG) Projects to the Agency for the purpose of establishing a county-wide revolving loan fund. Upon the formation of the SLCIDA-LDC, the Agency assigned all of its rights in the CDBG assignment to the SLCIDA-LDC for collection and administration.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 14 - MASSENA LOT 17 AND MASSENA LOT 20 BUILDINGS

In 2005, the Agency acquired the Massena Lots 17 and 20 buildings as part of a loan settlement agreement with Michele Audio Corporation of America.

In 2009, the Agency entered into a 15-year lease/purchase agreement with OP-Tech Environmental Services, Inc. for the Lot 20 industrial building at the lease/purchase price of \$ 540,000.

In 2014, after Media Accessories.Com, Inc. defaulted on its lease/purchase agreement for the Agency's Lot 17 building in the Massena Industrial Park, the Agency terminated its contract with the company and resumed full ownership of the property. In July 2017, the Agency entered into a 10-year lease/purchase agreement with NY Power Tools, Inc. for the Lot 17 industrial building at the lease/purchase price of \$ 350,000.

NOTE 15 - CANTON INDUSTRIAL PARK

By Resolution # IDA-12-12-49 dated December 11, 2012, the Agency assigned a value of \$ 166,250 to the land that constitutes the Canton Industrial Park (CIP) which had been donated to the Agency by St. Lawrence County in 2011. In 2012, the Agency applied for and was awarded funds through New York State's Regional Economic Development program to build out the infrastructure of the CIP. In April 2013, the Agency executed an Incentive Proposal issued by Empire State Development (ESD) under which ESD committed to grant up to \$ 470,000 to the Agency for site preparation, including roads, water, and sewer in the CIP. In late 2013, the Agency began to make such improvements; they were substantially completed in 2014. In 2016, the Agency received a final grant award of \$ 470,000 from Empire State Development.

NOTE 16 - ST. LAWRENCE COUNTY IDA CIVIC DEVELOPMENT CORPORATION

On January 7, 2010, a resolution was passed by the Agency that authorized staff to pursue the creation of a local development corporation to assist 501(c)(3) organizations in financing much-needed construction and expansion projects. The expiration of Civic Facilities Bond legislation had severely inhibited the ability of local industrial development agencies to assist 501(c)(3) organizations in financing much-needed construction and expansion projects. On April 13, 2010, the St. Lawrence County Industrial Development Agency Civic Development Corporation (SLCIDA-CDC) was created for this purpose.

NOTE 17 - NEWTON FALLS SECONDARY LINE

On December 23, 1991, the Agency took title to the St. Lawrence County portion of the 46.25 mile Newton Falls Secondary Line (the "Railroad"). In May of 2012, the Agency and the Mohawk Adirondack & Northern (MA&N) executed an operating agreement under which the Agency's ownership of the Railroad was confirmed and which structured the Agency's lease of the Railroad to MA&N and set conditions under which MA&N might take future ownership of the Railroad.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 17 - NEWTON FALLS SECONDARY LINE (Continued)

On October 25, 2012, the Agency executed an Incentive Proposal issued by Empire State Development (ESD) (originally dated March 7, 2012, and revised on September 7, 2012) under which ESD committed to grant up to \$ 9,972,000 to the Agency to rehabilitate the entire Railroad. The Incentive Proposal split the grant into two phases – Phase 1 amounting up to \$ 1,300,000 to be used for pre-construction costs that would enable the Agency to clear the line, appraise the repairs required, and prepare specifications and bid documents; Phase 2 amounting up to \$ 8,672,000 to be used for the actual rehabilitation work.

Beginning after October 25, 2012, the Agency began incurring expenses for the Phase 1 pre-construction costs and by December 31, 2015, the pre-construction phase was complete with cumulative costs totaling \$ 1,316,129. On February 7, 2014, the Urban Development Corporation, acting on behalf of ESD, sent the Agency an executed Grant Disbursement Agreement which structured the Phase 1 grant process and authorized the Agency to request reimbursement for pre-construction expenses dating back to October 25, 2012.

