

# COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

## COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION MEETING NOTICE

Please take notice that there will be a regular meeting of the Columbia County Capital Resource Corporation and its Committees to be held in person on March 11, 2024 at 8:30am, at One Hudson City Centre, Suite 301, Hudson, NY 12534 in accordance with Public Officers Law Section 103-a; This meeting is open to the public, who will have the opportunity to attend the meeting in person at the One Hudson City Centre address or via Zoom and provide live comments. Meeting packets are posted and available on the CRC's website: <https://columbiaedc.com/about-cedc/capital-resource-corporation/crc-abo-public-documents/>

Join Zoom Meeting:

<https://us06web.zoom.us/j/87427118932?pwd=VG6YCqF7hzl8NDGGNygcDx8gFlxMS.1>

Meeting ID: 874 2711 8932, Passcode: 386485, Dial by your location: 1 646 558 8656

Find your local number: <https://us06web.zoom.us/j/87427118932?pwd=VG6YCqF7hzl8NDGGNygcDx8gFlxMS.1>

Dated: March 4, 2024

Nina Fingar-Smith, Secretary, Columbia County Capital Resource Corporation

### CRC Meeting Agenda

#### Members:

Nina Fingar-Smith	Brian Keeler	Sarah Sterling
Bob Galluscio	Carmine Pierro	
William Gerlach	Rick Rector	

1. Minutes February 6, 2024\*
2. 2023 CRC Audited Financials and Related Correspondence
3. Administrative Director's Report
4. Public Comments

Minutes, February 6, 2024	2023 Draft Audited Financials
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\* Requires Approval

# COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

## MINUTES DRAFT COLUMBIA COUNTY Capital Resource Corporation Board Meeting Tuesday, February 6, 2024

The regular meeting of Columbia County Capital Resource Corporation was called to order at 8:34am on February 6, 2024 by Carmine Pierro, Chairman

Attendee Name	Title	Status	Arrived
Nina Fingar-Smith	Secretary	Present in person	
Robert Galluscio	Treasurer	Present in person	
William Gerlach	Board Member	Absent via phone	
Brian Keeler	Board Member	Absent	
Carmine Pierro	Chair	Present in person	
Rick Rector	Board Member	Present in person	
Sarah Sterling	Vice-Chair	Present in person	
Andrew Howard	Counsel	Present in person	
F. Michael Tucker	President/CEO	Present in person	
Chris Brown	Housing Development Coordinator	Present in person	
Martha Lane	Business Development Director	Present in person	
Stephen VanDenburgh	Business Development Specialist	Present in person	
Lisa Drahushuk	Administrative Supervisor	Present in person	
Cat Lyden	Bookkeeper	Present in person	
Riley Werner	Administrative Assistant	Present in person	
A Joseph Scott	IDA Counsel	Present via Zoom	
Chris Canada	IDA Counsel	Present via Zoom	

### Slate of Officers:

Mr. Pierro presented the Slate of Officers as follows: Carmine Pierro – Chair, Sarah Sterling - Vice – Chair, Robert Galluscio – Treasurer, Nina Fingar-Smith – Secretary. *Mr. Rector made a motion, seconded by Ms. Sterling to approve the Slate of Officers as presented. Carried.*

The Full Board CRC meeting was placed in abeyance at 8:35am in order to allow the committee meetings to take place. The meeting was reopened at 8:43am to continue the Full Board meeting.

### 2023 Annual Housekeeping Resolution:

*Ms. Sterling made a motion, seconded by Mr. Galluscio to approve the Annual Housekeeping Resolution as presented. Carried.*

### Draft Minutes, December 5, 2023:

*Ms. Fingar-Smith made a motion, seconded by Ms. Sterling to approve the draft minutes of December 5, 2023. Carried.*

### Consent Agenda:

*Ms. Sterling made a motion. Seconded by Mr. Rector to approve the following as a consent agenda. Carried.*

# COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

2023 Operations and Accomplishments	Audit Committee Charter
2023 Performance Measures Report	Finance Committee Charter
2024 Mission and Measurements Goals	2023 Investment Report
2023 Discharged Duties	Governance Committee Charter
2023 Full Board Evaluation	2024 Compliance Calendar
2023 Statement of Internal Controls	

**Administrative Director's Report:**

Mr. Tucker stated during the Finance Committee Meeting the topic of maintaining the CRC had been discussed. It was suggested that the organization be kept open as it had different capabilities than the IDA and may become useful in the future. He noted it was also suggested that CEDC provide a \$5,000 grant to the CRC in order to maintain the organization.

