CENTRAL NEW YORK REGIONAL MARKET AUTHORITY

FINANCIAL STATEMENTS

March 31, 2023 and 2022

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Dermody, Burke & Brown, CPAs, LLC

INDEPENDENT AUDITORS' REPORT

BOARD OF DIRECTORS
CENTRAL NEW YORK REGIONAL MARKET AUTHORITY

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CENTRAL NEW YORK REGIONAL MARKET AUTHORITY** (the Authority), which comprise the statements of net position as of March 31, 2023 and 2022, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of March 31, 2023 and 2022, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. 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 the audit of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, during the year ended March 31, 2023, the Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

443 North Franklin Street • Syracuse, NY 13204-1441 • (315) 471-9171 • Fax (315) 471-8555
1120 Corporate Drive • Auburn, NY 13021-1634 • (315) 253-6273 • Fax (315) 253-0890
4350 Middle Settlement Road • New Hartford, NY 13413-5328 • (315) 732-2991 • Fax (315) 732-0282
http://www.dbbllc.com

Responsibilities of Management for the Financial Statements – Continued

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 Authority'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 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 of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 the Authority'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 audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, 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 sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2023, on our consideration of the Authority'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 the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Dermody, Burke & Brown

DERMODY, BURKE & BROWN, CPAs, LLC

Syracuse, NY

October 3, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Introduction

Central New York Regional Market Authority's Management's Discussion and Analysis for the year ended March 31, 2023 provides an introduction to the major activities that had an effect on the operations of the Authority and it also addresses the financial performance and status of the Authority. The information contained within the Management's Discussion and Analysis (MD&A) should be used and considered in conjunction with all of the information contained within the 2023 financial report, which follows this report.

Financial Highlights

The Authority retrospectively adopted GASB No. 87, *Leases* in 2023. Upon adoption of this GASB, the Authority recognized lease receivables and deferred items related to leases of $1,016,762 and $1,207,547 at March 31, 2023 and 2022, respectively, based on the present value of remaining minimum rental payments discounted at the Authority's incremental borrowing rate.

The Authority's net position decreased by approximately $614,000 as a result of this year's operations.

The unrestricted net position decreased from $288,537 to ($7,492).

Using this Annual Statement

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. The Central New York Regional Market Authority is treated as a Proprietary Fund for auditing purposes. It has in the past and will continue to use the accrual basis of accounting. The accrual basis of accounting provides both *short-term* and *long-term* information about the Authority's *overall* financial status.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Statements of Net Position

TABLE 1

	2023	2022
ASSETS		
Cash	$ 57,551	$ 439,966
Cash - Construction	1,376,040	0
Cash Held for Others	16,661	22,446
Accounts Receivable	16,507	27,004
Leases Receivable	1,016,762	1,207,547
Net Pension Asset - ERS	144,971	0
Property, Plant and Equipment, Net	8,636,162	8,183,617
TOTAL ASSETS	$ 11,264,654	$ 9,880,580
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related - ERS	$ 364,947	$ 292,564
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 364,947	$ 292,564
LIABILITIES		
Current Portion of Long-Term Debt	$ 105,795	$ 137,832
Accounts Payable and Accrued Liabilities	96,898	68,117
Funds Held for Others	16,661	22,446
Security Deposit Reserve	30,983	43,209
Long-Term Debt	4,895,524	2,774,698
TOTAL LIABILITIES	$ 5,145,861	$ 3,046,302
DEFERRED INFLOWS OF RESOURCES		
Pension Related - ERS	$ 508,171	$ 330,227
Deferred Rent	12,286	28,325
Deferred Items Related to Leases	1,016,762	1,207,547
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 1,537,219	$ 1,566,099
NET POSITION		
Net Investment in Capital Assets	$ 5,010,883	$ 5,272,206
Unrestricted (Deficit)	(64,362)	288,537
TOTAL NET POSITION	$ 4,946,521	$ 5,560,743

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Statements of Net Position – Continued

Total assets increased approximately $1,384,000 in 2023 as a result of the following:

- Cash – Construction increased approximately $1,376,000 due to proceeds from new mortgage.
- Leases receivable decreased approximately $190,000 due to payments on the leases.
- Property, Plant and Equipment increased approximately $453,000 due to building improvements in the current year.
- Net Pension Asset – ERS increased $145,000 due to the pension calculation.

Total deferred outflows of resources increased approximately $72,000 due to the pension calculation.

Total liabilities increased approximately $2,100,000 in 2023. Significant items include the following:

- Farm Credit East – Note Payable #1 was obtained in the current year. Proceeds of $100,140 for necessary capital project infrastructure work at the Authority.
- Farm Credit East – Note Payable #2 was obtained in the current year. Note Payable of $4,840,000. $2,762,561 was used to pay off First Pioneer Farm Credit. Proceeds of $2,059,011 to be used for necessary capital project infrastructure work at the Authority.

