

One DiPronio Drive, Waterloo, New York 13165

Fax (315) 539-4340

**SENECA COUNTY
ECONOMIC DEVELOPMENT CORPORATION**

Thursday, March 24, 2022

1:00 pm

*(or immediately following
IDA Meeting scheduled for 12 Noon)*

Heroes Conference Room

One DiPronio Dr, Waterloo NY

Agenda

1. Approval of EDC Meeting Minutes of February 3, 2022 V_____
2. Review | Approval of 2021 EDC Audit and Management Letter R_____
3. Approval of ABO Measurement Report V_____
4. Review of EDC Long Term Forecast
5. Other Business
6. Consideration of Executive Session
7. Adjournment

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**SENECA COUNTY
ECONOMIC DEVELOPMENT CORPORATION
MEETING MINUTES**

Thursday, February 3, 2022
12:05 pm
Held Via Zoom and Livestreamed

Attendance:

Members Present: Steven Brusso, Jeff Shipley and Thomas Kime (*arrived at 12:08*)
Others Attending: Sarah Davis Executive Director; Patricia Jones, IDA Deputy Director; Kelly Kline, IDA Office Manager

Call to Order:

The meeting was called to order at 12:05 pm. A quorum of the Corporation's members were present.

Election of EDC Officers for 2022:

Chairman Brusso presented the following EDC slate of officers for the 2022 calendar year: Steve Brusso, Chairman; Jeff Shipley, Vice-Chairman; Thomas Kime, Secretary and Treasurer. A motion was made by Mr. Shipley approving the 2022 EDC slate of officers. Seconded by Mr. Brusso Members Brusso and Shipley voted "yea". Mr. Kime was absent. Motion carried.

Approval of EDC Meeting Minutes of December 2, 2021:

The minutes of the Corporation's regular meeting of December 2, 2021 had been sent to members prior to the meeting. A motion to approve the minutes was made by Mr. Shipley. Seconded by Mr. Brusso. Motion carried.

Mr. Kime arrived at meeting

Review of un-audited EDC Financial Statements thru December 31, 2021:

A copy of the financial statements was provided to members prior to the meeting. Mr. Brusso provided a summary of the unaudited financial statements. No approval is needed.

Appointments to EDC Committees:

Mr. Brusso made the following appointments to the Audit/Finance and Governance Committees:

- **Audit Committee:** Steve Brusso, Chair; Thomas Kime and Jeff Shipley
- **Finance Committee:** Steve Brusso, Chair; Thomas Kime and Jeff Shipley
- **Governance Committee:** Steve Brusso, Chair; Thomas Kime and Jeff Shipley

Approval of EDC Resolutions:

- **Resolution No. 2022-01 / Designation of Banking Institutions:**

Designating the Chemung Canal Trust Company; Community Bank, NA; M&T Bank; Five Star Bank; Lyons National Bank; Savannah Bank, NA and Generations Commercial Bank and Generations Bank as the institutions that can be used for SCEDC banking purposes during the year 2022.

A motion was made by Mr. Shipley approving Resolution No. 2022-1. Seconded by Mr. Brusso. Members Brusso, and Shipley voted "yea". Mr. Kime abstained due to his employment with Lyons National Bank. Motion carried.

- **Resolution No. 2022-02 / Designation of Persons Authorized to Sign Corporation Checks:**

Authorizing EDC Chair; Vice-Chair; Secretary; Treasurer; Executive Director; Deputy Director and CEO to sign checks issued by the Seneca County Economic Development Corporation during year 2022.

- **Resolution No. 2022-03 / Designating of Legal Counsel:**

Designating Legal Counsel as The Halpin Law Firm for 2022.

- **Resolution No. 2022-04 /Corporation Auditors:**
Designating the audit firm of Raymond F. Wager, CPA a division of Mengel Metzger Barr & Co, LLP to be utilized as the EDC audit firm for the year 2022.
- **Resolution No. 2022-05 / Appointment of Chief Executive Officer:**
Appointing Sarah R. Davis the Chief Executive Officer for the year 2022.
- **Resolution No. 2022-06 / Appointment of Chief Financial Officer:**
Appointing Robert E. Kernan, Jr. the Chief Financial Officer for the year 2022.
- **Resolution No. 2022-07 / Designation of Accountant/Bookkeeper:**
Designating the accounting firm of Dermody, Burke, & Brown to be utilized as the EDC Accountant and Eleanor Beattie to be the Bookkeeper for the year 2022.

A motion was made by Mr. Shipley approving **EDC Resolution No's. 2022-2; 2022-3; 2022-4; 2022-5; 2022-6 and 2022-07.** Seconded by Mr. Brusso. Members Brusso, Kime, and Shipley voted "yea". Motion carried.

