

**AUDITED
FINANCIAL STATEMENTS**

**WYOMING COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)**

DECEMBER 31, 2021

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)**

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Wyoming County Industrial Development Agency
Perry, New York 14530

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of the Wyoming County Industrial Development Agency (the Agency), a component unit of Wyoming County, New York, as of and for the years ended December 31, 2021 and 2020, and the related notes to the 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 respective financial position of the Agency as of December 31, 2021 and 2020, and the changes in financial position, 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 (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed on the table of contents, be presented to supplement the basic financial statements. Such information, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of industrial revenue bonds and the schedule of industrial revenue leases issued by the Agency but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 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, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Freed Maxick CPAs, P.C.

Batavia, New York
March 22, 2022

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
STATEMENTS OF NET POSITION
DECEMBER 31,**

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,583,276	\$ 2,237,820
Cash and cash equivalents - restricted	29,562	88,490
Certificates of deposit	1,767,208	1,762,562
Accounts receivable	150,060	37,723
Accrued interest receivable	410	2,923
Notes receivable, net	418,495	414,264
Prepaid expense	7,947	6,947
Total current assets	<u>4,956,958</u>	<u>4,550,729</u>
Noncurrent assets:		
Notes receivable, net	1,694,801	1,977,388
Land held for investment	281,222	281,222
Total noncurrent assets	<u>1,976,023</u>	<u>2,258,610</u>
Total assets	<u>6,932,981</u>	<u>6,809,339</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pension outflows	163,945	171,049
Total deferred outflows of resources	<u>163,945</u>	<u>171,049</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	2,434	2,285
Unearned revenue	293,992	374,173
Total current liabilities	<u>296,426</u>	<u>376,458</u>
Noncurrent liabilities		
Net pension liability	526	149,378
Total current liabilities	<u>526</u>	<u>149,378</u>
Total liabilities	<u>296,952</u>	<u>525,836</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred pension inflows	157,374	5,343
Total deferred inflows of resources	<u>157,374</u>	<u>5,343</u>
NET POSITION		
Restricted	29,562	88,490
Unrestricted	6,613,038	6,360,719
Total net position	<u>\$ 6,642,600</u>	<u>\$ 6,449,209</u>

See accompanying notes to the financial statements

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Fees and penalties	\$ 451,684	\$ 47,010
Grant revenue	83,381	92,013
Interest income on notes receivable	63,415	40,483
Recovery of bad debt	7,678	10,083
Rental income	720	840
Other revenues	-	55,460
Total operating revenues	<u>606,878</u>	<u>245,889</u>
Operating expenses:		
Grant expense	4,943	560,197
Bad debt expense	7,096	1,234
Conferences and training	5,036	5,351
Depreciation	-	134
Insurance	4,276	5,483
Lease/rent	25,556	33,867
Marketing	10,195	20,455
Meetings and dinners	229	313
Memberships and publications	3,724	4,709
Office expenses	9,388	8,816
Professional services and fees	47,196	37,020
Salaries and benefits	299,351	389,903
Travel	1,483	1,852
Website	2,013	-
Other	499	-
Total operating expenses	<u>420,985</u>	<u>1,069,334</u>
Operating income (loss)	185,893	(823,445)
Nonoperating revenues (expenses):		
Interest income	7,498	42,569
Loss on sale of equipment	-	(244)
Total nonoperating revenues, net	<u>7,498</u>	<u>42,325</u>
Change in net position	193,391	(781,120)
Net position - beginning of year	<u>6,449,209</u>	<u>7,230,329</u>
Net position - end of year	<u>\$ 6,642,600</u>	<u>\$ 6,449,209</u>

See accompanying notes to the financial statements

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from providing services	\$ 341,667	\$ 109,402
Interest income on notes receivable	65,928	41,426
Repayments of notes receivable	628,938	207,373
Receipts from penalties and fees	1,600	400
Issuance of notes receivable	(350,000)	(250,000)
Payments to service providers and suppliers	(34,405)	(269,001)
Payments for grant services and administration	(79,943)	(635,197)
Payments for employee services	(290,109)	(337,424)
Net cash provided (used) by operating activities	<u>283,676</u>	<u>(1,133,021)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	7,498	42,569
Proceeds from U.S. Treasuries	-	719,700
Proceeds from certificates of deposit	1,762,562	1,391,156
Purchases of certificates of deposit	(1,767,208)	(1,762,562)
Net cash provided by investing activities	<u>2,852</u>	<u>390,863</u>
Net increase (decrease) in cash and cash equivalents	286,528	(742,158)
Cash and cash equivalents - beginning of year	<u>2,326,310</u>	<u>3,068,468</u>
Cash and cash equivalents - end of year	\$ <u>2,612,838</u>	\$ <u>2,326,310</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 185,893	\$ (823,445)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	-	134
(Increase) decrease in accounts receivable	(112,337)	3,292
(Increase) decrease in prepaid expense	(1,000)	32
Decrease in accrued interest receivable	2,513	943
(Increase) decrease in notes receivable	278,356	(51,476)
(Increase) decrease in deferred outflows - pension	7,104	(44,684)
Increase (decrease) in accounts payable	149	(225,490)
Decrease in unearned revenue	(80,181)	(88,813)
Increase (decrease) in net pension liability	(148,852)	107,262
(Increase) decrease in deferred inflows - pensions	152,031	(10,776)
Net cash provided (used) by operating activities	<u>\$ 283,676</u>	<u>\$ (1,133,021)</u>
Reconciliation of unrestricted and restricted cash and cash equivalents:		
Cash and cash equivalents	\$ 2,583,276	\$ 2,237,820
Cash and cash equivalents - restricted	<u>29,562</u>	<u>88,490</u>
Total	<u>\$ 2,612,838</u>	<u>\$ 2,326,310</u>

See accompanying notes to the financial statements

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
NOTES TO FINANCIAL STATEMENTS**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Wyoming County Industrial Development Agency (the Agency) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Agency's significant accounting policies are described below.