Total deferred inflows of resources decreased approximately $29,000. Significant items include the following:

- Pension Related – ERS increased $178,000 due to the pension calculation.
- Deferred Items Related to Lease decreased $190,000 due to payments made on leases in current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Review of Revenues

TABLE 2

	2023	2022
Rent Revenue - Buildings and Land	$ 733,458	$ 929,268
Rent Revenue - Retail Market	862,518	856,984
Utilities	60,549	82,755
Interest Income	37,069	29,091
Truck Delivery	12,605	13,411
Advertising - Promotion	65,813	12,904
Reimbursements	15,105	7,113
Construction Reimbursement	24,000	24,000
Miscellaneous	16,059	15,502
TOTAL REVENUES	$ 1,827,176	$ 1,971,028

Total revenue for 2023 decreased approximately $144,000 compared to 2022.

- Rent revenue from the buildings and land decreased approximately $196,000 in the current year. The decrease is due to infrastructure work that left some spaces unavailable in current year.
- Advertising promotion increased approximately $53,000 due to adding a position for a marketing and events coordinator. As event restrictions were lifted following COVID-19 pandemic, more events were promoted.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Review of Expenses

TABLE 3

	2023	2022
Payroll and Related Benefits	$ 1,174,907	$ 1,001,329
Repairs and Maintenance	128,493	118,926
Office Expense	26,841	32,271
Utilities	229,591	215,031
Legal and Professional	60,292	43,760
Security	125,650	130,261
Operating Insurance	101,324	81,119
Advertising	58,877	48,979
Bad Debt Expense	7,893	24,634
Reimbursements	4,863	763
Other Operating Expenses	37,429	61,330
Interest Expense	197,942	72,899
Depreciation and Amortization	287,296	304,029
TOTAL EXPENSES	$ 2,441,398	$ 2,135,331

Total expenses for 2023 increased by approximately $306,000 compared to 2022.

- Payroll and related benefits increased approximately $174,000 in the current year due to part time security employees along with the payout of vacation time upon employee retirement.
- Interest expense increased approximately $125,000 due to the new Note Payable at a higher interest rate and a higher principal balance.
- Operating insurance is up approximately $20,000 due to the need for additional coverage in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Summary of Changes in Fixed Assets

TABLE 4

	2023	2022	Total Percent Change 2022-2023
Land	$ 1,457,006	$ 1,457,006	0.0%
Office Equipment	249,693	249,693	0.0%
Operating Equipment	650,361	650,361	0.0%
Buildings	6,854,309	6,854,309	0.0%
Permanent Improvements	5,319,416	4,579,575	13.9%
Utilities	319,830	319,830	0.0%
Less: Accumulated Depreciation	(6,214,453)	(5,927,157)	-4.6%
Total	$ 8,636,162	$ 8,183,617	5.2%

Changes to property, plant and equipment include the following highlights:

- Permanent improvements increased by approximately $740,000 due to the administrative building exterior masonry restoration project and the catch basin capital improvement in the retail area.
- Depreciation expense of $287,296 was recorded in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended March 31, 2023 and 2022

Summary of Changes in Notes Payable

Decrease to Notes Payable includes the following highlights:

- Farm Credit East – Note Payable #1 was obtained in the current year. Proceeds of $100,140 for necessary capital project infrastructure work at the Authority.
- Farm Credit East – Note Payable #2 was obtained in the current year. Note Payable of $4,840,000. $2,762,561 was used to pay off First Pioneer Farm Credit. Proceeds of $2,059,011 to be used for necessary capital project infrastructure work at the Authority.
- The Authority paid $87,671 in principal on debt in 2023.

TABLE 5

	2023	2022	Total Percent Change 2022-2023
Notes Payable:			
YNY DED-IIDP	$ 75,498	$ 75,498	0.0%
First Pioneer Farm Credit	0	2,835,913	100.0%
Farm Credit East - Note #1	85,821	0	100.0%
Farm Credit East - Note #2	4,840,000	0	100.0%
Total Notes Payable	$ 5,001,319	$ 2,911,411	41.8%

Economic Factors and Next Year's Budget

For the fiscal year ending March 31, 2024, most lease rates will continue to increase by approximately CPI.

Payroll and benefits should be consistent for the next year.

The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the Authority's operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge.

Request for Information

This report is presented as a broad overview of the financial condition of the Central New York Regional Market Authority. Questions related to the report or the Authority in general should be sent to the Executive Director, Central New York Regional Market Authority, 2100 Park Street, Syracuse, New York 13208.

STATEMENTS OF NET POSITION
March 31, 2023 and 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash	$ 57,551	$ 439,966
Cash - Construction	1,376,040	0
Cash Held for Others	16,661	22,446
Accounts Receivable	16,507	27,004
Leases Receivable, Current	210,636	190,785
Total Current Assets	1,677,395	680,201
NONCURRENT ASSETS		
Leases Receivable, Noncurrent	806,126	1,016,762
Net Pension Asset - ERS	144,971	0
Property, Plant and Equipment, Net	8,636,162	8,183,617
Total Noncurrent Assets	9,587,259	9,200,379
TOTAL ASSETS	$ 11,264,654	$ 9,880,580
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related - ERS	$ 364,947	$ 292,564
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 364,947	$ 292,564

See notes to financial statements.

