

FINANCIAL REPORT
Audited
COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Rockland County, New York)
December 31, 2023

Audited for:

Board of Directors
County of Rockland Industrial Development Agency

Audited by:

RBT CPAs, LLP
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Newburgh, NY 12550
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COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY

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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 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 County of Rockland Industrial Development Agency as of December 31, 2023 and 2022 and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* ("Government Auditing Standards"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 28, 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, 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 28, 2024

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
 REQUIRED SUPPLEMENTARY INFORMATION
 MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**

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, 2023 and 2022, 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 \$3,867,838 and \$3,616,839 at December 31, 2023 and 2022, respectively. Current assets increased due to an increase in investments.

Right to Use Assets:

The Agency’s right to use assets as of December 31, 2023 and 2022 totaled \$207,869 and \$236,816 (net of accumulated amortization), respectively. These assets include office space and a copier.

Lease Obligations:

The Agency’s lease obligations for its governmental activities as of December 31, 2023 and 2022 totaled \$221,224 and \$244,388, respectively. 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

	2023	2022	\$ Change	% Change
ASSETS				
Current Assets	\$ 4,135,461	\$ 3,871,836	\$ 263,625	6.81%
Non-Current Assets	257,853	294,290	(36,437)	-12.38%
Total Assets	4,393,314	4,166,126	227,188	5.45%
LIABILITIES				
Current Liabilities	40,036	39,019	1,017	2.61%
Non-Current Liabilities	485,440	510,268	(24,828)	-4.87%
Total Liabilities	525,476	549,287	(23,811)	-4.33%
NET POSITION				
Net Investment in Capital Assets	33,714	46,987	(13,273)	-28.25%
Unrestricted	3,834,124	3,569,852	264,272	7.40%
Total Net Position	\$ 3,867,838	\$ 3,616,839	\$ 250,999	6.94%

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

FINANCIAL OPERATIONS HIGHLIGHTS

There was an increase in net position in 2023 of \$250,999, which was less than 2022, due to less administrative and closing fees. There was an increase in net position in 2022 of \$1,055,774, due to an increase in administrative and closing fees.

Administrative and closing fee revenues decreased by \$685,063 in 2023. This was primarily the result of a decrease in the number and sizes of new projects in comparison to 2022.

SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	2023	2022	\$ Change	% Change
<u>REVENUES</u>				
Administrative and Closing Fees	\$ 723,533	\$ 1,408,596	\$ (685,063)	-48.63%
Interest Earnings	17,037	21,964	(4,927)	-22.43%
Total Revenues	740,570	1,430,560	(689,990)	-48.23%
<u>EXPENSES</u>				
Payroll and Benefits	264,220	227,359	36,861	16.21%
Administrative and Other Expenses	225,351	147,427	77,924	100.00%
Total Expenses	489,571	374,786	114,785	30.63%
Change in Net Position	\$ 250,999	\$ 1,055,774	\$ (804,775)	76.23%

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

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

During 2023, the Agency continued to see strong activity in both attraction and expansion projects. The activity spanned across a variety of business sectors, which reinforces the County's historic strength of having a diverse business community. During 2023, the Agency induced 15 new projects and anticipates each will begin construction during 2024. These include significant projects in the pharmaceutical and datacenter sectors, as well as in affordable and market rate housing.

Going forward in 2024, the Agency also anticipates another strong year. The datacenter cluster in the County continues to expand, with major new facilities already being planned. The pharmaceutical industry – always a strong sector in the region – continues to flourish. Further, it is expected that the Agency will be asked to consider new affordable and market rate housing projects, as well as transit-oriented housing, in response to the shortage of housing at both the local and statewide levels.

Overall, the County's diverse business community continues to serve the community well; helping to 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
STATEMENTS OF NET POSITION**