A. REPORTING ENTITY

PRIMARY GOVERNMENT

The Wyoming County Industrial Development Agency (the Agency) was created in 1974 by the Wyoming County Board of Supervisors and a special act of the New York State Legislature to facilitate economic development in Wyoming County, New York (the County). The Agency is a discretely presented component unit of the County.

COMPONENT UNIT

The Wyoming County Business Assistance Corporation (the Loan Corporation) was established on May 14, 2009 by the Agency under section 1411 of the Not-For-Profit Corporation Law of the State of New York. The sole purpose of the Loan Corporation is to manage business loan funds on behalf of the Agency and is a corporation as defined in sub paragraph (a) (5) of section 102 of the Not-For-Profit Corporation Law of the State of New York.

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the Loan Corporation, have been included in the financial reporting entity of the Agency as a blended component unit. The blended component unit's balances are reported in the same manner as the primary government and are combined into one primary government column.

B. BASIS OF PRESENTATION

The Agency distinguishes operating revenues and expenses from nonoperating items. Revenues from grants, interest on loans, and administrative fees are reported as operating revenues. Expenses related to operating the Agency are reported as operating expenses.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources, as they are needed.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The financial statements of the Agency are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, includes grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

D. INCOME TAXES

The Agency is a quasi-governmental organization. The Agency is not subject to federal or state income taxes, nor is it required to file federal or state income tax returns, therefore, no provision for income taxes is reflected in these financial statements.

E. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Agency's cash and cash equivalents consists of cash on hand, demand deposits, and certificate of deposits with original maturities of three months or less from date of acquisition.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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NOTES TO FINANCIAL STATEMENTS**

Investments consist of certificates of deposit, Federal Government Obligations and United States Treasury Bills with maturities of less than one year when purchased and are stated at amortized cost.

F. RECEIVABLES

Receivables are reported at their net realizable value. Generally accepted accounting principles require the establishment of an allowance for doubtful accounts. No allowance for uncollectible receivables have been provided since management believes that such allowance would not be necessary.

Notes receivable are presented net of an allowance for uncollectible accounts. The Agency maintains an allowance for estimated uncollectible accounts which is based on management's analysis of the potential collectability of the individual notes. Notes are written off when, in management's judgment, no legal recourse is available to collect the amount owed.

G. PROPERTY AND EQUIPMENT

Property and equipment is recorded at acquisition cost and depreciated over the estimated useful lives of the respective assets using the straight-line method. The cost of repairs, maintenance and minor replacements are expensed as incurred, whereas expenditures that materially extend property lives are capitalized. When depreciable property is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in income. For the year ended December 31, 2020 depreciation expense amounted to \$134. There was no depreciation expense for the year ended December 31, 2021 as the assets were fully depreciated.

H. INSURANCE

The Agency is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, personal injury liability, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

I. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statements of Net Position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Agency has one item that qualifies for reporting in this category, which is deferred amounts related to the retirement system pension. The deferred amounts relate to differences between estimated and actual investment earnings, changes in assumptions and other pension related changes.

In addition to liabilities, the Statements of Net Position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has one item that qualifies for reporting in this category, which is deferred amounts related to the retirement system pension.

See details of deferred pension outflows and inflows in Note 2.B.

J. UNEARNED REVENUE

Unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the Agency and the Loan Corporation before it has legal claim to them. In subsequent periods, when both recognition criteria are met, or when the Agency or has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized. As of December 31, 2021 and 2020, unearned revenue amounted to \$293,992 and \$374,173, respectively.

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K. NET POSITION

Equity is classified as net position and displayed in two components:

- a. Restricted net position - Consists of net position with constraints on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net position - All other net position that does not meet the definition of “restricted” or “invested in capital assets.”

L. REVENUE RECOGNITION

Operating revenue consists of revenue from fees earned on lease-leaseback transactions, along with interest received from notes, and rental property. The Agency earns its fees primarily from lease agreements, which are based on 1% of the total project cost as indicated in the original lease application. Fee income is recorded as revenue when the agreement is finalized, regardless of when the related cash is received.

M. STATEMENTS OF CASH FLOWS

For the purposes of the statements of cash flows, the Agency and the Loan Corporation consider the cash and cash equivalents to be both unrestricted and restricted including demand accounts and certificates of deposit with an original maturity of three months or less.

N. USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS

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. This affects the reported amounts of assets, liabilities deferred outflow/inflow of resources and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

O. ACCOUNTING PRONOUNCEMENTS

The Agency has evaluated the provisions of GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, and GASB Statement No. 98, *The Annual Comprehensive Financial Report*, which became effective for the fiscal year ended December 31, 2021, and determined that they have no significant impact on the Agency’s financial statements.

The following are GASB Statements that have been issued recently and are currently being evaluated, by the Agency, for their potential impact in future years.

- Statement No. 87, *Leases*, which will be effective for the year ending December 31, 2022.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending December 31, 2022.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending December 31, 2022.
- Statement No. 93, *Replacement of Interbank Offered Rates*, is effective for the year ending December 31, 2021, except for paragraph 11b, which will be effective for the year ending December 31, 2022.
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will be effective for the year ending December 31, 2023.
- Statement No. 96, *Subscription-Based Information Technology Arrangements*, which will be effective for the year ending December 31, 2023.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and 84, and a supersession of GASB Statement No. 32*, which will be effective for the year ending December 31, 2022.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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NOTES TO FINANCIAL STATEMENTS**

NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

A. ASSETS

1. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Agency's investment policies are governed by State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Executive Director is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and obligations of the State of New York and its localities.

