



ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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Agenda Audit Committee March 8, 2022

8:00 A.M. Call to Order Meeting of the Audit Committee

1. Approval of the Minutes of the October 19 2021 Meeting of the Audit Committee
2. Review and Discussion of the 2021 Audit of the Agency

Committee Action Requested: A resolution of the Committee recommending to the Board approval of the 2021 Audit of the Agency.

Representative: Mike Lisson, Grossman St. Amour

Adjourn

Onondaga County Industrial Development Agency
Audit Committee Meeting Minutes
October 19, 2021

An Audit Committee meeting of the Onondaga County Industrial Development Agency was held on Tuesday, October 19, 2021, at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Chairperson Janice Herzog called the meeting to order at 8:04 am with the following:

PRESENT:

Janice Herzog
Susan Stanczyk
Patrick Hogan

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Nancy Lowery, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary, Agency
Carolyn Evans-Dean, Onondaga County Economic Development
Jeff Davis, Barclay Damon Law Firm

APPROVAL OF AUDIT MEETING MINUTES – MARCH 9, 2021

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee approved the minutes of the March 9, 2021 meeting. Motion was carried.

SELF-EVALUATION OF THE COMMITTEE

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee approved a resolution to transmit the summary self-evaluation without comment to the Governance Committee for review and recommendation to the Board. Motion was carried.

REVIEW OF COMMITTEE CHARTER

Nancy Lowery stated there are no changes to the Committee Charter.

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee approved a resolution to transmit the Committee Charter without comment to the Governance Committee for review and recommendation to the Board. Motion was carried.

DRAFT ANNUAL REPORT (2021 FISCAL YEAR)

Nancy Lowery stated there were no changes

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee approved a resolution to transmit the 2021 Committee Annual Report to the Governance Committee for review and recommendation to the Board. Motion was carried.

PRELIMINARY AUDIT REVIEW

Mike Lisson gave a brief review of audit. He stated there are not a lot of major changes from audit professional standards that they need to be followed this current year. He stated slide 1 through 9 are very similar to past years. He stated the ABO has oversight responsibilities for OCIDA and this past year they issued regulation 21-01 which is basically guidance saying IDAs have to disclose a lot of information on the website. He stated in the past he worked with Nancy to make sure everything that is supposed to be disclosed on the website is there and he will look at that and make sure it is compliant. He stated it also includes things such as the UTEP policy and routine policies for OCIDA. He stated they continue to ask for more to make it easy for the public to see.

Janice Herzog asked if the documents will remain on the website consistently or do they come down. Mike Lisson stated best practices say 3-5 years. He stated the ABO has the same authority to say it should stay up there for 5 years unless the project is complete 100%. He stated there is terminology that says once it is complete and done you only leave it up for a short term afterwards. He stated projects done 25 years ago don't necessarily need to be there because they are closed out and completed.

Susan Stanczyk asked if they documents should be posted for the term of the PILOT. Mike Lisson stated yes and that could last a number of years.

Patrick Hogan asked if the municipal entities are aware of the PILOT. Mike Lisson stated he does audit work with the municipal entities and there should be a two sided street where OCIDA and the municipality are working together to make sure when the PILOTS end it is put back on the tax rolls under the current

assessment. He stated OCIDA has done a good job communicating to the municipal entities but it has to be on both ends.

Patrick Hogan stated he worries about the institutional changes in the municipalities. Mike Lisson stated from an accounting standpoint, it doesn't matter if it is a town village county or city, there are requirements to disclose the tax abatement types of arrangements. He stated it should be disclosed in their financial statements so they should be keeping better track of it. He stated when he does audits of municipal entities he reaches out to OCIDA to make sure the same information disclosed is disclosed properly.

Mike Lisson stated one of the biggest things OCIDA has in their books and records is conduit debt obligations. He stated historically the Agency has disclosed that information and New York State requires you to have a schedule disclosing even more information. He stated there was not consistency in practice of accounting standards across the US. He stated the conduit debt stays off the books and is disclosed in the footnotes. He stated it requires a little bit more disclosure but since New York State always required a disclosure anyway, the Agency is pretty much already there but it is something adopted this year. He stated the Agency had \$92,000,000 of outstanding debt as of last year. He stated staff keeps track of all this because it has to be disclosed in the footnotes, financial statements and reported to PAAA.

Janice Herzog asked if that includes the pass throughs. Mike Lisson stated yes.

ADJOURN

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee adjourned the meeting at 8:17 am. Motion was carried.

Nancy Lowery, Secretary



Onondaga County Industrial Development Agency

Annual Meeting
March 8, 2022
Michael Lisson, CPA, CITP Partner

110 West Fayette Street, Suite 900
Syracuse, New York 13202
315.424.1120 • www.gsacpas.com

Agenda

- REQUIRED COMMUNICATIONS
- ANNUAL FINANCIAL INFORMATION
 - FINANCIAL STATEMENTS
 - INVESTMENT POLICY COMPLIANCE
 - REPORT ON INTERNAL CONTROL & OTHER COMPLIANCE
- OTHER INFORMATION

Required Communications

- Required by Generally Accepted Governmental Auditing Standards (GAGAS)
- AU-C Section 260, The Auditor's Communication with Those Charged with Governance
- Those Charged with Governance
 - Responsible for overseeing strategic direction of entity
 - Responsible for obligations related to accountability
 - Oversees the financial reporting process, including internal controls

Required Communications (continued)

- **Auditor's Responsibilities with Regard to the Financial Statement Audit**
 - We form and express **an opinion** on your financial statements. Does not relieve management or the board of their responsibilities
 - Further described in the annual engagement letter
- **Planned Scope and Timing of the Audit**
 - Communicated on October 19, 2021
 - We carried out our audit consistent with the planned scope and timing previously communicated
 - Significant Risks Identified:
 - **Revenue Recognition**
 - **Investment in real property**

A significant risk for our audit purposes are risks relating to amounts or disclosures in the financial statements that require special audit consideration because of the likelihood and magnitude of the potential misstatement. We consider certain factors to determine whether a risk is a significant risk.

Required Communications (continued)

- **Qualitative aspects of significant accounting practices**
 - The notes to financials describes significant accounting practices
 - Pollution remediation obligations (note 2)
 - Investment in real property (note 2)
 - Financial assistance program (note 3)
 - Tax abatement programs (note 4)
 - Property leases and bonds payable (conduit debt-\$91.1m) (note 9)
 - Note payable to Onondaga County - \$1.8m, available \$18.2m (note 12)
 - Significant estimates
 - Depreciable lives (5 to 39 years)
 - Pollution remediation obligations
 - Financials and notes are fairly consistent with prior year and are fairly presented.
- **Difficulties encountered in performing the audit**
 - None. Management is well prepared and was extremely helpful in assisting and preparing information for the audit

Required Communications

(continued)

- **Uncorrected and corrected misstatements**

- There were no uncorrected misstatements that were not recorded by management
- Minor entries related to depreciation expense, OED expense not required to be funded per Onondaga County, accrual of development fees, interest on note payable to Onondaga county, reversal of PILOT payable, and write-off of long term receivable for a project that never commenced.

