

**OGDENSBURG GROWTH FUND  
DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Ogdensburg Growth Fund Development Corporation  
Ogdensburg, New York

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Ogdensburg Growth Fund Development Corporation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

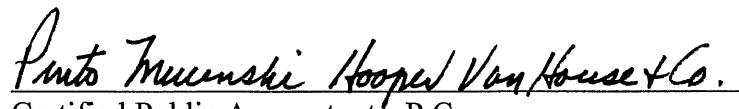
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ogdensburg Growth Fund Development Corporation as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2020, on our consideration of the Ogdensburg Growth Fund Development Corporation'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 Ogdensburg Growth Fund Development Corporation'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 Ogdensburg Growth Fund Development Corporation's internal control over financial reporting and compliance.

  
Przemyslaw Mucinski Hooper Van House & Co.

Certified Public Accountants, P.C.

March 11, 2020

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 512,969	\$ 369,172
Restricted Cash	713,339	713,339
Loans Receivable (Net of Allowance of \$ 40,000 for both 2019 and 2018)	83,135	102,070
Lease Receivable	3,957	3,957
Total Current Assets	<u>1,313,400</u>	<u>1,188,538</u>
Long-Term Assets		
Loans Receivable (Net of Current Portion)	628,315	742,706
Lease Receivable (Net of Current Portion)	15,369	19,325
Total Long-Term Assets	<u>643,684</u>	<u>762,031</u>
 TOTAL ASSETS	 <u>\$ 1,957,084</u>	 <u>\$ 1,950,569</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	\$ 21,000	\$ 25
Net Assets		
Without Donor Restrictions	1,132,745	937,205
With Donor Restrictions	803,339	1,013,339
Total Net Assets	<u>1,936,084</u>	<u>1,950,544</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,957,084</u>	 <u>\$ 1,950,569</u>

The accompanying notes are an integral part of these financial statements.

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019			2018		
	Without Donor	With Donor	Total	Without Donor	With Donor	Total
	Restrictions	Restrictions		Restrictions	Restrictions	
<b>Support and Revenue</b>						
Program Income - Loan Interest	\$ 22,665	\$ -	\$ 22,665	\$ 12,963	\$ -	\$ 12,963
Grant Income	-	-	-	-	210,000	210,000
Interest Income - Banks	224	-	224	397	-	397
Application Fees	-	-	-	200	-	200
Net Assets Released from Restrictions	<u>210,000</u>	<u>(210,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>232,889</u>	<u>(210,000)</u>	<u>22,889</u>	<u>13,560</u>	<u>210,000</u>	<u>223,560</u>
<b>Management and General Expenses</b>						
Contracted Services - City of Ogdensburg	17,000	-	17,000	17,000	-	17,000
Professional Services	4,562	-	4,562	4,050	-	4,050
Property Insurance	6,399	-	6,399	6,166	-	6,166
Liability Insurance	2,403	-	2,403	2,347	-	2,347
Tax Filing Fees	275	-	275	275	-	275
Bad Debts	6,710	-	6,710	-	-	-
Office Expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>401</u>	<u>-</u>	<u>401</u>
<b>Total Management and General Expenses</b>	<u>37,349</u>	<u>-</u>	<u>37,349</u>	<u>30,239</u>	<u>-</u>	<u>30,239</u>
<b>Change in Net Assets</b>	195,540	(210,000)	(14,460)	(16,679)	210,000	193,321
<b>Net Assets - Beginning of Year</b>	<u>937,205</u>	<u>1,013,339</u>	<u>1,950,544</u>	<u>953,884</u>	<u>803,339</u>	<u>1,757,223</u>
<b>Net Assets - End of Year</b>	<u>\$ 1,132,745</u>	<u>\$ 803,339</u>	<u>\$ 1,936,084</u>	<u>\$ 937,205</u>	<u>\$ 1,013,339</u>	<u>\$ 1,950,544</u>

The accompanying notes are integral part of these financial statements.

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest Received from Borrowers	\$ 22,665	\$ 12,963
Proceeds from Grant Award	-	210,000
Receipt of Lease Expense Reimbursement	78,196	155,701
Interest Received from Banks	224	397
Fees Received from Borrowers	-	200
Cash Paid to Others for Goods and Services	(87,860)	(109,362)
Net Cash Provided by Operating Activities	13,225	269,899
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Principal Payments from Loans Receivable	126,615	77,934
Loans Disbursed to Borrowers	-	(375,000)
Principal Payments from Lease Receivable	3,957	3,957
Net Cash Provided (Used) by Investing Activities	130,572	(293,109)
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	143,797	(23,210)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	1,082,511	1,105,721
Cash, Cash Equivalents and Restricted Cash - END OF YEAR	\$ 1,226,308	\$ 1,082,511

**RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the total of the same such amounts shown in the statement of cash flows.