Collateral is required for demand deposits and certificates of deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

As of December 31, 2021, and 2020, the Agency's bank deposits were considered fully collateralized.

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash consists of the following as of December 31:

	<u>2021</u>	<u>2020</u>
GAIN Revolving Loan Program	\$ <u>29,562</u>	\$ 88,490
Total restricted cash and cash equivalents	\$ <u><u>29,562</u></u>	\$ <u><u>88,490</u></u>

Investment and Deposit Policy

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; conformance 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.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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 investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

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 interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The Agency restricts the securities to the following eligible items:

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- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

Investments

The Agency has \$1,767,208 and \$1,762,562 invested in certificates of deposit as of December 31, 2021 and 2020, respectively. These certificates of deposit have with original maturity dates less than one year but greater than ninety days.

Fair Value of Investments

The Agency measures and records its investments using fair value measurement guidelines established by U.S. GAAP. These guidelines recognize a three-tiered fair value hierarchy as follows:

Level 1: Quoted process for identical investments in active markets

Level 2: Observable inputs other than those in Level 1

Level 3: Unobservable inputs

Certificates of deposit are classified as level 1 on the fair value hierarchy.

2. GRANT REVENUE

Grant revenue consists of the following for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Growing the Agricultural Industry Now! (GAIN) Revolving Loan Program	\$ 76,714	\$ 75,983
Other	<u>6,667</u>	<u>16,030</u>
Total grant revenue	<u>\$ 83,381</u>	<u>\$ 92,013</u>

3. NOTES RECEIVABLE

The Loan Corporation provides low-interest notes to businesses located in Wyoming County in order to encourage economic development. Notes receivable consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Total notes receivable	\$ 2,213,962	\$ 2,492,900
Less: allowance for uncollectible notes	<u>100,666</u>	<u>101,248</u>
Notes receivable, net	2,113,296	2,391,652
Less: current maturities	<u>418,495</u>	<u>414,264</u>
Notes receivable - long-term	<u>\$ 1,694,801</u>	<u>\$ 1,977,388</u>

The Loan Corporation's policy is to present notes receivable net of an allowance for uncollectible notes. At December 31, 2021 and 2020, the allowance for uncollectible notes was \$100,666 and \$101,248, respectively. The loans awarded to local businesses bear interest at rates ranging from 0% to 6.00% with varying payment terms. All notes receivable are collateralized by assets of the respective loanees.

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NOTES TO FINANCIAL STATEMENTS**

Scheduled maturities of principal for these notes for the next five years and thereafter are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 418,495	\$ 54,557
2023	287,470	45,532
2024	196,755	38,532
2025	194,140	32,437
2026	170,481	26,646
Thereafter	<u>946,621</u>	<u>86,665</u>
Total	<u>\$ 2,213,962</u>	<u>\$ 284,369</u>

B. PENSION OBLIGATIONS

New York State and Local Retirement System (the System)

Plan Description

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

Funding Policy

The System is noncontributory, except for employees who joined after July 27, 1976 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 10, 2010, who generally contribute three percent (3%) to three- and one-half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the system's fiscal year ending March 31st.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021 and 2020, the Agency reported the following liability for its proportionate share of the net pension liability to the System. The net pension liability was measured as of March 31, 2021 and 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2020 and 2019, respectively. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the Agency.

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	December 31,	
	2021	2020
Measurement date	March 31, 2021	March 31, 2020
Net pension liability	\$ 526	\$ 149,378
Agency's portion of the Plan's total net pension liability	0.0005287 %	0.0005641 %
Change in proportion since the prior measurement date	0.0000354	(0.0000303)
Pension expense at December 31, 2021	\$ 41,071	\$ 79,092

The Agency's reported deferred outflows of resources and deferred inflows of resources related to the pension arose from the following sources as of December 31:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,429	\$ -	\$ 8,792	\$ -
Change of assumptions	96,797	1,826	3,008	2,597
Net difference between projected and actual earnings on pension plan investments	-	151,227	76,579	-
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	36,878	4,321	61,830	2,746
Agency's contributions subsequent to the measurement date	23,841	-	20,840	-
Total	<u>\$ 163,945</u>	<u>\$ 157,374</u>	<u>\$ 171,049</u>	<u>\$ 5,343</u>

The Agency's contributions subsequent to the measurement date March 31, 2021 will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

<u>Year ended March 31:</u>	<u>ERS</u>
2022	\$ 18,894
2023	47
2024	(7,488)
2025	(28,723)
2026	-
Thereafter	-

Actuarial Assumptions

The total pension liability as of the March 31, 2021 and 2020 was determined by using an actuarial valuation as of April 1, 2020 and 2019, respectively, with update procedures used to roll forward the total pension liability to March 31, 2021 and 2020. The actuarial valuation used the following actuarial assumptions as of December 31:

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	<u>2021</u>	<u>2020</u>
Inflation	2.7 %	2.5 %
Salary increases	4.4	4.2
Investment rate of return (net of investment expense, including inflation)	5.9	6.8
Cost of living adjustments	1.4	1.3

For the measurement date March 31, 2021, Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020. The actuarial assumptions used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

For the measurement date March 31, 2020, annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2018. The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