*With no public comment and no further business to come before the Board, Mr. Galluscio made a motion, seconded by Ms. Sterling to adjourn the meeting. Carried. The meeting was adjourned at 8:46am.*

*Respectfully submitted by Lisa Drahushuk*

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March \_\_, 2024

To the Board of Directors of the  
Columbia County Capital Resource Corporation  
One Hudson City Centre, Suite 301  
Hudson, NY 12534

We have audited the financial statements of Columbia County Capital Resource Corporation as of and for the year ended December 31, 2023 and have issued our report thereon dated March \_\_, 2024. Professional standards require that we advise you of the following matters relating to our audit.

#### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated November 27, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Columbia County Capital Resource Corporation solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

#### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

#### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team and others in our firm, as appropriate, have complied with all relevant ethical requirements regarding independence.

## **Significant Risks Identified**

We have identified the following significant risk:

- Management override of controls

As a result of our audit procedures, we did not identify any control deficiencies or misstatements related to the significant risk above.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Columbia County Capital Resource Corporation is included in Note 2 to the financial statements. There has been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were none.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were none.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Columbia County Capital Resource Corporation's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in a separate letter dated March \_\_, 2024.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Columbia County Capital Resource Corporation, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Columbia County Capital Resource Corporation's auditors.

### **Going Concern Considerations**

We believe that the following events or conditions identified during the course of the audit raise a question as to the Organization's ability to continue as a going concern:

- As discussed in Note 1 to the financial statements, the Corporation only generated \$5,000 and \$3,571 in revenue in 2023 and 2022, respectively, through a related party contribution. In the prior year, the Corporation has operated in such a way that expenditures were in excess of total revenue generated. If the Corporation continues to experience similar results, losses incurred in future years will substantially reduce net position. We did not modify our opinion with respect to this matter.

This report is intended solely for the information and use of the Board of Directors and management of Columbia County Capital Resource Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*UHY LLP*

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
(a component unit of the County of Columbia, New York)

AUDITED FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION

For the years ended December 31, 2023 and 2022

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Chairman and Board of  
Columbia County Capital Resource Corporation:

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

#### ***Opinion***

We have audited the accompanying financial statements of the Columbia County Capital Resource Corporation, a component unit of the County of Columbia, New York (the "Corporation"), as of December 31, 2023 and 2022, and for the years then ended, and the related notes to the financial statements which collectively comprise Columbia County Capital Resource Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Columbia County Capital Resource Corporation, as of December 31, 2023 and 2022, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### ***Basis for Opinion***

We conducted our audits in accordance with accounting standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Columbia County Capital Resource Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, combined in the aggregate, that raise substantial doubt about Columbia County Capital Resource Corporation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing audits in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Columbia County Capital Resource Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Columbia County Capital Resource Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the Corporation relies on funding from a related party when revenue is not sufficient to cover annual operating expenses. If the Corporation continues to experience similar results, additional funding may be required in the future. Management's evaluation of the events and conditions and management's plan to mitigate these matters are also described in Note 1. Our opinion is not modified with respect to this matter.

### ***Required Supplementary Information***

Accounting principles general accepted in the United States of America require that the management's discussion and analysis on pages 4 to 6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March \_\_, 2024, on our consideration of Columbia County Capital Resource Corporation's internal control over financial reporting and 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 Columbia County Capital Resource Corporation's internal control over financial reporting and compliance.