Total reimbursements received by the Agency pursuant to the Phase 1 Grant Disbursement Agreement totaled \$ 1,300,000. Phase 2 of the project was completed in 2020. Phase 3 is nearing completion in 2022 and phase 4 will begin in 2023. Through December 31, 2023, cumulative rehabilitation costs totaled \$ 10,513,450 while grant reimbursement totaled \$ 10,625,592. The remaining grant reimbursement of \$ 112,142 will be carried forward for use in future years for work on the project and is recorded as grant advances at the end of 2023.

NOTE 18 - 100 PATERSON STREET BUILDING - NEWELL

The Agency entered into a Memorandum of Agreement dated November 1, 2017, with the City of Ogdensburg to provide bridge funding for the redevelopment of property known as the Newell Building located at 100 Paterson Street in the city of Ogdensburg, New York. Under the Agreement, the Agency will provide up to \$ 1,000,000 in bridge financing. The City of Ogdensburg has obtained a Restore NY grant award for the project and upon receipt reimbursed the Agency. Subsequent to executing the agreement, the City of Ogdensburg obtained a second grant award for the project from a new source in the amount of \$ 300,000 and the Agency provided additional bridge financing in that amount similar to the terms set forth in the original agreement. At the conclusion of the rehabilitation the City of Ogdensburg transferred good and marketable title to the property to the St. Lawrence County Property Development Corporation (SLCPDC), a related party to the Agency.

In May of 2022, the SLCPDC authorized the lease of Real Property located at the former Newell Manufacturing Property at 100 Paterson Street, Ogdensburg to the Agency, allowing the Agency to manage the property, make necessary improvements, and negotiate lease and PILOT agreements with potential tenants or buyers. An Industrial Property Lease Agreement with the SLCPDC was signed with the Agency, and commence on January 1, 2023.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 19 - INDUSTRIAL BUILDING LEASE AGREEMENT

The Agency has executed a lease to Michels Corporation for space in the Canton Industrial Mixed-Use Building for the term of twenty-six months, from November 2020 to December 2022. Michels Corporation utilized the space as a local base of operations while the company performed work on the Moses-Adirondack Smart Path Reliability Project, the New York Power Authority's project to rebuild and strengthen the Moses-Adirondack transmission lines – a vital 86-mile stretch of New York's North-South power transmission system. The company vacated the space at the end of May 2023.

NOTE 20 - RECOGNITION OF CERTAIN GRANT REVENUE AND EXPENDITURES

Occasionally the Agency (as "grantee") applies for and receives grants from government agencies and other organizations. These grants are usually "reimbursement grants", i.e., the monies from the grants 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 Agency 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 Agency does not accrue any revenues/expenses or receivables/payables associated with items to be paid out for future grant reimbursement unless the Agency 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. There were no such reimbursement grants active as of December 31, 2023.

From time to time, the Agency will act as a "grantor" in a "pass through" capacity only where it applies for grants on behalf of other entities and then in turn acts as the official "grantor". Since these grants are also reimbursement grants, the Agency has adopted the same policy as stated above when acting as a "pass through grantor". As of December 31, 2022, there were no active grants of this nature.

The St. Lawrence County Board of Legislators approved accepting the American Rescue Plan Act (ARPA) funds which will be administered by the St. Lawrence County Industrial Development Agency. The County Board of Legislators allocated \$ 2.9 million of ARPA funds to be distributed through the St. Lawrence County Industrial Development Agency to organizations impacted by the COVID-19 pandemic. The IDA distributed ARPA funds to organizations for the years ending December 31, 2023 and 2022 of \$ 1,375,526 and \$ 119,500, respectively.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

NOTE 21 - CONCENTRATION OF CREDIT RISK

At December 31, 2023, the Agency had bank balances totaling \$ 5,890,276 with a carrying value of \$ 5,483,884. A combination of federal depository insurance (FDIC) and securities pledged and held by the banks fully covered the cash balances as follows:

FDIC Insured	\$ 500,000
Collateralized by Financial Institutions	<u>5,390,276</u>
	<u>\$ 5,890,276</u>

NOTE 22 - RELATED PARTY TRANSACTIONS

The Agency is related to the following entities through:

- St. Lawrence County Industrial Development Agency Civic Development Corporation (SLCIDA-CDC)
- Common Board Membership and Officers
- St. Lawrence County Industrial Development Agency Local Development Corporation (SLCIDA-LDC)
- Common Board Membership, Officers and Program Administrative Agreements

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 2023 and 2022, there was no such activity.

The SLCIDA-LDC has loaned funds to the Agency. Information on these loans can be found in Note 12 of these financial statements.

Administrative fees paid by SLCIDA-LDC to the Agency totaled \$ 7,200 and \$ 7,200 for the years ending December 31, 2023 and 2022, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - NYSLRS PENSION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's Proportion of the Net Pension Liability (Asset)	0.0014474%	0.0014908%	0.0012940%	0.0013925%	0.0014630%	0.0015412%	0.0015513%	0.0020224%	0.0021613%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 310,384	\$ (121,868)	\$ 1,288	\$ 368,736	\$ 103,661	\$ 49,741	\$ 145,764	\$ 324,593	\$ 73,014
Employer's Covered-Employee Payroll	\$ 459,277	\$ 502,028	\$ 351,031	\$ 369,322	\$ 350,108	\$ 342,440	\$ 337,649	\$ 342,530	\$ 376,838
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	67.58%	-24.28%	0.37%	99.84%	29.61%	14.53%	43.17%	94.76%	19.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS -
NYSLRS PENSION PLAN**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 64,435	\$ 60,933	\$ 61,341	\$ 52,812	\$ 50,398	\$ 49,700	\$ 49,766	\$ 55,996	\$ 74,013
Contributions in Relation to the Contractually Required Contribution	<u>64,435</u>	<u>60,933</u>	<u>61,341</u>	<u>52,812</u>	<u>50,398</u>	<u>49,700</u>	<u>49,766</u>	<u>55,996</u>	<u>74,013</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Covered-Employee Payroll	\$ 459,277	\$ 502,028	\$ 351,031	\$ 369,322	\$ 350,108	\$ 342,440	\$ 337,649	\$ 342,530	\$ 376,838
Contribution as a Percentage of Covered-Employee Payroll	14.03%	12.14%	17.47%	14.30%	14.39%	14.51%	14.74%	16.35%	19.64%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**SCHEDULE OF CHANGES IN EMPLOYER'S TOTAL
OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 129,353	\$ 94,026	\$ 69,369	\$ 54,701	\$ 65,391	\$ 81,664
Interest Cost	57,616	54,532	52,976	67,489	60,146	73,298
Changes in Benefit Terms	(151,883)	-	-	-	-	-
Differences Between Expected and Actual Experience		175,482	249,946	(144,943)	-	(387,465)
Changes in Assumptions and Other Inputs	(593,845)	(106,121)	264,488	314,445	(197,857)	75,268
Benefit Payments	<u>(29,993)</u>	<u>(27,207)</u>	<u>(17,963)</u>	<u>(20,087)</u>	<u>(18,638)</u>	<u>(15,633)</u>
Net Change in Total OPEB Liability	(588,752)	190,712	618,816	271,605	(90,958)	(172,868)
Total OPEB Liability - Beginning	<u>2,682,545</u>	<u>2,491,833</u>	<u>1,873,017</u>	<u>1,601,412</u>	<u>1,692,370</u>	<u>1,865,238</u>
Total OPEB Liability - Ending	<u>\$ 2,093,793</u>	<u>\$ 2,682,545</u>	<u>\$ 2,491,833</u>	<u>\$ 1,873,017</u>	<u>\$ 1,601,412</u>	<u>\$ 1,692,370</u>
Covered Payroll Over Measurement Period	\$ 448,312	N/A	\$ 369,322	\$ 336,768	\$ 354,822	\$ 333,900
Total OPEB Liability as a Percentage of Covered Payroll	467.00%	N/A	674.70%	556.17%	451.33%	506.85%

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2023	3.72%
2022	2.06%
2021	2.12%
2020	2.74%
2019	4.10%
2018	3.44%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report.