Required Communications (continued)

- **Disagreements with management**
 - None to report
- **Management Representations**
 - Letter dated March 8, 2022
- **Management Consultations with Other Independent Accountants**
 - No consultations have been noted
- **Compliance with All Ethics Requirements regarding independence**
 - Appropriate safeguards applied to eliminate/reduce identified threats to independence, primarily related to non-audit services provided. Non-audit services include:
 - Preparation of the financial statements (deemed a “significant threat”)
- **Other Audit Findings or Issues**
 - None to report

Annual Financial Information

Financial Statements

- Unmodified (“clean”) audit opinion (pgs 1-3)
 - Change in format and wording of opinion this year
 - Report on required supplementary information (RSI)
 - Other information
- Management’s Discussion and Analysis (pgs 4-6)
- Statements of Net Position (pg 7)
- Statements of Revenues, Expenses & Changes in Net Position(pg 8)
- Statements of Cash Flows (pgs 9-10)
- Notes to financial statements (pgs 11-19)
- Supplemental Schedule (NYS requirement) (pgs 20-22)

Annual Financial Information

Net Position Summary

	Year Ended December 31,		
	2021	2020	2019
Cash and cash equivalents	\$ 2,975,229	\$ 5,069,972	\$ 2,206,148
Receivables - Onondaga County	-	-	1,336,998
Accounts receivable	315,335	269,149	833,971
Grant receivables	-	-	268,734
Capital assets	4,488,414	4,502,156	4,518,424
Investment in real property	6,180,006	-	-
Total assets	<u>13,958,984</u>	<u>9,841,277</u>	<u>9,164,275</u>
Current liabilities	749,875	386,715	564,045
Note payable to Onondaga County	1,745,781	-	-
Accrued interest	2,129	-	-
Total liabilities	<u>2,497,785</u>	<u>386,715</u>	<u>564,045</u>
Net Position:			
Net investment in capital assets	4,488,414	4,502,156	4,518,424
Unrestricted	<u>6,972,785</u>	<u>4,952,406</u>	<u>4,081,806</u>
Total net position	<u>\$ 11,461,199</u>	<u>\$ 9,454,562</u>	<u>\$ 8,600,230</u>

Annual Financial Information

Change in Net Position Summary

	Year Ended December 31,		
	2021	2020	2019
Operating revenues	\$ 2,334,950	\$ 2,803,839	\$ 3,550,992
Operating expenses	326,923	1,951,084	1,462,500
Operating income (loss)	2,008,027	852,755	2,088,492
Other revenues (expenses)	(1,390)	1,577	8,036
Change in net position	2,006,637	854,332	2,096,528
Net position - beginning of year	9,454,562	8,600,230	6,503,702
Net position - end of year	<u>\$ 11,461,199</u>	<u>\$ 9,454,562</u>	<u>\$ 8,600,230</u>

Annual Financial Information

Financial Highlights

- Operating Revenues **decreased \$468,889** in 2021 compared to a decrease of \$747,153 in 2020. This was primarily due to the following:
 - Decrease in overall Agency fees received of **\$857,156** compared to 2020. Significant Agency fees included \$260,000 from Milton CAT, \$194,311 from UR-Ban Villages PFA, LLC, and \$164,544 from LeMoyne Manor LLC;
 - Additional decrease in Agency fees of **\$222,024** due to the write-off of a long term receivable for a project that never commenced;
 - Increase of **\$663,002** in 2021 for reimbursement of costs related to the White Pine Commerce Park from Onondaga County; and
 - Increase of **\$165,552** for reimbursement of development costs from a utility company for work related to the White Pine Commerce Park.

Annual Financial Information

Financial Highlights (continued)

- Operating Expenses decreased **\$1,624,161** in 2021. Contractual support services with Onondaga County decreased \$413,546 (Agency was not required to commit funding in 2021) while development costs and professional fees decreased \$501,806 and \$295,718, respectively, compared to the previous year.
- In addition, financial assistance grants to help alleviate the economic damage that small businesses experienced as a result of the COVID-19 pandemic decreased **\$183,232** in 2021.

Annual Other Reporting

- Investment Policy Compliance
 - Required by NYS Public Authorities Law section 2925
 - No non-compliance matters noted or identified
- Report on Internal Control over Financial Reporting and on Compliance and Other Matters
 - No material weaknesses or non-compliance matters noted



**ONONDAGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

**(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE COUNTY OF ONONDAGA, NEW YORK)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

December 31, 2021 and 2020

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Table of Contents

Independent Auditor's Report	1 - 3
Required Supplementary Information:	
Management's Discussion and Analysis (Unaudited)	4 - 7
Financial Statements:	
Statements of Net Position - December 31, 2021 and 2020	8
Statements of Revenues, Expenses and Changes in Net Position - For the Years Ended December 31, 2021 and 2020	9
Statements of Cash Flows - For the Years Ended December 31, 2021 and 2020	10 - 11
Notes to Financial Statements	12 - 21
Supplementary Information:	
Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)	22 - 23

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Onondaga County Industrial Development Agency
Syracuse, New York

Report on the Audit of the Financial Statements

We have audited the financial statements of the Onondaga County Industrial Development Agency (the Agency), a component unit of the County of Onondaga, New York (the County), as of and for the years ended December 31, 2021 and 2020, 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of December 31, 2021 and 2020, and the changes in its financial position and its 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 audit 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 the Agency 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 opinion.

Responsibilities of Management for the Financial Statements

The Agency's management is responsible for the preparation and fair presentation of these 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 one year beyond the financial statement date.

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 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 4-7 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 an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The supplemental schedule of revenue bonds and other bonds (conduit debt obligations), as required by New York State General Municipal Law §859 (1) (b), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedule of revenue bonds and other bonds (conduit debt obligations) 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. Such 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 supplemental schedule of revenue bonds and other bonds (conduit debt obligations) is 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 8, 2022, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

Syracuse, New York
March 8, 2022

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Onondaga County Industrial Development Agency's (the Agency), a discretely presented component unit of Onondaga County, New York (the County), annual financial report presents our discussion and analysis of the Agency's financial performance during the year ended December 31, 2021. It should be read in conjunction with the Agency's financial statements and accompanying notes.