Hudson, New York  
March \_\_, 2024

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**December 31, 2023 and 2022**

**1. Introduction:**

Within this section of the Columbia County Capital Resource Corporation's (the Corporation) financial statements, the Corporation's management provides narrative discussion and analysis of the financial activities of the Corporation for the years ended December 31, 2023 and 2022. This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements for the years ended December 31, 2023 and 2022.

**2. Overview of the Financial Statements:**

The Corporation's basic financial statements include: (1) financial statements, and (2) notes to the financial statements.

**A. Financial Statements**

The Corporation's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Corporation is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and are depreciated over their useful lives. See the notes to the financial statements for a summary of the Corporation's significant accounting policies.

The *Statements of Net Position* present information on the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Corporation's financial position.

The *Statements of Revenues, Expenses and Changes in Net Position* present information showing how the Corporation's net position changed during the most recent years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will result in cash flows in future periods.

The *Statements of Cash Flows* relate to the flows of cash and cash equivalents. Consequently, only transactions that affect the Corporation's cash accounts are recorded in these statements. A reconciliation is provided at the bottom of the statements of cash flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

**B. Notes to Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the basic financial statements.

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**December 31, 2023 and 2022**

**3. Financial Highlights:**

The revenue budget for 2023 was \$5,005 with a projected gain of \$5. The revenue budget for 2022 was \$5,005 with a projected gain of \$5. There were no amendments to the budget during 2023 or 2022.

Total revenue did not meet budget in 2023 and 2022. In 2023, revenue did not meet budget due to less interest earned than was budgeted for. In 2022, revenue did not meet budget due to less grant income and bank interest earned than was budgeted for. Total expenditures in 2023 and 2022 were overall below budget due to insurance and office expenses being below what was budgeted for the year.

**4. Financial Statement Analysis:**

Below is a comparative summary of the Corporation's Statements of Net Position as of December 31:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Assets	<u>\$ 1,216</u>	<u>\$ 591</u>	<u>\$ 1,726</u>
Net Position	<u>\$ 1,216</u>	<u>\$ 591</u>	<u>\$ 1,726</u>

The Corporation's assets consisted of cash in banks and prepaid expense as of **December 31, 2022** and 2023.

Below is a comparative summary of the Corporation's Statements of Revenues, Expenses and Changes in Net Position for the years ended December 31:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenues			
Contribution-CEDC	<u>\$ 5,000</u>	<u>\$ 3,571</u>	<u>\$ 3,774</u>
Total revenues	<u>5,000</u>	<u>3,571</u>	<u>3,774</u>
Expenditures	<u>4,375</u>	<u>4,706</u>	<u>4,554</u>
Total revenues in excess (deficiency) of expenditures	625	(1,135)	(780)
Net position, beginning of the year	<u>591</u>	<u>1,726</u>	<u>2,506</u>
Net position, end of the year	<u>\$ 1,216</u>	<u>\$ 591</u>	<u>\$ 1,726</u>

The Corporation's revenues in 2023 were \$5,000 compared to \$3,571 in 2022. The \$5,000 of revenue in 2023 and \$3,571 in 2022 was the result of a contribution received from Columbia Economic Development Corporation.

The Corporation's expenses in 2023 were \$4,375 versus \$4,706 in 2022. The expenses decreased in 2023 over 2022 by \$331.

The Corporation's net position increased by \$625 in 2023 following a \$1,135 decrease in 2022.

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**December 31, 2023 and 2022**

**5. Economic Factors and Next Year's Budget:**

The ability to generate future fee revenue and meet the Corporation's 2024 revenue budget expectation is dependent on future project closings. The ability to predict the future success of such events is difficult. Economic conditions in Columbia County, New York as well as changes in interest rates influence the Corporation's ability to attract such project and financing activities. If the Corporation is unable to attract new project and financing activities it will be required to seek other options to generate revenue to cover future expenses.

The Corporation has contracted with Columbia Economic Development Corporation (CEDC) to provide administrative services and CEDC's President and CEO currently serves as the Corporation's Administrative Director. The Corporation continues marketing efforts targeted towards Columbia County not-for-profit organizations to educate them on the benefits of financing capital projects through the Corporation. If this marketing effort is successful, the ability to attract new projects and financing activities will help the Corporation generate revenue to cover future expenses.