As of December 31	2023	2022
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 1,309,162	\$ 1,972,214
Accounts Receivable	19,000	-
Investments, Other	2,807,299	1,899,622
Total Current Assets	<u>4,135,461</u>	<u>3,871,836</u>
Non-Current Assets:		
Security Deposits	2,915	2,915
Capital Assets, Net (Note II)	47,069	54,559
Intangible Right to Use Assets (Note II)	207,869	236,816
Total Non-Current Assets	<u>257,853</u>	<u>294,290</u>
TOTAL ASSETS	<u>4,393,314</u>	<u>4,166,126</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	15,208	15,855
Lease Liability, Current Portion (Note III)	24,828	23,164
Total Current Liabilities	<u>40,036</u>	<u>39,019</u>
Non-Current Liabilities:		
NYS Bond Fee Payable	289,044	289,044
Lease Liability, Net of Current Portion (Note III)	196,396	221,224
Total Non-Current Liabilities	<u>485,440</u>	<u>510,268</u>
TOTAL LIABILITIES	<u>525,476</u>	<u>549,287</u>
NET POSITION		
Net Investment in Capital Assets	33,714	46,987
Unrestricted	3,834,124	3,569,852
TOTAL NET POSITION	<u>\$ 3,867,838</u>	<u>\$ 3,616,839</u>

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

For the Years Ended December 31	2023	2022
Operating Revenues:		
Administrative and Closing Fees	\$ 723,533	\$ 1,408,596
Total Operating Revenues	723,533	1,408,596
Operating Expenses:		
Payroll	225,642	195,635
Payroll - Benefits	21,383	16,677
Payroll - Taxes	17,195	15,047
Professional Fees and Service Contracts	92,171	36,403
Occupancy	6,520	5,125
Information Technology	11,600	9,905
Insurance	8,412	5,306
Dues and Subscription	1,170	1,826
Meetings, Conferences and Travel Expenses	21,812	13,289
New Office Construction Costs	3,569	3,290
Office Expenses	4,979	4,803
Pension	18,971	18,241
Depreciation	7,490	6,922
Amortization Expense	28,947	28,947
Employment Advertising	1,250	2,246
Miscellaneous	8,312	-
Total Operating Expenses	479,423	363,662
Operating Income	244,110	1,044,934
Non-Operating Revenues/(Expenses):		
Interest Income	17,037	21,964
Interest Expense	(10,148)	(11,124)
Net Non-Operating Revenues	6,889	10,840
Change in Net Position	250,999	1,055,774
Net Position, Beginning, as previously stated	3,616,839	2,575,081
Prior Period Adjustment (Note VII)	-	(14,016)
Net Position, Beginning	3,616,839	2,561,065
Net Position, Ending	\$ 3,867,838	\$ 3,616,839

See Notes to the Financial Statements

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
STATEMENTS OF CASH FLOWS**

For the Years Ended December 31	2023	2022
Cash Flows From Operating Activities:		
Receipts From Providing Services	\$ 704,533	\$ 1,408,596
Payments to Vendors	(161,318)	(85,586)
Payments to Employees and Benefits	(282,315)	(245,361)
Net Cash Provided by Operating Activities	<u>260,900</u>	<u>1,077,649</u>
Cash Flows From Capital and Related Financing Activities:		
Purchase of Fixed Assets	-	(7,954)
Lease Principal Payments	(23,164)	(21,401)
Lease Interest Payments	(10,148)	(11,098)
Net Cash Used in Capital Financing Activities	<u>(33,312)</u>	<u>(40,453)</u>
Cash Flows From Investing Activities:		
Proceeds from Certificates of Deposit Maturity	1,899,622	265,421
Investment in Certificates of Deposits	(2,800,000)	-
Interest Income	9,738	1,556
Net Cash Provided by/(Used in) Investing Activities	<u>(890,640)</u>	<u>266,977</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(663,052)	1,304,173
Cash and Cash Equivalents - Beginning	<u>1,972,214</u>	<u>668,041</u>
Cash and Cash Equivalents - Ending	<u>\$ 1,309,162</u>	<u>\$ 1,972,214</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 244,110	\$ 1,044,934
Adjustments to Reconcile Operating Loss to Net cash Provided by Operating Activities:		
Depreciation	7,490	6,922
Amortization	28,947	28,947
Changes in Assets and Liabilities:		
Accounts Receivable	(19,000)	-
Accounts Payable and Accrued Liabilities	(647)	(3,154)
Net Cash Provided by Operating Activities	<u>\$ 260,900</u>	<u>\$ 1,077,649</u>

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Purpose

The County of Rockland Industrial Development Agency (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.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
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 consists 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, 2023 and 2022, respectively.

