

FINANCIAL REPORT
Audited
COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Rockland County, New York)
NEW CITY, NEW YORK
December 31, 2022

Audited for:

Board of Directors
County of Rockland Industrial Development Agency

Audited by:

RBT CPAs, LLP
11 Racquet Road
Newburgh, NY 12550
(845) 567-9000

TABLE OF CONTENTS

	Page
Independent Auditor’s Report on the Financial Statements	1-3
Management’s Discussion and Analysis (Unaudited)	4-6
Financial Statements:	
Statement of Net Position	7
Statement of Revenues, Expenses and Changes in Net Position	8
Statement of Cash Flows	9
Notes to the Financial Statements	10-14
Other Information:	
Schedule of Conduit Indebtedness	15
Schedule of Other Information	16-23
Other Reporting Required by <i>Government Auditing Standards</i>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	24-25
Schedule of Findings	26



LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
County of Rockland Industrial Development Agency
254 South Main Street
Suite 410
New City, NY 10956

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the County of Rockland Industrial Development Agency (the "Agency"), a component unit of Rockland County, New York, as of and for the year ended December 31, 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 County of Rockland Industrial Development Agency as of December 31, 2022 and the changes in financial position and its cash flows for the year 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* ("GAS"), 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

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; this includes 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 Responsibility 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 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 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 4-6 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.

Other Information

Management is responsible for the other information included on pages 15-23. The other information is comprised of the Schedule of Conduit Indebtedness and Schedule of Other Information. Our opinion on the basic financial statements does 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, 2023 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 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 Agency's internal control over financial reporting and compliance.

RBT CPAs, LLP

Newburgh, NY
March 22, 2023

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
STATEMENT OF NET POSITION**

The following Management’s Discussion and Analysis report (“MD&A”) provides the reader with an introduction to and overview of the financial activities and performance of the County of Rockland Industrial Development Agency (the “Agency”) for the years ended December 31, 2022 and 2021, as mandated by GASB #34. This information should be reviewed in conjunction with the Agency’s audited financial statements.

FINANCIAL POSITION SUMMARY

Net position serves as an indicator of the Agency’s financial position. The Agency’s net position was \$3,616,839 and \$2,575,081 at December 31, 2022 and 2021, respectively.

Right to Use Assets:

The Agency’s right to use assets as of December 31, 2022 totaled \$236,816 (net of accumulated amortization). These assets include office space and a copier.

Lease Obligations:

The Agency’s lease obligations for its governmental activities as of December 31, 2022 totaled \$244,388. These obligations represent the present value of the periodic lease payments for right to use assets discounted at the Agency’s cost of borrowing.

For details of the Agency’s finances, see the accompanying financial statements and notes thereof.

SUMMARY OF NET POSITION

	2022	2021	\$ Change	% Change
ASSETS				
Current Assets	\$ 3,871,836	\$ 2,812,676	\$ 1,059,160	37.66%
Non-Current Assets	294,290	57,123	237,167	100.00%
Total Assets	4,166,126	2,869,799	1,296,327	45.17%
LIABILITIES				
Current Liabilities	39,019	5,674	33,345	587.68%
Non-Current Liabilities	510,268	289,044	221,224	100.00%
Total Liabilities	549,287	294,718	254,569	86.38%
NET POSITION				
Net Investment in Capital Assets	46,987	54,208	(7,221)	-13.32%
Unrestricted	3,569,852	2,520,873	1,048,979	41.61%
Total Net Position	\$ 3,616,839	\$ 2,575,081	\$ 1,048,979	40.74%

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 STATEMENT OF NET POSITION**

FINANCIAL OPERATIONS HIGHLIGHTS

There was an increase in net position in 2022 of \$1,055,774, due to an increase in administrative and closing fees. There was an increase in net position in 2021 of \$118,974, due to an increase in administrative and closing fees.

Administrative and closing fee revenues increased by \$992,379 in 2022, as noted above, this was primarily the result of an increase in the number and sizes of new projects.

SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	2022	2021	\$ Change	% Change
<u>REVENUES</u>				
Administrative and Closing Fees	\$ 1,408,596	\$ 416,217	\$ 992,379	238.43%
Interest Earnings	21,964	26,826	(4,862)	-18.12%
Total Revenues	1,430,560	443,043	987,517	222.89%
<u>EXPENSES</u>				
Payroll and Benefits	227,359	187,629	39,730	21.17%
Administrative and Other Expenses	147,427	136,440	10,987	100.00%
Total Expenses	374,786	324,069	50,717	15.65%
Change in Net Position	\$ 1,055,774	\$ 118,974	\$ 936,800	-787.40%

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
STATEMENT OF NET POSITION**

FINANCIAL STATEMENTS

The Agency's financial statements are prepared in accordance with generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (the "GASB"). The Agency is structured as a proprietary fund. It is a component unit of Rockland County, New York because the County Legislature appoints the Agency's Board. Bonds issued through the Agency are not a liability of the County or the Agency, but remain the sole responsibility of the project developer. See the accompanying Notes to the Financial Statements.

CURRENTLY KNOWN FACTS, DECISIONS, AND CONDITIONS

The Agency continues to see strong activity in both attraction and expansion projects. The activity spans across a variety of business sectors, which reinforces the County's historic strength of having a diverse business community. It is anticipated that projects that were authorized by the Board in 2022 will close and begin construction during the course of 2023. These include significant projects in the warehouse/distribution and datacenter sectors, as well as in the affordable housing sector.

Going forward in 2023, the Agency anticipates another strong year. The data center cluster in the County continues to expand, with several new, major projects anticipated. Further, it is anticipated that multiple affordable housing projects will be considered by the Board, as well as growth in the County's pharmaceutical R&D and manufacturing sector.

Overall, the County's diverse business community helps ensure the County's resilience regardless of the volatility in both the national and global economies. Stability in the Agency's operations and Board continues to provide reliable and stable support to the economic development of the County.

REQUEST FOR INFORMATION

This financial report is designed to provide financial statement users with a general overview of the Agency's finances and to show the accountability for the money received. If you have questions about this report or need additional financial information, the Agency can be contacted directly at the following address: County of Rockland Industrial Development Corporation's Executive Director at 254 South Main Street, Suite 410, New City, New York, 10956.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
STATEMENT OF NET POSITION**

As of December 31	2022
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 1,972,214
Investments, Other	<u>1,899,622</u>
Total Current Assets	<u>3,871,836</u>
Non-Current Assets:	
Security Deposits	2,915
Capital Assets, Net (Note II)	54,559
Intangible Right to Use Assets (Note II)	<u>236,816</u>
Total Non-Current Assets	<u>294,290</u>
TOTAL ASSETS	<u>4,166,126</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	15,855
Lease Liability, Current Portion (Note III)	<u>23,164</u>
Total Current Liabilities	<u>39,019</u>
Non-Current Liabilities:	
NYS Bond Fee Payable	289,044
Lease Liability, Net of Current Portion (Note III)	<u>221,224</u>
Total Non-Current Liabilities	<u>510,268</u>
TOTAL LIABILITIES	<u>549,287</u>
NET POSITION	
Net Investment in Capital Assets	46,987
Unrestricted	<u>3,569,852</u>
TOTAL NET POSITION	<u>\$ 3,616,839</u>

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

For the Year Ended December 31	2022
Operating Revenues:	
Administrative and Closing Fees	<u>\$ 1,408,596</u>
Total Operating Revenues	<u>1,408,596</u>
Operating Expenses:	
Payroll	195,635
Payroll - Benefits	16,677
Payroll - Taxes	15,047
Professional Fees and Service Contracts	36,403
Occupancy	5,125
Information Technology	9,905
Insurance	5,306
Dues and Subscription	1,826
Meetings, Conferences and Travel Expenses	13,289
New Office Construction Costs	3,290
Office Expenses	4,803
Pension	18,241
Depreciation	6,922
Amortization Expense	28,947
Employment Advertising	<u>2,246</u>
Total Operating Expenses	<u>363,662</u>
Operating Income	<u>1,044,934</u>
Non-Operating Revenues/(Expenses):	
Interest Income	21,964
Interest Expense	<u>(11,124)</u>
Net Non-Operating Revenues	<u>10,840</u>
Change in Net Position	1,055,774
Net Position, Beginning, as previously stated	2,575,081
Prior Period Adjustment (Note VII)	<u>(14,016)</u>
Net Position, Beginning	<u>2,561,065</u>
Net Position, Ending	<u><u>\$ 3,616,839</u></u>

