



Notice of Committee Meeting

Date: June 1, 2023

To: Irene Rodriguez
R.J. Passalacqua
Rick Bley

From: Tracy Verrier, Executive Director

Re: Notice of Committee Meeting

The Geneva Industrial Development Agency's Audit Committee will hold a Committee Meeting on Wednesday, June 7, 2023 at 2:00 pm. The meeting will be at the MRB Group office, 44 Castle Street, Geneva, NY. The meeting agenda is attached and available at

<https://cityofgenevany.com/295/Industrial-Development-Agency-IDA>. The meeting will also be livestreamed on the IDA's YouTube Channel:

<https://www.youtube.com/channel/UCVz4jDNtxuliy4SyugqQ8eg>.

Please confirm your attendance with Tracy Verrier, tracy.verrier@mrbgroup.com.

Cc: Tracy Verrier, Executive Director
Matt Horn, MRB Group
Emma Falkenstein, MRB Group
Media: Steve Buchiere, Finger Lakes Times

GENEVA INDUSTRIAL DEVELOPMENT AGENCY

CITY HALL- 47 CASTLE STREET- GENEVA, NEW YORK 14456
tracy.verrier@mrbgroup.com – www.cityofgenevany.com

City of Geneva Industrial Development Agency

Meeting Agenda

Title: City of Geneva IDA - Audit Committee
MRB Group Office, 44 Castle Street, Geneva

Location:

Date & Time: 6/7/2023 at 2:00pm



Agenda Item	Potential Outcome	Person Responsible
Call to Order		Irene Rodriguez
New Business		
Review Draft FY2021-2022 Audit	Motion to recommend approval of Audit	Tracy Verrier
Review Audit Firm Proposals	Discussion	Tracy Verrier
Adjournment	Motion to adjourn	Irene Rodriguez

Quorum (Confirmation Required)
Irene Rodriguez
R.J. Passalacqua
Rick Bley

Staff
Tracy Verrier
Matt Horn
Emma Falkenstein

Others
Michael Debadts
Emma Powlin
Russ E. Gaenzle

Zoom will be available, and the meeting can be viewed on the GIDA's YouTube Channel

Join Zoom Meeting
Meeting ID: 852 4415 1869
Passcode: 559876
Dial in: 929-205-6099

<https://us02web.zoom.us/j/85244151869?pwd=bVRxcjdQUXZOUFG5VkFXdGluYVlIU09>

**CITY OF GENEVA
INDUSTRIAL DEVELOPMENT AGENCY**

NEW YORK

**COMMUNICATING INTERNAL CONTROL
RELATED MATTERS IDENTIFIED IN AN AUDIT**

For Year Ended September 30, 2022

_____, 2023

To the Board of Directors
City of Geneva
Industrial Development Agency
New York

In planning and performing our audit of the financial statements of the City of Geneva Industrial Development Agency, New York as of and for the year ended September 30, 2022, 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, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control including the possibility of management override of internal controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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 combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.
- *Probable*. The future event or events are likely to occur.

Material Weakness in Internal Control:

Accounting Records –

During the audit it was discovered that audit adjustments were needed to record capital assets and long-term liabilities, and to adjust beginning equity and current year activity related to the Enterprise Development Center. Additionally, we were unable to obtain and examine documentation to support capital asset balances reported at year end.

We recommend that the entity develop a detailed listing of real property, capital improvements, and equipment owned, along with corresponding depreciation schedules in order to meet GAAP requirements. Additionally, a process should be implemented to ensure that balances carrying over in the EDC system agree with final balances from the previous period.

Prior Year Deficiency in Internal Control Pending Corrective Action:

Annual Report Submission –

The IDA must submit a copy of the annual report, independent audit report, a management letter, and any other external examination of the books and accounts of the Agency within 90 days after its fiscal year end. This did not occur for the year ended September 30, 2022 as the audit report was unable to be issued timely.

We recommend the IDA ensure an independent audit and related audit report are able to be completed timely to ensure this reporting requirement is met.

Prior Year Recommendation:

We are pleased to report the following item has been corrected to our satisfaction:

1. We noted significant improvement in the completeness and timeliness of monthly oversight activities.

* * *

We believe that the implementation of these recommendations will provide the City of Geneva Industrial Development Agency with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management, the Board, others within the organization and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to express our appreciation to all staff for the courtesies extended to us during the course of our examination.

Rochester, New York
_____, 2023

**CITY OF GENEVA
INDUSTRIAL DEVELOPMENT AGENCY**

NEW YORK

BASIC FINANCIAL STATEMENTS

For The Years Ended September 30, 2022 and 2021

TABLE OF CONTENTS

Independent Auditor's Report	1 – 2
------------------------------	-------

BASIC FINANCIAL STATEMENTS

<u>Statement 1</u> -	Statement of Net Position	3
<u>Statement 2</u> -	Statement of Revenues, Expenses and Changes in Net Position	4
<u>Statement 3</u> -	Statement of Cash Flows	5
Notes to Financial Statements		6 - 13

SUPPLEMENTAL INFORMATION

<u>Supplemental Schedule 1</u> -	Combining Statement of Net Position	14
<u>Supplemental Schedule 2</u> -	Combining Statement of Revenue, Expenses, and Changes in Net Position	15
<u>Supplemental Schedule 3</u> -	Combining Statement of Cash Flows	16
<u>Supplemental Schedule 4</u> -	Schedule of Lease Agreements with the Agency	17 - 18
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		19 – 20
Schedule of Findings and Responses		21 - 22
Report on Compliance with Section 2925(3)(f) of the New York State Public Authority Law		23

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Disclaimer of Opinions

We were engaged to audit the financial statements of the business-type activities, and the aggregate remaining fund information of the City of Geneva, Industrial Development Agency, New York, (the Agency), as of and for the years ended September 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the Agency. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinions

The Agency has not maintained certain accounting records and supporting documents relating to transactions with its customers and suppliers, nor is the Agency's internal control adequate to provide safeguards over Agency assets and to assure the proper recording of transactions as of and for the years ended September 30, 2022 and 2021. Accordingly, we were unable to extend our auditing procedures sufficiently to determine the extent to which the financial statements may have been affected by these conditions.

Responsibilities of Management for the Financial Statements

The Agency's 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, 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 responsibility is to conduct an audit of the Agency's financial statements 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 and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

Required Supplementary Information

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 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

We were engaged to audit the financial statements taken as a whole. The accompanying Combining Statement of Net Position, the Combining Statement of Revenues, Expenses, and Changes in Net Position, and the Combining Statement of Cash Flows are presented for purposes of additional analysis and are not a required part of the basic financial statements. Because of the significance of the matter described above, it is inappropriate to and we do not express an opinion on the accompanying Combining Statement of Net Position, the Combining Statement of Revenues, Expenses, and Changes in Net Position, and the Combining Statement of Cash Flows referred to above.

The schedule of lease agreements with the Agency has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated _____, 2023 on our consideration of City of Geneva, Industrial Development Agency, New York'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 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 City of Geneva, Industrial Development Agency, New York's internal control over financial reporting and compliance.

Rochester, New York
_____, 2023

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
NEW YORK**

STATEMENT OF NET POSITION

September 30, 2022 and 2021

<u>ASSETS:</u>	<u>2022</u>	<u>2021</u>
<u>Current Assets -</u>		
Cash and cash equivalents	\$ 439,157	\$ 144,119
Certificates of deposit	105,000	45,041
Lease receivables	43,715	-
Total Current Assets	\$ 587,872	\$ 189,160
<u>Noncurrent Assets -</u>		
Land held for development and sale	\$ 93,615	\$ 151,239
Lease receivables	365,287	-
Total Noncurrent Assets	\$ 458,902	\$ 151,239
<u>Capital Assets -</u>		
Land	\$ 425,000	\$ 425,000
Work in progress	356,227	356,227
Buildings, net	2,690,477	2,831,293
Total Capital Assets	\$ 3,471,704	\$ 3,612,520
TOTAL ASSETS	\$ 4,518,478	\$ 3,952,919
<u>LIABILITIES:</u>		
<u>Current Liabilities -</u>		
Accounts payable	\$ 336	\$ -
Security deposits	14,745	15,153
Total Current Liabilities	\$ 15,081	\$ 15,153
<u>Noncurrent Liabilities -</u>		
Due to other governments	\$ 195,355	\$ 106,095
Note payable:		
Due and payable within one year	24,411	23,305
Due and payable after one year	435,740	460,081
Total Noncurrent Liabilities	\$ 655,506	\$ 589,481
TOTAL LIABILITIES	\$ 670,587	\$ 604,634
<u>DEFERRED INFLOWS OF RESOURCES:</u>		
Deferred inflows of resources	\$ 409,002	\$ -
<u>NET POSITION:</u>		
Net investment in capital assets	\$ 3,011,553	\$ 3,129,134
Restricted - revolving loan and industrial park		
Unrestricted	427,336	219,151
TOTAL NET POSITION	\$ 3,438,889	\$ 3,348,285

(The accompanying notes are an integral part of the financial statements)

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
NEW YORK**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For Years Ended September 30, 2022 and 2021

<u>OPERATING REVENUES:</u>	<u>2022</u>	<u>2021</u>
Rental income	\$ 368,539	\$ 257,179
Administration Fees	253,128	-
Other revenues	197	30,311
TOTAL OPERATING REVENUES	<u>\$ 621,864</u>	<u>\$ 287,490</u>
<u>OPERATING EXPENSES:</u>		
Administrative	\$ 88,701	\$ 93,075
Depreciation	140,816	140,816
Professional fees	53,639	106,795
Repairs and maintenance	72,366	49,454
Utilities	151,362	80,428
TOTAL OPERATING EXPENSES	<u>\$ 506,884</u>	<u>\$ 470,568</u>
OPERATING INCOME (LOSS)	<u>\$ 114,980</u>	<u>\$ (183,078)</u>
<u>NONOPERATING REVENUES (EXPENSES):</u>		
Interest revenue	\$ 8,706	\$ 430
Miscellaneous revenue	-	18,626
Miscellaneous expense	(125,573)	(3,232)
Interest expense	(22,344)	(23,492)
Sale of Industrial Park Land	157,859	-
Investment in joint venture	(43,024)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>\$ (24,376)</u>	<u>\$ (7,668)</u>
INCREASE (DECREASE) IN NET POSITION	\$ 90,604	\$ (190,746)
NET POSITION - BEGINNING OF YEAR	<u>3,348,285</u>	<u>3,539,031</u>
NET POSITION - END OF YEAR	<u><u>\$ 3,438,889</u></u>	<u><u>\$ 3,348,285</u></u>

(The accompanying notes are an integral part of the financial statements)

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
NEW YORK**

STATEMENT OF CASH FLOWS

For Years Ended September 30, 2022 and 2021

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	<u>2022</u>	<u>2021</u>
Cash received from providing services	\$ 621,456	\$ 308,293
Cash payments contractual expenses	<u>(365,731)</u>	<u>(329,752)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 255,725</u>	<u>\$ (21,459)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>		
Principal payments on note payable	\$ (23,235)	\$ (22,087)
Interest paid on note payable	<u>(22,344)</u>	<u>(23,492)</u>
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (45,579)</u>	<u>\$ (45,579)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Payments for miscellaneous expenses	\$ (31,963)	\$ 15,394
Interest income	<u>8,706</u>	<u>430</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$ 144,851</u>	<u>\$ 15,824</u>
NET INCREASE (DECREASE) IN CASH	\$ 354,997	\$ (51,214)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>189,160</u>	<u>240,374</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 544,157</u>	<u>\$ 189,160</u>
OPERATING INCOME (LOSS)	<u>\$ 114,980</u>	<u>\$ (183,078)</u>
<u>Adjustments to Reconcile Net Income to Net Cash Flows from Operating Activities -</u>		
Depreciation expense	\$ 140,816	\$ 140,816
Increase / (decrease) in liabilities	<u>(71)</u>	<u>20,803</u>
Total Adjustments	<u>\$ 140,745</u>	<u>\$ 161,619</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 255,725</u>	<u>\$ (21,459)</u>

(The accompanying notes are an integral part of the financial statements)

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
New York

NOTES TO FINANCIAL STATEMENTS

September 30, 2022 and 2021

I. Summary of Significant Accounting Policies:

The financial statements of the City of Geneva Industrial Development Agency, New York (the Agency) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

The City of Geneva Industrial Development Agency, New York is a public benefit corporation under the mandate of Article 18-A, "New York State Industrial Development Agency Act" of New York State general municipal law.

The Agency reports related organizations under the guidance of the Governmental Accounting Standards Board. The Standards define the primary government and redefine and establish the criteria for which potential component units are included in the reporting entity. The Standards also define financial accountability of the primary government as being determined on the basis of fiscal dependency, appointment of a voting majority of a governing board, ability to impose its will or potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the primary government. The Agency is subject to the provisions of the New York State Public Authorities Law. As a local authority under the law, the Agency is required to make certain information available to the public.

1. Included in the Reporting Entity

a. Geneva Enterprise Development Center - The Agency is financially accountable for the Geneva Enterprise Development Center. Based on the above aforementioned criteria, the Geneva Enterprise Development Center is required to be included as a blended component unit in the accompanying financial statements.

b. City of Geneva Industrial Park - The Agency maintains joint ownership in the City of Geneva Industrial Park along with the Ontario County Industrial Development Agency and the City of Geneva. Based on the above aforementioned criteria, the City of Geneva Industrial Park is required to be included as a blended component unit in the accompanying financial statements.

(I.) (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements of the Agency are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include grants. Revenue from grants is recognized in the financial year in which all eligibility requirements have been satisfied.