STATEMENTS OF NET POSITION
March 31, 2023 and 2022

LIABILITIES AND NET POSITION

	2023	2022
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	$ 105,795	$ 137,832
Accounts Payable and Accrued Liabilities	96,898	68,117
Funds Held for Others	16,661	22,446
Security Deposit Reserve	30,983	43,209
Total Current Liabilities	250,337	271,604
LONG-TERM DEBT		
Notes Payable	4,895,524	2,773,579
Net Pension Liability - ERS	0	1,119
Total Long-Term Debt	4,895,524	2,774,698
TOTAL LIABILITIES	$ 5,145,861	$ 3,046,302
DEFERRED INFLOWS OF RESOURCES		
Pension Related - ERS	$ 508,171	$ 330,227
Deferred Rent	12,286	28,325
Deferred Items Related to Leases	1,016,762	1,207,547
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 1,537,219	$ 1,566,099
NET POSITION		
Net Investment in Capital Assets	$ 5,010,883	$ 5,272,206
Unrestricted (Deficit)	(64,362)	288,537
TOTAL NET POSITION	$ 4,946,521	$ 5,560,743

See notes to financial statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended March 31, 2023 and 2022

	2023	2022
OPERATING REVENUE		
RENT REVENUE - Buildings and Land		
Commercial Leases	$ 476,507	$ 684,152
Land Leases	169,958	150,903
Interest Income - Leases	86,993	94,213
Total Rent Revenue - Buildings and Land	733,458	929,268
RENT REVENUE - Retail Market		
Farmer's Saturday/Wholesale License	318,088	330,819
Farmer's Saturday Daily	31,733	32,295
Farmer's Thursday License	2,775	2,631
Farmer's Thursday Daily	450	390
Flea Market	201,521	191,625
Dealer Saturday License	190,743	174,268
Dealer Saturday Daily	6,015	2,035
Dealer Thursday License	400	125
Dealer Thursday Daily	0	55
Food Concession	30,894	28,948
Commercial Saturday License	69,539	85,038
Commercial Saturday Daily	9,680	8,405
Commercial Thursday License	75	0
Commercial Thursday Daily	605	350
Total Rent Revenue - Retail Market	862,518	856,984

See notes to financial statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended March 31, 2023 and 2022

	2023	2022
OTHER OPERATING REVENUE		
Truck Delivery	12,605	13,411
Electricity Sales	51,692	73,920
Reimbursements	15,105	7,113
Gas Sales	6,420	5,986
Water and Sewer Sales	2,437	2,849
Miscellaneous Income	16,059	15,502
Construction Reimbursement	24,000	24,000
Advertising - Promotion	65,813	12,904
Total Other Operating Revenue	194,131	155,685
TOTAL OPERATING REVENUE	1,790,107	1,941,937
OPERATING EXPENSES	2,243,456	2,062,432
LOSS FROM OPERATIONS	(453,349)	(120,495)
OTHER INCOME (EXPENSE)		
Interest Income	37,069	29,091
Interest Expense	(197,942)	(72,899)
Net Other Expense	(160,873)	(43,808)
CHANGE IN NET POSITION	(614,222)	(164,303)
NET POSITION		
Balance, Beginning of Year	5,560,743	5,725,046
Balance, End of Year	$ 4,946,521	$ 5,560,743

See notes to financial statements.

STATEMENTS OF CASH FLOWS
Years Ended March 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$ 1,800,604	$ 1,933,415
Cash Paid to Suppliers and Employees	(1,996,173)	(1,757,136)
Net Cash Provided By (Used In) Operating Activities	(195,569)	176,279
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for Capital Acquisitions	(739,841)	(94,358)
Proceeds from Note Payable	2,059,011	0
Proceeds from Demand Note	100,140	0
Principal Payments	(87,671)	(144,162)
Interest Paid	(179,514)	(72,899)
Net Cash Provided By (Used In) Financing Activities	1,152,125	(311,419)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts of Interest	37,069	29,091
Net Cash Provided By Investing Activities	37,069	29,091
Net Change in Cash	993,625	(106,049)
Cash, Beginning of Year	439,966	546,015
Cash, End of Year	$ 1,433,591	$ 439,966
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Refinance Note Payable with Note Payable	$ 2,762,561	$ 0

See notes to financial statements.

