

TOWN OF PLATTSBURGH
LOCAL DEVELOPMENT CORPORATION, INC.

Financial Statements and
Independent Auditors' Report

December 31, 2022 and 2021

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 9
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	10 - 11

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Town of Plattsburgh Local
Development Corporation, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Town of Plattsburgh Local Development Corporation, Inc., (the Corporation) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation 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 Corporation's ability to continue as a going concern within one year after the date of the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 audits.
- 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 audits 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 Corporation'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 Corporation's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 6, 2023 on our consideration of the Corporation'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 Corporation'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 Corporation's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
April 6, 2023

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Statements of Financial Position

December 31, 2022 and 2021

	<u>Assets</u>	<u>2022</u>	<u>2021</u>
Cash and equivalents		\$ 247,086	<u>251,727</u>
	<u>Net Assets</u>		
Net assets without donor restrictions		\$ 247,086	<u>251,727</u>

See accompanying notes to financial statements.

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Statements of Activities

Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenue - bank interest	\$ 109	111
Expenses - management and general	<u>4,750</u>	<u>3,900</u>
Change in net assets without donor restrictions	(4,641)	(3,789)
Net assets without donor restrictions at beginning of year	<u>251,727</u>	<u>255,516</u>
Net assets without donor restrictions at end of year	<u>\$ 247,086</u>	<u>251,727</u>

See accompanying notes to financial statements.

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Statements of Functional Expenses

Years ended December 31, 2022 and 2021

	2022			2021		
	<u>Program services</u>	<u>Management and general</u>	<u>Total</u>	<u>Program services</u>	<u>Management and general</u>	<u>Total</u>
Professional fees	\$ -	4,750	4,750	-	3,900	3,900

See accompanying notes to financial statements.

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Statements of Cash Flows

Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities - change in net assets without donor restrictions	\$ (4,641)	(3,789)
Cash and equivalents at beginning of year	<u>251,727</u>	<u>255,516</u>
Cash and equivalents at end of year	<u>\$ 247,086</u>	<u>251,727</u>

See accompanying notes to financial statements.

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

(1) Summary of Significant Accounting Policies

(a) Organization

The Town of Plattsburgh Local Development Corporation, Inc. (the Corporation) was incorporated in March, 2005 under the Not-for-Profit Law of the State of New York for the purpose of relieving and reducing unemployment by promoting and providing job opportunities and to encourage the development or retention of industry in the Town of Plattsburgh, New York. This is accomplished by making loans to local businesses and obtaining grants to enhance redevelopment, as well as further development of the Town.

(b) Basis of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

(c) Basis of Presentation

The Corporation's financial statements are presented in accordance with the provisions of (ASU) 2016-14 - "Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities." As a result, the Corporation reports information regarding its net assets and changes therein in the following categories: net assets without donor restrictions represents resources available for the general support of the Corporation's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Corporation or are required to be held in perpetuity. The Corporation had only net assets without donor restrictions in 2022 and 2021.

(d) Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Accordingly, actual events and results could differ from those assumptions and estimates.

(e) Cash and Equivalents

For purposes of the statements of cash flows, the Corporation considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

TOWN OF PLATTSBURGH LOCAL DEVELOPMENT CORPORATION, INC.

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(f) Concentrations of Credit Risk

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist principally of cash. The Corporation maintains its cash balances in two financial institutions. The accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation at each institution. At December 31, 2022 and 2021, the Corporation had no uninsured deposits.

(g) Contributed Nonfinancial Assets

The Corporation operates in the Town's office and, as such, utilizes office space made available to it. The cost services associated with such arrangements are determined to be immaterial and therefore no amounts are recognized in the accompanying financial statements based on fair value of the space received.

(h) Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs including accounting fees, have been allocated directly to the programs and supporting services benefited.

(i) Income Taxes

The Corporation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code); therefore, no provision for income taxes is reflected in the financial statements. The Corporation has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Corporation presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Corporation has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Corporation are subject to examination by taxing authorities.

(j) Subsequent Events

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

(2) Liquidity

The Corporation has \$247,086 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of cash and equivalents. None of these financial assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2022 statement of financial position date.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
Town of Plattsburgh Local
Development Corporation, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Town of Plattsburgh Local Development Corporation, Inc. (the Corporation) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 6, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

EFPR Group, CPAs, PLLC

Williamsville, New York
April 6, 2023