ONONDAGA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
335 MONTGOMERY STREET, FLOOR 2M, SYRACUSE, NY 13202
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Audit Committee Meeting Agenda
March 14, 2024

8:30 A.M. Call to Order Meeting of the Audit Committee
Janice Herzog, Cydney Johnson & Patrick Hogan

1. Approval of the Minutes of the October 12, 2023 Meeting of the Audit Committee

Action Items:

Review and discuss the 2023 Audit of the Agency. Determine a recommendation to be made to the Agency board.

Committee Action Requested:

a. A resolution of the Committee's recommendation to the full OCIDA Board regarding the 2023 Audit of the Agency.

Representative: Mike Lisson, Auditor, Grossman St. Amour CPAs

Adjourn

Onondaga County Industrial Development Agency
Audit Committee Meeting Minutes
October 12, 2023

An Audit Committee meeting of the Onondaga County Industrial Development Agency was held on Thursday, October 12, 2023, at the 335 Montgomery Street, Floor 2M, Syracuse, New York.

Chairperson Janice Herzog called the meeting to order at 8:35 am with the following:

PRESENT:
Janice Herzog
Cydney Johnson
Patrick Hogan

ALSO PRESENT:
Robert M. Petrovich, Executive Director
Nate Stevens, Treasurer
Nancy Lowery, Secretary
Karen Doster, Recording Secretary
Alexis Rodriguez, Assistant Treasurer
Jeff Davis, Barclay Damon Law Firm
Amanda Fitzgerald, Barclay Damon Law Firm
Len Rauch, Office of Economic Development
Mike Lisson, Grossman St. Amour PLLC
Brianah Lane, Grossman St. Amour PLLC

APPROVAL OF AUDIT MEETING MINUTES – MARCH 23, 2023

Upon a motion by Cydney Johnson, seconded by Patrick Hogan, the OCIDA Audit Committee approved the minutes of the March 23, 2023 meeting. Motion was carried.

PRELIMINARY AUDIT REVIEW

Mike Lisson stated there are not a lot of major changes in the accounting and audit standards applied to conducting the audit. He stated he does not expect major process changes. He stated they work with the staff over the course of the year so they are aware of things. He stated they will be done and ready to issue by mid-March timeframe.

SELF-EVALUATION OF THE COMMITTEE

Upon a motion by Patrick Hogan, seconded by Cydney Johnson, 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 Cydney Johnson, 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 (2023 FISCAL YEAR)

Nancy Lowery gave a short review of the Annual Report.

Upon a motion by Cydney Johnson, seconded by Patrick Hogan, the OCIDA Audit Committee approved a resolution to transmit the 2023 Committee Annual Report to the Governance Committee for review and recommendation to the Board. Motion was carried.

ADJOURN

Upon a motion by Patrick Hogan, seconded by Cydney Johnson, the OCIDA Audit Committee adjourned the meeting at 8:04 am. Motion was carried.

Nancy Lowery, Secretary

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

December 31, 2023 and 2022

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

Table of Contents

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, 2023 and 2022, 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, 2023 and 2022, 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 14, 2024, 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 14, 2024

This section of the Onondaga County Industrial Development Agency's (the Agency), a discretely presented component unit of Onondaga County, New York (the County), and the annual financial report presents our discussion and analysis of the Agency's financial performance during the year ended December 31, 2023. 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

	December 31,		
	2023	2022	2021
Cash and cash equivalents	$ 6,329,946	$ 4,051,978	$ 2,975,229
Receivables - agency fees	293,448	417,245	282,570
Receivables - White Pines pass through	2,027,442	209,113	-
Receivables - PILOT pass through	-	32,471	32,765
Capital assets	2,746,373	4,766,163	4,488,414
Investment in real property	30,756,703	29,508,083	6,180,006
Total assets	42,153,912	38,985,053	13,958,984
Current liabilities	2,304,600	624,164	749,875
Note payable to Onondaga County	29,902,708	25,888,840	1,747,910
Total liabilities	32,207,308	26,513,004	2,497,785
Net position:			
Net investment in capital assets	2,746,373	4,766,163	4,488,414
Unrestricted	7,200,231	7,705,886	6,972,785
Total net position	$ 9,946,604	$ 12,472,049	$ 11,461,199

FINANCIAL STATEMENTS (continued)

The change in assets, liabilities and net position categories for the year ended December 31, 2023 compared to December 31, 2022 included the following:

- Total operating cash increased $1,996,465 due to current operations, which included an increase of cash from Agency fees of $676,317. The Agency spent $797,878 in cash expenses which is a decrease of $1,059,968 from 2022.