EDC Annual Financial Disclosure and No Conflict of Interest Forms:

ABO requires the annual completion of the Financial Disclosure Form and Certification of No-Conflict of Interest form. Blank forms had been mailed to corporation Members prior to the meeting to be completed by each appointed member of the Seneca County EDC. Staff requested that forms be completed and returned.

Other Business:

None

Executive Session:

None

Adjournment:

A motion to adjourn the meeting was made by Mr. Kime and seconded by Mr. Shipley. Motion carried. The meeting adjourned at 12:13 p.m.

Respectfully submitted,

Sarah Davis
Executive Director

**SENECA COUNTY
ECONOMIC DEVELOPMENT CORPORATION**

FINANCIAL EXECUTIVE SUMMARY

For Years Ended December 31, 2021 and 2020



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

Seneca County Economic Development
Corporation Audit Committee
Dated: March 14, 2022
By: John Rynkiewicz, Jr., CPA

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SENECA COUNTY ECONOMIC DEVELOPMENT CORPORATION

Combined Statement of Financial Position and Activities

From Page 4 and 5 of Audited Financial Statements

December 31, 2021 and 2020

<u>Assets:</u>	<u>2021</u>	<u>2020</u>	<u>Variance</u>
Current Assets			
Cash and cash equivalents	\$ 163,367	\$ 236,151	\$ (72,784)
Total Assets	\$ 163,367	\$ 236,151	\$ (72,784)
<u>Liabilities:</u>			
Current Liabilities			
Accounts payable	\$ -	\$ 139	\$ (139)
Total Liabilities	\$ -	\$ 139	\$ (139)
<u>Net Assets:</u>			
Without Donor Restrictions -	\$ 163,367	\$ 236,012	\$ (72,645)
Total Net Assets	\$ 163,367	\$ 236,012	\$ (72,645)
Total Liabilities and Net Assets	\$ 163,367	\$ 236,151	\$ (72,784)
<u>Revenues:</u>	<u>2020</u>	<u>2019</u>	<u>Variance</u>
Donations	\$ 1,680	\$ 4,030	\$ (2,350)
Burial income	6,094	19,412	(13,318)
Miscellaneous	100	190	(90)
Total Revenues	\$ 7,874	\$ 23,632	\$ (15,758)
<u>Expenses:</u>			
Program Services -	\$ 30,946	\$ 48,431	\$ (17,485)
Supporting Services -			
Management and general	48,943	75,856	(26,913)
Fundraising	630	3,395	(2,765)
Total Expenses	\$ 80,519	\$ 127,682	\$ (47,163)
Change in net assets	\$ (72,645)	\$ (104,050)	\$ 31,405
Net Assets - Beginning of Year	236,012	340,062	(104,050)
Net Assets - End of Year	\$ 163,367	\$ 236,012	\$ (72,645)

SENECA COUNTY ECONOMIC DEVELOPMENT CORPORATION
Summarized Balance Sheet - General Operations
From Page 14 of Audited Financial Statements
December 31, 2021 and 2020

<u>Assets:</u>	<u>2021</u>	<u>2020</u>	<u>Variance</u>
<u>Current Assets</u>			
Cash and cash equivalents	\$ 163,367	\$ 206,332	\$ (42,965)
Due from other funds	-	841,263	(841,263)
Total Assets	\$ 163,367	\$ 1,047,595	\$ (884,228)

<u>Net Assets:</u>			
<u>Without Donor Restrictions -</u>			
Unrestricted	\$ 163,367	\$ 1,047,595	\$ (884,228)
Total Net Assets	\$ 163,367	\$ 1,047,595	\$ (884,228)

Financial Highlights:

* Due from other funds - cemetery:

2011-2016	\$ 511,263
2017	75,000
2018	65,000
2019	100,000
2020	90,000
2021	(841,263)
Total	\$ -

SENECA COUNTY ECONOMIC DEVELOPMENT CORPORATION
Summarized Income Statement - General Operations
From Page 15 of Audited Financial Statements
For Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
<u>Revenues:</u>			
Miscellaneous	\$ 95	\$ 175	\$ (80)
Total Revenues	<u>\$ 95</u>	<u>\$ 175</u>	<u>\$ (80)</u>
<u>Expenses:</u>			
<u>Program Services -</u>			
Operating	\$ 4,471	\$ 4,481	\$ (10)
<u>Supporting Services -</u>			
Management and general	18,207	17,475	732
Total Expenses	<u>\$ 22,678</u>	<u>\$ 21,956</u>	<u>\$ 722</u>
<u>OTHER REVENUES AND EXPENSES -</u>			
Tranferred to Cemetery	\$ (861,645)	\$ -	\$ (861,645)
Total Revenues and Expenses	<u>\$ (861,645)</u>	<u>\$ -</u>	<u>\$ (861,645)</u>
Change in net assets	\$ (884,228)	\$ (21,781)	\$ (862,447)
Net Assets - Beginning of Year	1,047,595	1,069,376	(21,781)
Net Assets - End of Year	<u><u>\$ 163,367</u></u>	<u><u>\$ 1,047,595</u></u>	<u><u>\$ (884,228)</u></u>