FINANCIAL STATEMENTS

The annual financial report of the Agency consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements and footnotes. The Agency is a self-supporting entity. The accounts are recorded in accordance with a proprietary fund type and consist of an enterprise fund. Proprietary fund type operating statements present increases and decreases in net position. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The Agency does not maintain separate fund accounts.

Condensed Comparative Financial Information

	Year Ended December 31,		
	2021	2020	2019
Cash and cash equivalents	\$ 2,975,229	\$ 5,069,972	\$ 2,206,148
Receivables - Onondaga County	-	-	1,336,998
Accounts receivable	315,335	269,149	833,971
Grant receivables	-	-	268,734
Capital assets	4,488,414	4,502,156	4,518,424
Investment in real property	6,180,006	-	-
Total assets	<u>13,958,984</u>	<u>9,841,277</u>	<u>9,164,275</u>
Current liabilities	749,875	386,715	564,045
Note payable to Onondaga County	1,745,781	-	-
Accrued interest	2,129	-	-
Total liabilities	<u>2,497,785</u>	<u>386,715</u>	<u>564,045</u>
Net Position:			
Net investment in capital assets	4,488,414	4,502,156	4,518,424
Unrestricted	6,972,785	4,952,406	4,081,806
Total net position	<u>\$ 11,461,199</u>	<u>\$ 9,454,562</u>	<u>\$ 8,600,230</u>

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

FINANCIAL STATEMENTS (continued)

The change in assets, liabilities and net position categories for the year ended December 31, 2021 compared to December 31, 2020 included the following:

- Total operating cash decreased \$2,094,743 due to current operations, which included an increase of cash from Agency fees of \$1,299,570 and \$2,408,783 from Onondaga County reimbursements and note advances. The Agency spent \$5,526,280 in cash for investments in real property related to the White Pine Commerce Park site in 2021.
- Investment in real property represents the spending related to the White Pine Commerce Park for purchases of land, including incidental costs to purchase such land. The agency recognized \$6,180,006 in 2021 and through March 8, 2022, has already spent an additional \$3,830,574 which will be reflected in the 2022 financial statements.
- Current liabilities increased \$363,160, primarily due to the timing of professional fees related to the White Pine Commerce Park site which were included in accounts payable as of 2021.
- The note payable to Onondaga County of \$1,745,781 represents the advances against a new note agreement entered into with Onondaga County in 2021 which provides up to \$20,000,000 of available credit to assist the Agency in funding its program incentives, projects, asset development and work related improvements.
- The Agency's total net position increased \$2,006,637. Operating revenues exceeded operating expenses by \$2,008,027 in the current year, a net increase of \$1,155,272 from prior year primarily due to expenditures related to the White Pine Commerce Park which decreased \$727,171 compared to 2020. Incidental costs related to the purchase of land, including administrative, developmental, and professional fees totaling \$1,595,006 were included in investment in real property in 2021, related to the White Pine Commerce Park. In addition, Onondaga County did not charge the Agency for contractual support service expenses in 2021, compared to \$413,546 incurred for contractual support services in 2020.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Condensed Comparative Financial Information (continued)

	Year Ended December 31,		
	2021	2020	2019
Operating revenues	\$ 2,334,950	\$ 2,803,839	\$ 3,550,992
Operating expenses	326,923	1,951,084	1,462,500
Operating income (loss)	2,008,027	852,755	2,088,492
Other revenues (expenses)	(1,390)	1,577	8,036
Change in net position	2,006,637	854,332	2,096,528
Net position - beginning of year	9,454,562	8,600,230	6,503,702
Net position - end of year	<u>\$ 11,461,199</u>	<u>\$ 9,454,562</u>	<u>\$ 8,600,230</u>

Change in financial categories between the year ended December 31, 2021 and the year ended December 31, 2020 include the following:

- Operating Revenues decreased \$468,889, net in 2021 compared to a decrease of \$747,153 in 2020. This was primarily due to the following: 1) Decrease in overall Agency fees received of \$857,156 compared to 2020. Significant Agency fees included \$260,000 from Milton CAT, \$194,311 from UR-Ban Villages PFA, LLC, and \$164,544 from LeMoyne Manor LLC; 2) Additional decrease in Agency fees of \$222,024 due to the write-off of a note receivable determined by management to be uncollectible as of December 31, 2021; 3) Increase of \$663,002 in 2021 for reimbursement of costs related to the White Pine Commerce Park from Onondaga County; 4) Increase of \$165,552 for reimbursement of development costs from a utility company for work related to the White Pine Commerce Park and 5) Decrease of pass-through income of \$117,430 compared to 2020 for services to other County economic development entities.
- Operating Expenses decreased \$1,624,161 in 2021. Contractual support services with Onondaga County decreased \$413,546 while development costs and professional fees decreased \$501,806 and \$295,718, respectively, compared to the previous year. In addition, financial assistance grants to help alleviate the economic damage that small businesses experienced as a result of the COVID-19 pandemic decreased \$183,232 in 2021. Pass-through expense decreased \$117,430 in 2021, consistent with related pass-through income.

**ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Analysis of Overall Financial Position and Results of Operations

The Agency is engaged in activities to support economic growth in Onondaga County, including job creation and retention, and increasing the net wealth of the County. The Agency does not receive any general appropriations from local, county or state government to support its operations. The Agency collects revenue for its operating purposes from the issuance of bonds and straight lease transactions and from interest on investments. In the year ended December 31, 2021, the Agency received \$1,345,756 from agency and other fees, a decrease of \$1,079,180 from the prior year.

The Agency's staff services are provided by the Onondaga County Office of Economic Development. The Agency compensates the County for these services based on budgeted expenses; in 2021, the County did not charge the Agency for the expenses incurred.

Capital Assets and Investment in Real Property

As of December 31, 2021, the Agency's investment in capital assets was \$4,488,414, net of depreciation. The Agency's capital assets include the White Pine Commerce Park parcels purchased prior to 2021 (\$3,327,146) (WPCP, formerly known as the Clay Business Park), land, buildings and equipment. WPCP is an undeveloped industrial park in the Town of Clay. The Agency acquired the land in the park for the purpose of attracting a large commercial/industrial project in the Town of Clay. WPCP parcels purchased in 2021 are classified as investment in real property. The Agency previously acquired property on North Salina Street, in the City of Syracuse, and is leasing the premises to Onondaga Community College to house a workforce development training program. Finally, the Agency invested in the rehabilitation of the real property at 800 Hiawatha Blvd, also in the City of Syracuse, whereby its capital asset of land is \$604,840

Contacting the Agency's Financial Management

This financial report is designed to provide Onondaga County citizens and taxpayers, and the clients of the Agency, with a general overview of the Agency's finances. If you have questions about this report or need additional financial information, contact the Executive Director, Onondaga County Industrial Development Agency, 333 West Washington Street, Suite 130, Syracuse, New York 13202.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Net Position

