

**COUNTY OF ROCKLAND  
INDUSTRIAL DEVELOPMENT AGENCY**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2018 AND 2017**

**COUNTY OF ROCKLAND  
INDUSTRIAL DEVELOPMENT AGENCY  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2018 AND 2017**

**TABLE OF CONTENTS**

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS	1-2
INDEPENDENT AUDITOR'S REPORT	3-4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL STATEMENTS:	
Statement of Financial Position at December 31, 2018 and 2017	6
Statement of Activities for the Years Ended December 31, 2018 and 2017	7
Statement of Cash Flows For the Years Ended December 31, 2018 and 2017	8
Notes to the Financial Statements	9-11
SUPPLEMENTARY INFORMATION (UNAUDITED)	12-16

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 of the County of Rockland  
Industrial Development Agency  
New City, 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 County of Rockland Industrial Development Agency (a public benefit corporation), which comprise the statement of financial position as of December 31, 2018 and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered County of Rockland Industrial Development 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 County of Rockland Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RRC CPAs P.C.*

RRC CPA's, P.C.  
Orangeburg, NY 10962

March 26, 2019

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
County of Rockland Industrial Development Agency  
New City, New York

We have audited the accompanying comparative financial statements of County of Rockland Industrial Development Agency (a public benefit corporation), which comprise the statement of financial position as of December 31, 2018, and December 31, 2017, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of County of Rockland Industrial Development Agency as of December 31, 2018 and December 31, 2017, and the changes in its net assets and its cash flow for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 5 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. In addition, the supplementary information presented beginning on page 12 is required by the New York State Authority Budget Office. 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 Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2019, on our consideration of County of Rockland Industrial Development 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Rockland Industrial Agency's internal control over financial reporting and compliance.

*RRC CPAs P.C.*

RRC CPAs P.C.  
Orangeburg, NY

March 26, 2019

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

The following Management's Discussion and Analysis (MD&A) of the County of Rockland Industrial Development Corporation's (the CORIDA's) financial statements provides an overview of the CORIDA's financial activities for the years ended December 31, 2018 and 2017. The MD&A should be read in conjunction with the CORIDA's financial statements and related notes, which follow the MD&A.

The purpose of the CORIDA is to provide financial assistance to small job creating businesses that demonstrate a need for financing which cannot be met entirely from conventional financing sources.

**FINANCIAL HIGHLIGHTS**

- The CORIDA's net assets decreased by \$188,966 in 2018 and increased by \$976,319 in 2017 as the results of the individual years' operations.
- The assets of the CORIDA exceeded its liability by \$2,584,914 and \$2,773,880 at December 31, 2018 and 2017 respectively.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The statements of financial position and the statement of activities and cash flows report information about the CORIDA as a whole, and about its activities. These statements include all assets and liabilities using the accrual basis of accounting. Revenue and expenses are recorded when earned and incurred, respectively, regardless of when cash is received or paid.

These statements report the CORIDA's net assets and changes in them from one year to the next. The CORIDA's net assets, the difference between assets and liabilities, are one way to measure the CORIDA's financial health, or financial position. Over time, increases or decreases in the CORIDA's net assets are one indicator of whether its financial health is improving or deteriorating. Consideration should also be given to other factors, such as changes in the CORIDA's income and the fluctuation of the CORIDA's expenses, to assess the overall health of the CORIDA.

**NOTES TO FINANCIAL STATEMENTS**

The financial statements also include the notes to the financial statements, which explain certain information in the financial statements. They are essential to a full understanding of the information provided in the financial statements.

**OTHER INFORMATION FOR 2018**

- Total revenues decreased by \$1,165,042 from 2018 due to an increase in agency fees.
- Total expenses increased by \$243 in 2018.

**REQUEST FOR INFORMATION**

This financial report is designed to provide financial statement users with a general overview of the CORIDA's finances and to show the accountability for the money received. If you have questions about this report or need additional financial information, contact the County of Rockland Industrial Development Corporation's Executive Director at 67 North Main Street, 3<sup>rd</sup> Floor, New City, New York, 10956.

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31,**

**ASSETS**

	2018	2017
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 2,579,754	\$ 2,768,180
Accounts Receivable	5,700	5,700
Prepaid Expenses	750	-
<b>TOTAL ASSETS</b>	<b>2,586,204</b>	<b>2,773,880</b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accrued Expenses	1,290	-
<b>TOTAL LIABILITIES</b>	1,290	-
<b>NET ASSETS</b>		
Without Donor Restrictions	2,584,914	2,773,880
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,586,204</b>	<b>\$ 2,773,880</b>

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY  
STATEMENT OF ACTIVITIES  
DECEMBER 31,**

