

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

~Agenda Subject to Change~

**March 20, 2012 at 6:00 PM
Town of Louisville Municipal Building**

Call to Order	<ul style="list-style-type: none"> ▪ Robert McNeil, Chair
Roll Call and Determination of Quorum	
Public Notice	<ul style="list-style-type: none"> ▪ March 9, 2012
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> ▪ February 21, 2012..... 1-3
Financial Reports	<ul style="list-style-type: none"> ▪ January 2012 4-6
Committee Reports	
Old Business	
New Business	<ul style="list-style-type: none"> ▪ Resolution: Accepting 2011 Audit..... 7
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency
Minutes of February 21, 2012 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:03 PM by Vice-Chairman Strait.

Roll Call/Determination of Quorum: Mssrs. Burns, Murphy, and Strait attend. NYPA's Michael Huvane joins the meeting via conference call, while NYPA's Karen White is also in attendance. The quorum is recognized.

Public Notice: Public notifications were sent February 10, 2012 to, at a minimum: St. Lawrence County's newspapers designated for the publication of local laws and other matters required by law to be published; additional local media sources and websites.

Approval of Minutes: Burns/Murphy motion to accept the January 17, 2012 regular meeting minutes. Accepted unanimously.

Financial Report: Mrs. Gilbert reviews the December 2011 financials. Murphy/Burns motion to accept the financials as presented. Accepted unanimously.

Committee Reports: None

Old Business: None

New Business: None

Staff Report:

2012 Community Development and Environmental Improvement Program: Mr. Kelly notes the deadline for applications is March 1, 2012.

2011 Community Development & Environmental Improvement Program: Mr. Kelly informs the group that the City of Ogdensburg is close to submitting a draw request. Staff has also been in contact with Mr. Clark at The Business Development Corporation for a Greater Massena regarding the grant for I-98 and the Rail. Rich Williams, IDA Facilities Manager, references a recent meeting with the Village of Gouverneur discussing improvements to the water system and notes the village is making some progress. Another meeting is scheduled to take place in a couple of weeks and it's expected the work on the water system will go to bid late in the late Spring of this year. North Country Pastured received funding from the North Country Regional Economic Development Council, but will need bridge financing for that award.

Lots 18 & 19 (Massena Industrial Park): Mr. Williams references minor repair on Lot 19. He mentions recent discussions where a prospect may have interest in utilizing 20,000 square feet of the building for temporary storage.

Marketing Initiative: While Mr. Kelly is awaiting response from National Grid regarding a grant application, he notes the feedback received thus far indicates the application is working up the chain and it is expected that there will be an answer any day now.

Citec: The IDA has been revisiting leads from the last few years and has engaged with Citec to attempt to re-connect with prospects. On average, a representative from both organizations has been visiting Canada one day a week taking part in events and establishing dialogue with a host of businesses. Mr.

Kelly states that being an active member of the American Chamber of Commerce (AMCHAM) in Canada, the IDA has been able to attend various networking events to become more acquainted with businesses in Canada. Additionally, Mr. Kelly notes that tradeshow will be gearing up in about a month or so. Depending on the outcome of the National Grid application, he expects staff will be attending several shows throughout the year. One such show is the BIOMEDevise 2012 to be held in Boston, MA in April. Mr. Kelly explains the benefits of attending the BIOMEDevise tradeshow and its affiliation with New England based electronics businesses.

Mr. Kelly informs members of Economic Developer Meetings hosted by the IDA which are scheduled on a quarterly basis. The last meeting was held on February 10th, the kickoff session for the year. Developers consist of representatives from local economic development agencies, state and regional developers and the local colleges. A main topic of discussion at the last meeting encompassed visits with prospects – who should we be reaching out to and who should be included in the discussions. The IDA has a procedure for notifying developers of scheduled visits in the event they would have interest in attending to offer a well-rounded view of what is available here in St. Lawrence County.

Aitia Analytics: Mr. Kelly advises the group that Citec and the IDA will engage with Adam White from Aitia Analytics to obtain company contact information and discuss plans for moving forward once the results of the National Grid application are known. Aitia's perspective in the large power user market in Ontario should be an asset in our marketing efforts.

Structural Wood's loan closed in January 2012.