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
STATEMENT OF CASH FLOWS**

For the Year Ended December 31

2022

Cash Flows From Operating Activities:

Receipts From Providing Services	\$ 1,408,596
Payments to Vendors	(85,586)
Payments to Employees and Benefits	<u>(245,361)</u>

Net Cash Provided by Operating Activities 1,077,649

Cash Flows From Capital and Related Financing Activities:

Purchase of Fixed Assets	(7,954)
Lease Principal Payments	(21,401)
Lease Interest Payments	<u>(11,098)</u>

Net Cash Used in Capital Financing Activities (40,453)

Cash Flows From Investing Activities:

Proceeds from Certificates of Deposit Maturity	265,421
Interest Income	<u>1,556</u>

Net Cash Provided by Investing Activities 266,977

Net Increase in Cash and Cash Equivalents **1,304,173**

Cash and Cash Equivalents - Beginning 668,041

Cash and Cash Equivalents - Ending \$ 1,972,214

**Reconciliation of Operating Income/(Loss) to Net Cash Provided by/
(Used in) Operating Activities:**

Operating Income \$ 1,044,934

Adjustments to Reconcile Operating Loss to
Net cash Provided by Operating Activities:

Depreciation	6,922
Amortization	28,947

Changes in Assets and Liabilities:

Accounts Payable and Accrued Liabilities (3,154)

Net Cash Provided by/(Used in) Operating Activities \$ 1,077,649

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Purpose

The County of Rockland Industrial Development Agency in Poughkeepsie, New York (the “Agency”) is a public benefit corporation established in 1981, under the terms of Article 18-A, “New York State Industrial Development Agency Act” of New York State general municipal law.

The Agency was established to develop economically sound commerce and industry by providing financial incentives and inducements that will result in business establishment, relocation to or expansion in Rockland County.

The Agency’s function is to authorize the issuance of industrial revenue bonds and to provide property, mortgage, and sales tax exemptions, to private entities, in order to promote economic development. The Agency reviews and determines whether to recommend approval of those applicants wishing to obtain financing. The Agency receives application fees from applicants and closing fees from those accepted for industrial revenue financing, such fees are recorded when earned.

B. The Reporting Entity

The Agency is considered a component unit of the financial reporting entity known as Rockland County, New York. Inclusion in the financial reporting entity, Rockland County, New York, is determined based on financial accountability as defined by Governmental Accounting Standards Board (“GASB”) Statement No. 14, “The Financial Reporting Entity,” as amended. Component units are legally separate entities for which Rockland County, New York, is financially accountable. The Rockland County legislature appoints all of the Agency’s Board Members. This level of control meets the criteria for financial accountability as defined by GASB Statement No. 14, as amended.

C. Basis of Accounting

The financial statements of the Agency have been prepared in conformity with generally accepted accounting principles (“GAAP”), as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Under standards set by GASB, the Agency is considered a proprietary fund. Proprietary fund financial statements are prepared on the accrual basis of accounting, which records the financial effects of transactions and other events when these transactions and events occur. Revenues are recognized when they are earned and expenses are recognized when they are incurred. The measurement focus is the flow of economic resources.

D. Cash and Cash Equivalents

For the purpose of presenting the Statements of Cash Flows, the Agency considers all demand deposits, time and savings accounts and certificates of deposit with an original maturity of three months or less, to be cash or cash equivalents.

The Agency has adopted an investment policy in accordance with public authority law which is re-affirmed annually. Such policy defines the Agency’s investment objectives, authorization and collateralization procedures and monitoring of compliance with stated policies. As described below, the Agency is in compliance with such policies.

Agency monies are deposited in FDIC insured commercial banks or trust companies located within the State. The Agency is authorized to use demand deposit, time and money market savings accounts and certificates of deposit. Governmental Accounting Standards Board Statement No. 40 *Deposits and Investment Risk Disclosure*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, or collateralized by securities held by the Agency or its agent in the Agency’s name. The Agency’s cash balances were not fully collateralized with securities held by the Agency’s third party custodian and were subject to custodial credit risk.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. Investments - Other

Certificates of deposit held for investment that are not debt securities are included in "Investments – Other." Interest on certificate of deposits is recognized in income as earned.