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

	<u>2021</u>		<u>2020</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Asset Class:				
Domestic equity	32.0 %	4.1 %	36.0 %	4.1 %
International equity	15.0	6.3	14.0	6.2
Private equity	10.0	6.8	10.0	6.8
Real estate	9.0	5.0	10.0	5.0
Absolute return strategies	3.0	4.5	2.0	3.3
Opportunistic funds/portfolio	4.0	3.6	3.0	4.7
Real assets	3.0	6.0	3.0	6.0
Bonds and mortgages	23.0	-	17.0	0.8
Cash	1.0	0.5	1.0	-
Inflation-indexed bonds	-	-	4.0	0.5
Total	<u>100.0 %</u>		<u>100.0 %</u>	

Discount Rate

The discount rate used to calculate the total pension liability as of March 31, 2021 and 2020 was 5.9% and 6.8%, respectively. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTES TO FINANCIAL STATEMENTS**

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following tables present the Agency's proportionate share of the net pension liability as of March 31 calculated using the discount rate, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2021		
	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
ERS			
Agency's proportionate share of the net pension liability/(asset)	\$ 146,121	\$ 526	\$ (133,746)

	2020		
	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
ERS			
Agency's proportionate share of the net pension liability/(asset)	\$ 274,152	\$ 149,378	\$ 34,462

Pension Plan Fiduciary Net Position

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

	(Dollars in Thousands)	
	2021	2020
Employers' total pension liability	\$ 220,680,157	\$ 194,596,261
Plan net position	220,580,583	168,115,682
Employers' net pension liability	<u>\$ 99,574</u>	<u>\$ 26,480,579</u>
Ratio of plan net position to the employers' total pension liability	99.95%	86.39%

Prepayments to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Prepaid retirement contributions as of December 31, 2021 and 2020 represent the Agency's contribution for the period of January 1, of the following year through March 31, based on the System's bill paid prior to December 31. Prepaid retirement contributions as of December 31, 2021 and 2020 amounted to \$7,947 and \$6,947, respectively.

NOTE 3. LAND HELD FOR INVESTMENT

The Agency has recorded an asset of land that is being held for future development in the amount of \$281,222 as of December 31, 2021 and 2020. This land is held at cost and any gain or loss will be recognized upon sale of the land.

NOTE 4. NET POSITION

Unrestricted net position represents amounts designated by the Loan Corporation's Board for the maintenance of a revolving loan program.

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Restricted net position represents the Growing the Agriculture Industry Now! (GAIN) grant funds. The Loan Corporation received pass-through Growing the Agriculture Industry Now! (GAIN) grant funds from Genesee/Finger lakes Regional Planning Council in 2016. Under the provisions of the grant, annual revenues are restricted to the GAIN revolving loan program. Repayments to date amounted to \$326,363 at December 31, 2021, however the Loan Corporation issuances to date amount to \$300,000 at December 31, 2021, which reduced restricted net position. Restricted net position consisted of the following as of December 31:

	<u>2021</u>		<u>2020</u>
GAIN Revolving Loan Program	\$ 29,562	\$	88,490
Total restricted net position	<u>\$ 29,562</u>	<u>\$</u>	<u>88,490</u>

NOTE 5. OUTSTANDING BOND ISSUES

Bonds issued by the Agency are collateralized by the property which is leased to the borrowing company and the bonds are retired by lease payments. The bonds are not an obligation of the Agency, the County of Wyoming or the State of New York. The Agency does not record the assets or liabilities resulting from a completed bond issue in their accounts, since its primary function is to arrange the financing between the borrowing company and the lending bondholders, and the funds arising there from are controlled by a trustee bank.

NOTE 6. LEASES

At December 31, 2021 and 2020, the Agency had entered into various lease agreements. These leases are merely financing arrangements in which the Agency has provided tax incentives or acts only as a financing conduit. Therefore, the Agency does not record these transactions in their financial records.

NOTE 7. RELATED PARTY TRANSACTIONS

The Agency leases office space from Wyoming County. Lease expense amounted to \$25,556 and \$33,867, for the years ended December 31, 2021 and 2020, respectively.

NOTE 8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 22, 2022, which is the date the financial statements are available for issuance and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

	<u>Year Ended December 31,</u>				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Measurement date	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021
Agency's proportion of the net pension liability	0.0002651%	0.0003977%	0.0005944%	0.0005641%	0.0005287%
Agency's proportionate share of the net pension liability	\$ <u>24,908</u>	\$ <u>12,836</u>	\$ <u>42,116</u>	\$ <u>149,378</u>	\$ <u>526</u>
Agency's covered payroll	\$ 173,731	\$ 177,393	\$ 183,539	\$ 194,700	\$ 198,556
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	14.3%	7.2%	22.9%	76.7%	0.3%
Plan fiduciary net position as a percentage of the total pension liability	94.70%	98.20%	96.27%	86.40%	99.95%

Note - The Agency became a member of the Employees' Retirement System effective January 1, 2016. Information for the Agency for the year ended December 31, 2016 was not provided by the System.

* This Schedule is intended to show information for ten years. Additional years will be included as they become available.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF THE AGENCY'S PENSION CONTRIBUTIONS – EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

	Year Ended December 31,					
	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 4,264	\$ 33,784	\$ 24,972	\$ 25,795	\$ 27,787	\$ 31,788
Contributions in relation to the contractually required contribution	<u>4,264</u>	<u>33,784</u>	<u>24,972</u>	<u>25,795</u>	<u>27,787</u>	<u>31,788</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Agency's covered payroll	\$ 193,183	\$ 195,979	\$ 200,165	\$ 201,275	\$ 206,158	\$ 209,018
Contributions as a percentage of covered payroll	2.2%	17.2%	12.5%	12.8%	13.5%	15.2%

Note - The Agency became a member of the Employees' Retirement System effective January 1, 2016. Information for the Agency for the year ended December 31, 2016 was not provided by the System.