The Agency's basic financial statements consist of three statements that provide information about the Agency's business-type activities. The first statement is the statement of net position which lists all of the Agency's assets and liabilities, with the difference reported as net position. The net position is classified as net investment in capital assets and unrestricted net position. The second statement is the statement of revenues, expenses and changes in net position which details how the Agency's net position changed during the current year based on the reporting of the revenues and expenses recognized by the Agency. The third statement is the statement of cash flows which reports the activities that provide or use the cash and cash equivalents of the Agency.

C. Cash and Cash Equivalents

The Agency's cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

For the purpose of the statement of cash flows, the Agency considers cash to be all cash and cash equivalents.

D. Accounts Receivable

Receivables are stated at the amount management expects to collect. Amounts that management believes to be uncollectible, after collection efforts have been completed, are written off. In addition, management evaluates the need for and, if appropriate, provides an allowance to reduce receivables to amounts management expects will be collected.

In addition, the Agency will report a receivable relating to a lease arrangement. The receivable is recorded at the present value of the future payments and recognized over the life of the lease.

E. Property and Equipment

Property and equipment is recorded at acquisition cost and depreciated over the estimated useful lives of the respective assets using straight-line and accelerated methods. The cost of repairs, maintenance and minor replacements is expensed as incurred, whereas expenditures that materially extend property lives are capitalized. When depreciable property is retired or otherwise disposed of, the cost and related accumulated depreciation are removed for the accounts and any gain or loss is reflected in income. Depreciation expense amounted to \$140,816 for fiscal year ended September 30, 2022.

(I.) (Continued)

F. Net Position

Equity is classified as net position and displayed in two components as defined below:

1. **Net Investment in Capital Assets** - Consists of capital assets less related debt.
2. **Unrestricted Net Position** - All other net position that does not meet the definition of "Investment in capital assets".

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting periods. Actual results could differ from those estimates.

H. Revenue Recognition

The Agency recognizes rental income as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Agency and the tenants are operating leases.

I. Operating and Nonoperating Revenues and Expenses

The Agency distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Agency's principal ongoing operations. The principal operating revenues of the Agency's funds are charges to tenants of the industrial park and administrative fees. Operating expenses for the Agency include the cost of the operations of the industrial park, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

J. Income Taxes

The Agency is a Public Benefit Corporation of the State of New York and is exempt from federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been made on the accompanying financial statements.

K. New Accounting Standards

The Agency has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At September 30, 2022, the Agency implemented the following new standards issued by GASB:

GASB has issued Statement 87, *Leases*

(I.) (Continued)

GASB has issued Statement No. 92, *Omnibus 2020, Paragraphs 6, 7, 8, 9, 10, 12*

GASB has issued Statement No. 93, *Replacement of Interbank Offered Rates, Paragraphs 11b, 13 and 14*

GASB has issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*

GASB has issued Statement No. 98, *The Annual Comprehensive Financial Report*

GASB has issued Statement No. 99, *Omnibus 2022 (extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement 34, as amended, and terminology updates related to GASB Statement 53 and GASB Statement 63)*

L. Future Changes in Accounting Standards

GASB has issued Statement No. 91, *Conduit Debt Obligations*, which will be effective for reporting periods beginning after December 15, 2021.

GASB has issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will be effective for reporting periods beginning after June 15, 2022.

GASB has issued Statement No. 96, *Subscription Based Information Technology*, which will be effective for reporting periods beginning after June 15, 2022.

GASB has issued Statement No. 99, *Omnibus 2022 (leases, PPPs, and SBITAs)*, which will be effective for reporting periods beginning after June 15, 2022.

GASB has issued Statement No. 99, *Omnibus 2022 (financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement 53)*, which will be effective for reporting periods beginning after June 15, 2023.

GASB has issued Statement No. 100, *Accounting for Changes and Error Corrections-an Amendment of GASB Statement No. 62*, which will be effective for reporting periods beginning after June 15, 2023.

GASB has issued Statement No. 101, *Compensated Absences*, which will be effective for reporting periods beginning after December 15, 2023.

The Agency is currently studying these statements and plans on adoption as required.

II. Changes in Accounting Principles

For the year ended December 31, 2022, the Agency implemented GASB Statement No. 87, *Leases*. The implementation of the statement changes to reporting for leases.

III. Cash, Certificates of Deposit and Investments

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 Treasurer is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. treasury and U.S. agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of 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 aggregate bank balances were fully collateralized at September 30, 2022 and 2021.

Investment and Deposit Policy - The Agency follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Agency Treasurer.

Interest Rate Risk - Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - The Agency's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Agency's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts
- Certificates of deposits
- Obligations of the United States Treasury and United States agencies
- Obligations of New York State and its localities

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Agency's investment and deposit policy, all deposits of the Agency including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 102% of the aggregate amount of deposits. The Agency restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasurer and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities
- Obligations issued by other than New York State related in one of the three highest rating categories by a least one nationally recognized statistical rating organizations

IV. Receivables

The balance of lease receivables at December 31, is as follows:

	<u>2022</u>	<u>2021</u>
Lease Receivable	\$ 409,002	\$ -
Total Lease Receivable, Net	<u>\$ 409,002</u>	<u>\$ -</u>

The Agency has the following expected future collections for leases:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 43,715	\$ 7,765
2024	36,928	6,952
2025	33,701	6,259
2026	34,380	5,579
2027	35,075	4,885
2028-32	181,280	13,525
2033-35	43,923	1,032
Total	<u>\$ 409,002</u>	<u>\$ 45,997</u>

V. Land Held for Development and Sale

The Agency maintains three separate investments in land held for resale through joint venture agreements with other local organizations. The Agency's ownership share of the joint venture is 14.71%. All acquisition and holding costs related to these investments have been capitalized.

V. Capital Assets

The following is a summary of capital assets for the Agency at September 30, 2022:

<u>Type</u>	<u>Balance 10/1/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/22</u>
<u>Capital assets not being Depreciated:</u>				
Land & improvements	\$ 425,000	\$ -	\$ -	\$ 425,000
Work in progress	356,227	-	-	356,227
<i>Total capital assets not being depreciated</i>	<u>\$ 781,227</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 781,227</u>
<u>Other capital assets:</u>				
Buildings and improvements	\$ 5,330,881	\$ -	\$ -	\$ 5,330,881
<i>Total other capital assets at historical cost</i>	<u>\$ 5,330,881</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,330,881</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements	\$ 2,499,588	\$ 140,816	\$ -	\$ 2,640,404
<i>Total accumulated depreciation</i>	<u>\$ 2,499,588</u>	<u>\$ 140,816</u>	<u>\$ -</u>	<u>\$ 2,640,404</u>
<i>Other capital assets, net</i>	<u>\$ 2,831,293</u>	<u>\$ (140,816)</u>	<u>\$ -</u>	<u>\$ 2,690,477</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 3,612,520</u>	<u>\$ (140,816)</u>	<u>\$ -</u>	<u>\$ 3,471,704</u>

VI. Due to Other Governments

Due to other governments represents amounts owed to the Ontario County Industrial Development Agency, and the City of Geneva related to interests in a joint venture. There are no specific repayment terms.

The Agency is a participant with Ontario County Industrial Development Agency, and the City of Geneva in a Joint Venture Agreement to operate the Geneva Industrial Park. On dissolution of the joint venture the net assets of the Park will be shared according to the terms of the Joint Venture Agreement dated June 1, 1989. Initial capital contribution, future contributions, title to the property and voting shares are also included in the Joint Venture Agreement.

The amounts owed to other governments are comprised of the amounts of \$195,355 and \$106,095 at September 30, 2022, and 2021 respectively:

	<u>2022</u>	<u>2021</u>
<u>Joint Venture:</u>		
City of Geneva	\$ 144,825	\$ 78,653
Ontario County IDA	<u>50,530</u>	<u>27,442</u>
Total Due To Other		
Governments-Joint Venture	<u>\$ 195,355</u>	<u>\$ 106,095</u>

VII. Outstanding Bond Issues

Bonds issued by the Agency are collateralized by the property which is leased to the borrowing company and the bonds are retired by lease payments. The bonds are not an obligation of the Agency, the City of Geneva or the State of New York. The Agency does not record the assets or liabilities resulting from a completed bond issue in their accounts, since its primary function is to arrange the financing between the borrowing company and the lending bondholders, and the funds arising there from are controlled by a trustee bank.

VIII. Long-Term Liabilities

A. Note Payable

The Agency issued a note payable to provide funds for various projects at 122 N. Genesee Street, Geneva, New York. The note payable outstanding at September 30, 2022 is as follows:

	<u>Issue</u>	<u>Original</u>	<u>Interest</u>	<u>Final</u>	<u>Amount</u>
<u>Description</u>	<u>Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Outstanding</u>
122 N. Genesee Street	2018	\$ 551,701	4.66%	2036	<u>\$ 460,151</u>
					<u>\$ 460,151</u>

(VIII.) (Continued)

B. Changes in Long-Term Liabilities

Changes in the Agency's long-term liabilities for the year ended September 30, 2022 are as follows:

	<u>Balance</u> <u>10/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/2021</u>	<u>Due Within</u> <u>One Year</u>
Note Payable	\$ 483,386	\$ -	\$ 23,235	\$ 460,151	\$ 24,411
Total	<u>\$ 483,386</u>	<u>\$ -</u>	<u>\$ 23,235</u>	<u>\$ 460,151</u>	<u>\$ 24,411</u>

The debt service requirements for the Agency's note is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 24,411	\$ 20,923
2024	25,577	19,760
2025	26,794	18,543
2026	28,070	17,267
2027	29,406	15,931
2028-32	169,414	57,272
2033-36	156,479	14,435
Total	<u>\$ 460,151</u>	<u>\$ 164,131</u>

IX. Leases

At September 30, 2022 and 2021, the Agency had entered into various lease agreements. These leases are merely financing arrangements in which the Agency has provided tax incentives or acts only as a financing conduit. Therefore, the Agency does not record these transactions in its financial records.

X. Litigation

The Agency was named as a co-defendant in a lawsuit for a foreclosure on a property as of the balance sheet date, however, the property was foreclosed in December of 2022, and the Agency did not incur any liability.

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
NEW YORK**

COMBINING STATEMENT OF NET POSITION

September 30, 2022

ASSETS:	Operating Fund	Industrial Park	Enterprise Development Center	Reclassifications and Eliminations	Total 2022
<u>Current Assets -</u>					
Cash and cash equivalents	\$ 198,156	\$ 199,048	\$ 41,953	\$ -	\$ 439,157
Certificates of deposit	75,000	30,000	-	-	105,000
Due from GEDC	90,010	-	-	(90,010)	-
Lease receivables	-	-	43,715	-	43,715
Total Current Assets	\$ 363,166	\$ 229,048	\$ 85,668	\$ (90,010)	\$ 587,872
<u>Noncurrent Assets -</u>					
Investment in City of Geneva Industrial Park	\$ 14,240	\$ -	\$ -	\$ (14,240)	\$ -
Land held for development and sale	27,616	65,999	-	-	93,615
Lease receivables	-	-	365,287	-	365,287
Total Noncurrent Assets	\$ 41,856	\$ 65,999	\$ 365,287	\$ (14,240)	\$ 458,902
<u>Capital Assets -</u>					
Land	\$ -	\$ -	\$ 425,000	\$ -	\$ 425,000
Work in Progress	-	-	356,227	-	356,227
Buildings, net	-	-	2,690,477	-	2,690,477
Total Capital Assets	\$ -	\$ -	\$ 3,471,704	\$ -	\$ 3,471,704
TOTAL ASSETS	\$ 405,022	\$ 295,047	\$ 3,922,659	\$ (104,250)	\$ 4,518,478
<u>LIABILITIES:</u>					
<u>Current Liabilities -</u>					
Accounts payable	\$ 336	\$ -	\$ -	\$ -	\$ 336
Security deposits	-	-	14,745	-	14,745
Due to IDA	-	-	90,010	(90,010)	-
Total Current Liabilities	\$ 336	\$ -	\$ 104,755	\$ (90,010)	\$ 15,081
<u>Noncurrent Liabilities -</u>					
Due to other governments	\$ -	\$ 195,355	\$ -	\$ -	\$ 195,355
Note payable:					
Due and payable within one year	-	-	24,411	-	24,411
Due and payable after one year	-	-	435,740	-	435,740
Total Noncurrent Liabilities	\$ -	\$ 195,355	\$ 460,151	\$ -	\$ 655,506
TOTAL LIABILITIES	\$ 336	\$ 195,355	\$ 564,906	\$ (90,010)	\$ 670,587
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	\$ -	\$ -	\$ 409,002	\$ -	\$ 409,002
<u>NET POSITION:</u>					
Net investment in capital assets	\$ -	\$ -	\$ 3,011,553	\$ -	\$ 3,011,553
Unrestricted	404,686	99,692	(62,802)	(14,240)	427,336
TOTAL NET POSITION	\$ 404,686	\$ 99,692	\$ 2,948,751	\$ (14,240)	\$ 3,438,889