F. Accounts Receivable

The Agency's accounts receivable consist generally of receivables for compliance fees and overpayments. The Agency reviews individual accounts based on past history and communication with payors to determine collectability, and has not identified any material un-collectible accounts. Accordingly, no allowance has been recorded as of December 31, 2022.

G. Leases

Lessee

The Agency is a lessee for a non-cancellable lease of office space and a copier. For leases with a maximum possible term of 12 months or less at commencement (short-term), the Agency recognizes lease expense based on the provisions of the lease agreement in the Statements of Revenues, Expenses, and Changes in Net Position. For all other leases, the Agency recognizes a lease liability and an intangible right-to-use leased asset in the Statements of Net Position.

At the commencement of a lease, the Agency initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

The leased asset is initially measured at the amount of the lease liability, less lease payments made on or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the leased asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. A full month of amortization is calculated in the month the leased asset is placed in service. If the Agency is reasonably certain of exercising a purchase option contained in a lease, the leased asset is amortized over the useful life of the underlying asset.

The following key estimates and judgments are used by the Agency to determine the following:

- Discount rate: The Agency generally uses a quoted bank borrowing rate as the discount rate to calculate the present value of the expected lease payments unless the rate that the lessor charges is known.
- Lease term: The lease term includes the noncancelable period of the lease, plus periods covered by either an Agency or lessor unilateral option to 1) extend when it is reasonably certain to be exercised, or 2) terminate when it is reasonably certain not to be exercised. Periods in which the Agency and the lessor have an option to terminate or those that are covered by a bilateral option, where both parties must agree, are excluded from the lease term.
- Lease payments: Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the Agency is reasonably certain to exercise.

The Agency monitors changes in circumstances that may require a remeasurement of a lease arrangement. When certain changes occur that are expected to significantly affect the amount of the lease liability, the liability is remeasured, and a corresponding adjustment is made to the lease asset.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. Use of Estimates

The preparation of basic 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 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. Accordingly, actual results could differ from those estimates.

I. Subsequent Events

The Agency evaluated subsequent events for disclosure and/or recognition in the financial statements from December 31, 2022 through March 22, 2023, the date on which the financial statements were available for issuance.

II. CAPITAL ASSETS

Capital assets are stated at cost, or the estimated fair market value if they are donated, and are depreciated using the straight-line method over the estimated useful lives of the assets. Capital assets consist of furniture and equipment with estimated useful lives of 7-10 years, and leasehold improvements with useful lives of 7 years. The right-to-use asset for leased office space is amortized using the straight-line method over 10 years and the leased copier is amortized using the straight-line method over 39 months.

Capital asset activity consisted of the following at December 31:

	BEGINNING BALANCE 12/31/2021	ADDITIONS	PRIOR PERIOD ADJUSTMENTS	ENDING BALANCE 12/31/2022
Depreciable Capital Assets:				
Furniture and Equipment	\$ 15,954	\$ 5,954	\$ -	\$ 21,908
Office Remodel	7,720	-	-	7,720
Leasehold Improvement	33,030	2,775	(775)	35,030
	<u>56,704</u>	<u>8,729</u>	<u>(775)</u>	<u>64,658</u>
Intangible Right-to-Use Assets:				
Leased Office Space	-	265,763	-	265,763
Total Cost	<u>-</u>	<u>265,763</u>	<u>-</u>	<u>330,421</u>
Less: Accumulated Depreciation	(2,496)	(6,922)	(681)	(10,099)
Less: Accumulated Amortization	-	(28,947)	-	(28,947)
Total Capital Assets, Net	<u>\$ (2,496)</u>	<u>\$ 238,623</u>	<u>\$ (1,456)</u>	<u>\$ 291,375</u>

For the year ended December 31, 2022, depreciation expense amounted to \$6,922. For the year ended December 31, 2022, amortization expense amounted to \$28,947.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 NOTES TO THE FINANCIAL STATEMENTS**

III. LEASES LIABILITY

The Agency is a lessee for a noncancellable lease for office space and a copier.