**6. Additional Information:**

This report is prepared for the use of the Corporation's audit committee, management, federal awarding agencies and pass through entities, and members of the public interested in the affairs of the Corporation. Questions with regard to this financial report or requests for additional information may be addressed to the Administrative Director, Columbia County Capital Resource Corporation, One Hudson City Centre, Suite 301, Hudson, NY 12534.

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
(a component unit of the County of Columbia, New York)  
**STATEMENTS OF NET POSITION**  
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,110	\$ 485
Prepaid expenses	<u>106</u>	<u>106</u>
Total assets	<u>\$ 1,216</u>	<u>\$ 591</u>
 <b>LIABILITIES AND NET POSITION</b>		
<b>NET POSITION</b>		
Unrestricted	<u>\$ 1,216</u>	<u>\$ 591</u>
Total liabilities and net position	<u>\$ 1,216</u>	<u>\$ 591</u>

*See notes to financial statements.*

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**For the years ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>		
Contribution- CEDC	\$ 5,000	\$ 3,571
Total revenues	<u>5,000</u>	<u>3,571</u>
<b>EXPENSES</b>		
Professional fees	3,000	2,860
Insurance	1,315	1,739
Office	60	107
Total expenses	<u>4,375</u>	<u>4,706</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	625	(1,135)
<b>NET POSITION BEGINNING OF YEAR</b>	<u>591</u>	<u>1,726</u>
<b>NET POSITION END OF YEAR</b>	<u>\$ 1,216</u>	<u>\$ 591</u>

*See notes to financial statements.*

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
(a component unit of the County of Columbia, New York)  
**STATEMENTS OF CASH FLOWS**  
For the years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Contribution-CEDC	\$ 5,000	\$ 3,000
Operating expenses paid	<u>(4,375)</u>	<u>(2,967)</u>
Net cash provided by operating activities	<u>625</u>	<u>33</u>
Net increase in cash and cash equivalents	<u>625</u>	<u>33</u>
<b>CASH AND CASH EQUIVALENTS, Beginning of year</b>	<u>485</u>	<u>452</u>
<b>CASH AND CASH EQUIVALENTS, End of year</b>	<u><u>\$ 1,110</u></u>	<u><u>\$ 485</u></u>
 Reconciliation of change in net position to net cash provided by operating activities:		
Change in net position	\$ 625	\$ (1,135)
Decrease in prepaid expense	<u>-</u>	<u>1,168</u>
Net cash provided by operating activities	<u><u>\$ 625</u></u>	<u><u>\$ 33</u></u>
 <b>Supplemental Information:</b>		
Insurance paid by CEDC on behalf of the Corporation	<u><u>\$ -</u></u>	<u><u>\$ 571</u></u>

See notes to financial statements.

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023 and 2022**

**NOTE 1 – NATURE OF ORGANIZATION**

**Business Activity**

The Columbia County Capital Resource Corporation was established in October 2009 by the Columbia County Board of Supervisors under the Laws of New York State to promote economic growth in the County of Columbia, New York. The Corporation is exempt from federal, state and local income taxes. The Corporation is a component unit of the County of Columbia, New York.

The Corporation was formed under section 1411 of the New York State Not for Profit Corporation Law (the "NFPCL"). The purpose of the Corporation is to assist not for profit entities that are undertaking projects that further the following purposes: reducing unemployment; promoting an increase in employment and job opportunities; improving, training, and instructing individuals of their capabilities for such jobs; and lessening the burdens of government and acting in the public interest. The Corporation may carry on research for the purpose of aiding a community or geographical area by attracting new industry to the community or area by encouraging development. This is done primarily through administering tax-exempt bonds.

Uncertainty

The Corporation was able to obtain a \$5,000 and \$3,571 contribution in 2023 and 2022, respectively from a related party to cover the Corporation's current year expenditures. In recent years, the Corporation has operated with expenditures in excess of revenues. If the Corporation fails to generate revenue in the future in part by the support of related parties, it will either need to curtail operations and/or seek additional sources of cash flow, the outcome of which is currently uncertain. These factors raise a question as to the Organization's ability to continue as a going concern.