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
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, 2023 through March 28, 2024, 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 were 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 12/31/2022	ADDITIONS	DISPOSALS	ENDING BALANCE 12/31/2023
Depreciable Capital Assets:				
Furniture and Equipment	\$ 21,908	\$ -	\$ -	\$ 21,908
Office Remodel	7,720	-	-	7,720
Leasehold Improvement	35,030	-	-	35,030
	<u>64,658</u>	<u>-</u>	<u>-</u>	<u>64,658</u>
Intangible Right-to-Use Assets:				
Leased Office Space	265,763	-	-	265,763
Total Cost	<u>330,421</u>	<u>-</u>	<u>-</u>	<u>330,421</u>
Less: Accumulated Depreciation	(10,099)	(7,490)	-	(17,589)
Less: Accumulated Amortization	(28,947)	(28,947)	-	(57,894)
Total Capital Assets, Net	<u>\$ 291,375</u>	<u>\$ (36,437)</u>	<u>\$ -</u>	<u>\$ 254,938</u>

For the years ended December 31, 2023 and 2022, depreciation expense amounted to \$7,490 and \$6,922, respectively. For the years ended December 31, 2023 and 2022, amortization expense amounted to \$28,947 annually.

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

III. LEASE LIABILITY

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

Effective January 1, 2022, the Corporation 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
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
2028	29,526		4,485		34,011
Thereafter	88,811		5,164		93,975
	<u>\$ 221,224</u>	<u>\$</u>	<u>39,399</u>	<u>\$</u>	<u>260,623</u>

IV. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At December 31, 2023 and 2022, accounts payable and accrued liabilities consisted primarily of professional fees, payroll expenses and office expenses incurred of \$15,208 and \$15,855, respectively.

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, 2023, the bonds have an aggregate outstanding principal amount payable of \$65,515,594.

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
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, 2023.

VII. PRIOR PERIOD ADJUSTMENTS

The Agency restated its 2022 opening net position for adjustments pertaining to accruals and accumulated depreciation. The Agency's 2022 net position had 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

The GASB has issued statements 99 through 102, 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
SCHEDULE OF CONDUIT INDEBTEDNESS
DECEMBER 31, 2023**

Project Name	Original Issue Amount	Original Issue Date	Outstanding Balance December 31, 2022	New Issue 2023	Principal Payments 2023	Outstanding Balance December 31, 2023	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	11,375,000	-	865,000	10,510,000	2035
Spring Valley Preservation	27,000,000	2021	27,000,000	-	-	27,000,000	2061
Spring Valley Preservation	7,410,000	2021	7,410,000	-	3,900,000	3,510,000	2025
Dominican College	6,855,000	2005	3,872,156	-	263,917	3,608,239	2035
Dominican College II	3,060,000	2005	1,741,019	-	118,664	1,622,355	2035
Rockland Gardens	14,000,000	2023	-	14,000,000	-	14,000,000	2043
Totals	\$ 87,325,000		\$ 56,663,175	\$ 14,000,000	\$ 5,147,581	\$ 65,515,594	

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-99-01A Asst. Living at N Riverview	3901-04-03A Cardiovascular Research Foundation	3901-05-02A Dominican College	3901-02-01A Northern Manor Multicare	3901-21-08A Spring Valley Preservation	3901-22-11A 12,14,16 N. Myrtle
Tax Exemptions:						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mortgage Recording Tax	-	-	-	-	-	-
Real Property Tax*	-	-	-	-	-	-
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local	-	-	-	-	-	-
School	398,106	-	-	-	-	-
TOTALS	\$ 398,106	\$ -	\$ -	\$ -	\$ -	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	482	252	6	0
Original Estimate of Jobs to be Created	44	29	8	0	0	0
Original Estimate of Jobs to be Retained	0	0	482	252	0	0
Current # of FTEs	54	189	200	231	6	0
# of FTE Construction Jobs During Fiscal Year	0	0	0	0	0	0
Net Employment Change	54	189	-282	-21	0	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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-22-07A 22, 24, 26 N. Myrtle	3901-19-01A 2019 SQ Properties	3901-21-05A 59 Owner LLC	3901-22-01A Admirals Cove Holdings	3901-22-05A Asahi Depository	3901-03-01A Avon Products, Inc.
Tax Exemptions:						
Sales Tax	\$ -	\$ -	\$ 620,961	\$ 676,332	\$ 455,389	\$ -
Mortgage Recording Tax	262,000	-	-	-	-	-
Real Property Tax*	-	129,625	103,623	1,295,146	-	1,310,693
TOTALS	\$ 262,000	\$ 129,625	\$ 724,584	\$ 1,971,478	\$ 455,389	\$ 1,310,693
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ -	\$ -	\$ 5,733	\$ -	\$ 63,307
Local	-	13,510	-	73,456	-	430,170
School	-	53,839	-	74,892	-	817,215
TOTALS	\$ -	\$ 67,349	\$ -	\$ 154,081	\$ -	\$ 1,310,692
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	50	0	15	14	274
Original Estimate of Jobs to be Created	0	10	10	15	0	70
Original Estimate of Jobs to be Retained	0	50	0	15	0	274
Current # of FTEs	0	68	0	19	15	149
# of FTE Construction Jobs During Fiscal Year	0	0	0	5	0	0
Net Employment Change	0	18	0	4	1	-125

