

**RENSSELAER COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY**

**Financial Statements and  
Supplementary Information**

**December 31, 2021 and 2020**

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**December 31, 2021 and 2020**

### Financial Statements

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Rensselaer County Industrial Development Agency  
Troy, New York

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the Rensselaer County Industrial Development Agency (the "Agency"), a component unit of the County of Rensselaer, New York, as of and for the years ended December 31, 2021 and 2020, 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 opinions, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2021 and 2020, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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 opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 Schedule of Proportionate Share of Net Pension Liability (Asset) and the Schedule of Contributions – Pension Plans, listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information

for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### ***Supplementary Information***

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

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Annual Report of the Agency as defined by Section 2800 of the New York State Public Authorities Law, *Annual Reports by Authorities*, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results

of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

*Wojeski & Company, CPAs, P.C.*

Albany, New York  
March 31, 2022

# **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

## **Statements of Net Position**

	December 31,	
	2021	2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 6,641,881	\$ 6,389,802
Restricted cash	13,601	13,601
Accounts receivable, net	814	2,355
Prepaid and other assets	18,558	16,663
<b>TOTAL CURRENT ASSETS</b>	<b>6,674,854</b>	<b>6,422,421</b>
<b>NONCURRENT ASSETS</b>		
Capital assets, net	16,013	8,630
Capitalized development costs	228,524	228,524
<b>TOTAL ASSETS</b>	<b>6,919,391</b>	<b>6,659,575</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	174,365	165,548
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	36,712	45,581
Unearned rental revenue	-	14,765
Security deposits	7,710	7,710
<b>TOTAL CURRENT LIABILITIES</b>	<b>44,422</b>	<b>68,056</b>
<b>LONG-TERM LIABILITIES</b>		
Net pension liability	561	177,054
<b>TOTAL LIABILITIES</b>	<b>44,983</b>	<b>245,110</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	173,088	3,873
<b>NET POSITION</b>		
Net investment in capital assets	16,013	8,630
Restricted	13,601	13,601
Unrestricted	6,846,071	6,553,909
<b>TOTAL NET POSITION</b>	<b>\$ 6,875,685</b>	<b>\$ 6,576,140</b>

See accompanying notes to financial statements.

**RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY****Statements of Revenues, Expenses and Change in Net Position**

	For the Year Ended December 31,	
	2021	2020
OPERATING REVENUES		
Project administration fees	\$ 2,104,013	\$ 2,642,203
Rental revenue	112,627	81,631
Tourism revenue	43,949	1,084
Gain on sale of South Troy Industrial Park land	-	66,680
Other operating income	28,856	-
TOTAL OPERATING REVENUES	<u>2,289,445</u>	<u>2,791,598</u>
OPERATING EXPENSES		
Consulting	650,894	367,109
Professional fees	444,970	518,042
Salaries and related expenses	316,285	379,549
Promotion and development	278,831	219,575
Rent expenses	143,525	142,022
Tourism expenses	61,634	13,894
Office expense	19,797	17,189
Travel	16,424	8,159
Dues and subscriptions	13,602	9,543
Insurance	13,546	19,226
Depreciation	3,905	2,588
Other expenses	27,154	1,862
TOTAL OPERATING EXPENSES	<u>1,990,567</u>	<u>1,698,758</u>
OPERATING INCOME	298,878	1,092,840
NON-OPERATING REVENUE		
Interest income	667	20,506
TOTAL NON-OPERATING REVENUE	<u>667</u>	<u>20,506</u>
CHANGE IN NET POSITION	299,545	1,113,346
NET POSITION, beginning of year	<u>6,576,140</u>	<u>5,462,794</u>
NET POSITION, end of year	<u>\$ 6,875,685</u>	<u>\$ 6,576,140</u>

See accompanying notes to financial statements.