	2019	2018
Cash and Cash Equivalents	\$ 512,969	\$ 369,172
Restricted Cash	713,339	713,339
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	\$ 1,226,308	\$ 1,082,511

The accompanying notes are an integral part of these financial statements.

# OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

### NOTE 1 – NATURE OF ACTIVITIES

The Ogdensburg Growth Fund Development Corporation (herein, the “Growth Fund”) was established pursuant to the filing of a Certificate of Incorporation dated April 19, 1983 pursuant to Sections 402 and 1411 of the Not-for-Profit Corporation Law (“N-PCL”) of the State of New York.

The purpose of the Growth Fund is to:

- Relieve and reduce unemployment and lessen the burdens of government and to act in the public interest.
- Promote, provide, and/or facilitate projects and efforts intended to maximize employment opportunities for Ogdensburg residents through the creation of residential, commercial, and industrial developments throughout the community.
- Instruct and train individuals to improve or develop their capabilities for jobs.
- Conduct research for the purpose of attracting or retaining businesses in the Ogdensburg area.
- Administer the Ogdensburg Growth Fund Loan Program.
- Attract funding from private and public sources for the purposes of supporting economic growth within the greater Ogdensburg area.

On January 8, 2014, the Growth Fund authorized amendments to its Bylaws and Certificate of Incorporation to amend and modify its membership. The amendments expanded the size of the Board of Directors from seven to allow up to eleven members, who shall serve four (4) year terms. This amendment also amended and modified the appointment of officers who are now appointed by a majority of the Growth Fund’s Board of Directors.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Growth Fund have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

#### **Financial Statement Presentation**

The Growth Fund has adopted *FASB ASC 958-205*. Under this standard, the Growth Fund is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Growth Fund is required to present a statement of cash flows.

**Net Assets Without Donor Restrictions:** Net assets not subject to donor-imposed restrictions.

**Net Assets With Donor Restrictions:** Net assets whose use is limited by donor-imposed time and/or purposes restrictions.



**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

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

**Financial Statement Presentation (Continued)**

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Revenue and Revenue Recognition**

The Growth Fund recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

A portion of the Growth Fund's revenue is sometimes derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenditures. Amounts received are recognized as revenue when the Growth Fund has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

The Growth Fund has adopted Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understanding of the Growth Fund's financial reporting.

The Growth Fund has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Growth Fund's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Growth Fund recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

**Use of Estimates**

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

**Loans Receivable**

Loans receivable are reported at their principal amount outstanding. Interest is recognized on the accrual basis as specified in the loan agreements.

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

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

**Loan Loss Allowance**

Management reviews the status of all loan receivable balances and makes an assessment of their collectability. A loan loss reserve has been established for loans whose repayment is considered doubtful. The loan loss reserve at December 31, 2019 and 2018 was \$ 40,000 for each year. When loans are deemed to be uncollectable, they are charged off to the allowance. There was one loan write-off during 2019 for \$ 6,710.

**Income Taxes**

The Growth Fund is exempt from federal income tax and is classified by the Internal Revenue Service as a public charity under Section 501(c)(3) of the Internal Revenue Code. A similar exemption has also been obtained from New York State.

Accounting principles generally accepted in the United States of America require management to evaluate all significant tax positions. As of December 31, 2019, the Growth Fund does not believe that it has taken any positions that would require the recording of any tax liability or tax benefit.

**Cash and Cash Equivalents**

For the purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and savings instruments with a maturity of less than three months.

The Growth Fund has adopted Accounting Standards Update (ASU) No. 2016-18, *Statement of Cash Flows (Topic 230)* as management believes the standard improves the usefulness and understanding of the Growth Fund's financial reporting.

**Allocation of Functional Expenses**

Expenses consist of costs related to operating revolving loan funds and the purposes described in Note 1. The financial statements do not report any categories that are attributable to more than one program or supporting functions. Therefore, an allocation of functional expenses is not required.

**NOTE 3 – SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions from January 1, 2020 through March 11, 2020, the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements. There were no events or transactions that existed which would provide additional pertinent information about conditions at the balance sheet date required to be recognized or disclosed in the accompanying financial statements.

**NOTE 4 – RESTRICTED CASH**

Restricted cash consists of funds received from the U.S. Environmental Protection Agency (EPA) to be utilized for brownfields clean-up sites as more fully described in Note 6.

