

**RENSSELAER COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

Report to the Board

For the Year Ended December 31, 2021



WOJESKI & COMPANY CPAs, P.C.

159 Wolf Road, Albany, New York 12205 | Phone 518-477-1102 | Fax 518-477-1302 | www.wojeskico.com

March 31, 2022

To the Board of
Rensselaer County Industrial Development Agency

We have audited the financial statements of Rensselaer County Industrial Development Agency (the "Agency") for the year ended December 31, 2021, and we will issue our report thereon dated March 31, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 26, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Agency's financial statements were:

Management's estimate of the market value of the South Troy Industrial Park property (included in the statement of net position caption "Capitalized Development Costs") is based on an appraisal prepared for management and by the recent sales price of a portion of the land.

Management's estimate of net pension liability and the related deferred outflows and inflows of resources is based on actuarial assumptions utilized by an actuary applied to the pension plan's census information.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements (see attached schedule).

Disagreements with Management

For the purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 31, 2022.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

Management has omitted the management's discussion and analysis information 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 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. Our opinion on the basic financial statements is not affected by this missing information.

We applied certain limited procedures to the schedule of proportionate share of net pension liability (asset) and the schedule of contributions – pension plans, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of indebtedness, the schedule of supplemental information – bonds/notes and the schedule of supplemental information – straight leases, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records and other records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Agency’s annual report that is defined by Section 2800 of the New York State Public Authorities Law, *Annual Reports by Authorities*. Our responsibility under professional standards is to consider whether a material inconsistency exists between the annual report and the audited financial statements that includes our report thereon. The annual report has not been subjected to the auditing procedures applied to the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Rensselaer County Industrial Development Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Wojeski & Company, CPAs, P.C.

Rennselaer County Industrial Development Agency
Proposed Adjusting Journal Entries
December 31, 2021

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To rollforward equity and adjust the 2021 opening balance of net position			
6042	Professional Services:Consultants	28,864.00	
3900	Retained Earnings		28,864.00
Total		28,864.00	28,864.00
Adjusting Journal Entries JE # 2			
To record Depreciation Expense			
6004	Administrative Expenses:Depreciation	2,588.00	
1505	Accumulated Dep Equipment		2,588.00
Total		2,588.00	2,588.00
Adjusting Journal Entries JE # 3			
To adjust the net pension liability and related accounts to report the Agency's proportional share of the NYS ERS net pension liability.			
1950	Deferred Outflows	8,817.00	
2750	Net Pension Liability	176,493.00	
2950	Deferred Inflows		169,215.00
6050	Salaries:Employee Benefits & Payroll Tax:Retirement		16,095.00
Total		185,310.00	185,310.00
Adjusting Journal Entries JE # 4			
To accrue for unprocessed invoices received after the beginning of the audit.			
6042	Professional Services:Consultants	27,910.00	
2005	Accounts payable - Other		27,910.00
Total		27,910.00	27,910.00
Adjusting Journal Entries JE # 5			
To adjust prepaid rent and correct the understatement of rent expense.			
6006	Quackenbush Expenses	11,800.00	
1200	Prepaid		11,800.00
Total		11,800.00	11,800.00
Adjusting Journal Entries JE # 6			
Adjustment to capitalize the server equipment and record depreciation			
1555	Equipment	11,288.00	
6004	Administrative Expenses:Depreciation	1,317.00	
1505	Accumulated Dep Equipment		1,317.00
6006	Quackenbush Expenses		11,288.00
Total		12,605.00	12,605.00
Adjusting Journal Entries JE # 10			
To eliminate prepaid tourism expenses and deferred tourism revenue inadvertently recorded as part of a cash transfer.			
2300	Deferred Revenue	50,967.00	
1200	Prepaid		50,967.00
Total		50,967.00	50,967.00