# **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

## **Statements of Cash Flows**

	For the Year Ended December 31,	
	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from project administration fees	\$ 2,104,013	\$ 2,642,203
Proceeds from tourism revenue	45,490	9,982
Proceeds from rent revenue	97,862	83,329
Proceeds from sale of South Troy Industrial Park land	-	712,149
Proceeds from other income	28,856	-
Payments for operating expenses	(2,013,521)	(1,659,226)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>262,700</b>	<b>1,788,437</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of property and equipment	(11,288)	-
<b>NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(11,288)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from interest income	667	20,506
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>667</b>	<b>20,506</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>252,079</b>	<b>1,808,943</b>
Cash and cash equivalents at beginning of year	6,403,403	4,594,460
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 6,655,482</b>	<b>\$ 6,403,403</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating income	\$ 298,878	\$ 1,092,840
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,905	2,588
Gain on sale of South Troy Industrial Park land	-	(66,680)
Changes in operating assets, liabilities, deferred outflow of resources, and deferred inflow of resources:		
Accounts receivable	1,541	8,898
Prepaid and other assets	(1,895)	(2,973)
Deferred outflows of resources - pension related	(8,817)	(90,262)
Accounts payable	(8,869)	7,085
Net pension liability	(176,493)	134,203
Capitalized development costs	-	712,149
Unearned rental revenue	(14,765)	1,698
Deferred inflow of resources - pension related	169,215	(11,109)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 262,700</b>	<b>\$ 1,788,437</b>

See accompanying notes to financial statements.

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

### **Notes to Financial Statements**

**December 31, 2021 and 2020**

#### **NOTE A--AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Rensselaer County Industrial Development Agency (the "Agency"), a component reporting unit of the County of Rensselaer, New York, was created on April 1, 1974 by a special act of the New York State Legislature. The purpose of the Agency is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, and research facilities, including industrial pollution control facilities and recreation facilities, within Rensselaer County.

##### Basis of Presentation

The Agency's financial statements are prepared using the accrual basis in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting and financial reporting treatment applied to the Agency is determined by its measurement focus. The transactions of the Agency are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the statement of net position with revenues recorded when earned and expenses recorded when incurred. Net position is classified into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets: This component of net position consists of capital assets, net of accumulated depreciation and accumulated amortization, reduced by the outstanding balances of bonds, notes, and other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of investment in capital assets, net of related debt. Rather that portion of the debt is included in restricted net position.

Restricted net position: This component of net position represents external restrictions on net position imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position: This component represents net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

### **Notes to Financial Statements--Continued**

#### **NOTE A--AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued**

##### Basis of Presentation--Continued

The Agency distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Agency's principal on-going operations. All revenues and expenses that do not meet this definition are reported as non-operating revenues and expenses.

##### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### Cash and Cash Equivalents

The Agency considers as cash all demand deposits, certificates of deposit and money market accounts at various banks.

##### Accounts Receivable

Accounts receivable are non-interest bearing and are carried at their estimated collectible amounts. Accounts receivable are periodically evaluated for collectability based on a review of outstanding receivables, historical collection information and current economic conditions. In the opinion of Agency management, all receivables balances are collectible; accordingly, no allowance for doubtful accounts has been recorded.

##### Capital Assets

Acquisitions of property and equipment and expenditures which materially change the capacities or extend the useful lives are capitalized and recorded at historical cost. Routine maintenance and repairs and minor replacement costs are charged to expense as incurred. When an asset is sold, or retired, the cost and accumulated depreciation are removed from their respective accounts and the resulting gain or loss is included in the change in net position. Depreciation expense is recorded using the straight-line method over the estimated useful lives of the related assets, generally ranging from 5 to 40 years.

##### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Agency reports deferred outflows related to pensions in the Statement of Net Position. The types of deferred outflows related to pensions are described in Note G.

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

### **Notes to Financial Statements--Continued**

#### **NOTE A--AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued**

##### Deferred Outflows/Inflows of Resources--Continued

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Agency reports deferred inflows related to pensions in the Statement of Net Position. These payments will be recognized as revenue in a future period. The types of deferred inflows related to pensions are described in Note G.