An agreement has been created to set the guidelines for the \$100,000 loan the SLRVRA allocated to the SLC LDC Micro Fund. After a final legal review, the agreement will be ready to be implemented.

Research Projects: Ultra High Tempered Milk and Data Centers are examples of research projects from various sectors. Mr. Kelly references the economic developers' meeting with respect to obtaining information from the developers in determining where to spend time/efforts and in what sectors to focus economic development research projects. Areas to consider include spin-off industries from larger employers like Alcoa, the colleges, and the agriculture sector.

Mr. Murphy recommends reaching out to real estate companies in the area and letting them know what we have for assets and that we are interested in working with them. Mr. Kelly mentions that the IDA reaches out to banks and accountants and that the list of contacts should be expanded to include attorneys and the Board of Realtors. Mr. Murphy emphasizes the amount of development in Jefferson County right now and recommends contacting resources in Jefferson County as well. Mr. Kelly references the Drum Country Initiative and states that may be the best avenue for a regional outreach.

Mr. Murphy asks Mr. Kelly if there are any updates on Data Storage and what are the next steps? Mr. Kelly notes discussions are still on-going with Clarkson University regarding their planned data center. Mr. Kelly notes we have had discussion with one potential large data user. However, the amount of power requested was 30 megawatts to start with potential to go to 80 megawatts. Mr. Murphy asks why we couldn't find more power from the Power Authority. Mr. Huvane notes that everything is fully allocated at this point. Additionally, Mr. McMahan, Superintendent from Massena Electric Department, notes there were not a lot of jobs expected to be produced for the amount of power they would need. Mr. McMahan states that these factors made a project of that nature difficult to attract. Mr. Huvane notes that in summary, the SLRVRA would be giving out more than what they would get back for the amount of power to be used.

Mr. Burns asks about the status of the Power Contract. Attorney Gustafson responds by referencing a conversation he had that day with Judith McCarthy of NYPA. The proposed revisions have been reviewed and both parties should be ready to meet sometime in the next week. Mr. Burns asks Attorney Gustafson if he sees any difficulties in having the contract ready by mid March. Mr. Gustafson notes that is not unreasonable.

Public Comment:

Mr. Charles McGrath: Mr. McGrath acknowledges Mr. Kelly's report and inquires about efforts in obtaining less regulation and a lower tax structure as a way of bringing more people here. Mr. Kelly responds by explaining staff efforts are concentrated on making the overall development process as easy and simple as possible in St. Lawrence County. The goal is to reach out to as many companies as possible and talk about things that can actually be delivered upon. Mr. McMahan notes the IDA is a member of the NYS Business Development Council and has a forum for encouraging business friendly actions by the state through that organization. It is discussed that governmental regulatory policies are a political issue best addressed with our elected officials. Mr. McGrath responds that he doesn't want to see people giving up working on these issues. Mr. McGrath notes very little effort has been made with this and acknowledges that it must make staff's job even more difficult to bring companies here. Mr. Murphy asks Mr. Kelly about the FTZ (Foreign Trade Zone). Mr. Kelly responds that this is not a tax incentive program. It provides duty and cash flow benefits. Now, companies are eligible anywhere in the County – not just Ogdensburg. Mr. Kelly notes this can be valuable to businesses and could give us leverage for the right company, but it is not a program offered only in St. Lawrence County.

Mr. Larry Legault asks about the timeframe for CD & EIP awards? Mr. Kelly expects a similar review process as last year, with decisions being made potentially as early as March, but more likely in April.

Executive Session:

Burns/Murphy motion for Execution Session at 6:39 PM to discuss the financial matters of a company.

The RVRDA returns to regular session and motions to adjourn the meeting at 7:35PM, upon the motion by Burns/Murphy.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at 6:00PM on Tuesday, March 20, 2012 at the Town of Louisville Municipal Offices.
--