- 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 spent $2,679,472 for these purchases of in real property during 2023.

- Current liabilities increased $1,680,436, primarily due to the timing of professional fees related to the White Pine Commerce Park site, offset by a decrease of $105,404 of an escrow for an Agency project.

- The note payable to Onondaga County of $29,902,708 represents the advances and accrued interest against a note agreement entered into with Onondaga County in 2021 (amended in 2022) which provides up to $45,000,000 of available credit to assist the Agency in funding its program incentives, projects, asset development and work related improvements. The primary use of the advances are related to the White Pine Commerce Park.

- The Agency's total net position increased $386,643. Operating revenues exceeded operating expenses by $1,971,072 in the current year, a net increase of $476,144 from prior year. Operating expenditures totaling $5,969,266 primarily consists of White Pine Commerce Park pass-through expenses totaling $5,269,792 and development costs totaling $265,961 which decreased $459,967 compared to 2022. General and administrative expenses totaling $251,285 primarily consist of ordinary business expenses of the Agency, such as rent, professional fees and other Agency related expenses.

Condensed Comparative Financial Information (continued)

	December 31,		
	2023	2022	2021
Operating revenues	$ 17,432,835	$ 2,887,193	$ 2,334,950
Operating expenses	15,461,763	1,392,265	326,923
Operating income (loss)	1,971,072	1,494,928	2,008,027
Other revenues (expenses)	(4,496,517)	(484,078)	(1,390)
Change in net position	(2,525,445)	1,010,850	2,006,637
Net position - beginning of year	12,472,049	11,461,199	9,454,562
Net position - end of year	$ 9,946,604	$ 12,472,049	$ 11,461,199

Change in financial categories between the year ended December 31, 2023 and the year ended December 31, 2022 include the following:

- Operating Revenues increased $5,053,145, net in 2023 compared to an increase of $552,243, net in 2022. This was primarily due to the following: 1) Increase in overall Agency fees received of $417,845 compared to 2022. Significant Agency fees included $276,362 from QP2 Properties, LLC and $209,979 from Bluefors Inc. 2) Decrease in subsidies, grants and donations of $488,218, mainly due to $373,811 of grants from a utility company in 2022 for work related to the White Pine Commerce Park which were not recurring transactions in 2023 and 3) Increase of pass-through income of $5,060,679 compared to 2022 for services primarily related to White Pine Commerce Park that will be reimbursed by a Company that will utilize the Park.

- Operating Expenses increased $4,577,001, net in 2023. This was primarily due to an increase of pass-through expenses of $5,060,679 compared to 2022 for services primarily related to White Pine Commerce Park that will be reimbursed by a Company that will utilize the Park. In addition, development costs at the White Pine Commerce Park decreased $459,967 compared to 2022.

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, 2023, the Agency received $2,686,827 from agency and other fees, an increase of $676,317 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 2023 and 2022, the County did not charge the Agency for the expenses incurred.

Capital Assets and Investment in Real Property

As of December 31, 2023, the Agency's investment in capital assets was $2,746,373, net of depreciation. The Agency's capital assets include White Pine South ($2,140,557) and other land (800 Hiawatha Blvd) and furniture and fixtures. In 2023, the Agency sold property on North Salina Street.

Investment in real property of $30,756,703 consists of land and related costs related to the White Pine Commerce Park, representing a net increase of $1,248,620 compared to 2022. The Agency had purchases of $2,679,472 in 2023, offset by reclassifications and costs expensed during the current year totaling $1,430,852.