##### Financing Activities

Certain industrial development revenue bonds issued by the Agency are collateralized by property that is leased to companies and is returned by lease payments. The bonds are not obligations of the Agency or the State of New York. The Agency does not record the assets or liabilities resulting from completed bond transactions in its accounts since its primary function is to arrange financing between borrowing companies and bond holders, and funds arising from those transactions are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives project administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds. The outstanding balance on the bonds issued totaled \$38,235,000 and \$40,865,000 at December 31, 2021 and 2020, respectively.

##### Income Taxes

The Agency is exempt from Federal, State and Local income taxes.

##### Payment in Lieu of Taxes (PILOT)

The Agency enters into and administers PILOT agreements for various unrelated business entities located in Rensselaer County. Under the terms of the PILOT agreements, title to property owned by the unrelated business entity is transferred to the Agency for a certain period of time. During the period in which the Agency holds title, the business entity pays a PILOT to the Agency based on a calculation defined by the specific agreement. The PILOTs allow the companies to make payments that are less than the property taxes that would be paid on the related property's assessed value. Once the PILOT is received, the Agency remits the PILOT to the respective taxing authorities. Certain requirements, as defined by each agreement, are to be met by the company to be able to maintain its PILOT. These requirements, as stated in the PILOT agreement, can be comprised of reaching and maintaining certain employment goals and paying its PILOT in a timely fashion. At the completion of the PILOT, title to the property is transferred back to the third-party business owner, and the property goes back on the tax rolls.

PILOT receipts and PILOT payments are accounted for as pass-through transactions and are not included in the revenues or expenses of the Agency. The Agency is responsible for collecting and remitting the funds. However, the taxing authorities bear the risk of loss if the PILOT payments are not paid to the Agency by the respective companies. Total pass-through PILOT payments were approximately \$8,807,000 and \$10,156,000 for the years ended December 31, 2021 and 2020, respectively.

## RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### Notes to Financial Statements--Continued

#### NOTE A--AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

##### Reclassification

Certain amounts for the year ended December 31, 2020 have been reclassified to conform to the presentation for the year ended December 31, 2021. These reclassifications had no effect on the change in net position or net position.

##### Subsequent Events

The Agency evaluates transactions that occur subsequent to year end for potential recognition or disclosure in the financial statements through the date on which the financial statements are available to be issued. The financial statements were available to be issued on March 31, 2022.

#### NOTE B--CASH AND CASH EQUIVALENTS

The Agency's investment policies are governed by New York State statutes. In addition, the Agency has its own written investment policy. The Agency is authorized to use demand deposit accounts, money market accounts, and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and those of New York State and its municipalities and school districts.

All cash of the Agency is maintained in accounts covered by the Federal Deposit Insurance Corporation (FDIC). In accordance with state law, collateral is required for demand deposits and certificates of deposit not covered by FDIC insurance. The Agency's uninsured deposits are collateralized by accounts held by the pledging financial institution agent in the Agency's name. The total amount of collateralized uninsured deposits was approximately \$6,292,000 for the year ended December 31, 2021.

The Agency has cash amounts that are restricted for the collection and remittance of payments in lieu of taxes (PILOT) to various local taxing authorities.

#### NOTE C--CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2021 is as follows:

	Beginning Balance	Additions	Subtractions	Ending Balance
Equipment	\$ 149,718	\$ 11,288	\$ -	\$ 161,006
Accumulated depreciation	(141,088)	(3,905)	-	(144,993)
Capital assets, net	<u>\$ 8,630</u>	<u>\$ 7,383</u>	<u>\$ -</u>	<u>\$ 16,013</u>

## RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### Notes to Financial Statements--Continued

#### NOTE C--CAPITAL ASSETS--Continued

Capital assets activity for the year ended December 31, 2020 is as follows:

	Beginning Balance	Additions	Subtractions	Ending Balance
Equipment	\$ 149,718	\$ -	\$ -	\$ 149,718
Accumulated depreciation	(138,500)	(2,588)	-	(141,088)
Capital assets, net	<u>\$ 11,218</u>	<u>\$ (2,588)</u>	<u>\$ -</u>	<u>\$ 8,630</u>

#### NOTE D--CAPITALIZED DEVELOPMENT COSTS

The Agency has capitalized engineering, infrastructure, cleanup and redevelopment costs related to the South Troy Industrial Park Project. The project was funded through a grant from the New York State Department of Environmental Conservation. Project expenditures have been capitalized up to the estimated fair market value of the land. The remaining project expenditures were expensed as incurred. The capitalized project costs will be recognized as an expense when the land is sold. During the year ended December 31, 2020, the IDA sold a portion of the South Troy Industrial Project land for approximately \$712,000, accordingly, the proportional amount of the capitalized development costs, totaling approximately \$645,000, were written off as a result of the sale. The IDA recognized a gain on the sale of the land of approximately \$67,000 for the year ended December 31, 2020. During the year ended December 31, 2021, the IDA did not sell any land related to the South Troy Industrial Project.

#### NOTE E--OPERATING LEASES

The Agency entered into a non-cancellable operating lease for office space that expires in December 2024, with the option to renew for one additional term of five years. Rent expense related to this lease was approximately \$144,000 and \$142,000 for the years ended December 31, 2021 and 2020, respectively. Future Minimum lease payments are as follows:

Year Ended December 31,	
2022	\$ 141,600
2023	141,600
2024	141,600
	<u>\$ 424,800</u>

The Agency has entered into non-cancellable subleases for portions of the office space noted above. Total future minimum lease payments have not been reduced by the future minimum sublease rentals to be received under non-cancellable subleases. Future minimum sublease rentals due to the Agency total \$39,757 for the year ended December 31, 2022.

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

### **Notes to Financial Statements--Continued**

#### **NOTE F--RELATED PARTY TRANSACTIONS**

The Agency is billed annually by Rensselaer County for occupancy expenses and other shared services that are provided to the Agency by Rensselaer County. Fees paid to Rensselaer County totaled approximately \$425,000 and \$496,000 for each of the years ended December 31, 2021 and 2020, respectively.

#### **NOTE G--PENSION PLAN**

The Agency participates in the New York State and Local Employee's Retirement System (NYSERS). This is a cost sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the NYSERS is held in the New York State Common Retirement Fund (the Fund), established to hold all net position and record changes in plan net position allocated to the NYSERS. The NYSERS benefits are established under the provisions of the New York State Retirement and Social Security law. Once an employer elects to participate in the NYSERS, the election is irrevocable.

The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of State statute. The system issues a publicly available financial report that includes financial statements and required supplementary information. That report may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244-0001.

NYSERS is noncontributory for employees who joined NYSERS prior to July 27, 1976. For employees who joined NYSERS after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in NYSERS for more than ten years are no longer required to contribute. Employees that join NYSERS after January 1, 2010 and prior to April 1, 2012, are required to contribute 3% of their salaries throughout their active membership. Employees that join after April 1, 2012 are required to contribute 3% to 6% of their salaries, depending on their salaries, throughout their active membership.

The Agency is required to contribute at an actuarially determined rate. The Agency contributions made to NYSERS were equal to 100% of the contributions required each year. The required contributions for the current year and two preceding years were:

December 31, 2021	\$	40,138
December 31, 2020	\$	37,913
December 31, 2019	\$	28,657

# **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

## **Notes to Financial Statements--Continued**

### **NOTE G--PENSION PLAN—Continued**

The Agency reported a net pension liability for its proportionate share of the NYSERS net pension liability of \$561 and \$177,054 as of December 31, 2021 and 2020, respectively. The net pension liabilities were measured as of March 31, 2021 and 2020, respectively, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of the respective date. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The Agency's proportion was 0.0005635% and 0.0006686% as of December 31, 2021 and 2020, respectively.