* This Schedule is intended to show information for ten years. Additional years will be included as they become available.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**

NOTE 1 - FACTORS AFFECTING TRENDS IN THE RETIREMENT SYSTEM PENSION

The Agency's proportionate share of the net pension liability of the pension systems is significantly dependent on the performance of the stock market and the funds that the retirement system invests in. The discount rate in effect at each measurement date is as follows:

<u>Year ended March 31:</u>	<u>ERS</u>
2021	5.90%
2020	6.80%
2019	7.00%
2018	7.00%
2017	7.00%
2016	7.00%
2015	7.50%

SUPPLEMENTARY INFORMATION

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Agency</u>	<u>Loan Corporation</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,127,132	\$ 1,456,144	\$ -	\$ 2,583,276
Cash and cash equivalents - restricted	-	29,562	-	29,562
Certificates of deposit	1,515,435	251,773	-	1,767,208
Accounts receivable	145,185	4,875	-	150,060
Accrued interest receivable	-	410	-	410
Notes receivable, current portion	-	418,495	-	418,495
Prepaid expense	7,947	-	-	7,947
Total current assets	<u>2,795,699</u>	<u>2,161,259</u>	-	<u>4,956,958</u>
Noncurrent assets:				
Notes receivable, net	-	1,694,801	-	1,694,801
Land held for investment	281,222	-	-	281,222
Total noncurrent assets	<u>281,222</u>	<u>1,694,801</u>	-	<u>1,976,023</u>
Total assets	<u>3,076,921</u>	<u>3,856,060</u>	-	<u>6,932,981</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	163,945	-	-	163,945
Total deferred outflows of resources	<u>163,945</u>	<u>-</u>	<u>-</u>	<u>163,945</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,496	938	-	2,434
Unearned revenue	-	293,992	-	293,992
Total current liabilities	<u>1,496</u>	<u>294,930</u>	-	<u>296,426</u>
Noncurrent liabilities:				
Net pension liability	526	-	-	526
Total noncurrent liabilities	<u>526</u>	<u>-</u>	<u>-</u>	<u>526</u>
Total liabilities	<u>2,022</u>	<u>294,930</u>	<u>-</u>	<u>296,952</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	157,374	-	-	157,374
Total deferred inflows of resources	<u>157,374</u>	<u>-</u>	<u>-</u>	<u>157,374</u>
NET POSITION				
Restricted	-	29,562	-	29,562
Unrestricted	3,081,470	3,531,568	-	6,613,038
Total net position	<u>\$ 3,081,470</u>	<u>\$ 3,561,130</u>	<u>\$ -</u>	<u>\$ 6,642,600</u>

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	<u>Agency</u>	<u>Loan Corporation</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,088,365	\$ 1,149,455	\$ -	\$ 2,237,820
Cash and cash equivalents - restricted	-	88,490	-	88,490
Investments - certificate of deposit	1,512,562	250,000	-	1,762,562
Accounts receivable	32,848	4,875	-	37,723
Accrued interest receivable	-	2,923	-	2,923
Notes receivable	-	414,264	-	414,264
Prepaid expense	6,947	-	-	6,947
Total current assets	<u>2,640,722</u>	<u>1,910,007</u>	<u>-</u>	<u>4,550,729</u>
Noncurrent assets:				
Notes receivable, net	-	1,977,388	-	1,977,388
Land held for investment	281,222	-	-	281,222
Total noncurrent assets	<u>281,222</u>	<u>1,977,388</u>	<u>-</u>	<u>2,258,610</u>
Total assets	<u>2,921,944</u>	<u>3,887,395</u>	<u>-</u>	<u>6,809,339</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	171,049	-	-	171,049
Total deferred outflows of resources	<u>171,049</u>	<u>-</u>	<u>-</u>	<u>171,049</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	2,285	-	-	2,285
Unearned revenue	-	374,173	-	374,173
Total current liabilities	<u>2,285</u>	<u>374,173</u>	<u>-</u>	<u>376,458</u>
Noncurrent liabilities:				
Net pension liability	149,378	-	-	149,378
Total noncurrent liabilities	<u>149,378</u>	<u>-</u>	<u>-</u>	<u>149,378</u>
Total liabilities	<u>151,663</u>	<u>374,173</u>	<u>-</u>	<u>525,836</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	5,343	-	-	5,343
Total deferred inflows of resources	<u>5,343</u>	<u>-</u>	<u>-</u>	<u>5,343</u>
NET POSITION				
Restricted	-	88,490	-	88,490
Unrestricted	2,935,987	3,424,732	-	6,360,719
Total net position	<u>\$ 2,935,987</u>	<u>\$ 3,513,222</u>	<u>\$ -</u>	<u>\$ 6,449,209</u>

