

SENECA COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY  
AUDIT COMMITTEE  
MEETING MINUTES

Wednesday, March 17, 2021  
12:00pm  
Held via Livestream due to COVID-19

**Attendance:**

Members Present: Steve Brusso, Thomas Kime and Menzo Case  
Staff Present: Sarah Davis, Executive Director; Patricia Jones, Deputy Director and Kelly Kline, Office Manager  
Others Attending: Robert Kernan- IDA CFO  
Audit Firm Representatives: Thomas Zuber, CPA- Partner and John Rynkiewicz, Jr., CPA- Principal

Chair Brusso called the meeting to order at 12:00 pm. A quorum of the Committee was present.

**Approval of the Audit Committee Minutes / September 17, 2020:**

The minutes of the Agency's Audit Committee Meeting of September 17, 2020 had been mailed to Committee members prior to the meeting. A motion was made by Mr. Case to approve the minutes, Seconded by Mr. Kime. Members Brusso, Kime and Case voted "yea". Motion carried.

**Presentation of the 2020 IDA Audit and Management Letter:**

Mr. Zuber informed the committee that as a result of the audit an unqualified opinion was issued relating to the financial position of the Agency on December 31, 2020. The firm did not identify any Material Weakness or Significant Deficiencies in internal controls in this year's audit.

The following schedules from the Financial Executive Summary were presented by the audit firm representative Mr. Rynkiewicz:

- Seneca County Industrial Development Agency- Statement of Net Position- from Page 1 of the Financial Executive Summary- (Combined Operating Fund and Loan Fund)
  - Financial Highlights Reviewed:
    - Unqualified opinion, no material weaknesses, and no significant deficiencies.
    - Total Assets measured \$5,476,750 at 12/31/20 compared to \$5,499,786 at 12/31/19.
    - Total Liabilities measured \$204,091 at 12/31/20 compared to \$109,624 at 12/31/19.
    - Total Net Position measured \$5,367,356 at 12/31/20 compared to \$5,437,489 at 12/31/19.
- Seneca County Industrial Development Agency- Statement of Revenues, Expenses, and Changes in Net Position- from Page 1 of the Financial Executive Summary- (Combined Operating Fund and Loan Fund)
  - Operating Income (Loss) measured (\$183,060) at 12/31/20 compared to (\$370,379) at 12/31/19.
  - Non-Operating Revenues (Expenses) measured \$112,927 at 12/31/20 compared to \$247,734 at 12/31/19.
  - Changes in Net Position measured (\$70,133) at 12/31/20 compared to (\$122,642) at 12/31/19.
  - Net Position- End of Year measured \$5,367,356 at 12/31/20 compared to \$5,437,489 at 12/31/19.
- Seneca County Industrial Development Agency- Operating Fund Summarized Statement of Net Position- from Page 2 of the Financial Executive Summary- December 31, 2020 and 2019.
  - Financial Highlights Reviewed:
    - Accounts Receivable:
      - State grant, unreimbursed costs for strategic plan, and website development.
    - Investment in Industrial Park:
      - Sale of lots 3, 4, and 5 at Deer run park for \$85,496.
    - Net position decreased due to industrial park adjustment and depreciation, however, unrestricted net position increased.

- Items Noted by Mr. Rynkiewicz:
- Accounts Receivable – (State Grants) - measured \$177,826 at 12/31/20 compared to \$107,826 at 12/31/19.
- Investment in Industrial Park- (Deer Run) measured \$136,584 at 12/31/20 compared to \$222,080 at 12/31/19.
- Deferred Revenue- (Hill Side Property Sale) measured \$65,000 at 12/31/20.
- Deferred Outflow of Resources measured \$99,313 at 12/31/20.
- Total Net Position measured \$4,224,695 at 12/31/20 compared to \$4,305,662 at 12/31/19.
- Seneca County Industrial Development Agency- Operating Fund Summarized Changes in Net Position- from Page 3 of the Financial Executive Summary- For Years Ended December 31, 2020 and 2019.
  - Financial Highlights- Operating Revenues:
    - Agency Fees: large fees for Finger lakes Agronomics, NY Fayette 1 LLC, Seneca Dairy Systems LLC, and Danaren LLC.
  - Rent and Lease Income measured \$235,480 at 12/31/20 compared to \$95,350 at 12/31/19.
  - Operating Income or (Loss) measured (\$193,762) at 12/31/20 compared to (\$386,578) at 12/31/19.
  - Non-Operating Revenues (Expenses) measured \$112,795 at 12/31/20 compared to \$247,635 at 12/31/19.
  - Change in Net Position measured (\$80,967) at 12/31/20 compared to (\$138,943 at 12/31/19.
  - Net Position- End of Year measured \$4,224,695 at 12/31/20 compared to \$4,305,662 at 12/31/19.
- Seneca County Industrial Development Agency- Revolving Loan Fund Summarized Statement of Net Position- from Page 4 of the Financial Executive Summary- December 31, 2020 and 2019.
  - Financial Highlights:
    - At year end there are three loans outstanding.
  - Cash Restricted measured \$723,101 at 12/31/20 compared to \$611,788 at 12/31/19.
  - Loans Receivable, Net measured \$119,077 at 12/31/20 compared to \$116,057 at 12/31/19.
  - Total Assets measured \$1,142,661 at 12/31/20 compared to \$1,131,827 at 12/31/19.
  - Total Net Position measured \$1,142,661 at 12/31/20 compared to \$1,131,827 at 12/31/19.
- Revolving Loan Fund Summarized Changes in Net-Position from Page 4 of Financial Executive Summary- For Years Ended December 31, 2020 and 2019.
  - Financial Highlights- 2020 Federal program income includes interest on loans.
  - Federal Program Income measured \$14,147 at 12/31/20 compared to \$17,819 at 12/31/19.
  - Operating Income or (Loss) measured \$10,702 at 12/31/20 compared to \$16,202 at 12/31/19.
  - Interest on deposits measured \$132 at 12/31/20 compared to \$99 at 12/31/19.
  - Increase (Decrease) in Net Position measured \$10,834 at 12/31/20 compared to \$16,301 at 12/31/19.

A motion was made by Mr. Case recommending approval of the 2020 Audit Report to the full IDA Board, and Seconded by Mr. Kime. Members Brusso, Case and Kime voted “yea”. Motion carried.

- It was noted that the Project Reports at the time of the Audit Committee Meeting was not in final form. They will be provided to the full board at its next scheduled board meeting.

#### Single Audit Report:

- Mr. Rynkiewicz informed the committee that the Seneca County IDA complied in all material respects, with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.
  - Opinion on Each Major Federal Program: “In our opinion, the Seneca County Industrial Development Agency, a component unit of Seneca County, New York 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, 2020”.
  - Report on Internal Control Over Compliance: “We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified”.

A motion was made by Mr. Kime recommending approval of the Single Audit Report to the full IDA Board, and Seconded by Mr. Case. Members Brusso, Case and Kime voted "yea". Motion carried.

A review was presented by Ms. Davis of the IDA Long Term Cash Flow Forecast reflecting the IDA / Worst Case- Known Revenues only Against Budgeted Expenses for the period from 2021 through 2027 with comparative results for IDA / Forecasting \$400K in income for the same period.

Adjournment:

A motion was made by Mr. Case at 12:40 pm to adjourn the meeting. Seconded by Mr. Kime. Motion carried.

Respectfully submitted,

Robert E. Kernan, Jr.  
SCIDA- CFO