For the year ended December 31, 2021 and 2020, the Agency recognized pension expense of \$22,201, and \$73,292, respectively. At December 31, 2021 and 2020, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	December 31, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,853	\$ -
Change in assumptions	103,168	1,946
Net difference between projected and actual earnings on pension plan investments	-	161,181
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	26,051	9,961
Contributions subsequent to the measurement date	38,293	-
	<u>\$ 174,365</u>	<u>\$ 173,088</u>
	December 31, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,420	\$ -
Change in assumptions	3,565	3,078
Net difference between projected and actual earnings on pension plan investments	90,766	-
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	20,659	795
Contributions subsequent to the measurement date	40,138	-
	<u>\$ 165,548</u>	<u>\$ 3,873</u>



## RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### Notes to Financial Statements--Continued

#### NOTE G--PENSION PLAN--Continued

The Agency recognized \$38,293 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2021 which will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

The net amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31:	
2022	\$ (4,032)
2023	1,625
2024	(4,582)
2025	(30,027)
	<u>\$ (37,016)</u>

#### Actuarial Assumptions

The total pension liability as of the respective measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension liability to the respective measurement date. The actuarial valuation used the following actuarial assumptions:

Measurement Date	March 31, 2021	March 31, 2020
Actuarial Valuation Date	April 1, 2020	April 1, 2019
Inflation rate	2.7%	2.5%
Salary scale	4.4% indexed by service	4.2% indexed by service
Projected cost of living adjustments	1.4% compounded annually	1.3% compounded annually
Decrement	April 1, 2015 – March 31, 2020 System experience study	April 1, 2010 – March 31, 2015 System experience study
Mortality improvement	Society of Actuaries Scale MP-2020	Society of Actuaries Scale MP-2018
Investment rate of return	5.9% compounded annually, net of investment expense	6.8% compounded annually, net of investment expense

## RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### Notes to Financial Statements--Continued

#### NOTE G--PENSION PLAN--Continued

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of the March 31, 2021 and 2020 measurement dates are summarized below:

Asset Type	March 31, 2021		March 31, 2020	
	Target Allocations in %	Long-Term expected real rate of return in %	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	32.0	4.05	36.0	4.05
International Equity	15.0	6.30	14.0	6.15
Private Equity	10.0	6.75	10.0	6.75
Real Estate	9.0	4.95	10.0	4.95
Absolute Return	-	-	2.0	3.25
Opportunistic Portfolio	-	-	3.0	4.65
Opportunistic/Absolute Return Strategy	3.0	4.50	-	-
Credit	4.0	3.63	-	-
Real Assets	3.0	5.95	3.0	5.95
Bonds & Mortgages	-	-	17.0	0.75
Fixed Income	23.0	0.00	-	-
Cash	1.0	0.50	1.0	0.00
Inflation-Indexed Bonds	-	-	4.0	0.50
	<u>100%</u>		<u>100%</u>	

#### Discount Rate

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

## RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### Notes to Financial Statements--Continued

#### NOTE G--PENSION PLAN--Continued

##### Sensitivity of the Proportionate Share of the New Pension Liability to the Discount Rate Assumption

The following table presents the Agency's proportionate share of the net pension liability for the respective measurement dates calculated using the discount rate of 5.9% and 6.8% for the March 31, 2021 and March 31, 2020 measurement dates, respectively, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the respective current rate:

	March 31, 2021		
	1% Decrease 4.9%	Current Discount 5.9%	1% Increase 6.9%
ERS net pension liability (asset)	\$ 155,739	\$ 561	\$(142,550)

  

	March 31, 2020		
	1% Decrease 5.8%	Current Discount 6.8%	1% Increase 7.8%
ERS net pension liability (asset)	\$ 324,944	\$ 177,054	\$ 40,847