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Agency</u>	<u>Loan Corporation</u>	<u>Eliminations</u>	<u>Total</u>
Operating revenues:				
Fees and penalties	\$ 525,084	\$ 1,600	\$ (75,000) (1)	\$ 451,684
Grant revenue	-	83,381	-	83,381
Interest income on notes receivable	-	63,415	-	63,415
Recovery of bad debt	-	7,678	-	7,678
Rental income	720	-	-	720
Total operating revenues	<u>525,804</u>	<u>156,074</u>	<u>(75,000)</u>	<u>606,878</u>
Operating expenses:				
Administration fee	-	75,000	(75,000) (1)	-
Grant expense	-	4,943	-	4,943
Bad debt expense	-	7,096	-	7,096
Conferences and training	5,036	-	-	5,036
Insurance	4,276	-	-	4,276
Lease/rent	25,556	-	-	25,556
Marketing	10,195	-	-	10,195
Meetings and dinners	229	-	-	229
Memberships and publications	3,724	-	-	3,724
Office expenses	9,388	-	-	9,388
Professional services and fees	23,315	23,881	-	47,196
Salaries and benefits	299,351	-	-	299,351
Travel	1,483	-	-	1,483
Website	2,013	-	-	2,013
Other	499	-	-	499
Total operating expenses	<u>385,065</u>	<u>110,920</u>	<u>(75,000)</u>	<u>420,985</u>
Operating income	140,739	45,154	-	185,893
Nonoperating revenues:				
Interest income	4,744	2,754	-	7,498
Total nonoperating revenues	<u>4,744</u>	<u>2,754</u>	<u>-</u>	<u>7,498</u>
Change in net position	145,483	47,908	-	193,391
Net position - beginning of year	<u>2,935,987</u>	<u>3,513,222</u>	<u>-</u>	<u>6,449,209</u>
Net position - end of year	<u>\$ 3,081,470</u>	<u>\$ 3,561,130</u>	<u>\$ -</u>	<u>\$ 6,642,600</u>

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Agency</u>	<u>Loan Corporation</u>	<u>Eliminations</u>	<u>Total</u>
Operating revenues:				
Fees and penalties	\$ 121,610	\$ 400	\$ (75,000) (1)	\$ 47,010
Grant revenue	-	92,013	-	92,013
Interest income on notes receivable	-	40,483	-	40,483
Recovery of bad debt	-	10,083	-	10,083
Rental income	840	-	-	840
	<u>55,460</u>	<u>-</u>	<u>-</u>	<u>55,460</u>
Total operating revenues	<u>177,910</u>	<u>142,979</u>	<u>(75,000)</u>	<u>245,889</u>
Operating expenses:				
Administration fee	-	75,000	(75,000) (1)	-
Grant expense	-	560,197	-	560,197
Bad debt expense	-	1,234	-	1,234
Conferences and training	5,351	-	-	5,351
Depreciation	134	-	-	134
Insurance	5,483	-	-	5,483
Lease/rent	33,867	-	-	33,867
Marketing	20,455	-	-	20,455
Meetings and dinners	313	-	-	313
Memberships and publications	4,709	-	-	4,709
Office expenses	8,816	-	-	8,816
Professional services and fees	24,367	12,653	-	37,020
Salaries and benefits	389,903	-	-	389,903
Travel	1,852	-	-	1,852
	<u>495,250</u>	<u>649,084</u>	<u>(75,000)</u>	<u>1,069,334</u>
Total operating expenses	<u>495,250</u>	<u>649,084</u>	<u>(75,000)</u>	<u>1,069,334</u>
Operating loss	(317,340)	(506,105)	-	(823,445)
Nonoperating revenues (expenses):				
Interest income	34,637	7,932	-	42,569
Loss on sale of equipment	(244)	-	-	(244)
Total nonoperating revenues, net	<u>34,393</u>	<u>7,932</u>	<u>-</u>	<u>42,325</u>
Change in net position	(282,947)	(498,173)	-	(781,120)
Net position - beginning of year	<u>3,218,934</u>	<u>4,011,395</u>	<u>-</u>	<u>7,230,329</u>
Net position - end of year	<u>\$ 2,935,987</u>	<u>\$ 3,513,222</u>	<u>\$ -</u>	<u>\$ 6,449,209</u>

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Agency</u>	<u>Loan Corporation</u>	<u>Eliminations</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from providing services	\$ 413,467	\$ 3,200	\$ (75,000) (1)	\$ 341,667
Interest income on notes receivable	-	65,928	-	65,928
Repayments of notes receivable	-	628,938	-	628,938
Receipts from penalties and fees	-	1,600	-	1,600
Issuance of notes receivable	-	(350,000)	-	(350,000)
Payments to service providers and suppliers	(86,462)	(22,943)	75,000 (1)	(34,405)
Payments for grant services and administration	-	(79,943)	-	(79,943)
Payments for employee services	(290,109)	-	-	(290,109)
Net cash provided by operating activities	<u>36,896</u>	<u>246,780</u>	<u>-</u>	<u>283,676</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest income	4,744	2,754	-	7,498
Proceeds from certificates of deposits	1,512,562	250,000	-	1,762,562
Purchase of certificates of deposits	(1,515,435)	(251,773)	-	(1,767,208)
Net cash provided by investing activities	<u>1,871</u>	<u>981</u>	<u>-</u>	<u>2,852</u>
Net increase in cash and cash equivalents	38,767	247,761	-	286,528
Cash and cash equivalents - beginning of year	1,088,365	1,237,945	-	2,326,310
Cash and cash equivalents - end of year	<u>\$ 1,127,132</u>	<u>\$ 1,485,706</u>	<u>\$ -</u>	<u>\$ 2,612,838</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 140,739	\$ 45,154	\$ -	\$ 185,893
Adjustment to reconcile operating income to net cash provided by operating activities:				
Increase in accounts receivable	(112,337)	-	-	(112,337)
Increase in prepaid expense	(1,000)	-	-	(1,000)
Decrease in accrued interest receivable	-	2,513	-	2,513
Decrease in notes receivable	-	278,356	-	278,356
Decrease in deferred outflows - pension	7,104	-	-	7,104
Increase (decrease) in accounts payable	(789)	938	-	149
Decrease in unearned revenue	-	(80,181)	-	(80,181)
Decrease in net pension liability	(148,852)	-	-	(148,852)
Increase in deferred inflows - pension	152,031	-	-	152,031
Net cash provided by operating activities	<u>\$ 36,896</u>	<u>\$ 246,780</u>	<u>\$ -</u>	<u>\$ 283,676</u>
Reconciliation of unrestricted and restricted cash and cash equivalents:				
Cash and cash equivalents	\$ 1,127,132	\$ 1,456,144	\$ -	\$ 2,583,276
Cash and cash equivalents - restricted	-	29,562	-	29,562
Total	<u>\$ 1,127,132</u>	<u>\$ 1,485,706</u>	<u>\$ -</u>	<u>\$ 2,612,838</u>