Financial Highlights:

Revenues

* Interest income on bank deposits

Expenses

* Management and general include consulting fees for CFO services

SENECA COUNTY ECONOMIC DEVELOPMENT CORPORATION
Summarized Balance Sheet - Cemetery
From Page 14 of Audited Financial Statements
December 31, 2021 and 2020

<u>Assets:</u>	<u>2021</u>	<u>2020</u>	<u>Variance</u>
<u>Current Assets</u>			
Cash and cash equivalents	\$ -	\$ 29,819	\$ (29,819)
Total Assets	\$ -	\$ 29,819	\$ (29,819)
<u>Liabilities:</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ -	\$ 139	\$ (139)
Due to other funds	-	841,263	(841,263)
Total Liabilities	\$ -	\$ 841,402	\$ (841,402)
<u>Net Assets:</u>			
<u>Without Donor Restrictions -</u>			
Unrestricted	\$ -	\$ (811,583)	\$ 811,583
Total Net Assets	\$ -	\$ (811,583)	\$ 811,583
Total Liabilities and Net Assets	\$ -	\$ 29,819	\$ (29,819)

Financial Highlights:

- * Operation of the Cemetery transferred back to Seneca County June 2021

SENECA COUNTY ECONOMIC DEVELOPMENT CORPORATION
Summarized Income Statement - Cemetery
From Page 15 of Audited Financial Statements
For Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
<u>Revenues:</u>			
Donations	\$ 1,680	\$ 4,030	\$ (2,350)
Burial income	6,094	19,412	(13,318)
Miscellaneous	5	15	(10)
Total Revenues	<u>\$ 7,779</u>	<u>\$ 23,457</u>	<u>\$ (15,678)</u>
<u>Expenses:</u>			
<u>Program Services -</u>			
Cemetery operations	\$ 22,650	\$ 45,300	\$ (22,650)
<u>Supporting Services -</u>			
Management and general	34,561	57,031	(22,470)
Fundraising	630	3,395	(2,765)
Total Expenses	<u>\$ 57,841</u>	<u>\$ 105,726</u>	<u>\$ (47,885)</u>
<u>OTHER REVENUES AND EXPENSES -</u>			
Tranferred from Operating	\$ 861,645	\$ -	\$ 861,645
Total Revenues and Expenses	<u>\$ 861,645</u>	<u>\$ -</u>	<u>\$ 861,645</u>
Change in net assets	\$ 811,583	\$ (82,269)	\$ 893,852
Net Assets - Beginning of Year	(811,583)	(729,314)	(82,269)
Net Assets - End of Year	<u>\$ -</u>	<u>\$ (811,583)</u>	<u>\$ 811,583</u>

Financial Highlights:

Expenditures

- * Cemetery director services - William Yale
- * Burial services - Burials and monuments for veterans and spouses.
- * Operating loss for 2021 was \$50,062

**SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION**

SENECA COUNTY, NEW YORK

**AUDITED COMBINED FINANCIAL STATEMENTS
SUPPLEMENTAL INFORMATION AND
INDEPENDENT AUDITOR'S REPORTS**

For Years Ended December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Seneca County Economic Development Corporation

Report on the Financial Statements

Opinion

We have audited the financial statements of Seneca County Economic Development Corporation, Seneca County, New York, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise Seneca County Economic Development Corporation, Seneca County, New York's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Seneca County Economic Development Corporation as of December 31, 2021, and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Seneca County Economic Development Corporation, Seneca County, New York, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter-Discontinued Operations

As discussed in Note 4 to the financial statements, the agreement to provide services to Seneca County for the Sampson Veterans Memorial Cemetery located in Romulus, New York expired on June 30, 2021, terminating the Corporation's obligations to manage and maintain the Cemetery. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Seneca County Economic Development Corporation, Seneca County, New York's 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 Seneca County Economic Development Corporation, Seneca County, New York's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 Seneca County Economic Development Corporation, Seneca County, New York'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 Seneca County Economic Development Corporation'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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 11, 2022 on our consideration of Seneca County Economic Development Corporation, Seneca County, New York'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 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 Seneca County Economic Development Corporation, Seneca County, New York's internal control over financial reporting and compliance.

