

Cayuga County Industrial Development Agency

Financial Report

December 31, 2020 and 2019



Cayuga County Industrial Development Agency

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December 31, 2020 and 2019

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Buffington & Hoatland CPAs

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Independent Auditor's Report

To the Board of Directors
Cayuga County Industrial Development Agency

Report on the Financial Statements

We have audited the accompanying financial statements of Cayuga County Industrial Development Agency (Agency), a component unit of Cayuga County, State of New York, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise Cayuga County Industrial Development Agency's basic financial statements as listed in the table of contents.

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 opinions 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Cayuga County Industrial Development Agency, a component unit of Cayuga County, State of New York, as of December 31, 2020 and 2019, and the respective changes in financial position, and cash flows thereof 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 and budgetary comparison information on pages 3 through 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. 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 16, 2021, on our consideration of Cayuga County 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 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 Cayuga County Industrial Development 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 Cayuga County Industrial Development Agency's internal control over financial reporting and compliance.

Buffington & Hoatland CPAs, PLLC

Buffington & Hoatland CPAs, PLLC
Auburn, New York
March 16, 2021

Management's Discussion and Analysis (Unaudited)

This section of the Cayuga County Industrial Development Agency's annual financial report presents our discussion and analysis of the Agency's financial performance during the year ended December 31, 2020. It should be read in conjunction with the Agency's financial statements and accompanying notes.

Basic Financial Statements

The annual financial report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The Agency is a self-supporting entity and the accounts are recorded in accordance with a proprietary fund type. Proprietary fund type operating statements present increases and decreases in net assets. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

Required Financial Statements

The financial statements of the Agency report information using accounting methods similar to those used by private sector companies. These statements offer short-term financial information about its activities. The Statement of Net Position includes all of the Agency's assets and liabilities with the difference reported as net position. It provides the basis for assessing the liquidity and financial flexibility of the Agency. All of the current year's revenues and expenses are accounted for in the Statement of Revenues and Expenses. This statement measures the financial success of the Agency's operations over the past year and can be used to determine whether the Agency has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness. The third required statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Agency's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and changes in cash resulting from operating, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the period.

Condensed Comparative Financial Information

The following table contains selected financial information for the past two years.

Category	2020	2019
Cash and Investments	\$ 930,889	\$ 911,433
Capital Assets	647,328	614,751
Other Assets	-	43,401
Total Assets	\$ 1,578,217	\$ 1,569,585
Current Liabilities	\$ 25,445	\$ 67,356
Total Liabilities	\$ 24,445	\$ 67,356

Condensed Comparative Financial Information (Continued)

Category	2020	2019
Total Revenues	\$ 97,888	\$ 102,125
Total Expenses	(47,345)	(58,456)
Increase (Decrease) in Net Position	\$ 50,543	\$ 43,669
Net Position - Invested in Capital, Net of Related Debt	\$ 647,328	\$ 614,751
Net Position - Unrestricted	905,444	887,478
Total Net Position	\$ 1,552,772	\$ 1,502,229

Change in financial categories between 2020 and 2019 include the following:

- The Agency's total net position increased \$50,543 or 3.36%.
- Cash and Investments increased \$19,456 or 2.13%, resulting from increased administrative fees.
- Current Liabilities, other than PILOT payments, increased \$1,490 or 6.22%.
- Operating Revenues increased \$3,655 or 4.2%, resulting from more projects.
- Operating Expenses decreased \$11,111 or 19%, which is related to a property that was taxable in 2019 being moved to the tax exempt rolls for 2020.

Financial Analysis of the Agency

The Agency is engaged in activities to support economic growth in Cayuga County, including job creation and retention, and increasing the net wealth of the County. The Agency does not receive any general appropriations from local, county or state government to support its operations. The Agency collects revenue for its operating purposes from the issuance of PILOTS, administrative fees, and from interest on investments. In the year ended December 31, 2020, the Agency received in administrative fees and interest income from these sources \$94,313, a decrease of \$4,939 from the prior year. In the year ended December 31, 2019, the Agency received income from these sources \$99,252. The decrease is due to a decrease in interest rates and thus interest income in the 2020 fiscal year. For qualified transactions, the Agency enters into PILOT agreements in which the Agency collects payments that are disbursed to the appropriate tax jurisdictions. PILOT payments equaled \$546,248 in the year ended December 31, 2020. The increase is related to normal annual reduction of abatement for most projects, as well as some increased property assessments and a new PILOT agreement starting.