* 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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-13-06-A Bloomberg Data Bloomberg	3901-22-08A Braemar Assisted Living	3901-11-03 Cambridge Security Seals	3901-13-04-A Cerovene, Inc.	3601-17-01A Congers/ECD NY Inc.	3901-15-04A Crystal Run Healthcare
Tax Exemptions:						
Sales Tax	\$ -	\$ 481,522	\$ -	\$ -	\$ 27,228	\$ -
Mortgage Recording Tax	-	-	-	-	-	-
Real Property Tax*	-	65,385	-	201,557	103,440	418,795
TOTALS	\$ -	\$ 546,907	\$ -	\$ 201,557	\$ 130,668	\$ 418,795
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ -	\$ -	\$ -	\$ 5,260	\$ 22,967
Local	-	-	-	33,650	19,825	86,557
School	-	65,359	-	134,104	55,669	248,340
TOTALS	\$ -	\$ 65,359	\$ -	\$ 167,754	\$ 80,754	\$ 357,864
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	0	9	20	20
Original Estimate of Jobs to be Created	80	88	0	64	20	217
Original Estimate of Jobs to be Retained	0	0	0	9	20	20
Current # of FTEs	139	0	0	31	40	188
# of FTE Construction Jobs During Fiscal Year	0	0	0	2	5	0
Net Employment Change	139	0	0	22	20	168

* 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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-11-02 Curti's Landscaping	3901-22-03A DataBank Holdings	3901-10-04-A Empire Executive Inn	3901-22-02A Friendship Ventures	3901-14-04A H&H Renovations	3901-17-03A JP Morgan Chase Data Center
Tax Exemptions:						
Sales Tax	\$ -	\$ 382,796	\$ -	\$ 55,928	\$ -	\$ 7,553,901
Mortgage Recording Tax	-	-	-	-	-	-
Real Property Tax*	65,681	-	255,172	-	151,934	757,316
TOTALS	\$ 65,681	\$ 382,796	\$ 255,172	\$ 55,928	\$ 151,934	\$ 8,311,217
Payments in Lieu of Taxes (PILOTS):						
County	\$ 4,378	\$ -	\$ 22,601	\$ -	\$ 4,790	\$ -
Local	16,500	-	20,255	-	46,493	95,577
School	-	-	172,864	-	56,317	380,894
TOTALS	\$ 20,878	\$ -	\$ 215,720	\$ -	\$ 107,600	\$ 476,471
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	25	0	91	8	0	0
Original Estimate of Jobs to be Created	9	10	9	0	0	5
Original Estimate of Jobs to be Retained	25	0	91	8	0	0
Current # of FTEs	25	0	81	41	0	25
# of FTE Construction Jobs During Fiscal Year	8	0	0	0	0	0
Net Employment Change	0	0	-10	33	0	25