##### Pension Plan Fiduciary Net Position

The components of the total net pension liability of the employers participating in the New York State and Local Employees Retirement System as of the March 31, 2021 and 2020 measurement dates were as follows (dollars in thousands):

	2021	2020
Total pension liability	\$ 220,680,157	\$ 194,596,261
Net position	(220,580,583)	(168,115,682)
Net pension liability (asset)	<u>\$ 99,574</u>	<u>\$ 26,480,579</u>
Net position as a percentage of total pension liability	99.95%	86.39%

## **COMPLIANCE REPORT**



**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**

To the Board of Directors  
Rensselaer County Industrial Development Agency  
Troy, New York

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 Rensselaer County Industrial Development Agency (the "Agency"), which comprise the statement of net position as of December 31, 2021, and the related statements of revenues, expenses, and changes in net position and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses and significant deficiencies may exist that were not 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 financial statement. 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.

*Wojeski & Company, CPAs, P.C.*

Albany, New York  
March 31, 2022

## **REQUIRED SUPPLEMENTARY INFORMATION**

**RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Schedule of Proportionate Share of Net Pension Liability (Asset)**

**December 31, 2021**

<b>New York State Employees' Retirement System Plan</b>	Last 10 fiscal years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of net pension liability (asset)	0.0005635%	0.0006686%	0.0006048%	0.0006203%	0.0006333%	0.0006267%	0.0005167%	<b>Information for periods prior to the implementation of GASB 68 is unavailable and will be completed for each year going forward as the information becomes available</b>		
Proportionate share of net pension liability (asset)	\$ 561	\$ 177,054	\$ 42,851	\$ 20,019	\$ 59,511	\$ 100,588	\$ 17,457			
Covered-employee payroll	\$ 274,576	\$ 285,318	\$ 348,686	\$ 314,472	\$ 284,398	\$ 266,198	\$ 253,521			
Proportionate share of net pension liability (asset) as a percentage of its covered-employee payroll	0.20%	62.05%	12.29%	6.37%	20.93%	37.79%	6.89%			
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.95%			

See independent auditor's report



**RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Schedule of Contributions - Pension Plans**

**December 31, 2021**

New York State Employees' Retirement System Plan	Last 10 fiscal years							2014	2013	2012
	2021	2020	2019	2018	2017	2016	2015			
Contractually required contribution	\$ 40,138	\$ 37,913	\$ 28,657	\$ 27,528	\$ 42,620	\$ 49,762	\$ 33,472	Information for periods prior to the implementation of GASB 68 is unavailable and will be completed for each year going forward		
Contributions in relation to the contractually required contribution	40,138	37,913	28,657	27,528	42,620	49,762	33,472			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Agency's covered-employee payroll	\$ 274,576	\$ 285,318	\$ 348,686	\$ 314,472	\$ 284,398	\$ 266,198	\$ 253,521			
Contributions as a percentage of covered-employee payroll	14.62%	13.29%	8.22%	8.75%	14.99%	18.69%	13.20%			

See independent auditor's report

## **SUPPLEMENTARY INFORMATION**

**RENNSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Schedule I - Schedule of Indebtedness**

**December 31, 2021**

<u>Project</u>	<u>Issuance Date</u>	<u>Interest Rate At Issuance</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity Date</u>
Conduit Debt							
Emma Willard	7/2015	Varies	\$ 15,840,000	\$ -	\$ 1,115,000	\$ 14,725,000	01/36
Franciscan Heights	12/2004	Varies	4,930,000	-	180,000	4,750,000	12/36
RC Housing	01/2008	Varies	15,190,000	-	570,000	14,620,000	06/38
Sage Colleges	12/2002	Varies	3,730,000	-	390,000	3,340,000	02/33
WMHT	12/2003	Varies	1,175,000	-	375,000	800,000	12/23
			<u>\$ 40,865,000</u>	<u>\$ -</u>	<u>\$ 2,630,000</u>	<u>\$ 38,235,000</u>	

See independent auditor's report.

RENSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Schedule II - Schedule of Supplemental Information - Bonds/Notes

December 31, 2021

Project	Project Purpose Code	Total Project Amount	Benefited Project Amount	Original Bond Amount	Federal Tax Status	Not for Profit	Total Exemptions	Payments in lieu of Taxes (PILOTS)	FTE Jobs Prior to IDA Status	Original Estimate of Jobs to be Created	Original Estimate of jobs to be Retained	Current FTE Employees	FTE Construction Jobs Created During the Fiscal Year
Columbia 17th Street	Finance, Insurance and Real Estate	\$ 8,016,000	\$ 8,016,000	\$ 8,016,000	Tax Exempt		\$ 221,616	\$ 82,000	-	104	-	107	-
Emma Willard School Project	Civic Facility	31,325,000	31,325,000	31,325,000	Tax Exempt	Y	-	-	135	-	135	133	-
Franciscan Heights LP	Finance, Insurance and Real Estate	6,710,000	6,710,000	6,710,000	Taxable	Y	-	-	-	45	-	2	-
Metropolitan Life Insurance Company	Finance, Insurance and Real Estate	244,733,051	244,733,051				6,261,590	-	258	-	200	36	-
RC Housing	Civic Facility	19,275,000	19,275,000	19,275,000	Tax Exempt	Y	293,980	111,995	-	8	-	5	-
Sage College Projects	Civic Facility	13,580,000	13,580,000	13,580,000	Tax Exempt	Y	-	-	426	-	426	342	-
University @ Albany Cancer Center	Other Categories	10,000,000	10,000,000	10,000,000	Tax Exempt	Y	1,068,085	209,000	-	300	-	91	-
WMHT Educational Telecommunications	Civic Facility	5,235,000	5,235,000	5,235,000	Tax Exempt	Y	-	-	-	55	-	39	-

See independent auditors' report.

RENSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Schedule III - Schedule of Supplemental Information - Straight Leases