St. Lawrence River Valley Redevelopment Agency

Balance Sheet

As of January 31, 2012

	Jan 31, 12
ASSETS	
Current Assets	
Checking/Savings	
201 - Cash Restricted	
201E - HSBC - Money Market	7,315,393.80
201F - KEY - Money Market	5,765,356.52
201G - NBT- Checking	49,664.15
201H - NBT - Money Market	1.00
Total 201 - Cash Restricted	13,130,415.47
202 - Security Deposits	34,000.00
Total Checking/Savings	13,164,415.47
Total Current Assets	13,164,415.47
Fixed Assets	
100 - Massena Lot 18	
100A - Massena Lot 18 - Building	359,800.00
100B - Massena Lot 18 - Depreciation	-1,199.33
Total 100 - Massena Lot 18	358,600.67
101 - Massena Lot 19	
101A - Massena Lot 19 - Building	340,200.00
101B - Massena Lot 19 - Depreciation	-1,134.00
Total 101 - Massena Lot 19	339,066.00
Total Fixed Assets	697,666.67
Other Assets	
Notes Receivable	
485 - N/R - North Country Dairy, LLC	393,742.22
486 - N/R - SLIC Network Solutions	825,000.00
487 - N/R - Structural Wood Corp	150,000.00
Total Notes Receivable	1,368,742.22
210 - Accrued Interest Receivable	2,941.95
Total Other Assets	1,371,684.17
TOTAL ASSETS	15,233,766.31
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 - Rental Deposits	34,000.00
Total Other Current Liabilities	34,000.00
Total Current Liabilities	34,000.00
Total Liabilities	34,000.00
Equity	
3900 - Net Assets	15,366,107.98
Net Income	-166,341.67
Total Equity	15,199,766.31
TOTAL LIABILITIES & EQUITY	15,233,766.31

St. Lawrence River Valley Redevelopment Agency Check Register

Type	Date	Ck Num	Name	Memo	Amount
				Beginning Balance for January 2012	\$ 13,324,499.36
Deposit	01/03/2012		North Country Dairy, LLC	Jan 2012 Payment	14,241.60
Check	01/09/2012	1124	Massena Electric Department	Jan & Feb 2012 Contract	-9,000.00
Check	01/09/2012	1125	Christine Jenkins, Receiver of Taxes	Taxes on Building	-10,659.66
Transfer	01/09/2012	Transfer	St. Lawrence County IDA LDC	1st Admin Installment 2012	-150,000.00
Check	01/17/2012	1126	SLC IDA Local Development Corp	North Country Dairy Jan 2012	-7,120.80
Check	01/17/2012	1127	Village of Massena	Lot 19 bill	-27.30
Check	01/17/2012	1128	Paetec	Phone bill	-35.99
Check	01/25/2012	1129	Development Authority of North Country	VOID:	0.00
Check	01/25/2012	1130	Development Authority of North Country	legal costs	-83.40
Check	01/31/2012		Key Bank	Service Charge	-12.00
Deposit	01/31/2012		HSBC Bank	Interest	1,863.45
Deposit	01/31/2012		Key Bank	Interest	742.27
Deposit	01/31/2012		NBT Bank	Interest	7.94
				Ending Balance for January 2012	\$ <u>13,164,415.47</u>