	<b>2018</b>	<b>2017</b>
<b><u>CHANGES IN UNRESTRICTED NET ASSETS</u></b>		
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>		
Agency Fees	\$ 59,774	\$ 1,224,350
Investment Income	17,635	18,101
<b>TOTAL UNRESTRICTED REVENUES AND GAINS</b>	<b>77,409</b>	<b>1,242,451</b>
 <b>EXPENSES</b>		
Salaries	140,061	136,127
Payroll Taxes	10,189	10,061
Other fringe benefits	9,456	9,182
Advertising	1,700	2,800
Administrative Support	180	-
Dues	2,250	-
Insurance	6,222	5,534
Pension	16,207	15,735
Meetings/Conference Expenses/Travel	12,851	17,172
Office Supplies/Payroll Service Fees	1,834	1,885
Information Technology	14,220	10,429
Professional Services	12,172	20,111
Legal Notices/Legal Fees	3,033	1,096
Rent	36,000	36,000
<b>TOTAL EXPENSES</b>	<b>266,375</b>	<b>266,132</b>
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>(188,966)</b>	<b>976,319</b>
Unrestricted Net Assets - Beginning of Year	2,773,880	1,797,561
Unrestricted Net Assets - End of Year	\$ 2,584,914	\$ 2,773,880

**COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2018</u>	<u>2017</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets - Unrestricted	\$ (188,966)	\$ 976,319
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:		
(Increase)/decrease in operating assets		
Prepaid Expenses	(750)	-
Increase/(decrease) in operating liabilities		
Accrued Expenses	<u>1,290</u>	<u>-</u>
<u>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</u>	(188,426)	976,319
<u>NET INCREASE (DECREASE) IN CASH</u>	(188,426)	976,319
CASH - BEGINNING OF YEAR	2,768,180	1,791,861
CASH - END OF YEAR	\$ 2,579,754	\$ 2,768,180

**COUNTY OF ROCKLAND  
INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

**NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The County of Rockland Industrial Development Agency (the Agency), was created in 1981 by the Legislature of Rockland County under the provision of Chapter 25, Article 18A and Section 925-1 of the 1969 Laws of New York State. Its purpose is 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, considered a component unit of the County of Rockland, is a separate entity and operated independently of the County of Rockland.

***BASIS OF ACCOUNTING***

The books of the Agency are maintained on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

***CASH AND CASH EQUIVALENTS***

The Agency considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

***USE OF ESTIMATES***

The preparation of the financial statement in conformity with generally accepted accounting principles required management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE B – INVESTMENT POLICIES**

The Agency's investment policies are governed by State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Agency is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit at (105%) of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of the State and its municipalities and school districts.

The Agency's cash accounts are fully insured and/or collateralized as required by its investment policy.

**COUNTY OF ROCKLAND  
INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

**NOTE C – INDUSTRIAL DEVELOPMENT AGENCY BONDS**

Certain industrial development revenue bonds and notes issued by the Agency are secured property which is leased to companies and is retired by lease payments. The bonds and notes which are special purpose non-recourse moral obligation bonds, and are not obligations of the County or the State. Furthermore, they are non-recourse as to the Agency. The bondholders and Mortgagees' sole recourse in a default is against the underlying project. The Agency does not record assets or liabilities, resulting from completed bond and note issues in its accounts as its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as trustees and fiscal agents. For providing this service, the Agency receives administrative fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes.

**NOTE D – EMPLOYEE BENEFIT PLANS**

The Agency also participates in the New York State and Local Employees' Retirement System. This is a cost sharing multiple public employee retirement system. The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of Systems. The Comptroller shall adopt and may amend rules and regulation for the administration and transaction of the business of the Systems and for the custody of control of their funds. The system issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred E. Smith State Office Building, Albany, New York 12244.

**NOTE E – LEASE OBLIGATION**

The Agency has subleased space at 67 N. Main Street, New City, NY from Montalbano, Condon and Frank. The subleased premises are \$3,000.00 per month from the commencement date of January 26, 2017 through the last day of the month prior to the five-year anniversary of the commencement date. Minimum future rent payments as of December 31, 2018 are as follows:

<u>Year Ending</u>	<u>Amount</u>
2019	\$36,000
2020	\$36,000
2021	<u>\$ 1,000</u>
Total	\$ 73,000

**COUNTY OF ROCKLAND  
INDUSTRIAL DEVELOPMENT AGENCY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

**NOTE F – EVALUATION OF SUBSEQUENT EVENTS**

The Agency has evaluated subsequent events through March 26, 2019, the date which the financial statements were available to be issued.

New York State Comptroller  
THOMAS P. DiNAPOLI

**PARIS** Public Authorities Reporting  
Information System

# of FTEs  
Before IDA Authorities Budget Office

Action	Project Type	Project Name	Total		Current # of FTEs
			Exemption	PILOT	
View Modify Delete	Tax Exemptions	2018 United Structural Works & OM Realty	202,344.24	0.00	25
View Modify	Tax Exemptions	Ramland Holdings LLC	0.00	0.00	5