STATEMENTS OF CASH FLOWS
Years Ended March 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from Operations	$ (453,349)	$ (120,495)
Adjustments to Reconcile Increase in Net Position to Net Cash Provided By Operating Activities:		
Depreciation and Amortization	287,296	304,029
Charges for Bad Debt	7,893	24,634
Increase (Decrease) in Operating Assets:		
Accounts Receivable	2,604	(33,156)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Liabilities	28,781	19,307
Security Deposit Reserve	(12,226)	0
Deferred Rent	(16,039)	22,413
Pension Related Deferrals and Liabilities	(40,529)	(40,453)
Net Cash Provided By (Used In) Operating Activities	$ (195,569)	$ 176,279

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 1 – NATURE OF OPERATIONS

Central New York Regional Market Authority (the "Authority") is a public benefit company established to develop markets for the buying and selling of farm products.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Authority's financial statements are prepared in conformity with accounting principles generally accepted in the United States as set forth by the Governmental Accounting Standards Board (GASB) for proprietary funds.

In accordance with GASB standards, the accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. As required by GASB standards, the transactions of the Authority are accounted for on a flow of economic resources measurement focus and accrual basis of accounting.

Basis of Presentation

GASB required the classification of net position into three components defined as follows:

- *Net Investment in Capital Assets* are the amounts expended by the Authority for the acquisition of capital assets, net of accumulated depreciation and related debt.

- *Restricted Net Position* – This component of net assets consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* – This component consists of remaining net assets, which can be further categorized as designated or undesignated. Designated assets are not governed by statute or contract but are committed for specific purposes pursuant to Authority policy and/or board directives. Designated assets include funds and assets committed to maintaining and replacing capital assets and a contingency fund.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Cash and Cash Equivalents

The deposit and investment of Authority monies is governed by provisions in its enabling legislation and by an Investment Policy adopted by the Authority during 2008.

Statutes authorize the Authority to invest in bank maintained tenant security accounts, municipal money markets and municipal certificates of deposits. At various times throughout the year the Authority primarily invests in certificates of deposits.

For purposes of the statements of cash flows, the Authority has adopted the direct method of reporting net cash flows from operating activities and considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. At both March 31, 2023 and 2022, there were no cash equivalents.

Cash – Construction

Cash construction consists of the unspent proceeds from the Note Payables in 2023. These funds are not restricted and are to be used on projects to improve the infrastructure of the Authority.

Property, Plant and Equipment

Property, plant and equipment are reported at cost. Cost of current repairs and minor replacements of parts are charged to maintenance and expense accounts as incurred.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the property, plant and equipment accounts), depreciation methods, and estimated useful lives of property, plant and equipment reported on the Authority's financial statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Office Equipment	$ 10,000	Straight-Line	10
Operating Equipment	$ 10,000	Straight-Line	10 – 20
Buildings	$ 20,000	Straight-Line	20 – 50
Permanent Improvements	$ 20,000	Straight-Line	15 – 50
Utilities	$ 20,000	Straight-Line	10 – 30

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Accounts Receivable

The Authority considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made. Charges against operations for the years ended March 31, 2023 and 2022 were $7,893 and $24,634, respectively.

New Accounting Pronouncements Implemented

For the year ended March 31, 2023, the Authority adopted GASB Statement No. 87, "Leases". This statement was applied retrospectively and had a material effect on the financial statements of the Authority. This statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognize them as inflows of resources or outflows of resources based on the payment provisions of the contract.

Upon adoption of this GASB, the Authority recognized lease receivables and deferred items related to leases of $1,207,547 at March 31, 2022.

Leases Receivable

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured as the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

Deferred Outflows and Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows and inflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will therefore not be recognized as an outflow of resources (expense) until then. The Authority reports deferred contributions to pension plan, which is related to contributions subsequent to the measurement date of the pension plan. Deferred inflows of resources represent an acquisition of net position that is applicable to a future reporting period and will therefore not be recognized as an inflow of resources (revenue) until then. The Authority reports deferred inflows related to deferred rent, leases and pension plan in the statements of net position.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Funds Held for Others

The Authority holds funds for customers and vendors that have purchased tokens. These funds are reported as cash held for others in the statements of net position and the related liability is reported as funds held for others.

Income Tax Status

As a public benefit corporation, the Authority is exempt from federal and state income taxes, as well as state and local property and sales taxes.

Use of Estimates

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

Pensions

For purposes of measuring the net pension liability, net pension asset, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New York State and Local Employee's Retirement System (the System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported in the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the statutes governing the System. Investments are reported at fair value.

Deferred Rent Revenue

Deferred rent revenue represents rent payments received in advance of the rent period.

Revenue Recognition

The Authority distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. Other operating revenues are recognized when service has been rendered and collection is reasonably assured. The Authority's operating expenses include operations and maintenance expenses.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Reclassifications

Certain 2022 amounts have been reclassified to conform to the 2023 presentation. These reclassifications had an impact on the total assets, liabilities, and net assets or change in net assets relating to the GASB 87 implementation.

Subsequent Events

Management has evaluated subsequent events through October 3, 2023, which is the date the financial statements were available to be issued.

NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS

Cash balances at March 31, 2023 and 2022 consisted of the following accounts:

	2023	2022
Cash in Bank Checking	$ 1,139,941	$ 39,442
Cash in Bank Savings	279,143	379,576
Renter's Security Deposit	30,983	43,209
Petty Cash	185	185
Total	$ 1,450,252	$ 462,412
Cash	$ 57,551	$ 439,966
Cash - Construction	1,376,040	0
Cash Available to the Authority	1,433,591	439,966
Cash Held for Others	16,661	22,446
Total	$ 1,450,252	$ 462,412

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS –
Continued

Cash held by the Authority at March 31, 2023 and 2022 consists of the following:

March 31, 2023	Carrying Value	Bank Balance
Cash:		
Cash on Hand	$ 185	$ 0
Bank Accounts	1,450,067	1,453,144
Total Cash	$ 1,450,252	$ 1,453,144

March 31, 2022	Carrying Value	Bank Balance
Cash:		
Cash on Hand	$ 185	$ 0
Bank Accounts	462,227	494,627
Total Cash	$ 462,412	$ 494,627

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's deposits are secured by $500,000 from the Federal Depository Insurance Corporation plus $941,770 of pledged collateral at March 31, 2023. At March 31, 2023, the Authority had uncollateralized balance of $11,374. For the Authority, all pledged collateral and all investments are classified in the highest category by being held in bank trust departments in the Authority's name.

NOTE 4 – LEASES

The Authority has entered into multiple property leases (land and buildings), which range in previous commencement and expiration dates through March 2029. The payment terms of these agreements range in annual revenue of approximately $9,000 to approximately $52,000 in both 2022 and 2021, paid in twelve monthly installments. The leases include extension options, however it is not reasonably certain that the lessee will renew each lease for the additional year options.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 4 – LEASES – Continued

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months or less, including any options to extend, regardless of their probability of being exercised.

Leases Receivable	**Balance at March 31, 2022**	**Additions**	**Payments**	**Balance at March 31, 2023**
Lease Agreements	$ 1,207,547	$ 0	$ 190,785	$ 1,016,762
Total Leases Receivable	$ 1,207,547	$ 0	$ 190,785	$ 1,016,762

Leases Receivable	**Balance at March 31, 2021**	**Additions**	**Payments**	**Balance at March 31, 2022**
Lease Agreements	$ 1,330,008	$ 0	$ 122,461	$ 1,207,547
Total Leases Receivable	$ 1,330,008	$ 0	$ 122,461	$ 1,207,547

Remaining amounts to be received associated with these leases at March 31, 2023 are as follows:

	Lease Revenue
2024	$ 210,636
2025	227,553
2026	213,121
2027	180,327
2028	132,783
Thereafter	52,342
	1,016,762
Less: Current Portion	210,636
Total	$ 806,126

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 5 – PROPERTY, PLANT AND EQUIPMENT

Activity for property, plant and equipment and changes in accumulated depreciation for the year ended March 31, 2023 is as follows:

	Balance at March 31, 2022	Additions	Retirements/ Reclassifications	Balance at March 31, 2023
Land	$ 1,457,006	$ 0	$ 0	$ 1,457,006
Office Equipment	249,693	0	0	249,693
Operating Equipment	650,361	0	0	650,361
Buildings	6,854,309	0	0	6,854,309
Permanent Improvements	4,579,575	739,841	0	5,319,416
Utilities	319,830	0	0	319,830
	14,110,774	739,841	0	14,850,615
Less: Accumulated Depreciation	5,927,157	287,296	0	6,214,453
Net Property, Plant and Equipment	$ 8,183,617	$ 452,545	$ 0	$ 8,636,162

Activity for property, plant and equipment and changes in accumulated depreciation for the year ended March 31, 2022 is as follows:

	Balance at March 31, 2021	Additions	Retirements/ Reclassifications	Balance at March 31, 2022
Land	$ 1,457,006	$ 0	$ 0	$ 1,457,006
Office Equipment	249,693	0	0	249,693
Operating Equipment	629,522	20,839	0	650,361
Buildings	6,854,309	0	0	6,854,309
Permanent Improvements	4,485,411	73,519	20,645	4,579,575
Utilities	319,830	0	0	319,830
Construction in Progress	20,645	0	(20,645)	0
	14,016,416	94,358	0	14,110,774
Less: Accumulated Depreciation	5,623,128	304,029	0	5,927,157
Net Property, Plant and Equipment	$ 8,393,288	$ (209,671)	$ 0	$ 8,183,617

Depreciation charged to expense at March 31, 2023 and 2022 was $287,296 and $304,029, respectively.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 6 – SHORT-TERM DEBT

The Authority and its bank entered into a line-of-credit agreement which provides for maximum borrowing of up to $100,000 at an interest rate of prime plus 1.5%. The line-of-credit agreement is renewable annually. At March 31, 2023 and 2022, there were no borrowings on the line-of-credit agreement. The prime interest rate was 8.0% and 3.5% for the years ended March 31, 2023 and 2022, respectively.