Effective January 1, 2022, the Corporation retrospectively implemented the guidance of GASB No. 87, *Leases*, for accounting and reporting leases that had previously been reported as operating leases.

The Agency leases office space for a term of 60 months with an option to extend an additional 60 months. The lease requires minimum monthly lease payments that vary from year to year as stated in the agreement. The lease was discounted using the Agency’s incremental borrowing rate, 4.39%, to calculate the lease liability. The leased office space and accumulated amortization of the right-to-use assets are outlined in Note II.

The Agency leases a copier for a term of 39 months. The lease requires minimum monthly lease payments of \$209 as stated in the agreement. The lease was discounted using the Agency’s incremental borrowing rate, 4.19%, to calculate the lease liability. The leased copier and accumulated amortization of the right-to-use assets are outlined in Note II.

Minimum lease payments are as follows:

	Principal		Interest		Total
2023	\$ 23,164	\$	10,148	\$	33,312
2024	24,828		9,100		33,928
2025	24,671		8,005		32,676
2026	25,782		6,908		32,690
2027	27,606		5,737		33,343
Thereafter	118,337		9,649		127,986
	<u>\$ 244,388</u>	<u>\$</u>	<u>49,547</u>	<u>\$</u>	<u>293,935</u>

IV. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At December 31, 2022, accounts payable and accrued liabilities consisted primarily of professional fees, payroll expenses and office expenses incurred of \$15,855.

V. CONDUIT DEBT - INDUSTRIAL REVENUE BONDS

To further economic development in the County, the Industrial Development Agency has issued bonds that provide capital financing to private-sector entities for the acquisition and construction of industrial and commercial facilities. The properties financed are pledged as collateral, and the bonds are payable solely from payment received from the private-sector entities on the underlying mortgage or promissory notes. In addition, no commitments beyond the collateral, the payments from the private-sector entities, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the Industrial Development Agency for any of those bonds. At December 31, 2022, the bonds have an aggregate outstanding principal amount payable of \$51,663,175.

While in most instances the Agency is the holder of legal title to properties acquired with industrial revenue bond financing until such point in time as the construction of property improvements has been completed or satisfaction of the obligation has been effected in full, the Agency does not act as a guarantor in the event that the properties and revenues specified as collateral in the applicable financing agreement are insufficient to meet debt service requirements. Accordingly, recourse on the part of the lending institution against the Agency is limited to those properties and revenues specified as collateral in the body of the applicable financing agreement.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS**

VI. RELATED PARTY TRANSACTIONS

Members of the Board of Directors of the Agency make up the Board of the Rockland County Economic Development Corporation, therefore the two entities are considered related parties. There were no related party transactions for the year ended December 31, 2022.

VII. PRIOR PERIOD ADJUSTMENTS

The Agency restated its opening net position for adjustments pertaining to accruals and accumulated depreciation. The Agency's net position has been restated as follows:

Net Position - Beginning as Previously Stated	\$ 2,575,081
Reverse Accruals Pertaining to Prior Years	(3,787)
Capital Asset Useful Life Correction	(681)
Record Payables Not Previously Recognized	<u>(9,548)</u>
Net Position - Beginning as Restated	<u>\$ 2,561,065</u>

VIII. NEW REPORTING STANDARDS

In June 2017, GASB issued Statement 87, *Leases*. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Agency implemented this standard for the year ended December 31, 2022.

The GASB has issued statements 94 through 101, with varying implementation dates, none of which are expected to have substantive effects on the Agency's net position.