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Agency	Loan Corporation	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from providing services	\$ 181,202	\$ 3,200	\$ (75,000) (1)	\$ 109,402
Interest income on notes receivable	-	41,426	-	41,426
Repayments of notes receivable	-	207,373	-	207,373
Receipts from penalties and fees	-	400	-	400
Issuance of notes receivable	-	(250,000)	-	(250,000)
Payments to service providers and suppliers	(105,675)	(238,326)	75,000 (1)	(269,001)
Payments for grant services and administration	-	(635,197)	-	(635,197)
Payments for employee services	(337,424)	-	-	(337,424)
Net cash used by operating activities	<u>(261,897)</u>	<u>(871,124)</u>	<u>-</u>	<u>(1,133,021)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest income	34,637	7,932	-	42,569
Proceeds from U.S. Treasuries	719,700	-	-	719,700
Proceeds from certificates of deposits	882,059	509,097	-	1,391,156
Purchase of certificates of deposits	(1,512,562)	(250,000)	-	(1,762,562)
Net cash provided by investing activities	<u>123,834</u>	<u>267,029</u>	<u>-</u>	<u>390,863</u>
Net decrease in cash and cash equivalents	(138,063)	(604,095)	-	(742,158)
Cash and cash equivalents - beginning of year	<u>1,226,428</u>	<u>1,842,040</u>	<u>-</u>	<u>3,068,468</u>
Cash and cash equivalents - end of year	<u>\$ 1,088,365</u>	<u>\$ 1,237,945</u>	<u>\$ -</u>	<u>\$ 2,326,310</u>
Reconciliation of operating loss to net cash used by operating activities:				
Operating loss	\$ (317,340)	\$ (506,105)	\$ -	\$ (823,445)
Adjustment to reconcile operating loss to net cash used by operating activities:				
Depreciation expense	134	-	-	134
Decrease in accounts receivable	3,292	-	-	3,292
Decrease in prepaid expense	32	-	-	32
Decrease in accrued interest receivable	-	943	-	943
Increase in notes receivable	-	(51,476)	-	(51,476)
Decrease in deferred outflows - pension	(44,684)	-	-	(44,684)
Increase (decrease) in accounts payable	183	(225,673)	-	(225,490)
Decrease in unearned revenue	-	(88,813)	-	(88,813)
Increase in net pension liability	107,262	-	-	107,262
Decrease in deferred inflows - pension	(10,776)	-	-	(10,776)
Net cash used by operating activities	<u>\$ (261,897)</u>	<u>\$ (871,124)</u>	<u>\$ -</u>	<u>\$ (1,133,021)</u>
Reconciliation of unrestricted and restricted cash and cash equivalents:				
Cash and cash equivalents	\$ 1,088,365	\$ 1,149,455	\$ -	\$ 2,237,820
Cash and cash equivalents - restricted	-	88,490	-	88,490
Total	<u>\$ 1,088,365</u>	<u>\$ 1,237,945</u>	<u>\$ -</u>	<u>\$ 2,326,310</u>

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

OTHER INFORMATION

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF INDUSTRIAL REVENUE BONDS ISSUED BY THE AGENCY
AS OF DECEMBER 31, 2021**

Name of Project Olympic Management Systems, Inc.
Address of Owner Six Fountain Plaza, Plaza Level
 Buffalo, NY 14202

Issue Amount \$2,871,926
Purpose of Issue Construction
Date of Issue 1/13/06
Interest Rate 7.87% fixed
Maturity Date 1/1/26

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY
AS OF DECEMBER 31, 2021**

Name of Project	M&T Trucking
Address of Owner	Mark & Tracie Cole 532 Peoria Road Pavilion, New York 14525
Date of Lease	01/20/06
Date of Expiration	01/19/21
Name of Project	Koike Aronson, Inc. AMENDED
Address of Owner	635 West Main Street Arcade, New York 14009
Date of Lease	02/26/07 Date Amended 12/23/13
Date of Expiration	02/25/17 Amended new term 12/22/23
Name of Project	Noble Bliss Wind Park, LLC
Address of Owner	7294 Centerville Road Bliss, New York 14024
Date of Lease	04/23/07
Date of Expiration	06/30/23 (plus 5)
Name of Project	Noble Wethersfield Windpark, LLC
Address of Owner	7294 Centerville Road Bliss, New York 14024
Date of Lease	05/14/08
Date of Expiration	06/30/24 (plus 5)
Name of Project	Sheldon Energy, LLC
Address of Owner	One South Wacker Drive, Suite 2020 Chicago, IL 60606
Date of Lease	09/10/08
Date of Expiration	09/30/24 (plus 5)
Name of Project	Krog Corp/ Arcade REHC 1
Address of Owner	The Krog Corporation 4 Centre Drive Orchard Park, New York 14127
Date of Lease	10/3/08 Amendment 02/24/17
Date of Expiration	12/31/19 New Expiration 12/31/27
Name of Project	Drasgow, Inc.
Address of Owner	Karl Drasgow Varysburg, New York 14167
Date of Lease	12/07/06
Date of Expiration	02/21/14 New Expiration 12/06/26
Name of Project	Snyder Corp./ Biggest Loser Niagara
Address of Owner	Name Change- Beaver Hollow Wellness , LLC Six Fountain Drive Property: 1083 Pit Road Buffalo, NY 14202 Java, New York
Date of Lease	09/28/12
Date of Expiration	09/27/22