	ASSETS	
	2021	2020
Current Assets		
Cash and cash equivalents - unrestricted	\$ 2,975,229	5,069,972
Receivables - agency fees	<u>315,335</u>	<u>47,125</u>
Total current assets	<u><u>3,290,564</u></u>	<u><u>5,117,097</u></u>
Non-Current Assets		
Receivables - other agency fees	-	222,024
Capital assets, net	<u>4,488,414</u>	4,502,156
Investment in real property	<u>6,180,006</u>	<u>-</u>
Total non-current assets	<u><u>10,668,420</u></u>	<u><u>4,724,180</u></u>
Total assets	<u><u>\$ 13,958,984</u></u>	<u><u>\$ 9,841,277</u></u>
LIABILITIES and NET POSITION		
Current Liabilities		
Accounts payable	\$ 692,110	\$ 252,875
Due to other governments	<u>32,765</u>	108,840
Deposits	<u>25,000</u>	<u>25,000</u>
Total current liabilities	<u><u>749,875</u></u>	<u><u>386,715</u></u>
Non-Current Liabilities		
Note payable to Onondaga County	<u>1,745,781</u>	<u>-</u>
Accrued interest	<u>2,129</u>	<u>-</u>
Total non-current liabilities	<u><u>1,747,910</u></u>	<u><u>-</u></u>
Total liabilities	<u><u>2,497,785</u></u>	386,715
Net investment in capital assets	<u>4,488,414</u>	4,502,156
Unrestricted Net Position	<u>6,972,785</u>	4,952,406
Total net position	<u><u>11,461,199</u></u>	<u><u>9,454,562</u></u>
	<u><u>\$ 13,958,984</u></u>	<u><u>\$ 9,841,277</u></u>

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Revenues, Expenses and Changes in Net Position

	Year Ended December 31,	
	2021	2020
Operating Revenue:		
Agency and other fees	\$ 1,345,756	\$ 2,424,936
Reimbursement - Onondaga County	663,002	-
Reimbursement of developmental costs	165,552	-
Pass-through income	2,910	120,340
Rent income	11,500	11,000
Subsidies, grants, and donations	134,116	241,225
Other income	12,114	6,338
Total operating revenues	2,334,950	2,803,839
Operating Expenses:		
Contractual support services - Onondaga County	-	413,546
General and administrative	215,680	330,589
Development costs	-	501,806
Financial assistance grants	41,907	225,139
Pass-through expense	2,910	120,340
Depreciation expense	16,898	16,268
Professional fees	33,546	329,264
Other expenses	5,436	6,874
Seminars and meetings	10,546	7,258
Total operating expenses	326,923	1,951,084
Operating Income	2,008,027	852,755
Non-Operating Income (Expenses):		
Interest income	739	1,577
Interest expense	(2,129)	-
Total non-operating income (expenses)	(1,390)	1,577
Change in Net Position	2,006,637	854,332
Net Position - beginning of the year	9,454,562	8,600,230
Net Position - end of year	\$ 11,461,199	\$ 9,454,562

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Cash Flows

	Years Ended December 31,	
	2021	2020
Cash Flows from Operating Activities		
Cash received for agency and other fees	\$ 1,299,570	\$ 2,989,758
Cash received for reimbursement	828,554	-
Cash received for grants	134,116	509,959
Cash received for rent and other fees	23,614	17,338
Cash received and due to other governments	(76,075)	1,250,966
Cash received for deposit	-	25,000
Cash paid for economic development	(47,686)	(457,628)
Cash paid for contractual support services	-	(726,527)
Cash payments for professional services	(175,164)	(190,752)
Cash payments for general and administrative expenses	(212,015)	(345,449)
Cash payment for financial assistance grants	(70,759)	(196,287)
Cash payments for other operating expenses	(5,436)	(6,873)
Cash paid for seminars and meetings	(10,546)	(7,258)
Net cash flows from operating activities	1,688,173	2,862,247
Cash Flows from Capital and Related Financing Activities		
Proceeds from note payable to Onondaga County	1,745,781	-
Purchases of capital assets	(3,156)	-
Investments in real property	(5,526,280)	-
Net cash flows from capital and related financing activities	(3,783,655)	-
Cash Flows from Noncapital Financing Activities		
Net cash received for interest on notes outstanding	739	1,577
Net cash flows from financing activities	739	1,577
Change in Cash and Cash Equivalents	(2,094,743)	2,863,824
Cash and Cash Equivalents - beginning of year	5,069,972	2,206,148
Cash and Cash Equivalents - end of year	\$ 2,975,229	\$ 5,069,972

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Cash Flows (continued)

	Years Ended December 31,	
	2021	2020
Reconciliation of Operating Income to Net Cash Flows From		
Operating Activities:		
Operating Income	\$ 2,008,027	\$ 852,755
Adjustment to reconcile operating income to net cash flow from operating activities:		
Depreciation	16,898	16,268
Agency fee write off	-	488,642
Changes in:		
Accounts receivable	(46,186)	76,180
Receivables - Onondaga County	-	1,336,998
Grant receivable	-	268,734
Accounts payable	(214,491)	196,682
Due to Onondaga County	-	(312,981)
Due to other governments	(76,075)	(86,031)
Deposits	-	25,000
Net cash flows from operating activities	<u>\$ 1,688,173</u>	<u>\$ 2,862,247</u>

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

1. Organization

The New York State Industrial Development Agency Act of 1969 provided for the use of industrial revenue bond financing for the expansion and growth of industry in New York State. The Onondaga County Industrial Development Agency (the Agency) was created in accordance with the provisions of this Act in 1970 by a resolution passed by the County of Onondaga, New York (the County) Legislature.

The Agency is a special-purpose government, a financing authority, which is a separate legal entity, governed by a board consisting of seven board members. The Agency was formed to promote and develop the economic growth of the County and to assist in attracting industry to the County through bond and sale/leaseback financing programs and other activities. The Agency created under this Act is a corporate governmental agency constituting a public benefit corporation.

The County Legislature appoints the entire governing board and there is a potential for the County to impose its will on the Agency, and as such, the Agency is considered a discretely presented component unit of the County based on the criteria set forth by the Governmental Accounting Standards Board (GASB).

2. Summary of Significant Accounting Policies

Measurement Focus and Basis of Accounting

The Agency operates as an enterprise fund. Enterprise funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) and deferred inflows and outflows associated with their activities are reported. Fund equity is classified as net position.

