

ST. LAWRENCE COUNTY PROPERTY
DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence
County, New York)

Financial Statements and
Independent Auditors' Report
December 31, 2024 and 2023

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
St. Lawrence County Property Development Corporation:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of St. Lawrence County Property Development Corporation (SLCPDC) (a nonprofit organization), a component unit of St. Lawrence County, New York, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SLCPDC as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the SLCPDC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Prior Period Financial Statements

The financial statements of SLCPDC as of December 31, 2023 were audited by other auditors whose report dated March 26, 2024, expressed an unmodified opinion on those statements.

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 SLCPDC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SLCPDC'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 SLCPDC's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2025, on our consideration of the SLCPDC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to

provide an opinion on the effectiveness of the SLCPDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the SLCPDC's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 24, 2025

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)
Statements of Financial Position
December 31, 2024 and 2023

	<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:			
Cash and equivalents		\$ 43,765	67,063
Restricted cash for debt collateral		100,000	100,000
Accrued interest receivable		398	-
Total current assets		144,163	167,063
Capital assets - buildings and improvement, net		1,164,715	1,195,365
Total assets		\$1,308,878	1,362,428
<u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable		33,042	829
Notes payable, current portion		4,679	504,577
Total current liabilities		37,721	505,406
Notes payable, net of current portion		81,568	86,269
Total liabilities		119,289	591,675
Net assets without donor restrictions		1,189,589	770,753
Contingencies (note 7)		-	-
Total liabilities and net assets		\$1,308,878	1,362,428

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)
Statements of Activities
Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenue:		
Grant income	\$ 500,000	-
Miscellaneous income	4,646	-
Interest income - bank	-	2,902
Total revenue	<u>504,646</u>	<u>2,902</u>
Expenses:		
Program services:		
Depreciation	30,650	30,650
Property related expenses	33,956	1,000
Total program services	<u>64,606</u>	<u>31,650</u>
Management and general:		
Accounting fees	4,450	4,328
Administration	14,534	14,467
D&O insurance	542	-
Legal fees	661	2,608
Interest expense	942	942
Office expense	75	1,584
Total management and general	<u>21,204</u>	<u>23,929</u>
Total expenses	<u>85,810</u>	<u>55,579</u>
Change in net assets	418,836	(52,677)
Net assets at beginning of year	<u>770,753</u>	<u>823,430</u>
Net assets at end of year	<u>\$ 1,189,589</u>	<u>770,753</u>

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)
Statements of Cash Flows
Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from interest	\$ 4,248	2,902
Cash received form others	-	2,349
Cash paid to suppliers for goods and services	<u>(22,947)</u>	<u>(24,064)</u>
Net cash used in operating activities	<u>(18,699)</u>	<u>(18,813)</u>
Cash flows from financing:		
Principal payments on notes payable	(4,599)	(4,577)
Payments made on due to affiliates	<u>-</u>	<u>(4,320)</u>
Net cash used in by financing activities	<u>(4,599)</u>	<u>(8,897)</u>
Net change in cash and equivalents and restricted cash	(23,298)	(27,710)
Cash and equivalents at beginning of year	<u>167,063</u>	<u>194,773</u>
Cash and equivalents at end of year	<u><u>\$ 143,765</u></u>	<u><u>167,063</u></u>
Reconciliation of cash and equivalents:		
Cash and equivalents	\$ 43,765	67,063
Restricted cash for debt collateral	<u>100,000</u>	<u>100,000</u>
Total cash and equivalents	<u><u>\$ 143,765</u></u>	<u><u>167,063</u></u>

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

Notes to Financial Statements

December 31, 2024 and 2023

(1) Summary of Significant Accounting Policies

(a) Basis of Accounting and Reporting Entity

The financial statements of the St. Lawrence County Property Development Corporation (SLCPDC) have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

The SLCPDC is considered a component unit of the financial reporting entity known as County of St. Lawrence, New York based upon criteria set forth by Governmental Accounting Standards Board Statement No. 14 - the Financial Reporting Entity, as amended.

(b) Financial Statement Presentation

The SLCPDC has adopted Financial Accounting Standards Board (FASB) ASC 958-205. Under this standard, the SLCPDC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The SLCPDC had only net assets without donor restrictions during 2024 and 2023.

(c) Contributions

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

(d) Nature of Operations

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

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

(e) Use of Estimates

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

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(f) 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 six months.

(g) Concentration of Credit Risk

SLCPDC had bank balances totaling \$43,765 and \$67,063 at December 31, 2024 and 2023, respectively. These deposits were fully secured by Federal Deposit Insurance Corporation insurance and pledged securities at December 31, 2024 and 2023.

(h) Income Taxes

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

Accounting principles generally accepted in the United States of America require management to evaluate all significant tax positions. As of December 31, 2024, the SLCPDC does not believe that it has taken any positions that would require the recording of any tax liability or tax benefit.

(i) Capital Assets

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$5,000	Straight Line (SL)	40 years
Building improvements	2,500	SL	10 years

(j) Allocation of Functional Expenses

The financial statements do not report any categories of expenses that are attributable to more than one program or supporting functions. Therefore, an allocation of functional expenses is not considered necessary.

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(2) Liquidity and Availability

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

	<u>2024</u>	<u>2023</u>
Cash and equivalents	\$ 43,765	67,063
Accrued interest receivable	<u>398</u>	<u>-</u>
	<u>\$ 44,163</u>	<u>67,063</u>

(3) Restricted Cash for Debt Collateral

Restricted cash for debt collateral as of December 31, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Certificates of deposits	\$ <u>100,000</u>	<u>100,000</u>

(4) Fair Value Measurements

The framework for measuring fair value includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the SLCPDC has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3 - Inputs to the valuation methodology are unobservable inputs and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(4) Fair Value Measurements, Continued

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2024 and 2023:

Certificates of Deposit - Valued based on quoted market prices in active markets. The SLCPDC considered investments in certificates of deposit to be Level 1.