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, 335 Montgomery Street, 2nd Floor, 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

	December 31,	
	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents - unrestricted	**$ 6,329,946**	$ 4,051,978
Receivables - agency fees	**293,448**	417,245
Receivables - White Pines pass through	**2,027,442**	209,113
Receivables - PILOT pass through	**-**	32,471
Total current assets	**8,650,836**	4,710,807
Non-current assets		
Capital assets, net	**2,746,373**	4,766,163
Investment in real property	**30,756,703**	29,508,083
Total non-current assets	**33,503,076**	34,274,246
Total assets	**$ 42,153,912**	$ 38,985,053
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable	**$ 500**	$ 10,200
Payables - White Pines pass through	**2,027,442**	199,431
Payables - PILOT pass through	**-**	32,471
Escrows and deposits	**276,658**	382,062
Total current liabilities	**2,304,600**	624,164
Non-current liabilities		
Note payable to Onondaga County, including accrued interest	**29,902,708**	25,888,840
Total non-current liabilities	**29,902,708**	25,888,840
Total liabilities	**32,207,308**	26,513,004
Net investment in capital assets	**2,746,373**	4,766,163
Unrestricted Net Position	**7,200,231**	7,705,886
Total net position	**9,946,604**	12,472,049
	$ 42,153,912	$ 38,985,053

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,	
	2023	2022
Operating revenue:		
Agency and other fees	**$ 2,563,030**	$ 2,145,185
Pass-through income - White Pines	**5,269,792**	209,113
Pass-through income - PILOT	**9,492,497**	9,223,618
Rent income	**19,767**	11,500
Subsidies, grants, and donations	**19,709**	507,927
Other income	**68,040**	13,468
Total operating revenues	**17,432,835**	12,110,811
Operating expenses:		
General and administrative	**251,285**	338,064
Development costs - White Pines	**265,961**	725,928
Pass-through expense - White Pines	**5,269,792**	209,113
Pass-through expense - PILOT	**9,492,497**	9,223,618
Depreciation expense	**7,018**	16,898
Professional fees	**143,260**	69,300
Other expenses	**2,053**	4,106
Seminars and meetings	**29,897**	28,856
Total operating expenses	**15,461,763**	10,615,883
Operating income	**1,971,072**	1,494,928
Non-operating income (expenses):		
Interest income	**93,826**	2,449
Interest expense	**(1,334,395)**	(486,527)
Loss on sale of property	**(343,860)**	-
Change in use of real property	**(2,912,088)**	-
Total non-operating income (expenses)	**(4,496,517)**	(484,078)
Change in net position	**(2,525,445)**	1,010,850
Net position - beginning of the year	**12,472,049**	11,461,199
Net position - end of year	**$ 9,946,604**	$ 12,472,049

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, 2023	2022
Cash flows from operating activities		
Cash received for agency and other fees	**$ 2,686,827**	$ 2,010,510
Cash received for White Pines Commerce Park Development	**3,451,463**	-
Cash received for PILOTs	**9,524,968**	9,191,147
Cash received for grants	**19,709**	507,927
Cash received for rent and other fees	**87,807**	24,968
Cash received for escrows, net	**-**	357,062
Cash paid for White Pines Commerce Park Development	**(3,441,781)**	(9,682)
Cash paid for PILOTs	**(9,524,968)**	(9,191,147)
Cash paid for economic development	**(265,961)**	(725,928)
Cash payments for professional services	**(143,260)**	(69,300)
Cash payments for general and administrative expenses	**(260,985)**	(1,019,974)
Cash payments from escrows	**(105,404)**	-
Cash payments for other operating expenses	**(2,053)**	(4,106)
Cash paid for seminars and meetings	**(29,897)**	(28,856)
Net cash flows from operating activities	**1,996,465**	1,042,621
Cash flows from capital and related financing activities		
Proceeds from note payable to Onondaga County	**2,679,473**	23,654,403
Proceeds from sale of property	**187,676**	-
Purchases of capital assets	**-**	(294,647)
Purchases of investments in real property	**(2,679,472)**	(23,328,077)
Net cash flows from capital and related financing activities	**187,677**	31,679
Cash flows from noncapital financing activities		
Net cash received for interest on notes outstanding	**-**	2,449
Net cash flows from noncapital financing activities	**-**	2,449
Cash flows from investing activities		
Proceeds from interest on bank deposits	**93,826**	-
Net cash flows from investing activities	**93,826**	-
Change in cash and cash equivalents	**2,277,968**	1,076,749
Cash and cash equivalents - beginning of year	**4,051,978**	2,975,229
Cash and cash equivalents - end of year	**$ 6,329,946**	$ 4,051,978