OTHER INFORMATION

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF CONDUIT INDEBTEDNESS
 DECEMBER 31, 2022**

Project Name	Original Issue Amount	Original Issue Date	Outstanding Balance December 31, 2021	New Issue 2022	Principal Payments 2022	Outstanding Balance December 31, 2022	Final Maturity Date
Assisted Living at Northern Riverview	\$ 11,000,000	2012	\$ 5,265,000	\$ -	\$ -	\$ 5,265,000	2029
Cardiovascular Research Foundation	18,000,000	2004	12,195,000	-	820,000	11,375,000	2035
Northern Manor Multicare	13,985,000	2002	340,000	-	340,000	-	2032
Spring Valley Preservation	27,000,000	2021	27,000,000	-	-	27,000,000	2061
Spring Valley Preservation	7,410,000	2021	2,410,000	-	-	2,410,000	2025
Dominican College	6,855,000	2005	4,128,359	-	256,203	3,872,156	2035
Dominican College II	3,060,000	2005	1,856,215	-	115,196	1,741,019	2035
Totals	\$ 87,310,000		\$ 53,194,574	\$ -	\$ 1,531,399	\$ 51,663,175	

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022

PROJECTS

	39019901A Asst. Living at N Riverview	39010403A Cardiovascular Research Foundation	39010502A Dominican College	3901-21-01A Triangle Squared	3901-21-A06 Uneeda Enterprizes	39010201A Northern Manor Multicare
Tax Exemptions:						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ 162,989	\$ -
Real Property Tax*	-	-	-	205,923	-	-
TOTALS	\$ -	\$ -	\$ -	\$ 205,923	\$ 162,989	\$ -
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ -	\$ -	\$ 24,000	\$ -	\$ -
Local	-	-	-	24,000	-	-
School	-	-	-	72,000	-	-
TOTALS	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	48	15	67	252
Original Estimate of Jobs to be Created	44	29	16	5	22	0
Original Estimate of Jobs to be Retained	0	0	482	15	67	252
Current # of FTEs	54	181	274	12	65	231
# of FTE Construction Jobs During Fiscal Year	0	0	0	0	0	0
Net Employment Change	54	181	-208	-3	-2	-21

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022

	PROJECTS					
	3901-21-08A Spring Valley Preservation	3901-22-11A 12,14,16 N. Myrtle	3901-22-02A 22, 24, 26 N. Myrtle	3901-19-01a 2019 SQ Properties	3901-21-05A 59 Owner LLC	3901-22-01A Admirals Cove Holdings
Tax Exemptions:						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ 149,161	\$ 1,111,704
Real Property Tax*	-	-	-	138,322	-	114,993
TOTALS	\$ -	\$ -	\$ -	\$ 138,322	\$ 149,161	\$ 1,226,697
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local	-	-	-	11,259	-	-
School	-	-	-	53,839	-	73,423
TOTALS	\$ -	\$ -	\$ -	\$ 65,098	\$ -	\$ 73,423
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	6	0	0	50	0	0
Original Estimate of Jobs to be Created	0	0	0	10	10	15
Original Estimate of Jobs to be Retained	0	0	0	50	0	0
Current # of FTEs	6	0	0	65	0	7
# of FTE Construction Jobs During Fiscal Year	0	0	0	0	0	0
Net Employment Change	0	0	0	15	0	7

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022

PROJECTS

	<u>3901-22-05A Asahi Depository</u>	<u>39010301A Avon Products, Inc.</u>	<u>3901-13-06-A Bloomberg Data Center</u>	<u>3901-22-08A Braemar Assisted Living</u>	<u>3901-11-03 Cambridge Security Seals</u>	<u>3901-13-04-A Cerovene, Inc.</u>
Tax Exemptions:						
Sales Tax	\$ 496,832	\$ -	\$ -	\$ 18,919	\$ -	\$ -
Real Property Tax*	-	2,205,729	-	-	118,103	216,401
TOTALS	<u>\$ 496,832</u>	<u>\$ 2,205,729</u>	<u>\$ -</u>	<u>\$ 18,919</u>	<u>\$ 118,103</u>	<u>\$ 216,401</u>
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ 19,908	\$ -	\$ -	\$ 6,023	\$ -
Local	-	193,966	-	-	39,285	32,720
School	-	390,870	-	-	-	134,104
TOTALS	<u>\$ -</u>	<u>\$ 604,744</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,308</u>	<u>\$ 166,824</u>
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	14	274	0	0	2	9
Original Estimate of Jobs to be Created	0	70	80	88	30	64
Original Estimate of Jobs to be Retained	14	274	0	0	2	9
Current # of FTEs	1	151	168	0	51	32
# of FTE Construction Jobs During Fiscal Year	0	0	0	0	0	0
Net Employment Change	-13	-123	168	0	49	23