Rochester, New York
March 11, 2022

**SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK**

COMBINED STATEMENTS OF FINANCIAL POSITION

December 31, 2021 and 2020

<u>ASSETS:</u>	<u>2021</u>	<u>2020</u>
<u>Current Assets -</u>		
Cash and cash equivalents	\$ 163,367	\$ 236,151
Total Current Assets	\$ 163,367	\$ 236,151
TOTAL ASSETS	\$ 163,367	\$ 236,151
<u>LIABILITIES:</u>		
<u>Current Liabilities -</u>		
Accounts payable	\$ -	\$ 139
Total Current Liabilities	\$ -	\$ 139
TOTAL LIABILITIES	\$ -	\$ 139
<u>NET ASSETS:</u>		
<u>Without Donor Restrictions</u>	\$ 163,367	\$ 236,012
TOTAL NET ASSETS	\$ 163,367	\$ 236,012
TOTAL LIABILITIES AND NET ASSETS	\$ 163,367	\$ 236,151

(The accompanying notes are an integral part of these combined financial statements)

**SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK**

COMBINED STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2021 and 2020

	2021		2020	
	Without Donor Restrictions	Total	Without Donor Restrictions	Total
<u>REVENUES AND OTHER SUPPORT:</u>				
Interest income	\$ 95	\$ 95	\$ 175	\$ 175
TOTAL REVENUES AND OTHER SUPPORT	\$ 95	\$ 95	\$ 175	\$ 175
<u>EXPENSES:</u>				
Program Services-	\$ 4,471	\$ 4,471	\$ 4,481	\$ 4,481
Total Program Services	\$ 4,471	\$ 4,471	\$ 4,481	\$ 4,481
Supporting Services-				
Management and general	\$ 18,207	\$ 18,207	17,475	\$ 17,475
Total Supporting Services	\$ 18,207	\$ 18,207	\$ 17,475	\$ 17,475
TOTAL EXPENSES	\$ 22,678	\$ 22,678	\$ 21,956	\$ 21,956
<u>CHANGE IN NET ASSETS</u>				
FROM CONTINUING OPERATIONS	\$ (22,583)	\$ (22,583)	\$ (21,781)	\$ (21,781)
<u>CHANGE IN NET ASSETS</u>				
FROM DISCONTINUED OPERATIONS	(50,062)	(50,062)	(82,269)	(82,269)
<u>CHANGE IN NET ASSETS</u>	\$ (72,645)	\$ (72,645)	\$ (104,050)	\$ (104,050)
NET ASSETS - BEGINNING OF YEAR	236,012	236,012	340,062	340,062
NET ASSETS - END OF YEAR	\$ 163,367	\$ 163,367	\$ 236,012	\$ 236,012

(The accompanying notes are an integral part of these combined financial statements)

**SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK**

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended December 31, 2021 and 2020

	Program Services	Supporting Services		2021	Program Services	Supporting Services		2020
		Management and General	Fundraising			Management and General	Fundraising	
Annual dues/fees	\$ 210	\$ -	\$ -	\$ 210	\$ 357	\$ -	\$ -	\$ 357
Burial service	23,513	-	-	23,513	37,330	-	-	37,330
Cemetery director services	-	22,650	-	22,650	-	45,300	-	45,300
Facilities and equipment	-	92	-	92	-	370	-	370
Insurance	4,396	-	-	4,396	5,213	-	-	5,213
Maintenance and repairs	-	6,919	-	6,919	-	11,601	-	11,601
Operations - printing and copying	125	-	-	125	325	-	-	325
Operations - software programs	-	-	-	-	480	-	-	480
Operations - supplies and equipment	566	-	-	566	1,080	-	-	1,080
Operations - telephone	384	-	-	384	918	-	-	918
Operations - utilities	1,097	-	-	1,097	2,578	-	-	2,578
Professional fees	-	19,282	630	19,912	-	18,550	3,395	21,945
Special events supplies/rentals	655	-	-	655	150	-	-	150
Travel and meetings	-	-	-	-	-	35	-	35
TOTAL	\$ 30,946	\$ 48,943	\$ 630	\$ 80,519	\$ 48,431	\$ 75,856	\$ 3,395	\$ 127,682

(The accompanying notes are an integral part of these combined financial statements)

SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK

COMBINED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
(Decrease) in net assets	\$ (72,645)	\$ (104,050)
<u>Adjustments to reconcile change in net assets to</u>		
<u>net cash (used) by operating activities:</u>		
(Increase) decrease in operating assets -		
Accounts receivable	-	1,106
Increase (decrease) in operating liabilities -		
Accounts payable	(139)	(196)
Net Cash (Used) by		
 Operating Activities	<u>\$ (72,784)</u>	<u>\$ (103,140)</u>
NET (DECREASE) IN CASH		
 AND CASH EQUIVALENTS	\$ (72,784)	\$ (103,140)
BEGINNING CASH AND CASH EQUIVALENTS	<u>236,151</u>	<u>339,291</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$ 163,367</u></u>	<u><u>\$ 236,151</u></u>

(The accompanying notes are an integral part of these combined financial statements)

**SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK**

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2021 and 2020

(Note 1) Summary of Significant Accounting Policies:

The financial statements have been prepared on the accrual basis of accounting. Revenues are recognized when earned. Expenditures are recognized when materials or services are received.