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY
AS OF DECEMBER 31, 2021 (CONTINUED)**

Name of Project 3208 Route 39, LLC (LVM Materials)
Address of Owner 3200 Route 39
Bliss , New York 14024
Date of Lease 08/31/12
Date of Expiration 08/30/22

Name of Project Stony Creek Energy, LLC
Address of Owner One South Wacker Drive, Suite 1900
Chicago, Illinois 60606
Date of Lease 03/01/13
Date of Expiration 12/31/29 (plus 5)

Name of Project Perry Holding Company, LLC
Address of Owner 3180 Route 246
Perry, New York 14530
Date of Lease 10/01/13
Date of Expiration 12/31/25

Name of Project Maple Grove- Hobin's
Address of Owner 7075 Route 98
Arcade, New York 14009
Date of Lease 12/23/13
Date of Expiration 12/22/23

Name of Project Arcade & Attica Railroad
Address of Owner 278 Main Street
Arcade, New York 14009
Date of Lease 2/21/2014 Date Amended 2/1/16
Date of Expiration 4/1/2020 amendment extention 5/31/22

Name of Project Paddock Properties, LLC
Address of Owner 440 Commerce Way
Warsaw, New York 14569
Date of Lease 03/19/14
Date of Expiration 03/18/24

Name of Project Center Street Business Center, LLC
Address of Owner 36 Center Street
Warsaw, New York 14569
Date of Lease 07/16/14
Date of Expiration 12/31/31

Name of Project CFI Properties, Inc. (Creative Food Ingredients)
Address of Owner 1 Lincoln Ave.
Perry, New York 14530
Date of Lease 01/01/15
Date of Expiration 05/31/27

Name of Project Maple Pro, Inc. (CDL USA)
Address of Owner 3 Lemnah Drive
St. Albans, Vermont 05478
Date of Lease 02/01/15
Date of Expiration 05/31/26

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY
AS OF DECEMBER 31, 2021 (CONTINUED)**

Name of Project Alpine Acres, LLC (East Hill Creamery)
Address of Owner 5840 Route 20A,
Warsaw, New York 14569
Date of Lease 07/01/15
Date of Expiration 05/31/27

Name of Project Marquart Realty, LLC
Address of Owner 5195 Route 19
Gainesville, New York 14066
Date of Lease 12/01/16
Date of Expiration 12/31/27

Name of Project RM4 Holdings, LLC (Calamar)
Address of Owner 3949 Forest Parkway, Suite 100
Wheatfield, New York 14120
Date of Lease 03/20/17
Date of Expiration 12/31/28

Name of Project 73 Main Street Associates
Address of Owner 101 Main Street
Mount Morris, New York 14510
Date of Lease 12/01/18
Date of Expiration 05/31/35

Name of Project CFI Properties, Inc
Address of Owner 4-3470 Laird Road
Mississauga, ON L5L 5Y4 Canada
Date of Lease 02/01/19
Date of Expiration 05/31/31

Name of Project Laken Holdings, LLC
Address of Owner 4101 Traber Road
Silver Springs, New York 14550
Date of Lease 02/01/19
Date of Expiration 12/31/34

Name of Project Texas Brine New York, LLC
Address of Owner 1346 Saltvale Road
Wyoming, New York 14591
Date of Lease 02/01/19
Date of Expiration 12/31/29

Name of Project Indus 19, LLC
Address of Owner 950 Panoramic Trail South
Rochester, New York 14625
Date of Lease 09/12/19
Date of Expiration 12/31/35

Name of Project JC Equipment Rentals, LLC
Address of Owner 6918 Halvorsen Road
Portageville, New York 14536
Date of Lease 12/01/20
Date of Expiration 12/31/36

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF WYOMING COUNTY, NEW YORK)
SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY
AS OF DECEMBER 31, 2021 (CONTINUED)**

Name of Project	Drasgow, Inc.
Address of Owner	4150 Poplar Tree Road Varysburg, NY 14167
Date of Lease	10/01/21
Date of Expiration	02/28/32
Name of Project	Kal-Kenna / Dream Lake Campground
Address of Owner	4391 Old Buffalo Road Warsaw, NY 14569
Date of Lease	10/01/21
Date of Expiration	02/28/37
Name of Project	NY Pike I
Address of Owner	560 Davis Street , Suite 250 San Francisco, CA 94111
Date of Lease	11/01/21
Date of Expiration	02/28/42
Name of Project	NY Pike II
Address of Owner	560 Davis Street , Suite 250 San Francisco, CA 94111
Date of Lease	11/01/21
Date of Expiration	02/28/42
Name of Project	NY Pike III
Address of Owner	560 Davis Street , Suite 250 San Francisco, CA 94111
Date of Lease	11/01/21
Date of Expiration	02/28/42
Name of Project	NY Pike IV
Address of Owner	560 Davis Street , Suite 250 San Francisco, CA 94111
Date of Lease	11/01/21
Date of Expiration	02/28/42
Name of Project	Romesser Holdings, LLC
Address of Owner	3 Hurdville Road Arcade, New York 14009
Date of Lease	11/01/21
Date of Expiration	02/28/32

INTERNAL CONTROL AND COMPLIANCE

**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 of the
Wyoming County Industrial Development Agency

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 Wyoming County Industrial Development (the Agency), a component unit of Wyoming County, New York, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon March 22, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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 the 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Freed Maxick CPAs, P.C.

Batavia, New York
March 22, 2022