Capital Asset and Debt Administration

Capital Assets: As of December 31, 2020, the Agency's investment in capital assets was \$647,328 (net of depreciation). The principal capital assets of the Agency is land, building and construction in progress for future development. This is exclusive of property leases.

Economic Factors

The Agency's basic purpose is to assist growth and expansion in Cayuga County, New York. The business and economic climate in the County was impacted in 2020 by the COVID-19 global pandemic, but despite that, there were still numerous business startup and growth opportunities that took shape. In 2020, the Agency approved 3 new PILOT incentives related to solar development projects, as well as 2 sales and use tax exemption incentives. At the present time, the Agency has no active PILOT agreement applications.

Contacting the Agency's Financial Management

This financial report is designed to provide the Cayuga County's citizens and taxpayers, and the clients of the Agency, with a general overview of the Agency's finances. If you have questions about this report or need additional financial information, contact the Cayuga County Industrial Development Agency.

Respectfully yours,



Tracy Verrier
Executive Director

Cayuga County Industrial Development Agency

Statements of Net Position

December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 881,909	\$ 760,862
PILOT payment receivable	-	43,401
Total Current Assets	<u>881,909</u>	<u>804,263</u>
Capital Assets		
Land and building	542,790	542,790
Construction in progress	104,538	71,961
Total Capital Assets, Net	<u>647,328</u>	<u>614,751</u>
Investments	<u>48,980</u>	<u>150,571</u>
Total Assets	<u><u>\$ 1,578,217</u></u>	<u><u>\$ 1,569,585</u></u>
Liabilities and Net Position		
Current Liabilities		
PILOT payments payable	\$ -	\$ 43,401
Accounts payable	15,445	13,955
Grant payable	10,000	10,000
Total Current Liabilities	<u>25,445</u>	<u>67,356</u>
Net Position		
Invested in capital assets	647,328	614,751
Unrestricted	905,444	887,478
Total Net Position	<u>1,552,772</u>	<u>1,502,229</u>
Total Liabilities and Net Position	<u><u>\$ 1,578,217</u></u>	<u><u>\$ 1,569,585</u></u>

See notes to financial statements.

Cayuga County Industrial Development Agency

Statements of Revenue and Expenses

Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating Revenue		
Administrative fee income	\$ 90,581	\$ 86,926
Total Operating Revenue	<u>90,581</u>	<u>86,926</u>
Operating Expenses		
Dues and subscriptions	275	275
Office supplies	682	859
Professional fees	6,692	9,462
Contract services	29,911	26,815
Property taxes	6,433	18,271
Conferences, seminars, and trade shows	80	985
Local economic development	3,272	1,789
Total Operating Expenses	<u>47,345</u>	<u>58,456</u>
Operating Income	<u>43,236</u>	<u>28,470</u>
Non-Operating Income (Expenses)		
Interest income	3,732	12,326
Land rent	3,474	2,718
Gas well royalty	101	155
Total Non-Operating Income (Expenses)	<u>7,307</u>	<u>15,199</u>
Change in Net Position	<u>\$ 50,543</u>	<u>\$ 43,669</u>

See notes to financial statements.

Cayuga County Industrial Development Agency

Statements of Changes in Net Position

Years Ended December 31, 2020 and 2019

	Invested in Capital Assets	Unrestricted	Total Net Position
Net Position - Ending December 31, 2018	\$ 611,409	\$ 847,151	\$ 1,458,560
Changes in net position	<u>3,342</u>	<u>40,327</u>	<u>43,669</u>
Net Position - Ending December 31, 2019	\$ 614,751	\$ 887,478	\$ 1,502,229
Changes in net position	<u>32,577</u>	<u>17,966</u>	<u>50,543</u>
Net Position - Ending December 31, 2020	<u><u>\$ 647,328</u></u>	<u><u>\$ 905,444</u></u>	<u><u>\$ 1,552,772</u></u>

See notes to financial statements.