A. Organization

The Seneca County Economic Development Corporation, Seneca County, New York (the Corporation) was reincorporated as a nonprofit local development corporation on August 31, 2000. The purposes for which the Corporation is to be formed and operated, are exclusively for charitable purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code, to relieve and reduce unemployment, to better and maintain job opportunities, promote and provide for additional employment, to help increase the tax base of Seneca County through the attraction of private sector investment, lessen the burdens of government and otherwise act in the public interest.

B. Basis of Presentation

The Corporation combined financial statements have been prepared on the accrual basis of accounting. The Corporation reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Corporation is required to present a Statement of Cash Flows. The Corporation reports only net assets without donor restrictions at December 31, 2021 and 2020.

C. Cash and Cash Equivalents

Cash and cash equivalents are carried at cost plus accrued interest, which approximates fair value. For purposes of presenting the statement of cash flows, the Corporation considers all highly liquid short-term investments with maturities of three months or less from the date of purchase to be cash or cash equivalents.

D. Income Taxes

The Corporation is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code. Under Accounting Standards Codification (ASC) Section 740, the tax status of tax-exempt entities is an uncertain tax position since events could potentially occur that jeopardize tax-exempt status. Management is not aware of any events that could jeopardize the Corporation's tax-exempt status. Therefore, no liability or provision for income tax has been reflected in the financial statements. The Corporation has received a determination letter from the IRS.

(Note 1) (Continued)

E. Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on the functional basis in the combined financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited.

F. Use of Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Revenues

The Corporation receives revenue from Federal and State grants from the County of Seneca and other granting authorities which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures, or issued loans, in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures, or in satisfaction of the terms of loan agreements, are reported as unearned revenues in the statement of financial position. At December 31, 2021 and 2020 there are no amounts that have been received in advance, and amounts that have been received have been recognized in the accompanying financial statements because the conditions have been met.

The Corporation recognizes interest revenue on its revolving loans monthly as earned.

Contributions to the Cemetery are recognized when the cash is received.

Revenue from Exchange Transactions: The Corporation recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-19, Revenue from Contracts with Customers, as amended. ASU 2014-19 applies to exchange transactions with customers that are bonded by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Corporation records the following exchange transaction revenue in its combined statements of activities for the years ended December 31, 2021 and 2020:

1. Cemetery Revenues

Substantially all revenue recognized by the Cemetery consists of fees for burials, endowed urns, cremations, and sales of lots and monument foundations, where the performance obligation is the delivery of the product or service. Revenue is recognized when it satisfies a performance obligation by transferring control over a product or service to a customer. All revenue is recognized at a point in time.

(Note 1) (Continued)

Contract assets consist of accounts receivable and are as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Contract Assets:</u>			
Accounts Receivable	\$ -	\$ -	\$ 1,106
Total Contract Assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,106</u></u>

H. New Accounting Pronouncement - Leases

In February 2016, the FASB issued a new standard related to leases to increase transparency and comparability among entities by requiring the recognition of right-of-use ("ROU") assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases under current U.S. GAAP. For nonpublic entities, the guidance in this new standard is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Corporation is currently evaluating the provisions of this standard to determine the impact the new standard will have on the Corporation's financial position or results of operations.

I. Reclassifications

Certain prior year amounts have been reclassified to conform with the current year's presentation.

(Note 2) **Detail Notes on All Funds and Account Groups:**

A. Assets

1. Cash and Investments

For purposes of reporting cash flow, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity. The Statements of Cash Flows uses the indirect method of reporting cash flows.

Deposits at year-end were not entirely covered by federal depository insurance. The deposits and investments consisted of:

Deposits - All deposits are carried at cost and with FDIC insurance coverage as follows:

	<u>2021</u>	<u>2020</u>
	<u>Five Star Bank</u>	<u>Five Star Bank</u>
Cash and Cash Equivalents	\$ 163,367	\$ 236,151
Less: FDIC Insurance	(163,367)	(236,151)
Under (Over) Insured	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(Note 2) (Continued)

2. **Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31:

	<u>2021</u>	<u>2020</u>
Cash and Cash equivalents	\$ 163,367	\$ 236,151
Total	\$ 163,367	\$ 236,151

3. **Accounts Receivable**

The balance of accounts receivable is stated at net realizable value.