The methods described above may produce a fair value calculation that may not be reflective of future fair values. Furthermore, while the SLCPDC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(5) Capital Asset

Capital assets at December 31, 2024 and 2023 consisted of:

	<u>2024</u>	<u>2023</u>
Paterson Street - building and improvements	\$ 1,226,015	1,226,015
Less accumulated depreciation	<u>(61,300)</u>	<u>(30,650)</u>
	<u>\$ 1,164,715</u>	<u>1,195,365</u>

Depreciation expense charged to operations for the years ended December 31, 2024 and 2023 was \$30,650.

(6) Long-Term Debt

Long-term debt at December 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Development Authority of the North Country - Promissory Note dated July 1, 2021 for \$100,000, with interest at 1.00% and annual payments of \$5,542 for a term of 20 years; secured by collateral consisting of a \$100,000 certificate of deposit under a Security Agreement.	\$ 86,247	90,846
St. Lawrence County Industrial Development Agency - Civic Development Corporation (SLCIDA-CDC) - Bridge Loan approved at April 20, 2021 SLCPDC board meeting for \$500,000, with interest at 0.00% and a balloon payment after 24 months.	<u>-</u>	<u>500,000</u>
Total mortgage payable	86,247	590,846
Less current portion	<u>(4,679)</u>	<u>(504,577)</u>
Mortgage payable, net of current portion	<u>\$ 81,568</u>	<u>86,269</u>

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(6) Long-Term Debt, Continued

Future minimum payments are as follows:

Year(s) ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,679	862	5,541
2026	4,726	815	5,541
2027	4,773	768	5,541
2028	4,821	720	5,541
2029	4,869	672	5,541
2030 - 2034	25,085	2,620	27,705
2035 - 2039	26,365	1,340	27,705
2040 - 2041	<u>10,929</u>	<u>153</u>	<u>11,082</u>
	<u>\$ 86,247</u>	<u>7,950</u>	<u>94,197</u>

On February 27, 2024, the SLCIDA-CDC Board of Directors approved board resolution CDC-24-02-01 to convert the SLCPDC loan for the economic development project at the 100 Paterson Street facility to a grant of \$500,000 from the SLCIDA-CDC for the purposes of defraying property development expenses.

(7) Contingencies

There exists a ten-year grant recapture rider under the terms of a grant award of \$100,000 received in 2021. The recapture rider amortizes evenly over ten years beginning in 2022. Any possible recapture would take place upon the sale of the Paterson Street property. It is possible that the recapture rider could be transferred to a new owner. Management feels that the recapture provisions are highly unlikely to occur. Therefore, there is no liability recorded on these financial statements. The recapture amount at December 31, 2024 was \$60,000.

(8) Subsequent Events

SLCPDC has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

ST. LAWRENCE COUNTY PROPERTY DEVELOPMENT CORPORATION
(A Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(9) Related-Party Transactions

The SLCPDC is related to the St. Lawrence County Industrial Development Agency - Local Development Corporation (SLCIDA-LDC) through common board membership and officers. There were no financial transaction between the SLCPDC and SLCIDA-LDC during the years ended December 31, 2024 and 2023.

The SLCPDC is related to the St. Lawrence County Industrial Development Agency - Civic Development Corporation (SLCIDA-CDC) through common board membership and officers. The SLCIDA-CDC loaned the SLCPDC \$500,000 in 2021 which was converted to a grant in 2024 as described in note 6.

**INDEPENDENT AUDITORS' 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**

The Board of Directors
St. Lawrence County Property Development Corporation:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the St. Lawrence County Property Development Corporation (SLCPDC) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 24, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

EFPR Group, CPAs, PLLC

Williamsville, New York
March 24, 2025

REPORT ON INVESTMENT COMPLIANCE WITH SECTION 201.3
OF TITLE TWO OF THE OFFICIAL COMPILATION OF CODES,
RULES AND REGULATIONS OF THE STATE OF NEW YORK

The Board of Directors
St. Lawrence County Property Development Corporation:

We have examined the St. Lawrence County Property Development Corporation (SLCPDC), a component unit of St. Lawrence County, New York, compliance with the requirements of Section 201.3 of Title Two of the Official Compilation of Codes, Rules and Regulations of the State of New York (Section 201.3) during the year ended December 31, 2024. Management is responsible for the SLCPDC's compliance with Section 201.3. Our responsibility is to express an opinion on the SLCPDC's compliance with Section 201.3 based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about the SLCPDC's compliance with Section 201.3. An examination involves performing procedures to obtain evidence about the SLCPDC's compliance with Section 201.3. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the SLCPDC's compliance with Section 201.3, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the SLCPDC complied in all material respects with Section 201.3 during the year ended December 31, 2024.

In accordance with Government Auditing Standards, we are required to report significant deficiencies in internal control, violations of provisions of laws, regulations, contracts, or grant agreements, and abuse that are material to the SLCPDC's compliance with Section 201.3 and any fraud or illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain views of management on those matters. We performed our examination to express an opinion on the SLCPDC's compliance with Section 201.3 and not for the purpose of expressing an opinion on internal control over compliance with Section 201.3 or other matters; accordingly, we express no such opinion. The results of our tests disclosed no matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Audit Committee, the Board of Directors, and management of SLCPDC and is not intended and should not be used by anyone other than those specified parties.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 24, 2025