December 31, 2021

Project	Project Purpose Code	Total Lease Amount	Not for Profit	Total Exemptions	Payments in lieu of Taxes (PILOTS)	FTE Jobs Prior to IDA Status	Original Estimate of Jobs to be Created	Original Estimate of Jobs to be Retained	Current FTE Employees	FTE Construction Jobs Created During the Fiscal Year
172 River Street LLC Project	Retail Trade	\$ 2,100,000	N	\$ 53,369	\$ 17,384	-	11	-	4	-
255 River Street LLC	Other Categories	7,082,975	N	73,269	37,016	-	5	-	7	-
3rd Street Ventures, LLC	Other Categories	1,155,000	N	20,348	10,174	-	4	-	3	6
501 Broadway Troy, LLC	Other Categories	3,250,000	N	378,084	65,920	-	12	-	3	-
555-One	Other Categories	19,597,405	N	310,631	97,471	-	3	-	3	-
Atlantic Power	Transportation, Communication, Electric, Gas and Sanitary Services	1,500,000	N	194,909	181,528	-	-	-	24	-
Besicorp-Empire Power Co. LLC	Transportation, Communication, Electric, Gas and Sanitary Services	358,000,000	N	23,900,905	1,100,000	-	8	-	21	-
Cell-Nique	Wholesale Trade	5,154,950	N	40,030	40,030	-	103	-	40	-
Columbia 465 Jordan Rd.	Other Categories	2,035,000	N	59,587	32,042	-	50	-	1	-
Columbia CCPNG LLC	Finance, Insurance and Real Estate	9,823,000	N	259,050	169,304	-	132	-	88	-
Davey's Realty	Retail Trade	3,272,000	N	9,213	5,614	-	10	-	18	-
Due Di Mare/Franklin Inn	Other Categories	3,300,000	N	210,311	143,695	4	1	4	5	-
East Greenbush Lodging	Other Categories	7,802,500	N	235,695	176,771	-	13	-	12	-
Eastwyck Village	Finance, Insurance and Real Estate	108,800	N	315,932	285,459	-	4	-	6	-
FedEx	Transportation, Communication, Electric, Gas and Sanitary Services	20,645,000	N	1,197,531	1,064,702	100	37	100	413	-
Finelli Development LLC	Other Categories	4,089,409	N	57,130	32,203	-	4	-	4	-
G E HealthCare	Manufacturing	5,000,000	N	1,772,659	1,070,441	117	20	-	138	-
Greenbush Associates I	Wholesale Trade	1,594,169	N	248,355	248,355	268	-	268	253	-
Greenbush Associates LLC	Finance, Insurance and Real Estate	10,646,806	N	193,007	83,028	-	1	-	143	2
Greenbush Hotels-Mariot	Finance, Insurance and Real Estate	8,200,000	N	304,066	223,781	-	25	-	16	-
Greenbush Spec. (IV)	Finance, Insurance and Real Estate	1,337,167	N	282,477	69,297	274	-	274	82	-
Greenbush associates/Phoenix	Finance, Insurance and Real Estate	2,648,138	N	232,140	101,212	174	-	174	186	-
House Avenue	Other Categories	8,729,200	N	252,066	33,475	-	3	-	3	3
Hudson V Apartments LLC	Other Categories	14,437,558	N	241,634	182,559	-	5	-	2	-
MSLP II, LLC	Services	22,650,000	N	90,951	93,987	52	-	-	54	-
Mannix Associates I	Services	6,400,000	N	197,294	67,631	144	-	144	146	-
Mt. IDA Apartments	Finance, Insurance and Real Estate	9,683,473	N	251,466	60,000	5	5	5	2	-
NYISO Project	Civic Facility	15,000,000	Y	953,277	295,729	529	-	529	545	-
Parsons Outpost	Retail Trade	1,400,000	N	20,165	14,812	-	5	-	4	-
Quackenbush Properties, LLC	Other Categories	3,190,000	N	135,683	17,186	-	1	-	107	-
Regeneron	Services	25,561,205	N	466,763	344,889	-	12	-	229	-
Regeneron	Manufacturing	25,800,000	N	391,185	235,000	-	60	-	397	-
Regeneron 1CSC Office/Lab Extension	Manufacturing	25,561,205	N	958,844	855,452	-	80	-	1,821	-
Regeneron Garage Addition 25 Discovery Dr.	Manufacturing	8,023,430	N	-	-	-	25	-	297	-
RegeneronN	Manufacturing	188,500,000	N	4,330,521	616,861	-	-	-	819	345
Renssco Development Corporation	Other Categories	7,488,248	N	209,552	31,900	-	2	-	3	-
Ross Valve	Manufacturing	3,323,484	N	247,579	73,414	1	67	1	539	-
SPC Albany Windham LLC and TA Albany Windam LL	Finance, Insurance and Real Estate	1,779,107	N	76,887	18,000	-	10	-	11	-
Scannell Properties	Other Categories	35,234,000	N	-	-	-	174	-	-	-
Schodack Realty	Transportation, Communication, Electric, Gas and Sanitary Services	2,000,000	N	43,341	43,341	80	10	80	81	-
Servidone Inc.	Construction	2,700,000	N	100,684	7,250	15	2	15	19	-
Turnpike Redevelopment Group	Other Categories	16,640,000	N	93,544	105,838	-	1	-	183	-
Upstate Construction and Building Maintenance , LLC	Construction	24,460,000	N	267,663	134,287	2	1	-	2	-
Van Allen Apartments	Other Categories	28,370,000	N	600,817	311,107	-	6	-	7	-
Regeneron 300 Valley View	Services	4,845,000	N	180,781	61,302	-	22	-	22	3
555-Two	Other Categories	21,453,324	N	88,555	-	20	20	20	11	64

See independent auditors' report.