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
NEW YORK**

**COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION**

For Year Ended September 30, 2022

	Operating	Industrial	Enterprise	Reclassifications	Total
	Fund	Park	Development	and Eliminations	2022
<u>OPERATING REVENUES:</u>			Center		
Rental income	\$ 2,535	\$ 4,358	\$ 361,646	\$ -	\$ 368,539
Administration Fees	253,128	-	-	-	253,128
Other revenues	-	-	197	-	197
TOTAL OPERATING REVENUES	\$ 255,663	\$ 4,358	\$ 361,843	\$ -	\$ 621,864
<u>OPERATING EXPENSES:</u>					
Administrative	\$ 36,288	\$ -	\$ 52,413	\$ -	\$ 88,701
Depreciation	-	-	140,816	-	140,816
Professional fees	35,835	2,450	15,354	-	53,639
Repairs and maintenance	-	-	72,366	-	72,366
Utilities	-	-	151,362	-	151,362
TOTAL OPERATING EXPENSES	\$ 72,123	\$ 2,450	\$ 432,311	\$ -	\$ 506,884
OPERATING INCOME (LOSS)	\$ 183,540	\$ 1,908	\$ (70,468)	\$ -	\$ 114,980
<u>NONOPERATING REVENUES (EXPENSES):</u>					
Interest revenue	\$ 35	\$ -	\$ 8,671	\$ -	\$ 8,706
Distribution of partnership income	-	(125,573)	-	-	(125,573)
Interest expense	-	-	(22,344)	-	(22,344)
Sale of Industrial Park Land	76,424	81,435	-	-	157,859
Investment in joint venture	(43,024)	-	-	-	(43,024)
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ 33,435	\$ (44,138)	\$ (13,673)	\$ -	\$ (24,376)
INCREASE (DECREASE) IN NET POSITION	\$ 216,975	\$ (42,230)	\$ (84,141)	\$ -	\$ 90,604
NET POSITION - BEGINNING OF YEAR	187,711	141,922	3,032,892	(14,240)	3,348,285
NET POSITION - END OF YEAR	\$ 404,686	\$ 99,692	\$ 2,948,751	\$ (14,240)	\$ 3,438,889

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
NEW YORK**

COMBINING STATEMENT CASH FLOWS

For Year Ended September 30, 2022

	Operating Fund	Industrial Park	Enterprise Development Center	Total 2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Cash received from providing services	\$ 255,663	\$ 4,358	\$ 361,435	\$ 621,456
Cash payments contractual expenses	(71,786)	(2,450)	(291,495)	(365,731)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 183,877	\$ 1,908	\$ 69,940	\$ 255,725
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>				
Principal payments on note payable	\$ -	\$ -	\$ (23,235)	\$ (23,235)
Interest paid on note payable	-	-	(22,344)	(22,344)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	\$ -	\$ -	\$ (45,579)	\$ (45,579)
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>				
Sale of land held for investment	\$ -	\$ 611,223	\$ -	\$ 611,223
Distribution of land sale proceeds	76,424	(519,539)	-	(443,115)
Investment in joint venture	(43,024)	11,061	-	(31,963)
Interest income	35	-	8,671	8,706
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$ 33,435	\$ 102,745	\$ 8,671	\$ 144,851
NET INCREASE (DECREASE) IN CASH	\$ 217,312	\$ 104,653	\$ 33,032	\$ 354,997
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	55,844	124,395	8,921	189,160
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 273,156	\$ 229,048	\$ 41,953	\$ 544,157
OPERATING INCOME (LOSS)	\$ 183,540	\$ 1,908	\$ (70,468)	\$ 114,980
<u>Adjustments to Reconcile Net Income to Net Cash Flows from Operating Activities -</u>				
Depreciation expense	\$ -	\$ -	\$ 140,816	\$ 140,816
Increase / (decrease) in liabilities	337	-	(408)	(71)
Total Adjustments	\$ 337	\$ -	\$ 140,408	\$ 140,745
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 183,877	\$ 1,908	\$ 69,940	\$ 255,725

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
New York

SCHEDULE OF LEASE AGREEMENTS WITH THE AGENCY

For Year Ended September 30, 2022

1. Name of Lessee: Ramada Inn
Address of Lessee: 1 Lakefront Drive
Geneva, New York 14456
Date of Lease: 1997
Date of Expiration: 12/31/2027
2. Name of Lessee: Guardian Industries
Address of Lessee: Forge Avenue
Geneva, New York 14456
Date of Lease: 2018
Date of Expiration: 01/31/2036
3. Name of Lessee: Wine Country Hospitality, LLC
Address of Lessee: 383 Hamilton Street
Geneva, New York 14456
Date of Lease: 2016
Date of Expiration: 12/31/2031
4. Name of Lessee: N.P. Massa, LLC
Address of Lessee: 470 Exchange Street
Geneva, New York 14456
Date of Lease: 2017
Date of Expiration: 12/31/2037

5. Name of Lessee: Geneva, LLC
 Address of Lessee: White Springs
 Geneva, New York 14456

 Date of Lease: 2013
 Date of Expiration: 12/31/2022
6. Name of Lessee: Geneva Shopping Center, LLC
 Address of Lessee: Hamilton Street
 Geneva, New York 14456

 Date of Lease: 2013
 Date of Expiration: 12/31/2027
7. Name of Lessee: DCMB Ventures, LLC
 Address of Lessee: 459-465 Exchange Street
 Geneva, New York 14456

 Date of Lease: 2021
 Date of Expiration: 12/31/2036

**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***

Independent Auditors' Report

To the Board of Directors
City of Geneva
Industrial Development Agency
New York

We were engaged to audit, 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 the business-type activities, and the aggregate remaining fund information of the City of Geneva Industrial Development Agency, New York, (Agency) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Geneva Industrial Development Agency, New York's basic financial statements, and have issued our report thereon dated _____, 2023. Our report disclaims an opinion on such financial statements because the Agency has not maintained certain accounting records and supporting documents relating to transactions with its customers and suppliers, nor is the Agency's internal control adequate to provide safeguards over Agency assets and to assure the proper recording of transactions as of and for the year ended September 30, 2022. Accordingly, we were unable to extend our auditing procedures sufficiently to determine the extent to which the financial statements may have been affected by these conditions.

Report on Internal Control Over Financial Reporting

In connection with our engagement to audit the financial statements of the City of Geneva Industrial Development Agency, New York, we considered the City of Geneva Industrial Development Agency, New York'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 City of Geneva Industrial Development Agency, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Geneva Industrial Development Agency, New York's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weakness or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we did identify certain deficiencies in internal control that we consider to be material weaknesses.

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 Agency's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item 2022-001 to be a material weakness.

Report on Compliance and Other Matters

In connection with our engagement to audit the financial statements of the City of Geneva Industrial Development Agency, New York 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 statements. 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and responses as item 2022-002. Additionally, if the scope of our work had been sufficient to enable us to express an opinion on the financial statements, other instances of noncompliance or other matters may have been identified and reported herein.

Agency's Responses to Findings

Government Auditing Standards require the auditor to perform limited procedures on the Agency's response to the findings identified in our engagement and described in the accompanying schedule of findings and responses. The City of Geneva, Industrial Development Agency, New York's responses were not subjected to the other auditing procedures applied in the engagement to audit of the financial statements and, accordingly, we express no opinion on the responses.

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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rochester, New York
_____, 2023

**CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
New York**

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended September 30, 2022

I. Summary of the Auditor's Results

Financial Statements

(a) Type of auditor's report issued	Disclaimer
(b) Internal control over financial reporting	
(i) Material weaknesses identified	Yes
(ii) Significant deficiency(ies) identified	No
(c) Noncompliance material to financial statements noted	Yes

II. Financial Statement Findings

2022-001 Accounting Records

Criteria: An entity must maintain accounting records as transactions occur to ensure that financial activity is complete, accurate and is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition: During the audit it was discovered that audit adjustments were needed to record capital assets and long-term liabilities, and to adjust beginning equity and current year activity related to the Enterprise Development Center. Additionally, we were unable to obtain and examine documentation to support capital asset balances reported at year end.

Cause: There is a lack of historical documentation related to the acquisition of, and improvements to, the EDC.

Effect: This material weakness could result in an increased risk that accounting errors or fraud could occur and not be detected and financial reports could be misstated.

Recommendation: We recommend that the entity develop a detailed listing of real property, capital improvements, and equipment owned, along with corresponding depreciation schedules in order to meet GAAP requirements. Additionally, a process should be implemented to ensure that balances carrying over in the EDC system agree with final balances from the previous period.

Views of Responsible Officials and Planned Corrective Actions: Since the end of the 2020-21 fiscal year, management of the IDA has transitioned. New management has standardized bookkeeping practices and begun providing financial statements for review at the monthly board meetings. The property management of GEDC also changed during the 2020-21 fiscal year, and the new property manager (Webster Properties) has already substantially improved financial reporting and record keeping. The record keeping shortfalls related to GEDC date back to the prior property manager.

In fiscal year 2021-22, IDA management ensured that: 1) audit adjustments were recorded, 2) IDA and Park Partnership bank accounts were reconciled on a monthly basis and provided to the board treasurer for review, 3) the board received written financial statements on a monthly basis. Webster Properties maintains the GEDC books and provides monthly financial statements to the board.

III. Compliance Findings

2022-002 Annual Report and Independent Audit Report

Observation: The IDA must submit a copy of the annual report, independent audit report, a management letter, and any other external examination of the books and accounts of the Agency within 90 days after its fiscal year end. This did not occur for the year ended September 30, 2022 and September 30, 2021 as the audit report was unable to be issued timely.

Recommendation: We recommend the IDA ensure an independent audit and related audit report are able to be completed timely to ensure this requirement is met.

Views of Responsible Officials and Planned Corrective Actions: The IDA board and management will, to the extent that it is within their control, ensure that an audit firm is engaged and ready to begin audit work earlier in the year to avoid late filings.

Independent Auditors' Report

To the Board of Directors
City of Geneva
Industrial Development Agency
New York

We have examined the City of Geneva Industrial Development Agency, New York, (the Agency)'s, compliance with its own investment guidelines, the New York State Comptroller's Investment Guidelines, and Section 2925 of the New York State Public Authorities Law (collectively, investment guidelines) during the period October 1, 2021 to September 30, 2022. The management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depending on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with its own investment guidelines, the New York State Comptroller's Investment Guidelines, and Section 2925 of the New York State Public Authorities Law (collectively, investment guidelines) during the period October 1, 2021 to September 30, 2022.

Rochester, New York
_____, 2023



**Geneva Local Development Corporation
Geneva Industrial Development Agency**

Summary of Responses to Joint Audit RFP

As of May 31, 2023

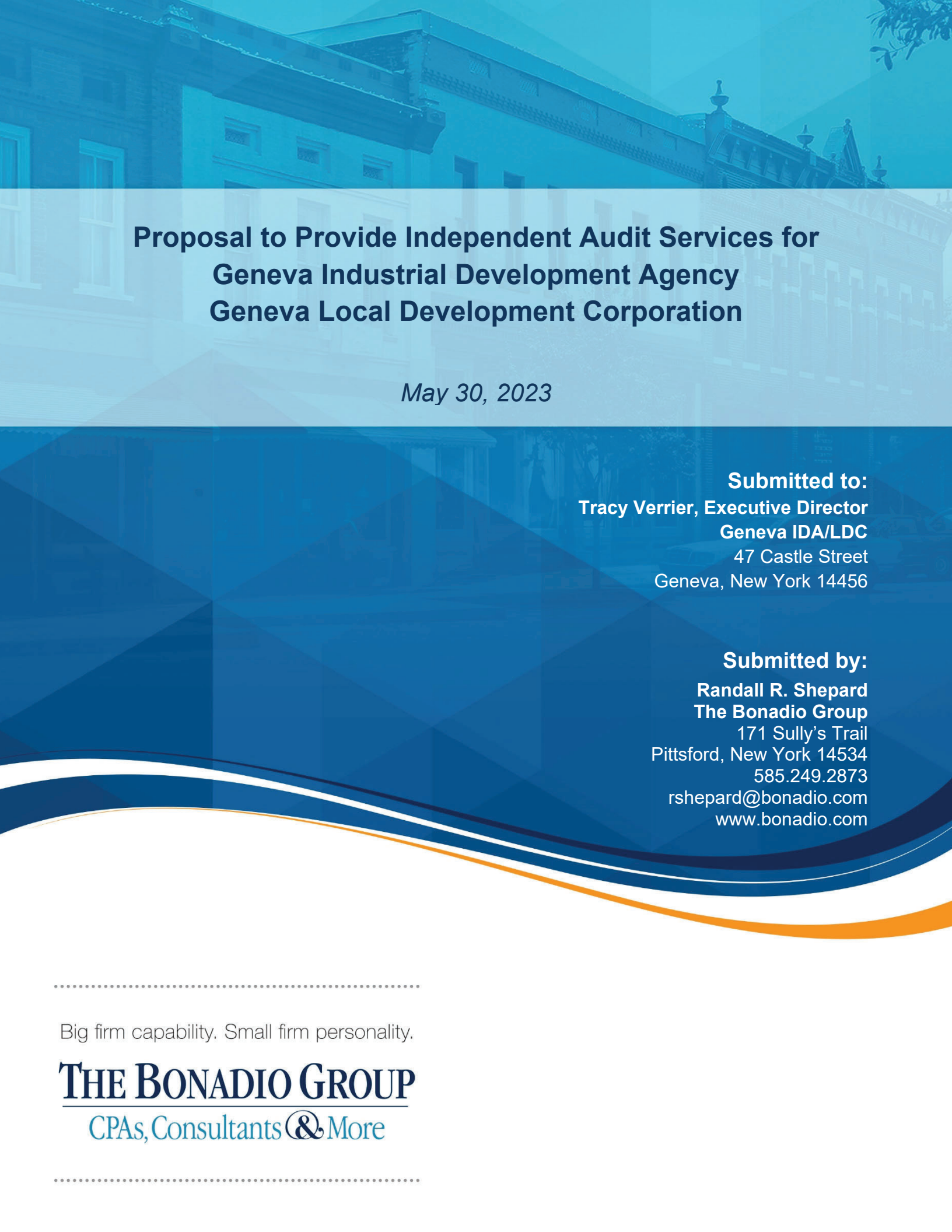
The Geneva IDA and Geneva LDC released a joint RFP for audit services. As of May 31, 2023, 2 proposals had been received by email. It is possible that additional proposals were received by mail, but have not been picked up yet. An updated summary will be distributed in the case that additional proposals were received.