Management plans to alleviate these adverse conditions through grant funding from a related party, as necessary, and seeking additional sources of cash flow.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Corporation have been prepared on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities. Revenues are recorded when earned and expenses are recorded when incurred. In accordance with accounting principles generally accepted in the United States of America, the Corporation applies all applicable Governmental Accounting Standards Board (GASB) pronouncements. GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements", was adopted by the Corporation in 2012. The government-wide financial statements include the Corporation's only fund which is required to be presented as an enterprise fund.

**Deferred Outflows/Inflows of Resources**

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, defined and classified deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets that applies to future period(s), and as such, will not be recognized as an outflow of resources (expense/expenditure) until that time. A deferred inflow of resources is an acquisition of net assets that applies to future period(s), and as such, will not be recognized as an inflow of resources (revenue) until that time.

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023 and 2022**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Outflows/Inflows of Resources (Continued)**

Statement 63 changed how governments organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet).

As a result of Statement 63, financial statements will include deferred outflows of resources and deferred inflows of resources ("deferrals"), in addition to assets and liabilities, and will report net position instead of net assets. As of December 31, 2023 and 2022, the Corporation had no deferred inflows or outflows of resources.

**Budgetary Data**

The budget policies are as follows:

In October of each year the Administrative Director submits a tentative budget to the Board of Directors for the next fiscal year which begins on January 1. The tentative budget includes proposed expenditures and the proposed means of financing.

**Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition**

Revenue is recognized for administrative services performed related to bond issuances in the period the services are performed generally when the related bond issuances are finalized.

Operating revenues include revenue generated from ongoing operating activities. Non-operating revenues include investing, financing, and other non-recurring activities.

**Net Position**

Net position is an element of proprietary fund financial statements and is measured by the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflow of resources.

**Subsequent Events**

Subsequent events have been evaluated through March \_\_, 2024, which is the date the financial statements were available to be issued.

**NOTE 3 – CREDIT RISK**

For purposes of reporting cash flows, the Corporation considers cash in operating bank accounts, demand deposits, cash on hand, and highly liquid debt instruments purchased with a maturity of three months or less as cash and cash equivalents. As of December 31, 2023 and 2022, cash, which consists of one checking and one savings account, was covered by federal depository insurance up to \$250,000. Management believes the risk of loss is low.

**COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION**  
**(a component unit of the County of Columbia, New York)**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023 and 2022**

**NOTE 4 – CONDUIT DEBT OBLIGATIONS**

From time to time, the Columbia County Capital Resource Corporation issues negotiable bonds to provide financial assistance to not for profit entities for the acquisition and construction of facilities deemed to be in the interest of the public. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the not for profit entity served by the bond issuance.

Neither the County of Columbia, Columbia County Capital Resource Corporation, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2023 and 2022, there were no conduit debt obligations outstanding.

**NOTE 5 – RELATED PARTY TRANSACTIONS**

The Corporation receives administrative services from Columbia Economic Development Corporation (CEDC)'s staff. During 2023 and 2022, the fee for these services were waived by CEDC and no amount was paid.

During the years ended December 31, 2023 and 2022, the CEDC contributed \$5,000 and \$3,571, respectively to the Corporation.

**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 AUDITOR'S REPORT**

To the Chairman and the Board of  
Columbia County Capital Resource Corporation:

We have audited, 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, the financial statements of Columbia County Capital Resource Corporation as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Columbia County Capital Resource Corporation's basic financial statements, and have issued our report thereon dated March \_\_, 2024.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Columbia County Capital Resource Corporation's internal control over financial reporting (internal control) as a basis for designing 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 Columbia County Capital Resource Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Capital Resource Corporation's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Columbia County Capital Resource Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

A member of UHY International, a network of independent accounting and consulting firms.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hudson, New York  
March \_\_, 2024

DRAFT