The Agency utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or an economic asset is used.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income Tax Status

The Agency is a governmental corporation, exempt from federal and state income taxes. New York State Public Authorities Law, Title 10, Section 2975-A established a cost recovery of central governmental services to various public authorities. On November 1 of each year, the Director of the Division of Budget determines the assessment amount owed under this section by each industrial development agency in New York State.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts.

Accounts Receivable

Accounts receivable are stated at their outstanding balances. The Agency considers all accounts receivable to be fully collectible. If collection becomes doubtful, the Agency will either set up an allowance for doubtful accounts or if deemed completely uncollectible, the accounts will be charged against income in the current period. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Management did not believe an allowance for doubtful accounts was necessary at December 31, 2021 and 2020.

Capital Assets

Capital asset purchases are recorded at historical cost or fair market value at the date of acquisition. Depreciation expense is recorded on a straight-line basis over the assets' estimated useful life of 5 to 39 years. The Agency's policy is to capitalize all additions greater than \$1,000 with a useful life of more than 5 years.

Pollution Remediation Obligations

Pollution remediation obligation are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities. Obligations to clean up spills of hazardous wastes or hazardous substances and obligations to remove contamination such as asbestos are pollution remediation obligations. Pollution remediation activities may include the following: (1) pre-cleanup activities, such as site assessments and site investigations, (2) cleanup activities, (3) government oversight and enforcement-related activities and (4) operation and maintenance of the remedy, including post remediation monitoring. Pollution remediation outlays including outlays for property, plant and equipment are expensed when a liability is incurred. The Agency will capitalize certain pollution remediation outlays for properties for which it anticipates a future sale. The Agency will only capitalize amounts that would result in the carrying amount of the property to not exceed its estimated fair value upon completion of the remediation. The Agency currently has a parcel of land with known pollution and is currently performing various remediation activities. The carrying amount of this parcel of land is \$604,840 as of December 31, 2021 and 2020.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Investment in Real Property

The Agency considers investment in real property to be real property that is acquired and held primarily for the purpose of income or profit and has a present service capacity based solely on its ability to generate cash or be sold to generate cash. Investment in real property purchases are recorded at cost, including (1) the contract/purchase price; (2) the costs of closing the transaction and obtaining title, including commissions, options, legal fees, title search, insurance, and past due taxes; (3) the costs of surveys; and (4) the cost of preparing the property for its intended use.

At December 31, 2021, investment in real property consists of land related to the White Pine Commerce Park purchased with the intention to expand the Park to approximately 1,250 acres to meet the larger geographic footprint necessary to support future development. The investment in real property balance at December 31, 2021 is comprised of the purchase price and following incidental costs:

Purchase price	\$ 4,585,000
Administrative costs:	
Insurance	6,872
Taxes and tax credits	21,380
Closing costs	69,191
Option agreement fee	100,000
Legal fees	1,104,703
Site analysis and developmental costs	292,860
Balance - December 31, 2021	<u>\$ 6,180,006</u>

Operating Revenues and Non-Operating Revenues

The Statements of Revenues, Expenses, and Changes in Net Position distinguishes between operating and non-operating revenues. Operating revenues, such as fee and rental income, result from exchange transactions associated with the principal activities of the Agency. Exchange transactions are those in which each party to the transaction receives or gives up essentially equal values. Non-operating revenues arise from exchange transactions not associated with the Agency's principal activities and from all non-exchange transactions.

Revenue Recognition

Agency and other fee revenue are recognized by the Agency at the date of closing when the related bonds are issued. Interest income is recorded when earned.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Net Position

GASB requires the classification of net position into three components. These classifications are displayed in three components below:

- a. Net investment in capital assets - capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - net position with constraints placed on their use either by (1) external groups such as creditors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - all other assets that do not meet the definition of net investment in capital assets or restricted net position.

It is the Agency's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

3. Financial Assistance Program

The Agency provided grants to small businesses and not-for-profit corporations for the purpose of acquiring personal protective equipment (PPE) and/or installing fixtures necessary to prevent the spread of COVID-19 in accordance with New York State General Municipal Law (GML) enacted in June 2020. The grants cannot exceed \$10,000 and must meet eligibility criteria as described in GML. The total amount of grants disbursed was \$70,759 and \$196,287 for the year ended December 31, 2021 and 2020, respectively.

4. Tax Abatement Programs

The Industrial Development Agency Act (the "Act") of New York State sets forth the powers that the Agency can carry out. In accordance with the Act, the Agency was created to stimulate economic development, growth, and general prosperity for the people of Onondaga County by using incentives, rights, and powers in an efficient and cooperative manner. Qualified Agency projects are eligible for sales, mortgage, and real property tax exemptions. The Agency may also assist a projects' financing by issuing taxable and tax exempt bonds and by providing information on complementary financing such as fixed asset and working capital lending programs.

The Agency has instituted a Uniform Tax Exemption Policy ("UTEP") (last revised 9/15/20) which provides guidelines for the granting of real property, mortgage recording, and sales and use tax exemptions. To be eligible for financial assistance, the recipient of the financial assistance must abide by the requirements of this policy and complete an application process as instituted by the Agency.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

4. Tax Abatement Programs (continued)

In accordance with New York State General Municipal Law, the Agency has instituted a Recapture Policy (last revised 6/20/16) which allows for the recapture of financial incentive assistance provided to recipients for failure to comply with such Recapture Policy. New York State requires a mandatory recapture of the New York State portion of sales and use taxes for recipients for which the recipient was a) not entitled to; b) in excess of the amounts authorized by the Agency; c) for property or services not authorized by the Agency; and/or d) for a recipient that has failed to comply with material term or condition to use of the property or services in the manner required by any of the project documents between the recipient and the Agency. With respect to all other financial assistance provided to the recipient, the Agency shall have the right to suspend, discontinue, recapture or terminate financial assistance to any recipient to the extent that: a) for projects that utilized local sales and use tax exemptions, the project was not entitled to such exemptions, such exemptions were in excess of the amounts authorized by the Agency, and/or such exemptions were for property or services not authorized by the Agency; b) the recipient, upon completion of their project, fails to reach and maintain at least 75% of its employment requirements for job creation and/or retention; c) the total investment actually made with respect to the project at the project's completion date is less than 75% of its investment requirement; d) the recipient fails to provide annually to the Agency certain information to confirm that the project is achieving the investment, job retention, job creation, and other objectives of the project; or e) there otherwise occurs any event of default under any project document or material violation of the terms and conditions of any project document.