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022**

PROJECTS

	3601-17-01A Congers/ECD NY Inc.	3901-15-04A Crystal Run Healthcare	3901-11-02 Curti's Landscaping	3901-22-03A DataBank Holdings	3901-10-04-A Empire Executive Inn	3901-22-02A Friendship Ventures
Tax Exemptions:						
Sales Tax	\$ -	\$ -	\$ -	\$ 173,570	\$ -	\$ -
Real Property Tax*	86,674	411,657	63,005	-	256,210	-
TOTALS	\$ 86,674	\$ 411,657	\$ 63,005	\$ 173,570	\$ 256,210	\$ -
Payments in Lieu of Taxes (PILOTS):						
County	\$ 3,659	\$ 21,853	\$ 4,235	\$ -	\$ 22,929	\$ -
Local	13,207	78,877	15,288	-	21,838	-
School	36,946	233,048	42,103	-	172,241	-
TOTALS	\$ 53,812	\$ 333,778	\$ 61,626	\$ -	\$ 217,008	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	20	20	25	0	91	8
Original Estimate of Jobs to be Created	20	217	9	10	9	0
Original Estimate of Jobs to be Retained	20	20	25	0	91	8
Current # of FTEs	38	204	135	0	65	6
# of FTE Construction Jobs During Fiscal Year	2	0	8	0	0	0
Net Employment Change	18	184	110	0	-26	-2

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022

PROJECTS

	3901-14-04A H&H Renovations	3901-17-03A JP Morgan Chase Data Center	3901-09-02-A Liptis Pharmaceuticals	3901-14-06A Millennium Pipeline	3901-22-04A Momentive Performance Materials	3901-22-06A Morgan Stanley Services Group
Tax Exemptions:						
Sales Tax	\$ -	\$ 1,496,755	\$ -	\$ -	\$ -	\$ 291,452
Real Property Tax*	146,410	808,126	-	866,728	-	-
TOTALS	\$ 146,410	\$ 2,304,881	\$ -	\$ 866,728	\$ -	\$ 291,452
Payments in Lieu of Taxes (PILOTS):						
County	\$ 4,818	\$ -	\$ -	\$ 24,653	\$ -	\$ -
Local	45,457	92,933	-	38,347	-	-
School	56,555	380,894	-	252,000	-	-
TOTALS	\$ 106,830	\$ 473,827	\$ -	\$ 315,000	\$ -	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	0	0	80	0
Original Estimate of Jobs to be Created	0	5	21	0	0	4
Original Estimate of Jobs to be Retained	0	0	0	0	80	0
Current # of FTEs	0	25	21	0	0	0
# of FTE Construction Jobs During Fiscal Year	0	0	0	0	35	36
Net Employment Change	0	25	21	0	-80	0

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022**

	PROJECTS					
	<u>3901-14-05A</u> NRG Bowline	<u>3901-16-00A</u> Pearl River Campus	<u>3901-22-12A</u> RCD Park Landowner	<u>3901-14-03-A</u> Raymour & Flanigan	<u>3901-22-10A</u> TRHV	<u>3901-14-01A</u> Deluxe/Uovo
Tax Exemptions:						
Sales Tax	\$ -	\$ 275,773	\$ 700,000	\$ -	\$ -	\$ -
Real Property Tax*	-	5,312,600	-	1,239,191	-	-
TOTALS	<u>\$ -</u>	<u>\$ 5,588,373</u>	<u>\$ 700,000</u>	<u>\$ 1,239,191</u>	<u>\$ -</u>	<u>\$ -</u>
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ 309,600	\$ -	\$ 86,375	\$ -	\$ -
Local	-	875,970	-	86,838	-	-
School	-	3,314,430	-	742,194	-	-
TOTALS	<u>\$ -</u>	<u>\$ 4,500,000</u>	<u>\$ -</u>	<u>\$ 915,407</u>	<u>\$ -</u>	<u>\$ -</u>
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	0	0	0	0
Original Estimate of Jobs to be Created	0	3	15	0	50	5
Original Estimate of Jobs to be Retained	0	0	0	0	0	0
Current # of FTEs	0	6	0	339	0	1
# of FTE Construction Jobs During Fiscal Year	0	30	0	0	2	0
Net Employment Change	0	6	0	339	0	1