SUPPLEMENTARY INFORMATION

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**SCHEDULES OF REVENUES AND EXPENSES BY PROJECT
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

2023						
	100 Paterson Street	Gouverneur Industrial Park	Newton Falls Rail Repair	Canton Industrial Park	Canton Industrial Building	Benson Mines Rehabilitation
OPERATING REVENUES						
Rental Income	\$ 67,346	\$ -	\$ -	\$ -	\$ 47,940	\$ -
Grant Income	-	-	-	-	-	14,952
Total Income	<u>67,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,940</u>	<u>14,952</u>
OPERATING EXPENSES						
Insurance	20,410	41	-	881	5,770	-
Interest	-	-	-	-	2,557	-
Maintenance	35,873	3,900	-	-	8,917	-
Rehabilitation Project	4,765	-	219,269	-	-	17,591
Utilities	29,264	-	-	-	5,890	-
Total Operating Expenses	<u>90,312</u>	<u>3,941</u>	<u>219,269</u>	<u>881</u>	<u>23,134</u>	<u>17,591</u>
NON-OPERATING EXPENSES						
Depreciation	-	-	-	7,065	65,243	-
Total Expenses	<u>90,312</u>	<u>3,941</u>	<u>219,269</u>	<u>7,946</u>	<u>88,377</u>	<u>17,591</u>
Excess of Revenues Over Expenses	<u>\$ (22,966)</u>	<u>\$ (3,941)</u>	<u>\$ (219,269)</u>	<u>\$ (7,946)</u>	<u>\$ (40,437)</u>	<u>\$ (2,639)</u>
2022						
	100 Paterson Street	Gouverneur Industrial Park	Newton Falls Rail Repair	Canton Industrial Park	Canton Industrial Building	Benson Mines Rehabilitation
OPERATING REVENUES						
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ 108,660	\$ -
Grant Income	-	-	870,666	-	-	-
Total Income	<u>-</u>	<u>-</u>	<u>870,666</u>	<u>-</u>	<u>108,660</u>	<u>-</u>
OPERATING EXPENSES						
Insurance	-	58	-	1,239	5,891	-
Interest	-	-	-	-	2,669	-
Maintenance	-	3,000	-	8,200	13,624	-
Rehabilitation Project	-	-	870,666	-	-	-
Tax Pilot	-	-	-	-	21,667	-
Utilities	-	-	-	-	7,111	-
Total Operating Expenses	<u>-</u>	<u>3,058</u>	<u>870,666</u>	<u>9,439</u>	<u>50,962</u>	<u>-</u>
NON-OPERATING EXPENSES						
Depreciation	-	-	-	3,162	67,208	-
Total Expenses	<u>-</u>	<u>3,058</u>	<u>870,666</u>	<u>12,601</u>	<u>118,170</u>	<u>-</u>
Excess of Revenues Over Expenses	<u>\$ -</u>	<u>\$ (3,058)</u>	<u>\$ -</u>	<u>\$ (12,601)</u>	<u>\$ (9,510)</u>	<u>\$ -</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**SCHEDULES OF ADMINISTRATIVE OPERATING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>
OPERATING EXPENSES		
Salaries and Wages	\$ 501,911	\$ 482,929
Employee Benefits	201,577	297,465
Payroll Taxes	35,855	34,296
Accounting/Audit	8,456	8,250
Bank Service Fees	118	47
Data Processing Services	28,320	7,522
Depreciation	682	-
Insurance	10,124	7,496
Legal Fees	27,326	11,876
Meetings	3,737	443
Miscellaneous	230	210
Office Supplies and Postage	9,045	6,501
Payroll Fees	2,725	2,211
Printing and Copying	3,206	2,740
Professional Associations	1,350	1,850
Rent and Maintenance	3,331	2,923
Subscriptions and Periodicals	648	503
Telephone	3,270	7,566
Utilities	4,708	8,278
Vehicle Repairs and Maintenance	<u>1,511</u>	<u>1,758</u>
Total Operating Expenses	<u>\$ 848,130</u>	<u>\$ 884,864</u>