Action	Project Type	Project Name	Total		PILOT	Status	Current # of FTEs
			Exemption	IDA			
View Modify	Lease	MANHATTAN BEER DISTRIBUTORS, LLC	578,433.31	498,387.49	246	297	
View Modify	Lease	Millennium Pipeline Company	315,001.00	315,001.00	0	0	
View Modify	Lease	NRG Bowline	2,088,978.90	2,089,170.45	0	41	
View Modify	Lease	Orange Avenue Apartments	852,470.00	0.00	0	0	
View Modify	Lease	Pearl River Campus	4,672,068.50	5,781,860.00	0	3	
View Modify	Lease	Raymour & Flanigan III Super Regional Warehouse Center & Distribution	1,165,816.32	915,406.84	0	351.5	
View Modify	Lease	Raymour Furniture Company, Inc. II	0.00	0.00	0	0	
View Modify	Lease	Raymours Furniture Company, Inc.	0.00	0.00	0	0	
View Modify	Lease	Russo Development LLC	513,334.25	323,781.11	0	0	
View Modify	Lease	Star Kay White Campus 2017	0.00	0.00	126	126.84	
View Modify	Lease	United Structural Steel	0.00	0.00	80	81	
View Modify	Lease	Uovo Kings Highway LLC	0.00	0.00	0	1	
View Modify Delete	Tax Exemptions	2018 TZ Vista Project	118,682.06	0.00	0	0	

New York State Comptroller  
THOMAS P. DINAPOLI

**PARIS** Public Authorities Reporting  
Information System

# of FTEs  
Before IDA Authorities Budget Office

Action	Project Type	Project Name	Total		PILOT	Status	# of FTEs Current
			Exemption	IDA			
View Modify	Bonds/Notes Issuance	Special Needs Facilities Pooled Programs	0.00	0.00	0.00	26	73
View Modify	Lease	Avon Products Inc	2,114,630.14	537,846.40	274	0	262.5
View Modify	Lease	Bloomberg Data Center	5,761,941.00	0.00	0	0	195
View Modify	Lease	Cambridge Security Seals, Inc	105,102.43	99,032.34	2	2	56
View Modify	Lease	Celtic Sheet Metal, Inc. & Rathmagurry Realty	162,014.07	0.00	130	0	257.25
View Modify	Lease	Cerovene, Inc.	185,420.23	108,445.23	9	9	41
View Modify	Lease	Congers/ECD NY INC	56,607.91	49,973.00	20	20	23
View Modify	Lease	Crystal Run Project	0.00	225,595.00	20	20	223
View Modify	Lease	Curri's Landscaping	67,611.10	49,686.00	25	25	103.5
View Modify	Lease	DER Specialty Products LLC	89,495.15	73,084.00	0	0	7
View Modify	Lease	EMPIRE EXECUTIVE INN LLC	261,386.41	176,792.90	91	91	80.5
View Modify	Lease	H&H Renovations LLC	142,463.37	103,024.83	0	0	0
View Modify	Lease	JP Morgan Chase Data Center Project	3,932,217.01	58,751.01	0	0	0
View Modify	Lease	LIPTIS PHARMACEUTICALS USA INC.	0.00	0.00	0	0	25

**Total Number Of Projects**    **Total Exemptions**    **Total PILOT Paid**    **Net Exemptions**    **Net Employment Change**

35                    23,386,017.4                    11,405,837.6                    11,980,179.8                    1,281.09

Action	Project Type	Project Name	Total Exemption	Total PILOT	# of FTEs Before IDA Status	Current # of FTEs
View Modify	Bonds/Notes Issuance	ADH HEALTH PRODUCTS INC.	0.00	0.00	60	81.25
View Modify	Bonds/Notes Issuance	Assisted Living at Northern Riverview	0.00	0.00	0	44
View Modify	Bonds/Notes Issuance	Cardiovascular Research Foundation	0.00	0.00	0	156
View Modify	Bonds/Notes Issuance	Dominican College	0.00	0.00	482	326
View Modify	Bonds/Notes Issuance	Northern Manor Multicare Center Inc	0.00	0.00	252	262
View Modify	Bonds/Notes Issuance	Nyack Library	0.00	0.00	29.25	31

Rockland County Industrial Development Agency (0537)  
Fiscal Year End Date: 12/31/2018  
Status: UNSUBMITTED

\* This page has been modified successfully.

#### IDA Project List

To enter an IDA project, select the 'New' button, and enter all required data. Bulk load functionality can be used in place of manual data entry when a large number of IDA projects exist. Select the 'Bulk Load' button and follow the instructions on the following screen.

IDA projects will be carried forward each year in PARIS after they are initially entered. To update an IDA project, select the 'Modify' link in the Action column for each IDA project listed, and enter all required data. To use the bulk load functionality for this existing data, use the 'Export for Bulk Load' button and save the resulting file to a local or network drive in order to guarantee the continuity of data. Then, fill in the fields that are required to be updated every year (these fields will be blank in the exported file). Add any new projects to the end of the file, completing all required fields, and save the new file in .csv format. Next, use the 'Bulk Load' button to upload the file.

If there are no active IDA projects, select the 'No Active Projects' button.

To view a list of projects that have been entered in PARIS, but are no longer considered active, select the 'Completed Projects' button.

#### Project Name Search