Cayuga County Industrial Development Agency

Statements of Cash Flows

Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Cash received for PILOT program	\$ 546,248	\$ 449,275
Cash payments for PILOT program	(546,248)	(449,275)
Cash paid for professional fees	(6,692)	(9,462)
Cash received for administrative fees	90,581	86,926
Cash received from gas well royalty	101	180
Cash received from land rent	3,474	2,718
Cash received from interest income	3,732	12,325
Cash paid for other operating expenses	(39,163)	(49,949)
Net Cash Provided by Operating Activities	<u>52,033</u>	<u>42,738</u>
Cash Flows from Investing Activities		
Capitalized land costs	(32,577)	(3,342)
Purchase of investments	(466)	-
Sale of investments	102,057	48,213
Net Cash Provided by Investing Activities	<u>69,014</u>	<u>44,871</u>
Net Increase in Cash and Cash Equivalents	121,047	87,609
Cash and Cash Equivalents - Beginning	<u>760,862</u>	<u>673,253</u>
Cash and Cash Equivalents - Ending	<u>\$ 881,909</u>	<u>\$ 760,862</u>
Reconciliation of Changes in Net Position to Net Cash Provided by Operating Activities		
Changes in net position	\$ 50,543	\$ 43,669
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities:		
(Increase) decrease in assets:		
PILOT payments receivable	43,401	(19,810)
Other receivables	-	25
Increase (decrease) in liabilities:		
PILOT payments payable	(43,401)	19,810
Accounts payable	1,490	(956)
Net Cash Provided by Operating Activities	<u>\$ 52,033</u>	<u>\$ 42,738</u>

See notes to financial statements.

Cayuga County Industrial Development Agency

Notes to Financial Statements

December 31, 2020 and 2019

Note 1 - Nature of Operations

The Cayuga County Industrial Development Agency was created by the New York State Legislature in 1969 as Title 15 of Article 8 of the Public Authorities Law. The Agency was formed to advance the job opportunities, general prosperity, sustainability and economic welfare of the people of the Cayuga County, New York, through the use of economic development incentives for qualified projects within the County. The Agency created under this Act is a corporate governmental Agency constituting a public benefit corporation. The Agency is considered a component unit of the Cayuga County.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The Agency's financial statements are prepared under the accrual basis of accounting in conformity with accounting principles generally accepted in the United States as set forth by the Governmental Accounting Standards Board (GASB) for proprietary funds. Under this method, revenue is recognized when performance obligations have been met and expenses are recognized when incurred regardless of when the related cash transaction takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Basis of Presentation

GASB requires the classification of Net Position into three classifications as defined below.

Net Invested in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or 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 invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted Net Position

This component of net position consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. As of December 31, 2020 and 2019, the Agency has no restricted net positions.

Unrestricted Net Position

This component of net positions consists of funds that do not meet the definition of "invested in capital assets, net of related debt", or "restricted".

Cayuga County Industrial Development Agency

Notes to Financial Statements

December 31, 2020 and 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU and all subsequently issued clarifying ASUs replaced most of the existing revenue recognition guidance in US GAAP. The Agency adopted the requirements of the new guidance as of January 1, 2019, utilizing the full retrospective method of transition. The Agency does not believe the application of the provisions has a material effect on the amounts presented or disclosed.

The Agency charges an administrative service fee for each project based upon the type of tax incentive. The revenue is recognized when the Agency meets the performance obligation of the contract. Application fees to submit an application are non-refundable and recognized upon submission of the application. Grant income is recorded as revenue when the conditions of the grant have been met. Administrative services fees are intended to be used for operating expenses and to fund continuing operations. Incidental items that are immaterial in the context of a contract are expensed.

Operating and Non-Operating Revenue

The Agency's revenue consists of operating and non-operating revenue. Operating revenue is revenue collected from tax incentive agreements, grants and income from administrative functions. Non-operating revenue is interest income and other investment income.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

PILOT Payments Receivable

PILOT payments receivable are stated at outstanding balances. The Agency considers accounts receivable to be fully collectible. If collection becomes doubtful, an allowance for credit loss will be established, or the accounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Cayuga County Industrial Development Agency

Notes to Financial Statements

December 31, 2020 and 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

Capital Assets

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Capital assets are carried at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the following useful lives of the respective classes of property:

	<u>Year</u>
Land and building	-0-

Depreciation expense was \$-0- for the years ended December 31, 2020 and 2019.

Supplemental Disclosures - Statements of Cash Flow

The Agency considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Non-Cash Transactions

The Agency does not collect on its capital lease arrangements as explained in Note 5. The increase and decrease in investments in property leases and bonds payable paid by the entity directly to the related financial institution are the non-cash items.

Conduit Debt Obligations

The term *conduit debt obligations* refers to debt instruments issued by the Agency for the express purpose of providing capital financing for a specific third party that is not a part of the Agency's financial reporting entity. Although conduit debt obligations bear the name of the Agency, the Agency has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

Concentration of Credit Risk

The Agency maintains its cash balances in one financial institution located in Auburn, New York. The Federal Deposit Insurance Corporation up to \$250,000 insures accounts at the institution for the years ended December 31, 2020 and 2019. The amounts over the FDIC limit are secured by United States Treasury Bills.