The accompanying notes are an integral part of these financial statements

Statements of Cash Flows (continued)

	Years Ended December 31,	
	2023	2022
Reconciliation of operating income to net cash flows from Operating activities:		
Operating income	**$ 1,971,072**	$ 1,494,928
Adjustment to reconcile operating income to net cash flow from operating activities:		
Depreciation	**7,018**	16,898
Changes in:		
Receivables - agency fees	**123,797**	(134,675)
Receivables - White Pines pass through	**(1,818,329)**	(209,113)
Receivables - PILOT pass through	**32,471**	294
Accounts payable	**(9,700)**	(681,910)
Payables - White Pines pass through	**1,828,011**	199,431
Payables - PILOT pass through	**(32,471)**	(294)
Escrows and Deposits	**(105,404)**	357,062
Net cash flows from operating activities	**$ 1,996,465**	$ 1,042,621

The accompanying notes are an integral part of these 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.

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, 2023 and 2022.

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, 2023 and 2022.

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. The Agency expenses capitalized costs incurred and to be incurred that exceed the estimated value of any revised development when it is substantially complete and ready for its intended use. These revisions resulted in the Agency recognizing an expense of $1,595,007 of previously capitalized and incurred costs.

At December 31, 2023, investment in real property consists of land related to the White Pine Commerce Park purchased with the intention to expand the Park to approximately 1,300 acres to meet the larger geographic footprint necessary to support future development. The investment in real property balance of $30,756,703 at December 31, 2023 represents the total purchase price of the land.

Additions to investment in real property during 2023 totaled $4,984,184, comprised of land purchased during 2023 of $2,679,472 and parcels reclassified from capital assets of $2,304,712. In addition, certain parcels of land totaling $2,140,557 were reclassified to capital assets land - White Pine South.

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.

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. 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 many 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.

In accordance with New York State General Municipal Law, the Agency has instituted a Recapture Policy (last revised 9/15/20) 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.

3. Tax Abatement Programs (continued)

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, 2023 and 2022:

	December 31, 2023			
	Abatement			
Project	Mortgage	Sales	PILOT	Total
Wallace Supply, LLC d/b/a JSWG Supply, LLC	$ 24,000	$ 182,000	$ 161,989	$ 367,989
QP2 Properties, LLC	166,418	1,347,857	-	1,514,275
Syracuse Haulers Waste Removal, Inc.	10,804	205,167	124,163	340,134
CVE US EI4 North, LLC	31,725	188,000	-	219,725
CVE US EI5 Manlius East, LLC	111,375	660,000	-	771,375
CVE US EI6 Manlius West, LLC	99,394	589,000	-	688,394
	$ 443,716	$ 3,172,024	$ 286,152	$ 3,901,892

	December 31, 2022			
	Abatement			
Project	Mortgage	Sales	PILOT	Total
Fayette Manlius, LLC	$ 66,825	$ 228,800	$ 1,841,278	$ 2,136,903
Immediate Mailing Services, Inc.	3,600	88,000	31,661	123,261
J.W. Didado Electric, LLC	51,479	323,000	303,658	678,137
1046 Old Seneca Turnpike, LLC	143,287	1,084,800	-	1,228,087
Cryomech, Inc.	105,200	637,934	324,042	1,067,176
Peregrine	92,326	350,000	1,080,029	1,522,355
Baldwinsville Senior Housing Preservation	-	-	8,722,137	8,722,137
	$ 462,717	$ 2,712,534	$ 12,302,805	$ 15,478,056

4. 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.

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.

4. Deposits with Financial Institutions and Investments (continued)

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 $6,365,448 and $3,172,022 in cash and cash equivalents at December 31, 2023 and 2022, 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.

5. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non depreciable land:				
White Pine Commerce Park	$ 3,621,793	$ -	$ (3,621,793)	$ -
White Pine South	-	2,140,557	-	2,140,557
435 North Salina	17,084	-	(17,084)	-
800 Hiawatha	604,840	-	-	604,840
Subtotal	4,243,717	2,140,557	(3,638,877)	2,745,397
Depreciable:				
Buildings	634,422	-	(634,422)	-
Furniture and Fixtures	6,018	-	-	6,018
Subtotal	640,440	-	(634,422)	6,018
Total capital assets	4,884,157	2,140,557	(4,273,299)	2,751,415
Accumulated depreciation:				
Buildings	113,870	6,100	(119,970)	-
Furniture and Fixtures	4,124	918	-	5,042
Total	117,994	7,018	(119,970)	5,042
Net capital assets	$ 4,766,163	$ 2,133,539	$ (4,153,329)	$ 2,746,373

5. **Capital Assets** (continued)

Capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non depreciable land:				
White Pine Commerce Park	$ 3,327,146	$ 294,647	$ -	$ 3,621,793
435 North Salina	17,084	-	-	17,084
800 Hiawatha	604,840	-	-	604,840
Subtotal	3,949,070	294,647	-	4,243,717
Depreciable:				
Buildings	634,422	-	-	634,422
Furniture and Fixtures	6,018	-	-	6,018
Subtotal	640,440	-	-	640,440
Total capital assets	4,589,510	294,647	-	4,884,157
Accumulated depreciation:				
Buildings	97,603	16,267	-	113,870
Furniture and Fixtures	3,493	631	-	4,124
Total	101,096	16,898	-	117,994
Net capital assets	$ 4,488,414	$ 277,749	$ -	$ 4,766,163

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. Land acquisition related to the White Pine Commerce Park is included in investment in real property. During 2023, the Agency reclassified $2,304,711 to investment in real property. As discussed in Note 2, the Agency expenses capitalized costs incurred and to be incurred that exceed the estimated value of any revised development when it is substantially complete and ready for its intended use. These revisions resulted in the Agency recognizing an expense of $1,317,081 pertaining to previous capital assets.

In addition, on February 9, 2023, the Agency's board approved the sale of its property at 435 North Salina Street. As of December 31, 2022, the net book value of this property was $537,636. The net book value of this property was $531,535 as of June 22, 2023, the date of sale. The Agency received $187,676, net, for the sale, resulting in a loss on sale of property of $343,860.

6. Agency-Induced Financings

The total amount of industrial development, civic facility and pollution control financing issued through the Agency outstanding as of December 31, 2023 amounted to approximately $64,797,397. 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.

7. 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. There were no funds committed by the Agency for the year ended December 31, 2023. There were no outstanding support service expenses due at December 31, 2023 and 2022.

8. 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 $64,797,397 and $68,417,784 at December 31, 2023 and 2022, 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.

9. 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 $9,489,588 and $9,220,708 of PILOT payments passed through the Agency for the years ended 2023 and 2022, respectively. At December 31, 2023, there were no PILOT payments outstanding. Total due to other governments was $32,471 at December 31, 2022.

10. 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.

On October 27, 2022, the Note was amended whereby the total available was increased to $45,000,000. The Note requires the Agency to comply with certain federal regulations as the monies from Onondaga County were from the American Rescue Plan Act (“ARPA”). The Agency is deemed a contractor as evidenced by the Note, therefore the Note is not classified as a subaward under 2 CFR §200.1.

The Agency received advances of $2,679,473 and $23,654,404 and incurred $1,334,395 and $486,527 of interest during 2023 and 2022, respectively. The annual mid-term applicable federal rates for December 2023 and 2022 was 5.03% and 4.34%, respectively. No excess application fees were received, therefore no payments were required. The entire principal received and interest incurred as of December 31, 2023 and 2022 are recorded as non-current liabilities on the statement of net position as the earliest demand date available to the County is October 2026. As of December 31, 2023 and 2022, the Agency’s note payable totaled $29,902,708 and $25,888,840, respectively, including accrued interest of $1,823,050 and $488,656, respectively.