* 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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-09-02-A Liptis Pharmaceuticals	3901-14-06A Millennium Pipeline	3901-22-04A Momentive Performance Materials	3901-22-06A Morgan Stanley Services Group	3901-16-00A Pearl River Campus	3901-22-12A RCD Park Landowner
Tax Exemptions:						
Sales Tax	\$ -	\$ -	\$ 333,964	\$ 1,408,153	\$ 35,516	\$ 637,640
Mortgage Recording Tax	-	-	-	-	-	-
Real Property Tax*	-	866,728	-	-	5,412,281	-
TOTALS	\$ -	\$ 866,728	\$ 333,964	\$ 1,408,153	\$ 5,447,797	\$ 637,640
Payments in Lieu of Taxes (PILOTS):						
County	\$ -	\$ 24,653	\$ -	\$ -	\$ 309,600	\$ -
Local	-	38,347	-	-	875,970	-
School	-	252,000	-	-	3,314,430	-
TOTALS	\$ -	\$ 315,000	\$ -	\$ -	\$ 4,500,000	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:						
# FTEs before IDA status	0	0	80	0	0	0
Original Estimate of Jobs to be Created	21	0	0	4	3	15
Original Estimate of Jobs to be Retained	0	0	80	0	0	0
Current # of FTEs	0	0	75	2	0	0
# of FTE Construction Jobs During Fiscal Year	0	0	25	0	0	0
Net Employment Change	0	0	-5	2	0	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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-14-03-A Raymour & Flanigan	3901-22-10A TRHV, LLC	3901-14-01A Deluxe/Uovo	3901-22-09A Washington Mews, LLC	3901-19-02A 2019 Premier Brands of America	3901-18-02A 2018 TZ Vista
Tax Exemptions:						
Sales Tax	\$ -	\$ 911,104	\$ -	\$ 556,181	\$ -	\$ -
Mortgage Recording Tax	-	-	-	-	-	-
Real Property Tax*	1,232,757	-	-	-	239,140	135,285
TOTALS	\$ 1,232,757	\$ 911,104	\$ -	\$ 556,181	\$ 239,140	\$ 135,285
Payments in Lieu of Taxes (PILOTS):						
County	\$ 86,375	\$ -	\$ -	\$ -	\$ -	\$ -
Local	86,838	-	-	-	28,081	18,810
School	742,194	-	-	-	111,908	82,491
TOTALS	\$ 915,407	\$ -	\$ -	\$ -	\$ 139,989	\$ 101,301
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	50	5	4	155	6
Original Estimate of Jobs to be Retained	0	0	0	0	0	0
Current # of FTEs	339	0	0	0	107	4
# of FTE Construction Jobs During Fiscal Year	0	2	0	0	0	0
Net Employment Change	339	0	0	0	107	4

* 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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

	PROJECTS					
	3901-20-01A Instrumentation Laboratory	3901-21-03A Manhattan Beer Distributors II	3901-21-01 New Antrim Pointe, LLC	3901-14-02A Ramland Holdings	3901-21-01A Triangle Squared	3901-21-A06 Uneeda Enterprizes
Tax Exemptions:						
Sales Tax	\$ 4,021	\$ 2,707,855	\$ 22,099	\$ 1,600,055	\$ -	\$ 17,134
Mortgage Recording Tax	-	-	-	-	-	-
Real Property Tax*	-	-	-	-	374,862	-
TOTALS	\$ 4,021	\$ 2,707,855	\$ 22,099	\$ 1,600,055	\$ 374,862	\$ 17,134
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	246	268	7	0	15	67
Original Estimate of Jobs to be Created	30	0	7	10	5	22
Original Estimate of Jobs to be Retained	246	261	5	0	15	67
Current # of FTEs	271	254	3	12	12	65
# of FTE Construction Jobs During Fiscal Year	0	0	30	0	0	0
Net Employment Change	25	-14	-4	12	-3	-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
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2023**

PROJECTS

	3901-23-01A Natixis	3901-23-02A Building Better Dreams	3901-23-03A Aptar Group,	3901-23-05A Rockland Gardens	3901-23-06A Monteibello Gateway
Tax Exemptions:					
Sales Tax	\$ 96,313	\$ 20,919	\$ 141,532	\$ -	\$ 141,823
Mortgage Recording Tax	-	-	-	-	162,750
Real Property Tax*	-	-	-	-	-
TOTALS	\$ 96,313	\$ 20,919	\$ 141,532	\$ -	\$ 304,573
Payments in Lieu of Taxes (PILOTS):					
County	\$ -	\$ -	\$ -	\$ -	\$ -
Local	-	-	-	-	-
School	-	-	-	-	-
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -
FULL-TIME EQUIVALENT JOBS CREATED AND RETAINED**:					
# FTEs before IDA status	0	0	260	0	0
Original Estimate of Jobs to be Created	0	10	15	0	0
Original Estimate of Jobs to be Retained	0	0	0	0	0
Current # of FTEs	0	0	249	0	0
# of FTE Construction Jobs During Fiscal Year	0	0	0	0	0
Net Employment Change	0	0	-11	0	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.

**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 (“*Government Auditing Standards*”), 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, 2023, 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 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency’s internal control over financial reporting (internal control) 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

RBT CPAs, LLP

Newburgh, NY
March 28, 2024

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023**

A. Internal Control Findings

No internal control findings noted.

B. Compliance Findings

No compliance findings noted.