Firm	Geneva IDA – Sept 30			Geneva LDC – Dec 31		
	2023	2024	2025	2023	2024	2025
MMB & Co	\$13,150	\$13,800	\$14,475	\$7,700	\$8,500	\$9,100
Bonadio	\$21,500	\$22,800	\$24,200	\$12,000*	\$12,800	\$13,600

*Bonadio indicates that the LDC's financial statements may be done under FASB standards instead of GASB. If so, an additional \$3,000 would be charged to transition them. However, note B of the 2021 audit indicates that GASB standards are followed.

GENEVA INDUSTRIAL DEVELOPMENT AGENCY

CITY HALL- 47 CASTLE STREET- GENEVA, NEW YORK 14456
tracy.verrier@mrbgroupp.com – www.cityofgenevany.com



Proposal to Provide Independent Audit Services for Geneva Industrial Development Agency Geneva Local Development Corporation

May 30, 2023

Submitted to:

**Tracy Verrier, Executive Director
Geneva IDA/LDC
47 Castle Street
Geneva, New York 14456**

Submitted by:

**Randall R. Shepard
The Bonadio Group
171 Sully's Trail
Pittsford, New York 14534
585.249.2873
rshepard@bonadio.com
www.bonadio.com**

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TABLE OF CONTENTS

Section 1: Audit Timeline	1
Section 2: Professional Fees	5
Section 3: Firm Qualifications	7
Section 4: References	12
<u>Appendix</u>	13
Peer Review Report	
Professional Bios	
Independence	
Non-Collusive Bidding Certificate	

May 30, 2023

Tracy Verrier, Executive Director
Geneva IDA/LDC
47 Castle Street
Geneva, New York 14456

RE: Independent Audit Services

Dear Tracy

It is The Bonadio Group's (Bonadio) pleasure to submit this proposal to provide Independent audit services to the Geneva Industrial Development Agency and the Geneva Local Development Corporation (collectively, the "Entities"). Bonadio provides a wide variety of accounting, audit and consulting services to many governments and public authorities throughout New York State.

This is why Bonadio is the right decision:

We know the complex landscape of New York State government: We are, hands down, an expert in governmental entities in New York State. Our government experience is second to none. Bonadio is one of the leading audit and advisory firms to government organizations in New York State, and we currently provide accounting and auditing services to over 300 government entities, including a variety of New York State agencies, public authorities, towns, counties, cities, school districts, and other local governments. With offices across New York State, we understand what agencies all over the State are dealing with.

Core services: We will deliver a set of core services responsive to the Entities' Request for Proposal (RFP) for the fiscal years ended September 30th and December 31st 2023, 2024 and 2025, respectively. These services include an annual audit for each of the Entities, preparation of a comprehensive management letter as appropriate, and required communications letter.

We are specialists: The Entities will be served, at all levels, by professional staff who understand the complex issues that you face. In addition, Bonadio has the bench strength to ensure that the Entities' engagement is not reliant or dependent on any single individual. Our depth of resources includes 9 partners and 7 principals who have devoted their entire careers to working in the government sector. These individuals are supported by a related complement of managers and staff-level resources that have specific government experience.

We will perform your audit in a timely and responsive fashion, with fieldwork scheduled in accordance with timelines that work between all parties and to ensure the audit is completed by the NYS ABO mandated deadlines. Our overarching principles are centered around the concept of no surprises; all adjustments and findings, if any, will be discussed with you prior to being reported. Unless the audit is delayed by the entities readiness when agreed, the audits will be done.

171 Sully 's Trail
Pittsford, New York 14534
p (585) 381-1000
f (585) 381-3131

www.bonadio.com

We understand technical differences: As a firm that has performed these audits regularly and consistently, we have identified that the LDC's financial statements may be incorrectly done under FASB standards. Because of the structure of the LDC, there are specific GASB rules that dictate when an entity, regardless of legal structure (ie: NFP) is required to be reported as a government. If selected as auditors, this will be a primary discussion and will result in time needed to convert appropriately.

We want to work for you!

The opportunity to serve as your auditors and advisors is important to us. We are committed to demonstrating that Bonadio remains a cost effective, high quality audit firm that adds value to the audit process. What's more, our team has proven, in-depth experience performing specialized work for government entities across New York State.

If you have any questions regarding the information contained in this proposal or on any other matter, please contact Randy Shepard at (585) 249-2873 or email rshepard@bonadio.com. We are available, at your convenience, to meet with you to discuss any questions you may have and to demonstrate our interest in serving the Entities.

Very truly yours,

THE BONADIO GROUP

Randall R. Shepard, CPA
Partner

Audit Timeline	Professional Fees	Firm Qualifications	References	Audit Approach
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Our audit approach is intended to accomplish the audit objectives in an efficient, cost-effective manner for both you and Bonadio. We understand that time is valuable to you – as it is for us. With resources at a premium, communication and adherence to deadlines is key throughout the audit. Missed deadlines for providing audit support could result in the scheduled time being moved.

As such we've developed a process that results in increased satisfaction and better recommendations for our clients.

Our approach is simple:

Planning	Performance	Presentation
• Timely, relevant communication at the start of audit cycle • Clear, concise requests for information for all phases of the audit • Use of on-line portal for file sharing	• Completion of preliminary and final audit procedures based on pre-determined timelines • Communication with key personnel throughout audit • Assignment of qualified staff to your engagement • Onsite involvement of manager and partner on engagement	• Deliverables provided on a timely basis and in an understandable format. • Keeping Board Members apprised of key items impacting the Agencies (industry, GASB, etc.). • Attendance at Board meetings.

Our typical audit timeline is as follows:

The following timeframe ensures year-round communication, significant Partner involvement, and sufficient hours to fulfill your needs and expectations. Based on our public authority experience, and your identified timeline we have prepared our best estimate of the timing of the engagement. We are committed to meeting your deadlines.

Day 1

- Conduct meetings with the Entities to discuss audit process, timing, and further clarify the Entities' needs and expectations.
- Understand, assist, prioritize, and plan for current-year issues affecting the Entities:
 - Impact of new and proposed accounting and auditing standards.
 - Impact of new and proposed governmental accounting and audit standards.
 - Regulatory developments.
 - Government developments.
- Prepare engagement letter.

As soon as practical after appointment

- Develop a summary of audit requirements and client assistance list and provide to the Entities finance personnel and various departments.
- Meet with the Executive Director to review audit strategy and timing.

IDA

Interim Testing (Oct.-Nov. timeframe)

- Complete review of internal accounting controls and operating, financial, information systems and compliance processes. This will be accomplished through interviews and testing of procedures.
- Perform interim testing of significant accounts as necessary.
- Prepare preliminary detailed audit plan.
- Perform preliminary analytical procedures.
- Identify accounts for which confirmations will be required.
- Conduct progress meetings.
- Provide detailed list of schedules needed.

Onsite fieldwork (Nov.-Dec.)

Perform year-end audit fieldwork at the IDA offices, or remotely.

- Perform final analytical procedures.
- Perform audit partner and quality assurance review.
- Conduct progress meetings.

Issuance (Dec.)

- Review draft of financial statements, management letter, financial highlights, and reporting package with the Board.
- Final reports issued.
- Conduct closing meetings.
- The Entities and Bonadio Meeting ("Exit conference"):
 - Meet to discuss service and review the measured value against needs and expectations in the client service plan.

LDC

Interim Testing (Jan-Feb. timeframe)

- Complete review of internal accounting controls and operating, financial, information systems and compliance processes. This will be accomplished through interviews and testing of procedures.
- Perform interim testing of significant accounts as necessary.
- Prepare preliminary detailed audit plan.
- Perform preliminary analytical procedures.
- Identify accounts for which confirmations will be required.
- Conduct progress meetings.
- Provide detailed list of schedules needed.

Onsite fieldwork (Feb.-Mar.)

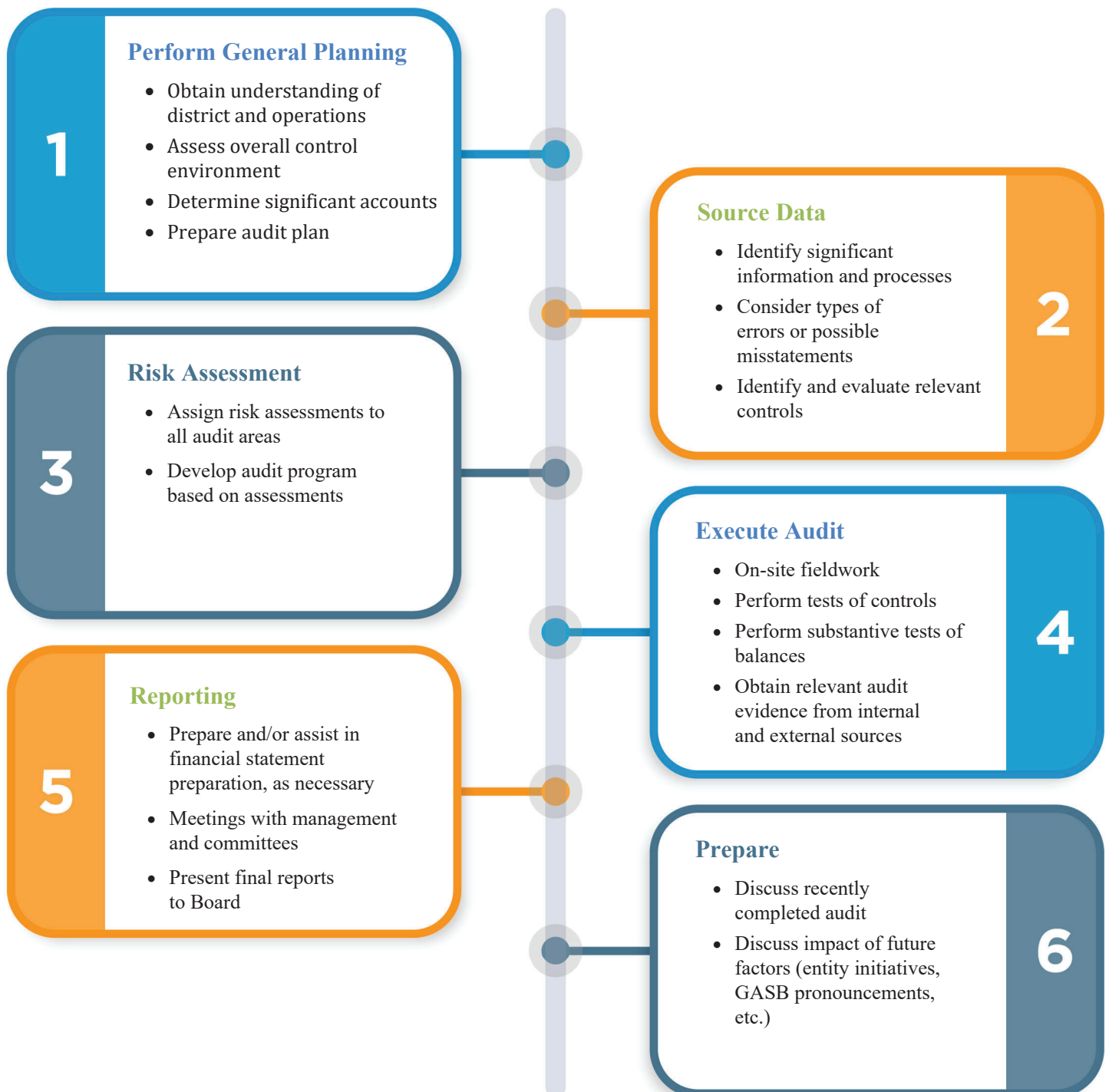
Perform year-end audit fieldwork at the LDC offices, or remotely.

- Perform final analytical procedures.
- Perform audit partner and quality assurance review.
- Conduct progress meetings.

Issuance (Mar.)

- Review draft of financial statements, management letter, financial highlights, and reporting package with the Board.
- Final reports issued.
- Conduct closing meetings.
- The Entities and Bonadio Meeting ("Exit conference"):
 - Meet to discuss service and review the measured value against needs and expectations in the client service plan.

Our general audit approach is below:



Level of Staff and Assigned Hours

Our audit work plans are not specifically assigned to staff levels, as we do not operate on such a rigid platform. We are structured to meet the requirements of the engagement, which allows for flexibility in the areas assigned. In general, the senior and staff accountants perform audit fieldwork. Technical matters are handled by the Manager, Principal and Partner. In general, our time is incurred 20% by Partner/Principal, with the remaining 80% by staff and other support time.

In order to facilitate and to foster an effective and long-term relationship, we encourage continual contact with the Entities. As needs and questions arise we are always available to assist the Entities as part of our on-going relationship. The only time we would consider additional billings would be if the questions result in a project requiring more than a few hours to address. However, we will communicate with the Entities prior to commencing any such project. Normal, day-to-day interaction and inquiries are not considered additional services.