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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

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 (Agency), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic 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 Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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.

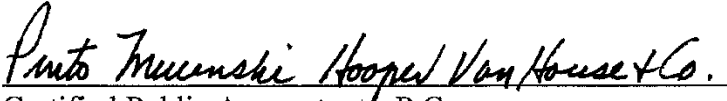
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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


Certified Public Accountants, P.C.

March 26, 2024



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
St. Lawrence County Industrial Development Agency

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Lawrence County Industrial Development Agency's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the St. Lawrence County Industrial Development Agency's major federal programs for the year ended December 31, 2023. St. Lawrence County Industrial Development Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the St. Lawrence County Industrial Development Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of St. Lawrence County Industrial Development Agency and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of St. Lawrence County Industrial Development Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to St. Lawrence County Industrial Development Agency's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on St. Lawrence County Industrial Development Agency's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about St. Lawrence County Industrial Development Agency's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 St. Lawrence County Industrial Development Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of St. Lawrence County Industrial Development Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of St. Lawrence County Industrial Development Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

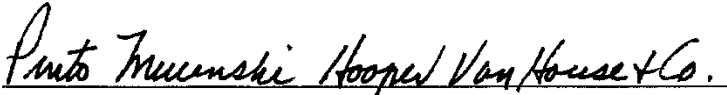
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


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

March 26, 2024

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Federal Grantor/Program or Cluster Title		Assistance Listing Number	Agency or Pass-through Number	<u>Expenditures</u>	<u>Sub-recipients</u>
U.S. Department of Treasury					
Passed Through St. Lawrence County:					
American Rescue Plan Act: Coronavirus State and Local Fiscal Recovery Funds	COVID-19	21.027		\$ <u>1,375,526</u>	\$ <u>1,375,526</u>
Total Federal Awards Expended				\$ <u>1,375,526</u>	\$ <u>1,375,526</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the Agency, which is described in Note 1 to the Agency's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. The Agency's policy is not to charge federal award programs with indirect costs.

Matching costs (the Agency's share of certain program costs) are not included in the reported expenditures.

The Agency has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the Agency's financial reporting system.

NOTE 2 - OTHER DISCLOSURES

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the Agency's casualty insurance policies.

There were no loans or loan guarantees outstanding at year-end.

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Type of auditor's report issued - Unmodified
2. Internal control over financial reporting:
 - a. Significant deficiencies identified – No
 - b. Material weaknesses identified – No
3. Noncompliance material to the financial statements noted – No

Federal Awards:

4. Internal control over major federal programs:
 - a. Significant deficiencies identified – No
 - b. Material weaknesses identified – No
5. Type of auditor's report issued on compliance for the major federal award programs - Unmodified
6. Audit findings required to be reported in accordance with 2 CFR section 200.516(a) - No
7. Programs tested as major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Program or Cluster</u>
21.027	American Rescue Plan Act: Coronavirus State and Local Fiscal Recovery Funds

8. Dollar threshold used for distinguishing between Type A and B programs - \$ 750,000
9. Auditee qualified as a low-risk auditee - No

FINDINGS – FINANCIAL STATEMENT AUDIT

Significant Deficiencies:

None

Material Weaknesses:

None

**FINDINGS AND QUESTIONED COSTS –
MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023**

FINDINGS – FINANCIAL STATEMENT AUDIT

There were no prior year audit findings.

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

There were no prior year audit findings.