Tax-Exempt Status

The Agency has been organized under the Public Authorities Law by the New York State Legislature. Under Code Section 2326, Article 8, Title 15 of this law, the Agency is exempt from income taxes and immune from other taxes. Therefore, no provision is made for taxes on income.

Cayuga County Industrial Development Agency

Notes to Financial Statements

December 31, 2020 and 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

Payments In Lieu Of Taxes (PILOT)

A significant inducement in The Agency projects is exemption from real property, sales and mortgage taxes. By law, all property titled to the Agency is exempt from these taxes. In practice, however, Payments In Lieu Of Taxes (PILOT) are often negotiated with the applicant. PILOT may represent full or partial remuneration to one or more of the real property tax jurisdictions involved.

The Agency is responsible for tracking all PILOT payments whether made by the Agency in connection with property it owns or made directly to the taxing authorities by the Organizations participating in the program. A total of 9 Organizations participated in the PILOT program and \$502,847 and \$469,054 in payments were administrated by the Agency for the years ended December 31, 2020 and 2019.

Note 3 - Investments

Investments are stated at fair value. The cost and market values consist of the following as of December 31:

	2020		2019	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Certificate of deposit - two year	<u>\$ 48,980</u>	<u>\$ 48,980</u>	<u>\$ 150,571</u>	<u>\$ 150,571</u>

Investment income is summarized as follows as of December 31:

	<u>2020</u>	<u>2019</u>
Interest	<u>\$ 3,732</u>	<u>\$ 12,326</u>
Net Investment Income	<u>\$ 3,732</u>	<u>\$ 12,326</u>

Cayuga County Industrial Development Agency

Notes to Financial Statements December 31, 2020 and 2019

Note 4 - Capital Assets

Capital asset additions, retirements, and balances consist of the following for the years ended December 31:

	Balance December 31, 2019	Additions	Retirements	Balance December 31, 2020
Land and building	\$ 542,790	\$ -	\$ -	\$ 542,790
Construction in progress	71,961	32,577	-	104,538
Totals at Cost	614,751	32,577	-	647,328
Accumulated depreciation for: Equipment	-	-	-	-
Capital Assets, Net	\$ 614,751	\$ 32,577	\$ -	\$ 647,328

Note 5 – Industrial Revenue Bond and Note Transactions

Certain industrial development revenue bonds and notes issued by the Agency are secured by property that is leased to companies and is retired by lease payments. The bonds and notes are not obligations of the Agency or the State.

The Agency does not record the assets or liabilities resulting from completed bond and note issues in its accounts because its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising there from are controlled by trustees or banks acting as financial agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. Such Administrative fee income is recognized immediately upon issuance of bonds and notes.

Note 6 - Commitments and Contingencies

The Agency is exposed to various risks of loss such as torts, theft, damage, injuries, errors, omissions and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Any settled claims from these risks have not exceeded commercial insurance coverage for the past four years. In management's opinion, there are no material contingencies required to be accrued or disclosed.

Note 7 – Subsequent Events

Management has evaluated subsequent events through March 16, 2021, the date on which the financial statements were available to be issued.



Buffington & Hoatland CPAs

A Professional Limited Liability Company

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 *Governmental Auditing Standards*

To the Board of Directors
Cayuga County Industrial Development Agency

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 Cayuga County Industrial Development Agency, a component unit of Cayuga County, State of New York, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Cayuga County Industrial Development Agency's basic financial statements, and have issued our report thereon dated March 16, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cayuga County 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cayuga County Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Cayuga County Industrial Development 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 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 Cayuga County 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 entity'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.

Buffington & Hoatland CPAs, PLLC

Buffington & Hoatland CPAs, PLLC
Auburn, New York
March 16, 2021



Buffington & Hoatland CPAs

A Professional Limited Liability Company

Report on Compliance with Section 2925(3)(f) of the New York State Public Authorities Law

Independent Auditors' Report

To the Board of Directors
Cayuga County Industrial Development Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Cayuga County Industrial Development Agency (Agency), a component unit of Cayuga County, State of New York, which comprise the statements of net position as of December 31, 2020 and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated March 16, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with §2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended December 31, 2020. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Agency's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

Buffington & Hoatland & CPAs PLLC

Buffington & Hoatland CPAs, PLLC
Auburn, New York
March 16, 2021