Audit Timeline	Professional Fees	Firm Qualifications	References	Audit Approach
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	2023	2024	2025
Industrial Development Agency	\$21,500	\$22,800	\$24,200
Local Development Corporation	<u>12,000</u>	<u>12,800</u>	<u>13,600</u>
Total	<u>\$33,500</u>	<u>\$35,600</u>	<u>\$37,800</u>
LDC Conversion to GASB, if needed	<u>\$3,000</u>	N/A	N/A

Schedule of Fees for Additional Services and Audits if requested by the Entities

Fees for additional services will be negotiated with you prior to commencement of work. You will never be billed for any work you have not already authorized.

Hourly Rate	
Partner	\$ 385
Principal	\$ 240
Manager	\$ 210
Supervisory Staff	\$ 180
Staff Accountant	\$ 140

Hourly rates will increase each year of the contract.

Many times we will work with our clients to negotiate fixed fee engagements that result in blended hourly rates for services performed, which provides you with a certainty of cost. In our experience, each project is unique and must be priced accordingly to ensure the fairest price for you and for us.

Pricing

Over the past 12 months, we have received a significant increase in the volume of proposals due to the exit of firms from this complicated industry. As a result, we are cognizant of the constraints put on our resources and the potential impact on client service and quality. As such, we have limited the number of RFPs that we respond to and we've had to increase the prices associated with our responses. In addition, due to the increased levels of inflation and the rising personnel costs which have impacted not only our firm, but the accounting industry as a whole, we've had to re-evaluate and increase pricing for our existing clients that have not met our key financial metrics. While not easy, it is a necessity in order to continue to provide our clients with top-notch services and quality. We believe our fees are representative of the level of expertise and quality we provide, we understand that not every potential client will be willing to make that investment.

Out-of-Pocket Expenses Included in the Total All-Inclusive Maximum Price

We do not charge our clients separately for out-of-pocket expenses: telephone conversations or office overhead items such as travel, copies, faxes, or administrative support. Therefore, expenses, to the extent incurred, are included in our fees. We do not charge for travel time.

Manner of Payment

It is understood that progress payments will be made on the basis of hours of work completed in accordance with the project cost proposal. Interim billings shall cover a period of not less than a calendar month. The engagement will be billed monthly during the course of the engagement.

Unlimited Phone Support

In order to properly serve our clients, we need to know what the issues affecting them are. We realize, however, that clients are sometimes hesitant to call us as they have been “nickel and dimed” with fees for phone calls by other firms. To encourage regular contact with our clients, we offer unlimited phone support throughout the year. Because we will provide ongoing access to the accounting, auditing, and business advice you need on a fixed-price basis, you will not be inhibited from seeking timely advice by fear of the meter endlessly running. We want to offer you access to the accumulated wisdom of the firm through CPAs with substantial experience who can help you achieve your goals.

While the fixed fee audit entitles the Entities to unlimited consultation with us, if your question or issue requires additional research and/or analysis beyond the phone conversation, this additional work will be subject to an additional price negotiation prior to the additional services being performed. In our experience, our clients are knowledgeable about those situations that would constitute an additional service and are prepared to have that discussion.

Standard Contract

Our standard contract takes the form of an engagement letter which is provided prior to the commencement of work. Upon selection, the Entities standard contract, if applicable, is subject to review and approval of Bonadio’s in house counsel.

Overview of The Bonadio Group

The Nation's 43rd Largest CPA Firm

10 locations

- Albany
- Batavia
- Buffalo
- East Aurora
- Geneva
- New York City
- Rochester
- Syracuse
- Utica
- Rutland, VT

Approximately 900 employees

More than \$150 million/year in firm revenues

175+ partners/principals

130+ managers

Who We Serve

- Governments
- Healthcare
- Individuals
- Unions
- Tax-Exempt
- Public Companies
- Small Businesses
- Mid-Sized Privately-Held
- Colleges and Universities

Services

- Accounting & Auditing
- Business Advisory
- Healthcare Consulting
- IT Consulting
- Risk Management
- Tax Planning & Preparation

Bonadio was founded in 1978 and has grown to be the largest independent provider of accounting, business advisory and financial services in Upstate New York. Bonadio now currently employs approximately 900 personnel, including a dedicated **governmental client service group consisting of 9 partners, 7 principals, managers, and numerous staff accountants**. Over the years we've merged in several firms which have helped us to grow our client base, but more importantly has expanded our expertise both technically and geographically. As always, the job will be staffed with the experts that are best able to serve your needs.

Bonadio has grown and diversified from a firm offering only public accounting and auditing services to a multi-dimensional accounting, business advisory, and financial services organization.

Bonadio is a diversified professional services firm offering multi-dimensional accounting and auditing, business advisory and financial services to clients around the world.

- A Top 100 CPA Firm in the U.S. by *Public Accounting Report* and *Inside Public Accounting*.
– Ranked 43rd in 2023 on *Accounting Today's* list of Top 100 Firms (as measured by firm revenue)
- Named by *Accounting Today* as one of the "Best Accounting Firms to Work For" for five consecutive years.
- Identified by *Practical Accountant* as a CPA Innovative Firm.
- Identified by *Accounting & Financial Women's Alliance (AFWA)* and the *American Women's Society of Certified Public Accountants (AWSCPA)* as a Best Accounting Firm for Women

Audit Timeline	Professional Fees	Firm Qualifications	References	Audit Approach
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Specific Expertise

Simply put The Bonadio Group's government and public authority experience and expertise - particularly in the Upstate New York market – is strong and continues to grow. In addition to being one of the largest independent CPA firms in the State, we maintain one of the largest government practices. With a roster of hundreds of government clients and over 500 collective years of people experience serving this market, we are confident in our ability to serve your needs.

Public Authority Experience

We currently provide services to over 40 various public authorities in New York State. Therefore, we are intimately familiar with the regulations to which you are subjected to annually by the Authorities Budget Office. In addition, we have assisted our clients with filing their reports using the Public Authorities Reporting Information System (PARIS). As a result, we can provide guidance in completing these requirements as well. If requested, we'd be happy to provide you a listing of our authorities.

Partial Listing of Government Clients

- County of Columbia
- County of Erie
- County of Greene
- County of Livingston
- County of Monroe
- County of Madison
- County of Onondaga
- County of Nassau
- County of Schoharie
- County of Steuben
- County of Sullivan
- County of Wayne
- City of Long Beach
- City of New Rochelle
- City of Port Jervis
- City of Port Jervis IDA
- City of Syracuse
- City of Troy
- City of Utica
- Town of Albion
- Town of Glenville
- Town of Greece
- Town of Irondequoit
- Town of North Castle
- Town of Penfield
- Town of Pittsford
- Town of Schodack
- Town of Windham
- Livingston County IDA, et al
- County of Monroe IDA
- City of Troy IDA, et al
- New York Convention Center Operating Corporation, operating the Jacob K. Javits Convention Center
- Orange Ulster BOCES
- Rochester-Genesee Regional Transportation Authority
- Monroe County Airport Authority
- Western Regional Off-Track Betting Corporation
- 60 + Other School Districts

External Quality Control Review

Bonadio has a strong and continual commitment to quality and education, and dedicates significant professional resources necessary to ensure that our clients receive the highest possible quality of attestation services and deliverables.

Bonadio maintains a partner-level position of Director of Professional Excellence, Kristen Clark, who's team is responsible for all of the firm's quality control processes and procedures, including peer review and inspection, and for directing and coordinating all training for the firm. Two other partners and four principals are also fully committed to the Professional Excellence Department and are supported by a support staff of three. Specific responsibilities include:

- Performing all quality reviews for Bonadio.
- Coordinating annual inspection and tri-annual peer review activities and ensuring the firm's compliance with the related requirements to maintain successful results from these activities.
- Researching all new technical accounting and auditing pronouncements and providing personnel with the appropriate communication (technical memoranda, training sessions, etc.).
- Developing and delivering a comprehensive CPE curriculum for all personnel of the firm (all divisions and offices).



We are also a member of the AICPA's Government Audit Quality Center. We are proud of the quality of our work. In order to ensure that this high level of quality is maintained, we have established a comprehensive quality assurance program. This program starts with hiring the best people available and continues with extensive CPE - 80 hours annually, per person, on average. We are also members of the AICPA Center for Public Company Audit Firms and Moore Global. We are attendees at the AICPA National Government Conference and all managers, seniors and staff are required to attend annual in-house CPE on audits of government agencies.

Of most importance to us is our commitment to the AICPA Government Audit Quality Center. Participation in this is optional, but doing so indicates a level of commitment that our firm makes above all other non-member CPA firms. Our participation requires that our firm and personnel obtain additional continuing professional education on an annual basis.

We have an established program which ensures that all audit engagement personnel possess current knowledge, appropriate to their level of involvement in the engagement, of applicable professional standards, rules, and regulations.

Our clients all benefit from Bonadio's commitment to quality. Quality is not an add-on process at Bonadio. Rather, it is engrained in our corporate culture and is integral to all aspects of our client service.

Peer Review Report

The Bonadio's quality assurance/control system policy requires every audit report issued by us to be reviewed and approved by the Professional Excellence Division. Our quality assurance program is complemented by periodic peer reviews, the most recent of which was executed in October 2020. These reviews are required on a three-year basis. A copy of our recent peer review is in the Appendix.

Federal or State Desk Reviews

Because of the significant number of governmental agencies to whose regulations and standards we and our clients are subject, we periodically undergo routine inspections of various aspects of our professional practice. Should you engage us to provide services for you, we will discuss the nature and results of these inspections, to the extent appropriate in the circumstances. However, no state (or federal) regulatory agencies or professional organizations have taken any disciplinary action (nor is there any pending) against our firm during the past five years.

Prior Engagements with Government Entities

When it comes to the business of government, Bonadio is all business. Whether it's performing an annual financial statement audit, analyzing cost containment and savings opportunities, or attacking Medicaid fraud and abuse, Bonadio is prepared to deliver outstanding results for reasonable fees.

On an annual basis, Bonadio conducts hundreds of different types of audits for a variety of governmental entities. We audit financial statements, perform compliance and operational audits, help our clients assess and remediate risk, & More. Our auditors are charged with understanding and applying the most recent *Government Accounting Standards Board (GASB)*, *Government Auditing Standards* ("Yellow Book"), and other auditing standards, and are known for their responsiveness, dedication to detail, insightful management reports, and ability to communicate findings in an understandable manner.

Government Expertise

Our firm continues to experience long-term growth and success because we've built a team of people that are experts in governmental auditing. With almost twenty (20) partners and principals specializing in this area, all of our expertise and knowledge is not concentrated with a few individuals. This is key to helping our clients grow and to helping develop our staff to better understand and excel in the government arena.

We believe that our people make the difference. The primary personnel assigned to serve you have a unique blend of governmental audit and consulting experience. The people identified will be the key contacts for you. Full biographies are included in the appendix.

Please be aware that we maintain continuing professional education as required by professional standards and meet the independence requirements of *Government Auditing Standards*, published by the U.S. General Accountability Office (GAO).



Randy Shepard, CPA

Role: Engagement Partner

Duties: Randy is responsible for the overall engagement relationship. He may also be the signing partner which means that he would ultimately be responsible for the technical matters and all deliverables. In this way, Randy is the sole point of contact to ensure the consistent and timely delivery of every aspect of this account. All members of the team report to him. Randy will handle presentations to the Audit Committee and Board.



Erica Proctor, CPA

Role: Engagement Principal

Duties: Erica may serve as the engagement principal on the audit. It is Bonadio's policy to assign two partners/principals to our clients to ensure continuity of services provided. It gives our clients additional expertise, and our engagement leads a valuable resource. Erica may also be responsible for handling presentation to the Audit Committee and/or Board.



Spenser Iodice, CPA

Role: Audit Manager

Duties: Spenser would be on-site audit manager and handle the day-to-day activities of the engagement and directly oversee the staff assigned. He will report to the partner/principal and will be your primary on-site resource, along with the assigned senior on the job.



Murphy Smyth, CPA

Role: Audit Manager

Duties: Murphy would be the on-site audit manager and handle the day-to-day activities of the engagement and directly oversee the staff assigned. She will report the partner/principal and will be your primary on-site resource, along with the assigned senior on the job.

Staff Continuity

As a professional service firm, we understand that a primary concern of most clients is continuity of people assigned. We are extremely sensitive to this issue and assure you that we will make every effort to maintain continuity of personnel on your engagement to ensure that you will be served by the individuals most familiar with your account. Our proposed team is committed to maintaining a long-term professional relationship that will benefit you in future years. These resources are full-time employees and will be managed by Randy.

Bonadio's current staff turnover rate is approximately 13-15% per year, well below the accounting industry norms of up to 30%. We are strongly committed to driving our retention rate up as a means of ensuring staff continuity for our clients.