4. **Interfund Receivables and Payables**

Interfund receivables and payables at December 31, 2021 and 2020 were as follows:

	<u>2021</u>		<u>2020</u>	
	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Operating	\$ -	\$ -	\$ 841,263	\$ -
Cemetery	-	-	-	841,263
Total	\$ -	\$ -	\$ 841,263	\$ 841,263

5. **Capital Assets**

The following is a summary of capital assets for the Corporation at December 31, 2021:

<u>Type</u>	<u>Balance at 12/31/2020</u>	<u>Additions</u>	<u>Balance at 12/31/2021</u>
Equipment	\$ 10,329	\$ -	\$ 10,329
Accumulated Depreciation - Equipment	(10,329)	-	(10,329)
Total	\$ -	\$ -	\$ -

(Note 3) **Related Party:**

Representation on the Board of Directors of the Corporation consists of four board members, all of which are Seneca County Industrial Development Agency, Inc. (SCIDA) board members.

The Seneca County IDA performs the bookkeeping function for the Corporation.

(Note 4) **Discontinued Operations:**

As of July 2011, the Corporation began providing services to Seneca County for the Sampson Veterans Memorial Cemetery located in Romulus, New York. These services consisted of the management and maintenance of the Cemetery on a day-to day basis. In addition, the Corporation was responsible for hiring and maintaining staff or independent contractors or agents while complying with all State and Federal Laws. All expenses for management and maintenance of the Cemetery were the responsibility of the Corporation and funded either through contributions, donations, grants, in-kind services, income generated through operations and any other source available to the Corporation. The agreement expired on June 30, 2021, terminating the Corporation's obligations to manage and maintain the Cemetery. As of December 31, 2021, there were no outstanding receivables or payables related to Cemetery operations.

The results of operations for the years ended December 31, 2021 and 2020 related to the Cemetery have been included in discontinued operations in the accompanying statements of activities. The operating results for the discontinued operations are as follows:

	<u>Year ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>REVENUES</u>		
Donations	\$ 1,680	\$ 4,030
Burial income	6,094	19,412
Interest income	5	15
TOTAL REVENUES	<u>\$ 7,779</u>	<u>\$ 23,457</u>
<u>EXPENSES:</u>		
<u>Program Services -</u>	\$ 26,475	\$ 43,950
<u>Supporting Services -</u>		
Management and general	30,736	58,381
Fundraising	630	3,395
Total Supporting Services	<u>\$ 31,366</u>	<u>\$ 61,776</u>
TOTAL EXPENSES	<u>\$ 57,841</u>	<u>\$ 105,726</u>
<u>CHANGE IN NET ASSETS</u>		
FROM DISCONTINUED OPERATIONS	<u>\$ (50,062)</u>	<u>\$ (82,269)</u>

(Note 5) **Net Assets:**

- A. **Net Assets Without Donor Restrictions** – represents funds available for operations.

(Note 6) **Commitment and Contingencies:**

A. **Litigation**

Management is not aware of any pending or threatening litigation as of the balance sheet date.

(Note 7) Functional Expenses:

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

(Note 8) Subsequent Events:

Events and transactions which have occurred from January 1, 2022 through March 11, 2022, the date of these financials, have been evaluated by the Corporation's management for the purpose of determining whether there were any events that might require disclosure in these financial statements. No such events or transactions were noted.

(Note 9) COVID-19:

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Corporation's financial condition, liquidity, budgetary projections and future results of operation. Management is actively monitoring the global situation on its financial condition, liquidity, budgetary projections, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Corporation is not able to estimate the effects of the COVID-19 outbreak on its budgetary projections, results of operations, financial condition, or liquidity for year 2022.

SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK

COMBINING STATEMENT OF FINANCIAL POSITION

December 31, 2021

	General			Total
<u>ASSETS:</u>	<u>Operations</u>	<u>Cemetery</u>	<u>Eliminations</u>	<u>2021</u>
<u>Current Assets -</u>				
Cash and cash equivalents	\$ 163,367	\$ -	\$ -	\$ 163,367
Total Current Assets	\$ 163,367	\$ -	\$ -	\$ 163,367
TOTAL ASSETS	\$ 163,367	\$ -	\$ -	\$ 163,367
<u>NET ASSETS:</u>				
<u>Without Donor Restrictions -</u>	\$ 163,367	\$ -	\$ -	\$ 163,367
TOTAL NET ASSETS	\$ 163,367	\$ -	\$ -	\$ 163,367

SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK

COMBINING STATEMENT OF ACTIVITIES – WITHOUT DONOR RESTRICTIONS

For the Year Ended December 31, 2021

	<u>General Operations</u>	<u>Cemetery</u>	<u>Total 2021</u>
<u>REVENUES AND OTHER SUPPORT:</u>			
Interest income	\$ 95	\$ -	\$ 95
TOTAL REVENUES AND OTHER SUPPORT	\$ 95	\$ -	\$ 95
<u>EXPENSES:</u>			
<u>Program Services -</u>	\$ 4,471	\$ -	\$ 4,471
Total Program Services	\$ 4,471	\$ -	\$ 4,471
<u>Supporting Services -</u>			
Management and general	\$ 18,207	\$ -	\$ 18,207
Total Supporting Services	\$ 18,207	\$ -	\$ 18,207
TOTAL EXPENSES	\$ 22,678	\$ -	\$ 22,678
<u>CHANGE IN NET ASSETS</u>			
FROM CONTINUING OPERATIONS	\$ (22,583)	\$ -	\$ (22,583)
FORGIVENESS OF INTERFUND RECEIVABLES AND PAYABLES	(861,645)	861,645	-
<u>CHANGE IN NET ASSETS</u>			
FROM DISCONTINUED OPERATIONS	-	(50,062)	(50,062)
<u>CHANGE IN NET ASSETS</u>	\$ (884,228)	\$ 811,583	\$ (72,645)
NET ASSETS (DEFICIT) - BEGINNING OF YEAR	1,047,595	(811,583)	236,012
NET ASSETS - END OF YEAR	\$ 163,367	\$ -	\$ 163,367

SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK

COMBINING STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2021

	General Operations			
	Supporting Services			
	Program Services	Management and General	Fundraising	Total 2021
Annual dues/fees	\$ 75	\$ -	\$ -	\$ 75
Insurance	4,396	-	-	4,396
Professional fees	-	18,207	-	18,207
TOTAL	\$ 4,471	\$ 18,207	\$ -	\$ 22,678

	Cemetery			
	Supporting Services			
	Program Services	Management and General	Fundraising	Total 2021
Annual dues/fees	\$ 135	\$ -	\$ -	\$ 135
Burial service	23,513	-	-	23,513
Cemetery director services	-	22,650	-	22,650
Facilities and equipment	-	92	-	92
Maintenance and repairs	-	6,919	-	6,919
Operations - printing and copying	125	-	-	125
Operations - supplies and equipment	566	-	-	566
Operations - telephone	384	-	-	384
Operations - utilities	1,097	-	-	1,097
Professional fees	-	1,075	630	1,705
Special events supplies/rentals	655	-	-	655
TOTAL	\$ 26,475	\$ 30,736	\$ 630	\$ 57,841

SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION, NEW YORK

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2021

	General		Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	<u>Operations</u>	<u>Cemetery</u>	<u>2021</u>
(Decrease) increase in net assets	\$ (884,228)	\$ 811,583	\$ (72,645)
<u>Adjustments to reconcile change in net assets to</u>			
<u>net cash (used) by operating activities:</u>			
Funding of Cemetery deficits; forgiveness			
of interfund balances	861,645	(861,645)	-
Increase (decrease) in operating liabilities -			
Accounts payable	-	(139)	(139)
Net Cash (Used) by			
Operating Activities	<u>\$ (22,583)</u>	<u>\$ (50,201)</u>	<u>\$ (72,784)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>			
<u>Adjustments to reconcile change in net assets to</u>			
<u>net cash provided (used) by financing activities:</u>			
Payments from EDC to Cemetery to cover deficit	\$ (25,000)	\$ 25,000	\$ -
Transfer of funds from discontinued operations	4,618	(4,618)	-
Net Cash Provided (Used) by			
Financing Activities	<u>\$ (20,382)</u>	<u>\$ 20,382</u>	<u>\$ -</u>
NET (DECREASE) IN CASH			
AND CASH EQUIVALENTS	\$ (42,965)	\$ (29,819)	\$ (72,784)
BEGINNING CASH AND CASH EQUIVALENTS	206,332	29,819	236,151
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 163,367</u>	<u>\$ -</u>	<u>\$ 163,367</u>

**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***

Independent Auditors' Report

To the Board of Directors
Seneca County Economic 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 combined financial statements of the Seneca County Economic Development Corporation, Seneca County, New York (the Corporation), as of and for the years ended December 31, 2021 and 2020, and the related notes to the combined financial statements, which collectively comprise the Seneca County Economic Development Corporation, Seneca County, New York's combined financial statements, and have issued our report thereon dated March 11, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Seneca County Economic Development Corporation, Seneca County, New York's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Seneca County Economic Development Corporation, Seneca County, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the Seneca County Economic Development Corporation, Seneca County, New York'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 Corporation's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rochester, New York
March 11, 2022

**SENECA COUNTY ECONOMIC
DEVELOPMENT CORPORATION**
Seneca County, New York

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2021

I. Summary of the Auditor's Results

Combined Financial Statements

a) Type of auditor's report issued	Unmodified
b) Internal control over financial reporting	
1. Material weaknesses identified	No
2. Significant deficiency(ies) identified	No
c) Noncompliance material to financial statements noted	No

II. Combined Financial Statement Finding

Current Year Finding:

There is no current year finding.