11. Concentration of Credit Risk

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

12. Subsequent Events

In preparing the financial statements, management of the Agency has evaluated events and transactions for potential recognition or disclosure through March 14, 2024, the date the financial statements were available to be issued. 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, 2023

Project Number	Description of Financing	Closing Date	Interest at issuance	Current Interest Rate	Bonds Outstanding at January 1, 2023	Incurred During 2023	Paid During 2023	Bonds Outstanding at December 31, 2023	Term Ending Date
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
3101-95-01A	OCIDA Civic Facility Revenue Bonds (Discovery Center of Science and Technology Project) Series 1995	July 1, 1995	4.00%		2,333,615	-	209,500	2,124,115	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%	4.17%	4,695,000	-	305,000	4,390,000	6/1/2034
3101-15-08B	OCIDA Multi-Modal Revenue Bonds (G.A. Braun, Inc. Project) Series 2015A	December 15, 2015	2.03%	5.46%	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%	7.74%	1,240,200	-	306,123	934,077	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%	6.2876%	4,393,861	-	401,514	3,992,347	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			1,865,000	-	585,000	1,280,000	11/1/2025
3101-17-04B	OCIDA Tax-exempt Revenue Bonds (Old Thompson Road, LLC Project) Series 2017A/B	December 1, 2017		5.42%	9,131,108	-	258,250	8,872,858	12/1/2042
				Subtotal	$ 28,705,784	$ -	$ 2,065,387	26,640,397	

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, 2023

Project Number	Description of Financing	Closing Date	Interest at issuance	Current Interest Rate	Bonds Outstanding at January 1, 2023	Incurred During 2023	Paid During 2023	Bonds Outstanding at December 31, 2023	Term Ending Date
3101-04-11A	OCIDA Civic Facility Revenue Bonds (Manlius Library Project) Series 2005	April 28, 2005	4.00%	4.5%-4.625%	$ 665,000	$ -	$ 80,000	$ 585,000	12/15/2029
3101-07-13A	OCIDA Civic Facility Revenue Bonds (Marcellus Free Library Project) Series 2007	June 29, 2007	4.00%	4.6%	830,000	-	150,000	680,000	4/1/2027
3101-03-07A	OCIDA Civic Facility Revenue Bonds (Minoa Free Library Project) Series 2004A	February 1, 2004	5.00%	5.25-5.375%	535,000	-	35,000	500,000	2/1/2034
3101-07-21A	OCIDA Civic Facility Revenue Bonds (Onondaga Free Library Project) Series 2008	March 1, 2008	4.00%	0.80-4.00%	1,965,000	-	110,000	1,855,000	3/1/2037
3101-02-01A	OCIDA Civic Facility Revenue Bonds (Salina Free Library Project) Series 2002A	December 1, 2002	5.20%		240,000		55,000	185,000	12/1/2026
3101-05-15B	OCIDA Variable Rate Demand Civic Facility Revenue Bonds (Syracuse Research Corporation Project) Series 2005	December 14, 2005	7.70%	3.72%	7,940,000		785,000	7,155,000	12/1/2031
3101-06-11B	OCIDA Variable Rate Demand Civic Facility Revenue Bonds (Syracuse Home Association Project) Series 2007	June 21, 2007	4.00%	3.64%	7,450,000	-	340,000	7,110,000	6/30/2027
3101-19-07A	OCIDA Multifamily Housing Revenue Bonds (Baldwinsville Senior Housing Preservation, LLC Project), Series 2022	May 18, 2022	4.00%	4.00%	20,087,000	-	-	20,087,000	12/1/2024
				Subtotal	$ 39,712,000	$ -	$ 1,555,000	$ 38,157,000	
		Carryforward subtotal - previous page			28,705,784	-	2,065,387	26,640,397	
			Grand Total		$ 68,417,784	$ -	$ 3,620,387	$ 64,797,397	

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CERTIFIED PUBLIC ACCOUNTANTS PLLC

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, 2023, 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 14, 2024.

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.

Grossman St Amour CPAs

Syracuse, New York
March 14, 2024

ONONDAGA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

POSITIVE ASSURANCE REPORT OVER INVESTMENT PRACTICES

December 31, 2023

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, 2023. 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, 2023.

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 14, 2024

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, 2023.

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, 2023.

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, 2023.

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, 2023.

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, 2023.

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, 2023.