Monroe County Airport Authority	Amherst IDA
Maryann Fedison 1200 Brooks Ave. Rochester, New York 14624 (585) 753-7012 mfedison@monroecounty.gov	Dave Mingoia 4287 Main St. Amherst, New York 14226 (716) 688-9000 dmingoia@amherstida.com
Livingston County IDA	
Bill Bacon 6 Court St. Geneseo, New York 14454 (585) 243-7124 wbacon@co.livingston.ny.us	

Appendix			
Peer Review	Professional Biographies	Independence	Non-Collusion Certification



8550 United Plaza Blvd., Ste. 1001 — Baton Rouge, LA 70809
225-922-4600 Phone — 225-922-4611 Fax — pncpa.com

A Professional Accounting Corporation

Report on the Firm's System of Quality Control

To the Partners of
Bonadio & Co., LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Bonadio & Co., LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, an audit of a broker-dealer, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Bonadio & Co., LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Bonadio & Co., LLP has received a peer review rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
October 19, 2020

Appendix			
Peer Review	Professional Biographies	Independence	Non-Collusion Certification

Randy Shepard, CPA—Engagement Partner (rshepard@bonadio.com)



Randy is a partner in our firm's Public Sector and Not-for-Profit practice. He has been with Bonadio for 26 years with experience in many areas of attestation engagements. Randy provides consulting, accounting, and auditing services for a variety of clients such as municipalities, school districts, public authorities, and local development corporations. As a result of this work, Randy has developed extensive experience with respect to compliance and reporting requirements for these organizations, knowledge of Governmental Accounting Standards Board (GASB) pronouncements, the NYS Public Authorities Reform Act, as well as the evaluation and design of internal accounting systems. Randy has also been a speaker on various governmental topics for the NYS

Association of Counties as well as Governmental Finance Officers Association, including many recent GASB standards

Randy received his B.S. degree in Accounting from the State University of New York at Geneseo. He is a member of the American Institute of Certified Public Accountants and Government Finance Officers Association (National and Local level). Randy is a 2008 recipient of the Rochester Business Journal's Forty Under 40 award for leadership and service in their jobs and in the community.

Erica Proctor, CPA—Principal (eproctor@bonadio.com)



Erica is a Principal in Bonadio's Public Sector and Not-for-Profit practice. With ten years of professional experience, Erica provides audit, accounting, and consulting services to a number of entities including School Districts, Authorities, Counties, Justice Courts, Town/Villages, Soil and Water Conservation Districts, and Employee Benefit Plans.

Erica received her Bachelors in Accounting from the State University of New York at Brockport. She is a member of the American Institute of Certified Public Accountants (AICPA), the New York Government Finance Officers' Association (GFOA), a member of the Association of Certified Fraud Examiners (ACFE) and a member of the Rochester Chapter of NYS Association of School Business Officials (ROC ASBO). In her spare time, Erica volunteers at the Monroe County Seneca Park Zoo.

Spenser Iodice, CPA — Audit Manager (siodice@bonadio.com)



Spenser is a Manager in Bonadio's Public Sector and Not-for-Profit practice. He has specialized in providing auditing and accounting services to various municipalities and government agencies, such as counties, towns, villages, school districts, and fire districts. Through this, he has experience with the requirements of Governmental Accounting Standards Board (GASB) standards and Uniform Guidance.

Spenser received his Master's Degree in Accounting from the State University of New York at Oswego. He is a member of the American Institute of Certified Public Accountants.

Appendix			
Peer Review	Professional Biographies	Independence	Non-Collusion Certification

Murphy Smyth, CPA —*Audit Manager* (msmyth@bonadio.com)



Murphy is a Manager in Bonadio’s Public Sector and Not-for-Profit practice. She has specialized in providing auditing and accounting services to various municipalities and government agencies, such as counties, towns, school districts, and public authorities. Through this, she has experience with the requirements of Governmental Accounting Standards Board (GASB) standards and the Uniform Guidance.

She received her B.S. in Accounting from the State University of New York at Geneseo. She is a member of the American Institute of Certified Public Accountants.

Appendix			
Peer Review	Professional Biographies	Independence	Non-Collusion Certification

We assure you that our relationship current Bonadio clients will not affect our ability to serve the Entities with the type of dedication, commitment, and professionalism you expect. We will provide a secure, discreet, and confidential environment and would like the Entities to note the following:

- Team members will maintain the strictest confidentiality related to information obtained during the audit process.
- We currently work with other Entities and have maintained our commitment to discretion and confidentiality.
- We have a wealth of experience in providing confidential and discreet services to multiple clients.

Bonadio is independent with respect to the Entities in accordance with Rule 101 of the AICPA's Code of Professional Conduct, and its interpretations and rulings. Bonadio is independent of the Entities as defined by auditing standards generally accepted in the United States of America, the U.S. GAO's *Government Auditing Standards* and no conflicts of interest exist.

In order to ensure that we are independent with all existing and new attest clients, we have an annual process of surveying all employees and obtaining a response in writing as to any potential conflicts, which are then reviewed in detail and resolved. This process involves an individual, detail review of our full firm client list and answering a questionnaire with specific independence-related issues. In addition, on an ongoing basis, we inform our people of proposal opportunities to identify any potential conflicts that arise throughout the year.

Conflict of Interest

Bonadio affirms that our engagement with the Entities will not create any potential conflict of interest or appearance of impropriety relating to other clients/customers of Bonadio or former officers and employees of the Entities.

License and Affirmation

Bonadio & Co., LLP along with all professionals assigned to this engagement are properly registered to practice in New York State. We do not intend to utilize any subcontractors in performing this engagement.

Bonadio meets all of the general standards concerning qualifications, independence, due professional care, and quality control standards as required under *Government Auditing Standards* (Yellow Book), including all amendments.

CPE Requirements

Please note that each member of the staff assigned to this engagement has met or exceeded all of the continuing education requirements necessary to satisfy the Single Audit Act and the United States GAO standards for the last 3 years.

Each of our government team members have exceeded the minimum 24 hours of biennial CPE required by *Government Auditing Standards*; in fact many of our team members receive 30 or more governmental hours on an annual basis. Our commitment and dedication to continuing professional education is second to none among our competitors.

Appendix			
Peer Review	Professional Biographies	Independence	Non-Collusion Certification

By submission of this proposal, the Offeror Randall Shepard certifies,
Name of Offeror

that (s)he is Partner of Bonadio & Co., LLP and,
Title Name of Firm

under penalty of perjury, affirms:

1. The prices in this proposal have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Offeror or with any competitor;
2. Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, directly or indirectly, to any other Offeror or to any competitor; and
3. No attempt has been made or will be made by the Offeror to induce any other person, partnership or corporation to submit or not submit a proposal for the purpose of restricting competition.
4. The proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, organization or corporation.
5. Each person signing the proposal certifies that:

[a] He is the person in the Consultant's organization responsible within that organization for the decision as to prices being offered in the proposal and that he has not participated and will not participate in any action contrary to (1-4) above; **Or**

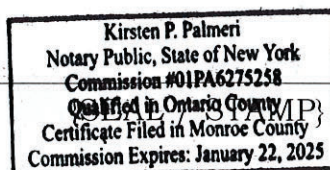
[b] He is not the person in the Consultant's organization responsible within that organization for the decision as to prices being offered in the proposal but that he has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate, in any action contrary to (1-4) above, and that as their agent, does hereby so certify; and that he has not participated, and will not participate in any action contrary to (1-4) above.

Sworn to before me this 15th

Randall P. Shepard
Offeror Signature

Day of May, 2023

Kirsten P. Palmeri
Notary Public





BUSINESS
ADVISORS
AND CPAS

Proposal to
Geneva Industrial Development Agency
For Years Ended September 30, 2023, 2024, and 2025

Geneva Local Development Corporation
For Years Ended December 31, 2023, 2024, and 2025

For Independent Auditing Services

Proposer:	MMB + CO
Address:	100 Chestnut Street, Suite 1200 Rochester, NY 14604
Contact:	Michael DeBadts, CPA
Email:	mdebadts@mmb-co.com
Phone:	(585) 423-1860
Fax:	(585) 423-5966
Date:	May 30, 2023

Table of Contents

Transmittal Letter/Project Statement	2
Audit Approach	3-6
Firm Profile & Qualifications	7-9
Client References	10
Project Budget	11-12
Governmental Engagement Team	13-20
Rochester Presence/MWBE Statement	21
Peer Review Report	Attachment I
Non-Colusion Certification	Attachment II



Transmittal Letter/Project Statement

Ms. Tracy Verrier
Executive Director
Geneva IDA / LDC
47 Castle Street
Geneva, NY 14456

Dear Ms. Verrier:

As the independent auditors for approximately one hundred New York State municipal clients, which includes Public Authorities, Town's, Counties, School Districts and Cities, MMB + CO currently maintains a commitment and dedication to providing the highest quality auditing and advisory services to its clients.

We will audit the basic financial statements of the Geneva Industrial Development Agency as of and for the year ended September 30, 2023, 2024 and 2025 and the Geneva Local Development Corporation as of and for years ended December 31, 2023, 2024 and 2025. The procedures performed during the course of our audits are based on auditing standards generally accepted in the United States of America, the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996 and the provisions of Uniform Guidance.

Our Government team members share your commitment to supporting Public Authorities and Municipalities. Our Partners and Senior Managers are frequent presenters for the New York State Association of School Business Officials and the New York State School Boards. Our proactive versus reactive philosophy is intended to assist our clients in implementing the ever changing rules and regulations for NYS Municipalities and Public Authorities in an efficient and effective manner.

MMB values equal opportunities for all individuals within our Firm, regardless of gender, race, or religion. As a Firm, we are substantially ahead of industry average as it relates to the number of female partners. Our female partners total 50% of our ownership group. Overall, the MMB team is comprised of approximately 53% individuals who are female and/or of color.

In servicing our current client base, the exposure we have to various accounting systems, internal control environments, client expectations and timetables, provides valuable information and insight to complete the requirements and meet the needs of each engagement.

It is through this experience and commitment to service which demonstrates that MMB + CO can efficiently provide the services required by Geneva Industrial Development Agency and Geneva Local Development Corporation (the Entities) in order to meet the state filing requirements.

Please accept this proposal and other requested information as a firm and irrevocable offer for a period of ninety-days (90) from the proposal opening date.

Sincerely,

MMB + CO



Michael DeBadts, CPA

Audit Approach

Audit Scope and Understanding

In response to your request, we are pleased to confirm the scope of our proposal to perform the independent audit of the financial statements.

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Town's financial statements. Our report will be addressed to the governing board of the Town. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Reporting Requirements

The following reports will be submitted to the Entities as part of the overall reporting package for each Audit:

- Independent Audit Report
- Management Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Report on Internal Control over Financial Reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards
- Schedule of Findings and Questioned Cost (or responses if applicable)
- Communication of Internal Control related matters identified in the Audit
- Investment Compliance report, or similar as required under the Public Authority Law

Approach and Methodology

Our audit methodology is based on a comprehensive audit program developed utilizing industry audit guides and professional reference material primarily from CCH. Our work plan includes a detailed study of your internal controls, testing of transactions, analytical analysis and substantive procedures as required. In planning and assessing risk, the audit will require that we review and understand such things as your budget, organizational charts, financial reporting and your computer system.

Our audit plan encompasses a risk-based approach which places great emphasis on looking not only at the accounting transactions but the underlying operation and substance of the Entities and those transactions. In order to properly design our audit approach we will communicate with various personnel to ensure a truly effective approach is designed for the Entities. We are extremely sensitive to not only the needs of your audit but also to the individuals we will be working directly with to ensure we will provide an effective and efficient audit with minimum disruption to the Entities and staff.

Audit Approach, Cont'd

We will establish an entrance conference with Management to review and discuss the nature, approach and timing of our audit process. We will provide a summary worksheet of the type of information we will be requesting for the internal control review and year end phases of our audit.

Our audit will be conducted in a preliminary, substantive testing, and compliance stage. Our audit plan and approach will be as follows:

- Entrance conference with management
 - ◊ Discuss the audit process
 - ◊ Establish an understanding of the flow of information
 - ◊ Discuss various operational and administrative items
- Review prior auditor workpapers
- Meet with Financial Management Committee to discuss audit process
 - ◊ Management responsibilities
 - ◊ Needs and expectations of the Board and Management
 - ◊ Audit procedures and approach
 - ◊ Scope of services
 - ◊ Compliance requirements and internal controls
 - ◊ Recent auditing statements and standards
- Planning and brainstorming session with audit staff
 - ◊ Fraud risk (throughout audit)
 - ◊ Audit approach
 - ◊ Supervision
- Begin the preliminary fieldwork phase of the audit
 - ◊ Risk assessment process
 - ◊ Evaluate and understand internal controls
 - ◊ Test internal controls
- Review with management any internal control related items identified in preliminary fieldwork phase
- Begin year-end field work phase of audit
 - ◊ Substantive testing of balances
- Draft financial statements prepared together with internal control communications and review with management
- Exit conference with audit committee
 - ◊ Review audit executive summary
 - ◊ Review draft financial statements
 - ◊ Review internal control communications
- Presentation to Board
- Preparation and submission of tax returns

Audit Approach, Cont'd

Audit Timeline

We would meet the following general timeline based on the information contained in your RFP letter. We will work with you to determine specific dates that will be most suitable for management and the staff of your organization.

Computer Application

The firm has made a commitment and investment to computerize our audit workpapers which is tailored to each client's needs. This has greatly reduced the redundant workpaper preparation and enhanced our efficiency on each audit.

Sampling

The samples we select will be representative of the population in which all items in the population will have an opportunity to be selected. Our methods will include statistical sampling such as random number sampling, systematic sampling and haphazard sampling. Once our review of your internal accounting control procedures is complete, we may elect to expand our samples accordingly. We will also provide test transactions to be entered into your accounting system to provide assurance that your accounting software processes transactions appropriately.

Analytical Procedures

Analytical procedures will be used in the planning stage, as a substantive procedure and in the final review stage of the audit.

Internal Controls

Our approach to gain an understanding of your internal control structure will include questionnaires, flow charts, interviews with employees and testing of transactions. Our audit program has a series of procedures required to be completed that specifically address laws and regulations that will be subject to audit testing. Our audit sample includes target testing which is for the purpose of compliance.