Prior Year Finding (Corrective Action Taken):

(#2020-001) Deficit Net Assets –

The Corporation is no longer funding the operations of the Sampson Veterans Memorial Cemetery.

New York State Local Public Authority Mission Statement and Measurement Report

Local Public Authority Name: Seneca County Economic Development Corporation

Fiscal Year: January 1, 2021 – December 31, 2021

Enabling Legislation (enables Local Public Authority Mission Statement): Local Development Corporations ("LDCs") are formed under section 1411 of the Not-for-profit Law, as not-for-profit corporations. LDCs were created exclusively for charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, carrying on scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest of Seneca County. LDCs have the power to construct, acquire, rehabilitate and improve for use by others industrial or manufacturing plants in Seneca County. LDCs can assist financially in such construction, acquisition, rehabilitation and improvement, to maintain such plants for others in Seneca County. LDCs can disseminate information and furnish advice, technical assistance and be the liaison with federal, state and local authorities. LDCs can acquire by purchase, lease, gift, bequest, devise or otherwise real or personal property or interests therein, to borrow money and to issue negotiable bonds, notes and other obligations. LDCs can sell, lease, mortgage or otherwise dispose of or encumber any such plants or any of its real or personal property or any interest therein upon such terms as it may determine.

Mission Statement: Pursuant to the Authority granted by the State of New York, it is the mission of the Seneca County Economic Development Corporation to advance the job opportunities and economic welfare of the people of Seneca County, by actively promoting, retaining, encouraging, and attracting economically sound commerce, industry and recreational opportunities, and lessening the burdens of government and acting in the public interest. The Seneca County Economic Development Corporation will achieve this mission by utilizing the powers granted to it by New York State. This assistance can include financial assistance for industrial or commercial projects, furnishing advice and technical assistance to such projects, being the liaison with federal, state and local authorities and providing support to other organizations with similar missions. The Seneca County Economic Development Corporation can acquire, dispose, or manage real or personal property or interests therein upon such terms as it may determine. The board and staff of the Seneca County Economic Development Corporation will carry out this mission guided by the tenets of transparency, integrity and accountability.

2021 Measurements:

1. Anecdotal instances of collaboration with local government

Authority Stakeholder(s): Seneca County and all municipalities and school districts within the County as well as residents and property owners

Authority Beneficiaries: Seneca County and all municipalities and school districts within the County as well as residents and property owners

Authority Customers: Residents of Seneca County

Authority self-evaluation of prior year performance (based upon established measurements): During 2021 the Seneca County EDC continued collaborations with Seneca County to help manage Sampson Veterans Memorial Cemetery thru June 2021, at which time the Cemetery operations were turned over to Seneca County.

Governance Certification:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Board of Directors Response: **Yes**

2. Who has the power to appoint management of the public authority?

Board of Directors Response: **Board**

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority.

Board of Directors Response: **The Governance Committee annually reviews management and recommends appointment by the full board of directors.**

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors Response: **The Board of Directors provides oversight and sets strategy, while management performs day-to-day responsibilities to implement the agency's mission.**

5. Has the Board acknowledged that they have read and understood the response to each of these questions?

Board of Directors Response: **Yes**

EDC / SVMC Long Term Financial Plan
March 2022

EDC / WORST CASE - KNOWN REVENUES ONLY AGAINST BUDGETED EXPENSES					
	Cash on Hand as of 1/1/2022	Budget 2022	2023	2024	2025
<u>Operating Revenues</u>					
Loans Receivable (Grants)		600,000	0	0	0
Other Operating Revenues		0	0	0	0
Total Operating Revenues		600,000	0	0	0
<u>Operating Expenditures</u>					
Prof. Fees EDC		21,725	22,377	23,048	23,739
Loans Expense (Grants)		600,000	0	0	0
Other Operating Expenditures EDC		4,875	5,021	5,172	5,327
Total Operating Expenditures		626,600	27,398	28,220	29,067
Cash Increase (Decrease)		-26,600	-27,398	-28,220	-29,067
Operating Cash Available	163,368	136,768	109,370	81,150	52,083