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**NOTE 5 – LOANS RECEIVABLE**

Loans receivable balances at December 31, 2019 and 2018 consisted of the following:

<u>Loans</u>	<u>Date of Loan</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance 2019</u>	<u>Balance 2018</u>
Ansen Corporation	01/15/2016	03/01/2026	2.750%	\$ 150,000	\$ 98,498	\$ 112,748
BlastBoss	01/04/2017	01/01/2022	2.875%	78,050	33,881	49,438
Canexsys Networks, Inc.	09/15/2017	09/01/2024	3.125%	150,000	105,181	125,406
City of Ogdensburg Shade Roller Project #2	11/21/2016	11/21/2021	0.000%	90,000	90,000	90,000
Farrand's Flowers & Events Planning, Inc.	05/07/2013	05/07/2020	3.300%	36,000	27,752	27,751
Hoosier Magnetics	09/18/2015	09/18/2020	2.625%	100,000	-	38,299
Hozmerica, LLC	07/29/2011	05/01/2026	2.000%	100,000	52,603	60,210
Neil T. Bhatt	12/06/2018	11/14/2025	3.625%	75,000	64,599	74,214
North American Forest Group, Inc.	11/21/2018	02/14/2029	3.625%	300,000	278,936	300,000
The Pub	09/11/2012	09/11/2017	4.300%	20,000	-	6,710
Total Loans Receivable					751,450	884,776
Allowance for Doubtful Accounts					(40,000)	(40,000)
Net Loans Receivable					<u>\$ 711,450</u>	<u>\$ 844,776</u>

Future maturities of the loans receivable are as follows:

December 31, 2020	\$ 123,135
2021	188,406
2022	85,965
2023	87,299
2024	84,139
Thereafter	182,506
	<u>\$ 751,450</u>

**NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of grant funds received from the U.S. Environmental Protection Agency (EPA) and the Northern Border Regional Commission (NBRC).

The EPA funds are to be used as a revolving loan fund to carry out cleanup activities at eligible brownfields sites. Therefore, the funds are donor restricted for a specified purpose. Brownfields are defined by the EPA as: real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Brownfields Law further defines the term to include a site that is: “contaminated by a controlled substance; contaminated by petroleum or a petroleum product excluded from the definition of ‘hazardous substance’; or mine-scarred land.”

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

**NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

On August 4, 2017, the Growth Fund was awarded a \$ 250,000 federal grant from the Northern Border Regional Commission. The purpose of the grant is to provide low-interest loans to businesses that are creating new jobs in the community, with emphasis on business development within Ogdensburg’s NYS Designated Brownfield Opportunity Area. This 330-acre target area is located on the St. Lawrence and Oswegatchie Rivers. In 2018, \$ 210,000 of the grant award was received and awarded to two recipients. In early 2019, the Growth Fund finalized compliance with all grant provisions and the amount received was reclassified to net assets without donor restrictions.

At December 31, 2019 and 2018, net assets with donor restrictions consisted of:

	<u>12/31/2019</u>	<u>12/31/2018</u>
EPA Program	\$ 803,339	\$ 803,339
NBRC Program	-	210,000
Total	\$ 803,339	\$ 1,013,339

**NOTE 7 – LONG-TERM CAPITAL LEASE AGREEMENT**

The Growth Fund leases a building located at 431 State Street in the City of Ogdensburg, New York to the United States Postal Service (USPS) under a non-cancelable lease-purchase agreement dated December 15, 2000. The lease term commenced on October 20, 2001 and ends on October 19, 2024 with monthly lease payments of \$ 330. The following is a schedule of future minimum lease payments as of December 31, 2019:

December 31, 2020	\$ 3,957
2021	3,957
2022	3,957
2023	3,957
2024	3,497
	\$ 19,325

**NOTE 8 – RELATED PARTY TRANSACTIONS**

The Growth Fund and the City of Ogdensburg are parties to a number of transactions. The Growth Fund operates out of premises owned by the City of Ogdensburg. City of Ogdensburg employees provide services on behalf of the Growth Fund and these services are reflected as an expense on the books and records of the Growth Fund. The expense for such contracted services for the years ended December 31, 2019 and 2018 was \$ 17,000 for both years.

As more fully explained in Note 5 of these financial statements, there is a formal promissory note between the two parties.

**OGDENSBURG GROWTH FUND DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**NOTE 9 – CONCENTRATION OF CREDIT RISK**

The Growth Fund maintains its cash balances with Community Bank, N.A. At December 31, 2019, the Growth Fund had bank balances totaling \$ 1,226,584 with a carrying value of \$ 1,226,308. A combination of federal depository insurance and securities pledged and held by the bank fully covered these bank balances.

**NOTE 10 – LIQUIDITY AND AVAILABILITY**

The Growth Fund has \$ 512,969 of cash, \$ 83,135 of loans receivable and \$ 3,957 of a lease receivable available within one year of the balance sheet date to meet the operating cash needs of the Growth Fund.

**NOTE 11 – RECLASSIFICATIONS**

Certain amounts in the 2018 financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS***



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Ogdensburg Growth Fund Development Corporation  
Ogdensburg, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Ogdensburg Growth Fund Development Corporation (Growth Fund) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 11, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Growth Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Growth Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Growth Fund'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 the Growth Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

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

Pauto Mucinski Hooper Van House & Co.

Certified Public Accountants, P.C.

March 11, 2020