NOTE 7 – NOTES PAYABLE

Notes Payable is made up of the following obligations:

	Balance at March 31, 2022	Additions	Reductions	Balance at March 31, 2023
Notes Payable:				
YNY DED-IIDP	$ 75,498	$ 0	$ 0	$ 75,498
First Pioneer Farm Credit	2,835,913	0	2,835,913	0
Farm Credit East - Note #1	0	100,140	14,319	85,821
Farm Credit East - Note #2	0	4,840,000	0	4,840,000
Total Notes Payable	$ 2,911,411	$ 4,940,140	$ 2,850,232	$ 5,001,319

Note payable to YNY DED-IIDP at an interest rate of 4%. Original grant with 50% loan, repayment and interest accrual held in abeyance.

In April 2013, the Authority refinanced the remaining portion of the First Pioneer Farm Credit note payable and received $566,813 in new debt. Note payable to First Pioneer Farm Credit is at an interest rate of prime with monthly payments of $5,739 through April 2033. The note is secured by property. This note was paid off in 2023 with the Farm Credit East – Note #2.

In September 2020, the Authority financed the purchase of a building with a First Pioneer Farm Credit note payable of $2,290,000. Note payable to First Pioneer Farm Credit is at an interest rate of 2.75% with monthly payments of principal and interest of $12,418 starting in April 2021 through March 2041. The note is secured by property. This note was paid off in 2023 with the Farm Credit East – Note #2.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 7 – NOTES PAYABLE – Continued

In April 2022, the Authority obtained a note payable of $500,000 from Farm Credit East (Note #1). As of March 31, 2023, $100,140 has been drawn. The demand note is for capital improvements on the infrastructure of the Authority. Monthly principal and interest payments of $2,665 starting in June 2022 are due for 15 months followed by monthly principal and interest payments of $7,639 starting in September 2023 for 69 months. Variable interest rate at an initial interest rate of 3.25%. The note is secured by property. All additional advances are optional and the funds availability expires on August 15, 2023. As of October 3, 2023 no additional draws had been made.

In December 2022, the Authority obtained a note payable of $4,840,000 from Farm Credit East (Note #2). The note was used to pay off outstanding notes payable of $2,762,561. The Authority received $2,059,011 in proceeds. The proceeds are to be used for capital projects on the infrastructure of the Authority. Note payable to Farm Credit East has a variable interest rate starting at 6.75% with eight monthly interest only payments beginning January 1, 2023. Beginning September 1, 2023, monthly installments of principal and interest of $33,457 are required, plus a final installment of any amount necessary to pay the indebtedness in full on August 1, 2048. The note is secured by property.

Debt service over the remaining term of the notes is summarized as follows:

	Principal Payments on Notes	Interest Payable	Total Debt Service on Notes
2024	$ 105,795	$ 195,205	$ 301,000
2025	104,181	321,884	426,065
2026	85,519	315,969	401,488
2027	91,478	310,009	401,487
2028	97,853	303,299	401,152
Thereafter	4,440,995	3,756,382	8,197,377
YNY DED-IIDP	75,498	0	75,498
	5,001,319	$ 5,202,748	$ 10,204,067
Less: Current Portion	105,795		
Total	$ 4,895,524		

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS

General Information about the Pension Plan

Plan Description

The Authority participates in the New York State and Local Employees' Retirement System (ERS) which is referred to as New York State and Local Retirement System (the System). This is a cost sharing multiple employer defined benefit retirement system, providing retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Authority also participates in the Public Employees Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/publications/index.php or by writing to the New York State and Local Employees' Retirement System, Alfred E. Smith State Office Building, State Street, Albany, New York 12244.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

General Information about the Pension Plan – Continued

Contributions

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3% of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

	Annual Contributions
2021	$ 44,998
2022	$ 62,938
2023	$ 55,745

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

Pension (Assets) Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions

At March 31, 2023 and 2022, the Authority reported an (asset) liability of $(144,971) and $1,119, respectively for its proportionate share of the net pension (asset) liability. The net pension (asset) liability was measured as of March 31, 2022 and 2021 and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of those dates. The Authority's proportionate share of the net pension (asset) liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2023 and 2022, the Authority's proportion was .0017734% and .0011241%, respectively.

At March 31, 2023 and 2022, the Authority reported deferred outflows/inflows of resources related to pensions from the following sources:

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 10,979	$ 14,240
Changes of Assumptions	241,940	4,082
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	474,720
Changes in Proportion and Differences Between the Employer Contributions and Proportionate Share of Contributions	56,283	15,129
Authority Contributions Subsequent to the Measurement Date	55,745	0
Total	$ 364,947	$ 508,171

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

Pension (Assets) Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions – Continued

	2022	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences Between Expected and Actual Experience	$ 13,670	$ 0
Changes of Assumptions	205,805	3,882
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	321,532
Changes in Proportion and Differences Between the Employer Contributions and Proportionate Share of Contributions	10,151	4,813
Authority Contributions Subsequent to the Measurement Date	62,938	0
Total	$ 292,564	$ 330,227

Authority contributions subsequent to the measurement date of $55,745, reported as deferred outflows of resources, will be recognized as an addition of the net pension asset in the year ended March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:	
2023	$ (25,870)
2024	(43,001)
2025	(113,172)
2026	(16,926)
Total	$ (198,969)

Deferred outflows of resources of $62,938 at March 31, 2022 resulting from the Authority's contributions subsequent to the measurement date, were recognized as a reduction of the net pension liability in the year ended March 31, 2023.