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022

PROJECTS

	3901-22-09A Washington Mews	3901-19-03A 2019 Pearl River Campus	3901-19-02A 2019 Premier Brands of America	3901-18-02A 2018 TZ Vista	3901-20-01A Instrumentation Laboratory	3901-21-03A Manhattan Beer Distributors II
Tax Exemptions:						
Sales Tax	\$ 199	\$ 275,773	\$ -	\$ -	\$ 185,695	\$ 1,732,010
Real Property Tax*	-	-	255,195	145,312	-	-
TOTALS	\$ 199	\$ 275,773	\$ 255,195	\$ 145,312	\$ 185,695	\$ 1,732,010
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local	-	-	27,304	17,932	-	-
School	-	-	111,908	82,491	-	-
TOTALS	\$ -	\$ -	\$ 139,212	\$ 100,423	\$ -	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	0	0	246	268
Original Estimate of Jobs to be Created	4	0	155	0	30	0
Original Estimate of Jobs to be Retained	0	0	0	0	246	261
Current # of FTEs	0	6	110	0	261	256
# of FTE Construction Jobs During Fiscal Year	0	30	0	0	0	0
Net Employment Change	0	6	110	0	15	-12

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 ROCKLAND COUNTY, NEW YORK
 SCHEDULE OF OTHER INFORMATION
 DECEMBER 31, 2022**

PROJECTS

	3901-21-01 New Antrim Pointe, LLC	3901-14-02A Ramland Holdings
Tax Exemptions:		
Sales Tax	\$ 285,554	\$ -
Real Property Tax*	-	-
TOTALS	\$ 285,554	\$ -
Payments in Lieu of Taxes (PILOTS):		
County	\$ -	\$ -
Local	-	-
School	-	-
TOTALS	\$ -	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:		
# FTEs before IDA status	7	0
Original Estimate of Jobs to be Created	7	10
Original Estimate of Jobs to be Retained	5	0
Current # of FTEs	2	12
# of FTE Construction Jobs During Fiscal Year	35	0
Net Employment Change	-5	12

* Real Property Tax Exemptions indicate the total amount for which a project would have been liable if the project occurred but the IDA was not involved.

**PARIS amounts may differ due to software constraints.

OTHER REPORTING REQUIRED by
GOVERNMENT AUDITING STANDARDS



LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

**INDEPENDENT AUDITOR’S 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**

Board of Directors
County of Rockland Industrial Development Agency
254 South Main Street
Suite 410
New City, NY 10956

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 County of Rockland Industrial Development Agency (the “Agency”), a component unit of Rockland County, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements, and have issued our report thereon dated March 22, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Agency’s internal control over financial reporting (internal control) to determine the 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 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 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 preceding paragraph 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as items 22-001 and 22-002.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RBT CPAs, LLP

Newburgh, NY
March 22, 2023

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
ROCKLAND COUNTY, NEW YORK
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2022**

A. Internal Control Findings

No internal control findings noted.

B. Compliance Findings

22-001 Collateralization

Condition: The Agency was not properly collateralized at December 31, 2022.

Criteria: General Municipal Law requires Agencies to have sufficient collateral to cover deposits in excess of FDIC coverage.

Cause: The banking institution did not provide collateralization for the checking account funds at year end and the Agency did not detect the issue timely.

Effect: The Agency's funds were under - collateralized and \$18,908 was susceptible to loss.

Recommendation: We recommend that the Agency review the collateral statements provided by the banking institution on a timely basis to ensure that the Agency's funds are properly collateralized.

22-002 2021 Annual Report

Condition: The Agency did not file its 2021 Annual Report by the April 1, 2022 deadline.

Criteria: The 2021 Annual Report is due to be filed within 90 days of year end under New York State Authority Budget Office ("ABO") regulations.

Cause: The Agency did not file timely.

Effect: The Agency's non-compliance could lead to enforcement actions against the Agency by the ABO.

Recommendation: We recommend that the Agency file timely in order to comply with ABO Regulations.