Audit Approach, Cont'd

Audit Administration

We will provide an Executive Summary showing year over year comparisons for the Entities' audit committees. In addition, we are available throughout the year to provide management advisory services to the extent which does not impair our independence and we are available for phone consultation through-out the year at no charge.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and a few of those banks have mandated the use of this service. To the extent applicable, the Entities hereby authorizes us to participate in this electronic confirmation process through the third party's Web site (e.g. by entering the Entities' bank account information to initiate the process and then accessing the bank's confirmation response) and agrees that we shall have no liability in connection therewith.

We appreciate the opportunity to be of service to the Entities and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please free to contact our office.

Sincerely,

MMB + CO



Michael DeBadts, CPA

Firm Profile & Qualifications

On behalf of our colleagues at MMB + CO we are pleased to confirm the terms and scope of our proposal for the services we are to provide for Addison Central School District. Our Firm was founded in Rochester and includes over 200 professionals comprised of 30 partners and over 100 CPA's, working in offices in **Canandaigua, Elmira, Latham, Queensbury, and Rochester, New York**. Our Firm has earned a reputation for high-quality service and delivering results that distinguish us in the marketplace. Our governmental, not-for-profit, and education client base comprises a very significant portion of our audit practice and we look forward to continuing our dedication to these industries in the future.

The MMB + CO Government Division

Effective January 1, 2018, MMB + CO merged with the Firm of **Raymond F. Wager CPA P.C.** forming one unified team, the MMB Government Division. This combined the expertise of a team with significant experience in serving Governments, Public Authorities and Industrial Development Agencies with the vast resources available at MMB. With more than forty years of Municipal Experience, the governmental team has a vast knowledge of accounting and reporting requirements for New York State Public School districts, BOCES, Municipalities and Public Authorities.

Our partners are frequent presenters for NYS School Boards Association, NYS Association of School Business Officials, as well as NYS Government Officers Finance Association, on accounting and reporting, internal controls, and GASB Statements. Our partners are also members of the New York State Society of Certified Public Accounts (NYSSCPA) – Public Schools Committee (Mr. Zuber is the past chair), and NYSSSPA – Government Accounting and Auditing Committee, which allows for networking with the NYS Office of the State Comptroller and NYS State Education Department.

Because of our expertise in municipal accounting and auditing, we are able to provide you with valuable ideas for and assistance in improving the use of your resources, approach toward budgeting and our evaluation of your internal accounting controls. Our recommendations are made on an informal basis during the course of the audit and also in a letter after completion of the audit. Our professional culture, distinctive style, and values set us apart and enable us to retain client relationships that have spanned decades. Our emphasis is to complete our audit objectives with the least inconveniences on your people.

The Government Division has four partners with specific experience in school district and municipal auditing; **Thomas C. Zuber, CPA** (28 years of experience), **Heather R. Lewis, CPA** (20 years of experience), **Michael J. DeBadts, CPA** (17 years of experience), and **Christopher J. Healy, CPA** (9 years of experience); along with directors, senior managers, managers, seniors, and staff that work exclusively on governmental clients. In addition, the firm has two consulting partners with specific experience in School Districts and Municipal Audits, **Raymond F. Wager, CPA** (47 years of experience) and **Thomas J. Lauffer, CPA** (39 years of experience).

We are a member of the AICPA's Governmental Audit Quality Center. As a requirement of membership all members of our professional staff are required to attain continuing professional education requirements of Government Audit Standards. As a result all staff members of the Firm are required to attend forty hours of continuing professional education of which twenty-four hours must relate to the Uniform Guidance and Yellow Book Audits.

As mentioned above, our Government Division Partners are members of the New York State Society of CPAs, Public School Accounting Committee, which meets regularly with representatives of the State Education Department, the New York State Comptroller's Office and the Association of School Business Officials (ASBO). As Committee members we have been in an advisory position with the New Legislation for School Districts concerning the property tax report card changes, GASB Statement No. 84, and GASB Statement No. 87, and SED Audit Services Portal Submissions.

Firm Profile & Qualifications, Cont'd

Major Areas of Practice

MMB is a regional professional accounting firm that has provided not-for-profit, government and corporate audit, tax and consulting services to many successful organizations for over 40 years. Our Firm was founded in Rochester and remains headquartered in the City of Rochester. Our practice is comprised of over 200 professionals, including 30 partners, working in offices in Canandaigua, Elmira, Latham, Queensbury, and Rochester, New York. Our Firm has earned a reputation for high-quality service and delivering results that distinguish us in the marketplace. Our government client base comprises a very significant portion of our audit practice and we look forward to continuing our dedication to this industry in the future.

Internal Audit Experience

Beyond providing external audit services, the team proposed to provide services to you is well rounded with specific expertise related to providing internal audit services. With nearly a dozen internal audit clients, we are well versed in understanding the internal controls and best practices within the industry.

Geographic Area

Currently our Governmental clients are located throughout New York State.

Conflict of Interest

We affirm that no conflict of interest exist between the Firm and the Entities, their Board of Directors or management.

Independence

Our Firm regards independence as one of the most important aspects of audit engagement. In order to be sure all our staff maintains independence in fact and appearance our firm policy does not allow for staff to be members of audit and /or other committees of a municipality or school district. This action would be a clear violation of our professional standards should we audit or bid on an audit where this situation occurs.

To the best of our knowledge, there has been no affiliation by the firm or any of the staff which would affect independence as defined by Generally Accepted Auditing Standards with regard to this engagement. There has been no regulatory action taken by an oversight body such as the Internal Revenue Service, against the firm or any staff member. Our firm has not had any professional relationships or contact with the Entities in the past five years.

Peer Review

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review received during the period of the contract. We are extremely pleased to include our 2021 peer review letter (Attachment I) from Henderson Hutcherson & McCullough, PLLC, which states "... the system of quality control for the accounting and auditing practice of Mengel Metzger Barr & Co., LLP applicable to engagements not subject to PCAOB permanent inspection in effect for year ended April 30, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects."

Firm Profile & Qualifications, Cont'd

Accounting Services

As a result of our specialization in municipal work, we provide full scale accounting and financial services to our clients as requested. We routinely meet with clients to provide training and consulting in areas which include:

- Budgets and Forecasting
- Reserve Fund Development and Analysis
- Long Range Planning
- Performance Audits
- Documentation of Financial Procedures

All additional services are monitored closely to ensure independence is not impaired.

Working Paper Retention

The audit documentation for this engagement is the property of MMB + CO, and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the New York State Department of Education or its designee, a Federal Agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities.

We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of MMB + CO personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release or for any additional period requested by the Federal Cognizant Agency, Oversight Agency for Audit, Pass-through Entity, U.S. General Accounting Office, Parties designated by the federal or state governments or by the Entities as part of an audit quality review process, Auditors of entities of which the Authority is a sub-recipient of grant funds, or the reasonable inquiries of successor auditors. If we are aware that a Federal Awarding Agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Client References

Similar Engagements with Other Public Authorities

Our Governmental clients have budgets ranging from under one million dollars to over \$190 million. We are proud of the professional services we provide for our clients and encourage you to make inquiries about their satisfaction with our services and the quality of our staff. We have specific experience with Industrial Development Corporations, Local Development Corporations, and other Public Authorities who are subject to the Authority Budget Office oversight.

Clients	Contact Person	Phone Number	Address	Partner
City of Hornell Industrial Development Agency	Mr. James Griffin	(607) 324-0310	40 Main Street Hornell, NY 14843	Mr. Thomas Zuber
Hornell Area Industrial Development Corporation	Mr. James Griffin	(607) 324-0310	40 Main Street Hornell, NY 14843	Mr. Thomas Zuber
Monroe County IDA	Ms. Robin Finnerty	(585) 753-2000	50 West Main Street Rochester, NY 14614	Mr. Thomas Zuber
Monroe County IDC	Ms. Robin Finnerty	(585) 753-2000	50 West Main Street Rochester, NY 14614	Mr. Thomas Zuber
Ontario County Tobacco Asset Securitization Corporation	Ms. Lorrie Scarrott	(585) 396-4428	3019 County Complex Dr. Canandaigua, NY 14424	Mr. Michael DeBadts
Ontario IDA/EDC/LDC	Mr. Michael Wojcik	(585) 396-4460	20 Ontario Street Canandaigua, NY 14424	Mr. Michael DeBadts
Victor Local Development Corporation	Ms. Kathy Rayburn	(585) 742-5073	85 E Main Street Victor, NY 14564	Mr. Thomas Zuber
Wayne County Water and Sewer Authority	Mr. Marty Aman	(315) 986-1929	3377 Daansen Road Walworth, NY 14568	Mr. Thomas Zuber
Wayne County Soil and Water Conservation District	Ms. Lindsey Gerstenslager	(315) 946-7200	7312 NY-31 Lyons, NY 14489	Mr. Michael DeBadts

Project Budget- Dollar Cost Bid

Ms. Tracy Verrier
Executive Director
Geneva IDA / LDC
47 Castle Street
Geneva, NY 14456

Dear Ms. Verrier:

Please accept the enclosed proposal and other requested information as a firm and irrevocable offer in response to your request.

A. MMB + CO

B. The individual signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the Entities.

C. **Audit Fees for Geneva Local Development Corporation**

1. The estimated fees to complete our audit services, as described in the Technical Proposal, for the Geneva Local Development Corporation for the years ended December 31, 2023, 2024 and 2025:

	December 31		
	2023	2024	2025
Audit of the Basic Financial Statements of Geneva Local Development Corporation	\$7,700	\$8,500	\$9,100

D. **Audit Fees for Geneva Industrial Development Agency**

1. The estimated fees to complete our audit services, as described in the Technical Proposal, for the Geneva Industrial Development Agency for the year ended September 30, 2023, 2024 and 2025:

	September 30		
	2023	2024	2025
Audit of the Basic Financial Statements of Geneva Industrial Development Agency	\$13,150	\$13,800	\$14,475

Project Budget- Dollar Cost Bid, cont'd

2. Other Services

If requested, we can maintain and update your depreciation records for GASB reporting and assist you with the preparation of your Management's Discussion and Analysis (MD&A) for the Entities Basic Financial Statements.

We do not charge for any phone consultation throughout the year. If you require accounting assistance which necessitates travel to your location, we will charge an hourly rate and mileage.

My staff and I can provide various other additional financial and accounting services.

Our hourly assistance rates are as follows:

	Rate
Partner	\$325
Director	\$235
Senior Manager/Manager	\$180-\$220
Senior	\$165
Staff	\$100-\$140

3. Billing

We will submit an interim bill once our preliminary work is completed, not to exceed 50% of the bid cost, and the final bill for the audit will be submitted for payment after the audit is completed, processed and sent to the Entities.

We appreciate the opportunity to be of service to the Entities and believe this letter accurately summarizes the significant terms of our engagement

Sincerely,
MMB + CO



Michael DeBadts, CPA

Governmental Engagement Team

Below is the significant experience by level, of our Governmental team:

Position	Years of Experience
4 Partners	9-28 years
2 Consulting Partners	39-47 years
2 Directors/Principals	21-46 years
7 Senior Managers & Managers	7-19 years
Seniors & other Staff	2-7 years

Diversity, Equity, and Inclusion

MMB actively embraces and encourages diversity, equity, and inclusion. We feel embracing individual diversity brings a sense of creativity to our workplace. Effectively serving clients from all backgrounds allows MMB to gain additional knowledge and encourages all employees to celebrate cultural differences. Our Diversity and Inclusion Committee strongly believes in spreading awareness surrounding diversity and is committed to nurturing an environment of fairness and equal treatment to all, regardless of religion or race. More notably, they recently developed an Accounting Diversity Scholarship Program (contact us for additional information). This aims to provide financial assistance to minority students seeking to pursue a career in accounting, as this field has been historically under-represented by the minority community. Through this program, our firm is helping to change the statistics and help a community of students work towards their dreams. As a Firm, we are substantially ahead of the industry average as it relates to the number of females and/or individuals of color, comprised of approximately 53% of our staff members.

License to Practice in New York State

Our Partners are licensed by the New York State Department of Education as Certified Public Accountants. In addition, the firm is fully qualified to perform accounting and auditing work for any New York Municipality and have not been subject to a desk review during the past three years.

Partners, Supervisory, and Staff Qualification

Our Government Partners and managers have a direct involvement in all aspects of the audit. The staff who will be assigned to your job has experience with conducting external audits of NYS Public Authorities. Mr. Michael DeBadts will be the Partner responsible for the job and the primary contacts. The staff assigned to your job would include but, will not be limited to the staff listed in the Government Engagement Team section.

Continuing Professional Education

All partners and professionals are required to complete at least 40 hours of continuing professional education in which twenty-four hours must be related to the Uniform Guidance and Yellow Book Audits each year. Qualified in-house technicians and professionals provide staff training consisting of topics of general appeal to all CPAs and specialized programs geared to the needs of our clients (i.e. State Aid, Budgeting, Reserve Funds, and Financial Planning.)

Governmental Engagement Team, cont'd

Michael J. DeBadts, CPA, Partner (NYS License 122566)



Educational Background:

State University of New York, College at Geneseo, NY

- M.S. in Accounting May 2006
- B.S. in Accounting May 2005

Certified Public Accountant - New York State, 2016

Career Experience:

MMB + CO - Partner

Raymond F. Wager, CPA, P.C. Division of MMB + CO - (2019) Principal

Raymond F. Wager, CPA, P.C. Division of MMB + CO - (2018) Sr. Manager

Raymond F. Wager, CPA, P.C. (August 2006 - 2017)

Professional Associations and Activities:

- New York State Association of School Business Officials (Rochester Chapter)
- New York State Society of Certified Public Accountants (NYSSCPA)
- American Institute of Certified Public Accountants
- NYSSCPA - Public School Committee

Significant Accomplishments:

Has lead and assisted with the annual audit of several of the firm's clients which include school districts, BOCES, villages, towns, counties, health plans, and not-for-profit agencies. Provides assistance and training services for several of the firm's clients, and has been a presenter at regional professional organization training workshops on several occasions.