The Agency has not made any commitments as part of the agreements other than to reduce taxes. The Agency has chosen to disclose information about its tax abatement agreements individually. The Agency has listed all of its projects that were approved for the periods ended December 31, 2021 and 2020:

Project	December 31, 2021			
	Mortgage	Sales	PILOT	Total
Camillus Mills Redevelopment Co., Inc. & Camillus Mills				
Phase II, LLC	\$ 84,750	\$ 349,800	\$ -	\$ 434,550
UR-Ban Villages PFA, LLC	116,587	1,163,592	1,088,875	2,369,054
Taft Solar, LLC & SLH II LLC	-	37,128	183,116	220,244
NYCANNA LLC	-	800,000	-	800,000
RPNY Solar 5 LLC	12,200	55,340	156,652	224,192
SSC Cicero LLC	-	-	33,049	33,049
Stewart Hancock Partners LLC & Dunn Tire LLC	37,425	250,000	284,900	572,325
Ultra Dairy LLC	-	180,000	253,677	433,677
Ranalli Super DC LLC	225,000	1,920,000	3,859,115	6,004,115
C2 NY Sentinel Heights Solar LLC	-	306,250	1,243,328	1,549,578
Brolex Plank Road LLC	38,250	204,400	-	242,650
DL Manufacturing, Inc. & Metz Properties LLC	13,125	76,000	363,531	452,656
Treyjay LOSO LLC	353,700	2,500,000	-	2,853,700
OYA Camillus A LLC	-	295,810	611,799	907,609
OYA Camillus B LLC	-	300,673	625,963	926,636
Milton Real Properties of Massachusetts LLC & Southworth-Milton, Inc. d/b/a Milton CAT	-	1,040,000	-	1,040,000
	\$ 881,037	\$ 9,478,993	\$ 8,704,005	\$ 19,064,035

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

4. Tax Abatement Programs (continued)

Project	December 31, 2020			
	Abatement			
	Mortgage	Sales	PILOT	Total
629 LeMoine Manor LLC	\$ 90,000	\$ 438,240	\$ 1,052,604	\$ 1,580,844
Abundant Solar Power	34,498	345,576	96,249	476,323
Cicero Energy Storage I LLC	68,618	768,000	211,569	1,048,187
Cicero Energy Storage II LLC	68,938	768,000	64,074	901,012
Empire Polymer Holdings LLC & Empire Polymer Solutions LLC	42,264	570,817	1,829,919	2,443,000
Milton CAT	187,000	1,040,000	-	1,227,000
OYA Church Road A LLC	-	361,800	1,299,751	1,661,551
SSC Lysander LLC	-	-	905,855	905,855
Taft Solar LLC	-	169,920	835,265	1,005,185
Tessy Plastic 2020 Elbridge Expansion	-	323,600	802,663	1,126,263
Tracey Road Equipment Inc.	29,250	160,000	124,912	314,162
Ultra Dairy LLC	-	400,000	224,336	624,336
	\$ 520,568	\$ 5,345,953	\$ 7,447,197	\$ 13,313,718

5. Deposits with Financial Institutions and Investments

The Agency follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conform with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Executive Director.

Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within and authorized to do business in New York State (the State). Collateral is required for deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are those identified in New York State General Municipal Law, Section 10 and outlined in the New York State Comptroller's Financial Management Guide.

Interest Rate

Risk Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.)

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

5. Deposits with Financial Institutions and Investments

Credit Risk

The Agency's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Agency's investments and deposit policy authorizes the Agency to purchase the following types of investments:

- Obligations of the United States of America;
- Obligations where payment of principal and interest are guaranteed by the United States of America;
- Obligations of New York State;
- Special time deposit account; and
- Certificates of deposit.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Agency's investment and deposit policy, all deposits of the Agency including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits.

The Agency restricts the securities to the following eligible items:

Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation;

- Obligations partially insured or guaranteed by an agency of the United States of America;
- Obligations issued or fully insured or guaranteed by the State of New York;
- Obligations issued by a municipal corporation, school district or district corporation of New York State;
- Obligations issued by states (other than New York State) of the United States of America rated in one of the two highest rating categories by at least one Nationally Recognized Statistical Rating Organization (NRSRO).

The Agency maintained cash balances of \$2,975,229 and \$5,069,972 in cash and cash equivalents at December 31, 2021 and 2020, respectively, with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank for interest bearing and non-interest bearing accounts. The remaining balance was collateralized by a third party in accordance with New York State General Municipal Law, Section 10 and the Agency's policies.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

6. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non depreciable land:				
White Pine Commerce Park	\$ 3,327,146	\$ -	\$ -	\$ 3,327,146
435 North Salina	17,084	-	-	17,084
800 Hiawatha	604,840	-	-	604,840
Subtotal	<u>3,949,070</u>	<u>-</u>	<u>-</u>	<u>3,949,070</u>
Depreciable:				
Buildings	634,422	-	-	634,422
Furniture and Fixtures	2,862	3,156	-	6,018
Subtotal	<u>637,284</u>	<u>3,156</u>	<u>-</u>	<u>640,440</u>
Total capital assets	<u>4,586,354</u>	<u>3,156</u>	<u>-</u>	<u>4,589,510</u>
Accumulated depreciation:				
Buildings	81,336	16,267	-	97,603
Furniture and Fixtures	2,862	631	-	3,493
Total	<u>84,198</u>	<u>16,898</u>	<u>-</u>	<u>101,096</u>
Net capital assets	<u>\$ 4,502,156</u>	<u>\$ (13,742)</u>	<u>\$ -</u>	<u>\$ 4,488,414</u>

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non depreciable land:				
White Pine Commerce Park	\$ 3,327,146	\$ -	\$ -	\$ 3,327,146
435 North Salina	17,084	-	-	17,084
800 Hiawatha	604,840	-	-	604,840
Subtotal	<u>3,949,070</u>	<u>-</u>	<u>-</u>	<u>3,949,070</u>
Depreciable:				
Buildings	634,422	-	-	634,422
Furniture and Fixtures	2,862	-	-	2,862
Subtotal	<u>637,284</u>	<u>-</u>	<u>-</u>	<u>637,284</u>
Total capital assets	<u>4,586,354</u>	<u>-</u>	<u>-</u>	<u>4,586,354</u>
Accumulated depreciation:				
Buildings	65,068	16,268	-	81,336
Furniture and Fixtures	2,862	-	-	2,862
Total	<u>67,930</u>	<u>16,268</u>	<u>-</u>	<u>84,198</u>
Net capital assets	<u>\$ 4,518,424</u>	<u>\$ (16,268)</u>	<u>\$ -</u>	<u>\$ 4,502,156</u>

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

6. Capital Assets (continued)

The Agency owns the White Pine Commerce Park, which is a business park located in the Town of Clay, northern Onondaga County. The Agency is developing the business park to be a build-ready site suitable for an array of local and global market sectors. Costs incurred of \$797,838 during 2020 were expensed as incurred in accordance with GASB No. 62. Land acquisition related to the White Pine Commerce Park during 2021 is included in investment in real property, including incidental costs incurred.