For the years ended March 31, 2023 and 2022, the Authority recognized pension expense of $15,216 and $103,391, respectively.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

Pension (Assets) Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions – Continued

Actuarial Assumptions

The total pension asset at March 31, 2023 was determined by using an actuarial valuation as of April 1, 2021 with update procedures used to roll forward the total pension liability to March 31, 2022. The total pension liability for the March 31, 2022 measurement date was determined using an actuarial valuation as of April 1, 2020, with update procedures to roll forward the total pension liability to March 31, 2021. The actuarial valuation used the following actuarial assumptions.

	2022	**2021**
Inflation Rate	2.7%	2.7%
Salary Increases	4.4%	4.4%
Investment Rate of Return (Net of Investment Expense, Including Inflation)	5.9%	5.9%
Cost of Living Adjustment	1.4%	1.4%

Annuitant mortality rates are based on April 1, 2015 to March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020.

Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

Pension (Assets) Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions – Continued

Expected Rate of Return on Investments – Continued

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 and 2021 are summarized below:

	Expected Real Rate of Return	
Asset Class	**2022**	**2021**
Domestic Equities	3.3%	4.1%
International Equities	5.9%	6.3%
Real Estate	5.0%	5.0%
Private Equity/Alternative Investments	6.5%	6.8%
Opportunistic Portfolio	4.1%	4.5%
Real Assets	5.6%	6.0%
Cash	-1.0%	0.5%
Credit	3.8%	3.6%

Discount Rate

The discount rate used to calculate the total pension (asset) liability was 5.9% at both March 31, 2022 and 2021. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset) liability.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

Pension (Assets) Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions – Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Authority's March 31, 2023 proportionate share of the net pension (asset) liability calculated using the discount rate of 5.9%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease 4.90%	Current Assumption 5.90%	1% Increase 6.90%
Authority's Proportionate Share of the Net Pension (Asset) Liability	$ 373,154	$ (144,971)	$ (578,358)

The following presents the Authority's March 31, 2022 proportionate share of the net pension (asset) liability calculated using the discount rate of 5.9%, as well as what the Authority's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease 4.90%	Current Assumption 5.90%	1% Increase 6.90%
Authority's Proportionate Share of the Net Pension (Asset) Liability	$ 310,677	$ 1,119	$ (284,366)

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 8 – BENEFIT PLANS – Continued

Pension (Assets) Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions – Continued

Pension Plan Fiduciary Net Position

The components of the current-year net pension (asset) liability of the employers as of a valuation date of March 31, 2022 and 2021 were as follows:

	(Dollars in Thousands)	
	2022	**2021**
Employer's Total Pension (Asset) Liability	$ 223,874,888	$ 220,680,157
Plan Net Position	(232,049,473)	(220,580,583)
Employer's Net Pension (Asset) Liability	$ (8,174,585)	$ 99,574
Ratio of Plan Net Position to the Employers' Total Pension (Asset) Liability	103.7%	99.9%

NOTE 9 – RECENT AND UPCOMING PRONOUNCEMENTS

GASB Statement No. 94, *"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"*, was issued in March 2020. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The Authority is required to adopt the provisions of this statement for the year ending March 31, 2024.

GASB Statement No. 96, *"Subscription-Based Information Technology Arrangements"*, was issued in May 2020. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The Authority is required to adopt the provisions of this statement for the year ending March 31, 2024.

NOTES TO FINANCIAL STATEMENTS
March 31, 2023 and 2022

NOTE 9 – RECENT AND UPCOMING PRONOUNCEMENTS –
Continued

GASB Statement No. 99, *"Omnibus 2022"* was issued in April 2022. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The Authority is required to adopt the provisions of this statement over a period of issuance of the statement to the year ended March 31, 2025.

GASB Statement No. 100, *"Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62"*, was issued in June 2022. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Authority is required to adopt the provisions of this statement for the year ending March 31, 2025.

GASB Statement No. 101, *"Compensated Absences"*, was issued in June 2022. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Authority is required to adopt the provisions of this statement for the year ending March 31, 2024.

The Authority's management is in the process of evaluating the impact of these statements on its future financial statements.