Governmental Engagement Team, cont'd

Thomas Zuber, CPA, Partner (NYS License 080393)



Educational Background:

Certified Public Accountant - New York State, 1998
State University of New York College at Fredonia - B.S. Degree in Accounting, 1994

Career Experience:

MMB + CO, Raymond F. Wager, CPA, P.C. Division -Partner
Raymond F. Wager, CPA, P.C. (October 2005) Shareholder
Raymond F. Wager, CPA, P.C. (June 1994 - 2005) Audit Supervisor / Manager

Professional Associations and Activities:

- New York State Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- Government Finance Officer Association
- NYSSCPA – Public Schools Accounting Committee (Past Chair)
- NYSSCPA – Government Accounting and Auditing Committee
- NYSSCPA – Rochester Chapter – Board of Directors
- NYSSCPA – Rochester Chapter Past President
- NYSSCPA – Nominating Committee 2010
- NYSSCPA – Fire District TASC Force
- NYSSCPA – Deferred Compensation TASC Force

Work Specialties:

- Supervision and planning of municipal, public authority, and school district audits
- Developed firm work plans for deferred compensation plan audits
- Researched and developed procedures relating to employment preparation education, special parks grants, New York State DOT audits, and the uniform guidance
- Provided technical and advisory services for fund balance and reserve planning
- Developed work programs for risk assessment, compliance auditing, and financial statement preparation

Other Activities:

- Tom is an active presenter at the New York State spring and summer workshops sponsored by the New York School Boards Association, New York State Association of School Business Officials, and New York State Government Finance Officers Association, on topics relating to internal accounting controls, general purpose accounting guidance, fraud, and GASB statements.
- Tom has spoken to high school accounting classes discussing the certified public accountant's profession and the various opportunities available to students upon completion of college.

Governmental Engagement Team, cont'd

Raymond F. Wager, CPA, Consulting Partner (NYS License 038842)



Educational Background:

Rochester Institute of Technology - B.S. Degree in Accounting.
Certified Public Accountant - 1978

Career Experience:

MMB + CO - Partner
Raymond F. Wager, CPA, P.C. (March 1988 - 2017) Owner
Naramore, Niles & Co. (1978 - 1988) Partner
Naramore, Niles & Co. (1973 - 1978) Staff Accountant

Work Specialties

- Currently the auditor for approximately one hundred municipal clients in New York State.
- Also provides a variety of technical and advisory services as well as normal accounting and auditing services for all municipal clients.
- Conduct various audits for not-for-profit and commercial clients including a variety of management advisory services.

Professional Memberships:

-The American Institute of Certified Public Accountants
-The New York State Society of Certified Public Accountants
-NYSSCPA Public School Committee
-New York State Association of School Business Officials
-Government Finance Officers Association
-Advent House - Finance Committee Chairperson and Treasurer

Other Information:

- A frequent speaker at the Rochester Chapter of the Association of School Business Officials (ASBO).
- Active participant in the New York State Summer Workshop in Albany sponsored by the State Education Department and ASBO.
- Currently serving on the NYS Public School Accounting Committee.

Governmental Engagement Team, cont'd

Thomas J. Lauffer, CPA, Consulting Partner (NYS License 059214)



Educational Background:

Certified Public Accountant - New York State
St. Bonaventure University - B.S. Degree in Accounting

Career Experience:

MMB + CO - Partner
Raymond F. Wager, CPA, P.C. (January 1997 - 2017) Shareholder
Raymond F. Wager, CPA, P.C. (March 1988 - December 1996)
Naramore, Niles and Co. (September 1982 - March 1988) Senior Accountant/Manager

Professional Associations and Activities:

- New York State Association of School Business Officials (Rochester Chapter)
- NYS Government Finance Officers Association
- NYSSCPA - Public School Committee
- New York State Society of Certified Public Accountants
- American Institute of Certified Public Accountants

Significant Accomplishments:

- Currently, serves on the NYS Public School Accounting Committee. This committee provides the opportunity to work closely with representatives of the NYS Comptroller's Office and the NYS Education Department. Also served on the subcommittee to develop and research the topics and agenda for the State wide Public School Accounting Seminar and served as a presenter at four of the six locations.
- Responsible for the implementation of monitoring requirements relating to the NYS Affordable Housing Corp. grants for small towns. Also, responsible for the Firm's implementation of changes to the Single Audit Act and OMB Compliance Supplement.
- Responsible for managing several internal audits.

Governmental Engagement Team, cont'd

David A. Rizzari, Director

Educational Background:

Rochester Institute of Technology - B.S. Degree in Accounting

Career Experience:

MMB+CO - Director

Raymond F. Wager, CPA, P.C. (March 1988 - 2017) Senior Manager

Naramore, Niles and Co. (May 1977 - March 1988) Senior Accountant/Manager

Naramore, Niles and Co. (May 1975 - May 1977) Internship/Staff Accountant

Professional Associations and Activities:

-New York State Association of School Business Officials (Rochester Chapter)

-Accounting and Auditing Committee - NYSGFOA

-NYSGFOA - Board of Governors/Treasurer

-ARC of Monroe County - Board of Directors

-ARC of Monroe County - Finance Committee

Significant Accomplishments:

-Interacted in the peer review of Raymond F. Wager, CPA, P.C. conducted in 2015 by Marvin and Co., P.C. This review resulted in an unqualified opinion regarding the accounting and auditing practice of the firm.

-Responsible for the quality control of the practice which involves an annual review of selected financial statement clients and the implementation of many new procedures and policies to improve quality controls within the firm.

-Successfully assisted a school district and a BOCES (first in NYS) with the preparation of the Comprehensive Annual Financial Report (CAFR) to achieve the Certificate of Excellence in Financial Reporting awarded by both ASBO and GFOA.

John Rynkiewicz, Jr., CPA, Principal

Educational Background:

Certified Public Accountant - New York State

Rochester Institute of Technology - B.S. Degree in Accounting, 1997.

Career Experience:

MMB+CO - Principal

Raymond F. Wager, CPA, P.C. Division of Mengel Metzger Barr & Co. LLP (2018) Senior Manager

Raymond F. Wager, CPA, P.C. (May 2010 – 2017)

Freed Maxick & Battaglia, CPA's (May 2008 – April 2010)

Ernst & Young, LLP (April 2005 – May 2008)

Governmental Engagement Team, cont'd

Significant Accomplishments:

- Audit services for clients in municipal, not-for-profit, manufacturing, and health care in industries. Responsible for planning and coordination of all aspects of audit including development of testing, procedures and day to day management of engagements.
- Has served as manager of four internal audit engagements. Also, has planned and coordinated audit procedures for engagements for our governmental audit clients. Currently, manages day to day activities of engagements to ensure meeting deadlines, and the timely delivery of client requests.

Melissa Duerr, CPA, Principal

Educational Background:

St. John Fisher College of New York, B.S. Accounting, May, 2003
Certified Public Accountant - New York State, 2014

Career Experience:

MMB+CO - Principal
Mengel Metzger Barr & Co. LLP - Senior Manager (2018 - 2021)
Raymond F. Wager, CPA, P.C. Division of Mengel Metzger Barr & Co. LLP (2018) Manager
Raymond F. Wager, CPA, P.C. (June 2011 to 2017)

Professional Associations and Activities:

- New York State Society of Certified Public Accountants
- American Institute of Certified Public Accountants

Significant Accomplishments:

Melissa has supervised the annual audit of several of the firm's clients which include IDA's, school districts, BOCES, towns, counties, villages, and not-for-profit agencies. She has also, provided various types of client assistance to several towns, villages, and school district's including general accounting, bookkeeping, reconciliations, and preparation of Annual Update Documents filed with New York State.

Erik Lunger, CPA, Senior Manager

Educational Background:

Certified Public Accountant – New York State
St. John Fisher College, Accounting Certificate Program - 2012
State University of New York at Geneseo - B.S. Business Administration - 2005

Career Experience:

MMB+CO - Senior Manager
Raymond F. Wager, CPA, P.C. Division of Mengel Metzger Barr & Co. LLP - (2019) Manager
Raymond F. Wager, CPA, P.C. Division of Mengel Metzger Barr & Co. LLP (2018) Senior
Raymond F. Wager, CPA, P.C. (June 2012 - 2017)

Governmental Engagement Team, cont'd

Significant Accomplishments:

He has served as in-charge auditor for many of the Firm's clients including school districts, BOCES, towns, counties, villages and not-for-profit agencies. Has provided accounting assistance to school districts including assistance with required state filing documents. Erik has also helped in managing the Firm's tax department for several tax seasons. Has completed over 1,000 tax returns including personal, partnership, corporate, estate, trust, and not-for-profit tax filings.

Ryan McGlynn, CPA, Senior Manager

Educational Background:

The College at Brockport, B.S. Accounting, December 2015
Certified Public Accountant – New York State, 2020

Career Experience:

MMB+CO - Manager
Mengel Metzger Barr & Co. LLP, Raymond F. Wager, CPA, P.C. Division (2019)- Senior Accountant
Raymond F. Wager, CPA, P.C., Division of Mengel Metzger Barr & Co. LLP (2019) - In-Charge Accountant
Raymond F. Wager, CPA, P.C. (February 2016 to December 2017)

Tiffany Raskopf, Senior Accountant

Educational Background:

St. Bonaventure University, BBA Accounting, December 2013

Career Experience:

MMB+CO - Senior Accountant (2018 - Present)
Raymond F. Wager, CPA, P.C. - Staff Accountant (2013- 2018)

Jennifer Austin, CPA, Senior Accountant

Educational Background:

Successfully completed CPA exams in May 2021
Roberts Wesleyan College, B.S. Accounting – 2019

Career Experience:

MMB+CO – Senior Accountant (October 2021 – Present)
Mengel Metzger Barr & Co. LLP – Staff Accountant (May 2019 – September 2021)

Rochester Presence/MWBE Statement

Strong Local Presence

Founded in the City of Rochester over 40 years ago, MMB is strongly rooted in the Rochester community. Volunteering, serving on boards, participating in local events- we value the relationships we have formed throughout the communities in which we work, live, and raise our families. MMB strives to provide the highest possible level of service while maintaining our sense of community responsibility.

Each year we enjoy supporting the fund raising activities of our not-for-profit clients in a variety of ways. In addition, our Partners are committed to closing down one day each year to allow all staff members to volunteer with a variety of our not-for-profit clients. Such a simple exercise has become a much anticipated event each year and provides a great level of satisfaction to our employees and clients.

MWBE/Subcontracting

MMB has not been certified as a bona fide MWBE firm. However, as previously noted, our ownership group is comprised of 50% women and partners, and our overall workforce is 53% individuals who are female and/or of color. Specifically within our Rochester office, our overall workforce is 59% individuals who are female and/or of color.

All work done on this contract will be performed by our Rochester office without the use of subcontractors. At least 70% of the workforce utilized on this engagement will be either minority or women.

Peer Review Report



CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA | MEMPHIS

Report on the Firm's System of Quality Control

September 17, 2021

To The Partners of Mengel, Metzger, Barr & Co., LLP and the National Peer Review Committee of the AICPA.

We have reviewed the system of quality control for the accounting and auditing practice of Mengel, Metzger, Barr & Co., LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Mengel, Metzger, Barr & Co., LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency* or *fail*. Mengel, Metzger, Barr & Co., LLP has received a peer review rating of *pass*.

*Henderson Hutcherson
& McCullough, PLLC*

1200 Market Street, Chattanooga, TN 37402 | T 423.756.7771 | F 423.265.8125

AN INDEPENDENT MEMBER OF THE BDO ALLIANCE USA

Geneva Ir

poration

NON-COLUSION CERTIFICATION

By submission of this proposal, the Offeror Michael DeBadts, CPA certifies,
Name of Offeror

that (s)he is Partner of Mengel Metzger Barr & Co. LLP and,
Title Name of Firm

under penalty of perjury, affirms:

1. The prices in this proposal have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Offeror or with any competitor;
2. Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, directly or indirectly, to any other Offeror or to any competitor; and
3. No attempt has been made or will be made by the Offeror to induce any other person, partnership or corporation to submit or not submit a proposal for the purpose of restricting competition.
4. The proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, organization or corporation.
5. Each person signing the proposal certifies that:

[a] He is the person in the Consultant's organization responsible within that organization for the decision as to prices being offered in the proposal and that he has not participated and will not participate in any action contrary to (1-4) above; **Or**

[b] He is not the person in the Consultant's organization responsible within that organization for the decision as to prices being offered in the proposal but that he has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate, in any action contrary to (1-4) above, and that as their agent, does hereby so certify; and that he has not participated, and will not participate in any action contrary to (1-4) above.

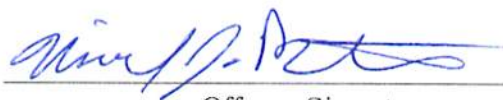
Sworn to before me this

29th

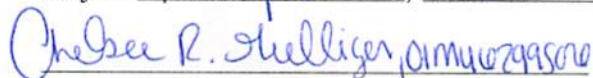
Day of

May

2023



Offeror Signature



Notary Public

{SEAL / STAMP}

CHELSEA R MULLIGAN

NOTARY PUBLIC-STATE OF NEW YORK

No. 01MU6299506

Qualified in Monroe County

My Commission Expires 03-24-2026