7. Agency-Induced Financings

The total amount of industrial development, civic facility and pollution control financing issued through the Agency outstanding as of December 31, 2021 amounted to approximately \$91,059,342. These financing obligations are not obligations of the Agency as the Agency acts a conduit for the obligations. The Agency does not have the obligation to repay the principal and interest of such obligations, as such, the obligations are not reflected as long-term obligations of the Agency.

8. Due to Onondaga County

The Agency will reimburse the County for a portion of the cost of operation of the Onondaga County Office of Economic Development. In exchange for this funding, the staff of the office provides operational and project implementation support services for the Agency. Maximum funds committed by the Agency were \$413,546 for the year ended December 31, 2020. There were no funds committed by the Agency for the year ended December 31, 2021. There were no outstanding support service expenses due at December 31, 2021 and 2020.

9. Property Leases and Bonds Payable

In accordance with its corporate purpose, the Agency has issued bonds to promote and develop various businesses within the County. The Agency holds legal title to the properties, under which such bonds were issued in order for business to acquire or renovate various facilities. The Agency's primary function is to arrange financing between borrowing companies and bondholders (conduit debt). For providing this service, the Agency receives administration fees from the borrowing companies. Total bonds outstanding were \$91,059,342 and \$92,877,101 at December 31, 2021 and 2020, respectively, which represent non-recourse debt of the Agency. The Agency does not have the obligation to repay the principal and interest of such obligations, as such, the obligations are not reflected as long-term obligations of the Agency.

10. Payments in Lieu of Taxes Agreements (PILOT)

The Agency has entered into PILOT agreements with various companies whereas the company will make annual payments in lieu of taxes to the Agency and the Agency will remit the annual payments to the appropriate tax jurisdictions. The Agency records a liability for any amounts paid by companies to the Agency but not distributed to the tax jurisdictions as of yearend. A total of \$9,483,434 and \$10,281,041 of PILOT payments passed through the Agency for the years ended 2021 and 2020, respectively. Total due to other governments was \$32,765 and \$108,840, respectively, at December 31, 2021 and 2020.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

11. Operating Lease

On February 1, 2016, the Agency entered into a lease agreement with Onondaga Community College (OCC) which allowed OCC to lease building space for educational purposes. In lieu of a monthly rental fee, OCC agreed to perform improvements to the space that became the property of the Agency upon installation and will not revert back to OCC upon lease termination on January 31, 2021. The initial terms of the lease agreement were amended and the new terms commenced on July 1, 2016. The lease agreement now provides for guaranteed rent of \$9,000 per year through the new lease termination on January 31, 2026.

12. Note Payable to Onondaga County

On October 7, 2021 the Agency entered into an Optional Advance Limited Recourse Demand Promissory Grid Note (the Note) with Onondaga County (the County). The County made available \$20,000,000 to assist the Agency in funding its program incentives, projects, asset development, and work related improvements. The Note bears interest at an annual rate of the greater of 0.91% per annum or the applicable federal rate, capitalized on an annual basis. The unpaid principal balance and accrued interest is payable in full on demand, which is to be a minimum of five years from the commencement of the Note, absent the occurrence and continuance of an event of default. Prepayments must be made in the amount of excess application fees generated and received by the Agency, and are to be applied first to any unpaid interest.

The Agency received advances of \$1,745,780 and incurred \$2,129 of interest during 2021. The annual mid-term applicable federal rate for December 2021 was 1.90%. No excess application fees were received, therefore no payments were required. The entire principal received and interest incurred as of December 31, 2021 are recorded as non-current liabilities on the statement of net position as the earliest demand date available to the County is October 2026. The remaining unused portion of the Note is \$18,254,220 at December 31, 2021.

13. Concentration of Credit Risk

Financial instruments that potentially subject the Agency to credit risk consist principally of receivables.

14. Subsequent Events

In preparing the financial statements, management of the Agency has evaluated events and transactions for potential recognition or disclosure through March 8, 2022, the date the financial statements were available to be issued. The Agency received an additional \$2,265,381 in promissory note advances from Onondaga County and acquired an additional \$3,830,574 of investments in real property, including ancillary costs. There were no additional events or transactions that were discovered during the evaluation that required further disclosure.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)
For the Year Ended December 31, 2021

Project Number	Description of Financing	Closing Date	Interest at issuance	Current Interest Rate	Bonds		Outstanding at December 31, 2021			Term Ending Date
					Outstanding at January 1, 2021	Incurred During 2021	Paid During 2021	Bonds Outstanding at December 31, 2021		
3101-06-10-C	OCIDA Pollution Control Revenue Bonds (Anheuser-Busch Project) 2006 Series B	July 21, 2006	4.95%	\$ 2,200,000	\$ -	\$ -	\$ 2,200,000			7/1/2036
3101-94-01A	OCIDA Sewage Facilities Revenue Bonds (Bristol-Myers Squibb Company Project) Series 1994	March 29, 1994	5.75%	\$ 35,000,000	\$ -	\$ -	\$ 35,000,000			3/1/2024
3101-95-01A	OCIDA Civic Facility Revenue Bonds (Discovery Center of Science and Technology Project) Series 1995	July 1, 1995	4.00%	\$ 2,978,000	\$ -	\$ 479,500	\$ 2,498,500			7/1/2025
3101-07-16A	OCIDA Variable Rate Demand Industrial Development Revenue Bonds (G.A. Braun, Inc. Project) Series 2007	December 20, 2007	2.27%	2.01%	\$ 5,270,000	\$ -	\$ 280,000	\$ 4,990,000		6/1/2034
3101-15-08B	OCIDA Multi-Modal Revenue Bonds (G.A. Braun, Inc. Project) Series 2015A	December 15, 2015	2.03%	2.58%	\$ 2,847,000	\$ -	\$ -	\$ 2,847,000		12/1/2041
3101-15-08B	OCIDA Multi-Modal Revenue Bonds (G.A. Braun, Inc. Project) Series 2015B (Taxable)	December 15, 2015	2.97%	3.74%	\$ 1,884,979	\$ -	\$ 301,166	\$ 1,583,813		12/1/2026
3101-15-04A	OCIDA Tax-exempt Multi-Modal Revenue Bonds (Syracuse Label Co., Inc. Project) Series 2015 (reissued)	November 16, 2016	1.92%	\$ 5,175,142	\$ -	\$ 387,093	\$ 4,788,049			12/1/2041
3101-02-08A	OCIDA Multi-Modal Variable rate Civic Facility Revenue Bonds (YMCA of Greater Syracuse, Inc. Project) Series 2003A	November 9, 2003		\$ 2,935,000	\$ -	\$ -	\$ 2,935,000			11/1/2025
3101-17-04B	OCIDA Tax-exempt Revenue Bonds (Old Thompson Road, LLC Project) Series 2017A/B	December 1, 2017	2.87%	\$ 9,606,980	\$ -	\$ -	\$ 9,606,980			12/1/2042
			Subtotal	\$ 67,897,101	\$ -	\$ 1,447,759	\$ 66,449,342			