SCHEDULE OF AUTHORITY'S CONTRIBUTIONS
Year Ended March 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
NYSLRS Pension Plan									
Contractually Required Contributions	$ 55,745	$ 62,938	$ 44,998	$ 39,061	$ 40,861	$ 43,089	$ 44,135	$ 50,890	$ 69,167
Contributions in Relation to Contractually Required Contributions	(55,745)	(62,938)	(44,998)	(39,061)	(40,861)	(43,089)	(44,135)	(50,890)	(69,167)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Employer's Covered-Employee Payroll	$ 911,767	$ 751,323	$ 586,054	$ 507,643	$ 435,343	$ 388,414	$ 360,595	$ 396,557	$ 396,514
Contribution as a Percentage of Covered-Employee Payroll	6.1%	8.4%	7.7%	7.7%	9.4%	11.1%	12.2%	12.8%	17.4%

The Authority is required to present information in this schedule for a ten-year period. Data for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Year Ended March 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016
NYSLRS Pension Plan								
Employer's Proportion of the Net Pension (Asset) Liability	0.0017734%	0.0011241%	0.0010449%	0.0010017%	0.0010099%	0.0012797%	0.0015253%	0.0014166%
Employer's Proportionate Share of the Net Pension (Asset) Liability	$ (144,971)	$ 1,119	$ 276,694	$ 70,973	$ 32,593	$ 120,246	$ 244,808	$ 47,858
Employer's Covered-Employee Payroll During Measurement Period	$ 911,767	$ 751,323	$ 586,054	$ 507,643	$ 435,343	$ 388,414	$ 360,595	$ 396,557
Employer's Proportionate Share of the Net Pension (Asset) Liability as a Percentage of its Covered-Employee Payroll	-15.9%	0.1%	47.2%	14.0%	7.5%	31.0%	67.9%	12.1%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	90.7%

The Authority is required to present information in this schedule for a ten-year period. Data for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

Dermody, Burke & Brown, CPAs, LLC

INDEPENDENT AUDITORS' 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*

BOARD OF DIRECTORS
CENTRAL NEW YORK REGIONAL MARKET AUTHORITY

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of Central New York Regional Market Authority (the Authority), which comprise the statement of net position as of March 31, 2023, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 3, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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.

443 North Franklin Street • Syracuse, NY 13204-1441 • (315) 471-9171 • Fax (315) 471-8555
1120 Corporate Drive • Auburn, NY 13021-1634 • (315) 253-6273 • Fax (315) 253-0890
4350 Middle Settlement Road • New Hartford, NY 13413-5328 • (315) 732-2991 • Fax (315) 732-0282
http://www.dbbllc.com

Report on Internal Control Over Financial Reporting – Continued

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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards,* and which are described in the accompanying schedule of findings and responses.

Central New York Regional Market Authority's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly we express no opinion on the response.

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.

Dermody, Burke & Brown

DERMODY, BURKE & BROWN, CPAs, LLC

Syracuse, NY

October 3, 2023

SCHEDULE OF FINDINGS AND RESPONSES
Year Ended March 31, 2023

Criteria

To protect public monies from potential loss New York State general municipal law requires that eligible banks, before receiving a deposit in excess of the federally insured amount, pledge collateral equal at all times to the amount of the deposits. Further, U.S. generally accepted accounting principles (GAAP) requires the Authority to disclose the amount of its bank balance that is uninsured and uncollateralized at the end of the period.

Condition / Cause

During the fiscal year the Authority received a large deposit from the proceeds of a note payable. This created a need for collateral on a bank account held by the Authority that has never needed it in the past. The bank did not provide the Authority enough collateral as of March 31, 2023. As a result, $11,374 of the Authority's bank balance was uninsured and uncollateralized at March 31, 2023.

Effect

Cash deposits exceeding the Federal Deposit Insurance Corporation coverage of $250,000 are at risk of being lost if the bank becomes insolvent. No loss of public monies resulted from these uninsured and uncollateralized deposits.

Recommendation

To help protect public monies from potential loss and to comply with state and GASB regulations, the Authority must ensure that all deposits not covered by federal depository insurance are collateralized in accordance with New York State general municipal law.

Central New York Regional Market Authority's Response to Finding

Management agrees and will make sure that it obtains collateral statements from all banks who carry a balance over the Federal Deposit Insurance Corporation limits on a monthly basis.

Dermody, Burke & Brown, CPAs, LLC

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH INVESTMENT GUIDELINES FOR PUBLIC AUTHORITIES

BOARD OF DIRECTORS
CENTRAL NEW YORK REGIONAL MARKET AUTHORITY

We have examined Central New York Regional Market Authority's (the Authority) compliance with Section 2925(3) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations during the year ended March 31, 2023. Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. These standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied, in all materials respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements during the year ended March 31, 2023.

This report is intended solely for the information and use of management, the board of directors, and the Office of the State Comptroller of the State of New York. It is not intended to be and should not be used by anyone other than these parties.

Dermody, Burke & Brown

DERMODY, BURKE & BROWN, CPAs, LLC

Syracuse, NY

October 3, 2023

443 North Franklin Street • Syracuse, NY 13204-1441 • (315) 471-9171 • Fax (315) 471-8555
1120 Corporate Drive • Auburn, NY 13021-1634 • (315) 253-6273 • Fax (315) 253-0890
4350 Middle Settlement Road • New Hartford, NY 13413-5328 • (315) 732-2991 • Fax (315) 732-0282
http://www.dbbllc.com