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)
For the Year Ended December 31, 2021

Project Number	Description of Financing	Closing Date	Interest at issuance	Current Interest Rate	Bonds Outstanding at January 1, 2021		Incurred During 2021	Paid During 2021	Bonds Outstanding at December 31, 2021		Term Ending Date
					Bonds Outstanding at January 1, 2021	Bonds Incurred During 2021			Bonds Outstanding at December 31, 2021	Bonds Outstanding at December 31, 2021	
	OCIDA Variable Rate Demand Industrial Development Revenue Bonds (ICM Controls Corp.										
3101-07-05C	Project) Series 2007	December 20, 2007	6.30%	2.10%	1,920,000	-			1,920,000		12/1/2027
	OCIDA Civic Facility Revenue Bonds (Manlius										
3101-04-11A	Library Project) Series 2005	April 28, 2005	4.00%	4.63%	810,000	-	70,000		740,000		12/15/2029
	OCIDA Civic Facility Revenue Bonds (Marcellus										
3101-07-13A	Free Library Project) Series 2007	June 29, 2007	4.00%	4.13%	1,115,000	-	140,000		975,000		6/1/2027
	OCIDA Civic Facility Revenue Bonds (Minoa Free										
3101-03-07A	Library Project) Series 2004A	February 1, 2004	5.00%	5.38%	595,000	-	30,000		565,000		2/1/2034
	OCIDA Civic Facility Revenue Bonds (Onondaga										
3101-07-21A	Free Library Project) Series 2008	March 1, 2008	4.00%	5.13%	2,150,000	-	80,000		2,070,000		3/1/2037
	OCIDA Civic Facility Revenue Bonds (Salina Free										
3101-02-01A	Library Project) Series 2002A	December 1, 2002	5.20%	5.68%	345,000	-	50,000		295,000		12/1/2026
	OCIDA Revenue Bonds (Syracuse Research										
3101-96-11A	Corporation Project) Series 1997	December 1, 1997	7.70%	1.76%	1,010,000	-	-		1,010,000		12/1/2021
	OCIDA Variable Rate Demand Civic Facility Revenue Bonds (Syracuse Research Corporation										
3101-05-15B	Project) Series 2005	December 14, 2005	7.70%	1.76%	8,950,000	-			8,950,000		12/1/2031
	OCIDA Variable Rate Demand Civic Facility Revenue Bonds (Syracuse Home Association										
3101-06-11B	Project) Series 2007	June 21, 2007	4.00%	4.00%	8,085,000	-			8,085,000		6/30/2027
					Subtotal	\$ 24,980,000	\$ -	\$ 370,000	\$ 24,610,000		
					Carryforward subtotal - previous page	67,897,101	-	1,447,759	66,449,342		
					Grand Total	\$ 92,877,101	\$ -	\$ 1,817,759	\$ 91,059,342		

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

POSITIVE ASSURANCE REPORT OVER INVESTMENT PRACTICES

December 31, 2021

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
Onondaga County Industrial Development Agency
Syracuse, New York

We have examined management's assertion, herein, that the Onondaga County Industrial Development Agency's (the Agency) compliance with the New York State Public Authorities Law section 2925 applicable to the Agency's adoption of comprehensive investment guidelines for the year ended December 31, 2021. Management is responsible for the Agency's assertion. Our responsibility is to express an opinion on management's assertion about the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the 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 whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about the Agency's compliance with the New York State Public Authorities Law section 2925 applicable to the Agency's adoption of comprehensive investment guidelines. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material misstatement of management's assertion, whether due to fraud or error. In making an assessment of the risks of material misstatement, the practitioner considered and obtained an understanding of internal control relevant to the subject matter in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, no such opinion is expressed. 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 other ethical responsibilities in accordance with relevant ethical requirements related to the engagement. Our examination does not provide a legal determination on the Corporation's compliance with the specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2021.

This report is intended solely for the information and use of management, the audit committee and Board of Directors, others within the Agency, and for compliance with the New York State Public Authorities Law and is not intended to be and should not be used by anyone other than these specified parties.

Syracuse, New York
March 8, 2022

**ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
POSITIVE ASSURANCE REPORT**

I) Designation of Depositories

The Agency authorizes certain depository banks up to a maximum amount of \$10,000,000.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2021.

II) Purchase of Investments

- The Agency's purchase of investments policy requires that all purchased obligations shall be purchased through, delivered to and held in the custody of a bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law (GML), §10.
- The Agency's permitted investments include: (a) special time deposit accounts in an authorized banking depository or trust company secured in the same manner prescribed by General Municipal Law §10; (b) Certificates of Deposit; (c) obligations of the United States of America; (d) obligations guaranteed by agencies of the United States of America, where the payment of principal and interest is guaranteed by the United States of America; (e) obligations of the State of New York; (f) obligations issued pursuant to Local Finance Law §24 or §25 (RANS & TANs) of municipalities, school districts or district corporations; and (g) obligations of public benefit corporations, public housing authorities and urban renewal agencies.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2021.

III) Collateralizing Deposits

All deposits of the Agency in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by eligible collateral. Eligible collateral consists of any one, or combination, of the following: a. by a pledge of eligible securities with an aggregate market value as provided by GML §10, equal to the aggregate amount of deposits; b. by an eligible surety bond payable to the Agency for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2021.

IV) Diversification

The Agency will diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2021.

**ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
POSITIVE ASSURANCE REPORT**

- V) Standards for Qualifications of Investment Bankers, Brokers & Other Investment Advisors**
The Agency shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments, which can be made with each financial institution or dealer.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2021.

- VI) Operations, Audit and Reporting**
The treasurer, assistant treasurer or other staff member shall provide a monthly investment review to the Agency, noting the inventory of existing investments, new investments and the selection of investment bankers, brokers, agents, dealers or auditors.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2021.



**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 AUDITOR'S REPORT

To the Board of Directors
Onondaga County Industrial Development Agency
Syracuse, New York

We have audited, 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, the financial statements of the business-type activities of Onondaga County Industrial Development Agency as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Onondaga County Industrial Development Agency's basic financial statements, and have issued our report thereon dated March 8, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Onondaga County Industrial Development Agency's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Onondaga County Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Onondaga County Industrial Development 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Onondaga County Industrial Development 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 determination of 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 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.



Syracuse, New York

March 8, 2022