St. Lawrence River Valley Redevelopment Agency

Income	2012 Budget	January-12	YTD	Balance
OPERATING REVENUE- Other				
2409 · Interest Income	100,000.00	3,476.68	3,476.68	100,000.00
2410 · Power Contract Revenue	870,950.00	0.00	0.00	870,950.00
2412 · Miscellaneous Income(App Fees)	2,500.00	0.00	0.00	2,500.00
	973,450.00	3,476.68	3,476.68	973,450.00
MASSENA INDUSTRIAL BUILDING LOT18				
2422 - MIB18 - Rent	102,000.00	0.00	0.00	102,000.00
	102,000.00	0.00	0.00	102,000.00
6486408 · MIB18 - Maintenance Expense	2,000.00	0.00	0.00	2,000.00
6486411 · MIB18 - Insurance Expense	3,850.00	0.00	0.00	3,850.00
6486415 · MIB18 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6486416 · MIB18 - Utility Expense	0.00	0.00	0.00	0.00
6486450 · MIB18 - Property Tax Expense	11,000.00	5,273.39	5,273.39	5,726.61
6486499 · MIB18 - Miscellaneous Expense	2,000.00	0.00	0.00	2,000.00
6486500 · MIB18 - Depreciation Expense	0.00	0.00	0.00	0.00
	20,850.00	5,273.39	5,273.39	15,576.61
Total MASSENA INDUSTRIAL BUILDING LOT18	81,150.00	(5,273.39)	(5,273.39)	86,423.39
MASSENA INDUSTRIAL BUILDING LOT19				
2423 · Rental - MIB LOT19	10,000.00	0.00	0.00	10,000.00
	10,000.00	0.00	0.00	10,000.00
MASSENA INDUSTRIAL BUILDING LOT19				
6487408 · MIB19 - Maintenance Expense	2,000.00	0.00	0.00	2,000.00
6487411 · MIB19 - Insurance Expense	3,850.00	0.00	0.00	3,850.00
6487415 · MIB19 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6487416 · MIB19 - Utility Expense	6,000.00	27.30	27.30	5,972.70
6487436 · MIB19 - Marketing Expense	10,000.00	0.00	0.00	10,000.00
6487450 · MIB19 - Property Tax Expense	11,000.00	5,386.27	5,386.27	5,613.73
6487499 · MIB19 - Miscellaneous Expense	2,500.00	0.00	0.00	2,500.00
6487500 · MIB19 - Depreciation Expense	0.00	0.00	0.00	0.00
	37,350.00	5,413.57	5,413.57	31,936.43
Total MASSENA INDUSTRIAL BUILDING LOT19	(27,350.00)	(5,413.57)	(5,413.57)	(21,936.43)
Operating Expenditures				
6460411 · Director's & Officer's Insurance	3,000.00	0.00	0.00	3,000.00
6460429 · Contractual Expenses-Other	20,000.00	0.00	0.00	20,000.00
6460430 · Contractual Expenses to MED	54,000.00	9,000.00	9,000.00	45,000.00
6460431 · Contractual Expenses to IDALDC	300,000.00	150,000.00	150,000.00	150,000.00
6460433 · Legal Expense	20,000.00	83.40	83.40	19,916.60
6460434 · Accounting Expense	3,250.00	0.00	0.00	3,250.00
6460442 · Meeting Expense	500.00	0.00	0.00	500.00
6460443 · Other Travel Expense	2,000.00	0.00	0.00	2,000.00
6460450 · Community Devel. & Improve Projects	622,000.00	0.00	0.00	622,000.00
6460499 · Miscellaneous Expense	2,500.00	47.99	47.99	2,452.01
Total RVRA Operating Expenditures	1,027,250.00	159,131.39	159,131.39	868,118.61
Total Revenue	\$ 1,085,450.00	\$ 3,476.68	\$ 3,476.68	\$ 1,085,450.00
Total Expenditures	\$ 1,085,450.00	\$ 169,818.35	\$ 169,818.35	\$ 915,631.65
Net Income	\$ -	\$ (166,341.67)	\$ (166,341.67)	\$ 169,818.35

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Resolution No. RVR-12-xx-xx

March 20, 2012

ACCEPTING 2011 AUDIT

WHEREAS, the St. Lawrence River Valley Redevelopment Agency has appointed the firm of Pinto, Mucenski, Hooper, VanHouse and Company PC as its auditor for the years 2009 through 2011, and

WHEREAS, Pinto, Mucenski, Hooper, VanHouse and Company PC has submitted the attached document entitled "St. Lawrence River Valley Redevelopment Agency Financial Statements, December 31, 2011 and 2010;"

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency accepts and approves said report.

Move:				
Second:				
VOTE	Yea	Nay	Abstain	Absent
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I hereby certify that I have compared a copy of this Resolution with the original record in this office and that the same is a correct transcript thereof and of the whole of said original record.

/S/

Lori Sibley
March 20, 2012

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY

FINANCIAL STATEMENTS

DECEMBER 31, 2011 and 2010



Pinto Mucenski Hooper
Van House & Co.
Certified Public Accountants, P.C.

301 Ford Street
P.O. Box 327
Ogdensburg, NY 13669
(315) 393-7502
Fax: (315) 393-9231
www.pmhvcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
St. Lawrence River Valley Redevelopment Agency
80 State Highway 310, Suite 6
Canton, New York 13617

We have audited the accompanying statements of financial position of the St. Lawrence River Valley Redevelopment Agency (SLRVRA) as of December 31, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the SLRVRA's management. 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. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SLRVRA as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Pinto Mucenski Hooper Van House & Co.
Certified Public Accountants, P.C.
Ogdensburg, New York
February 28, 2012

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
TABLE OF CONTENTS
DECEMBER 31, 2011 AND 2010

	<u>Page(s)</u>
	<u>Independent Auditors' Report</u>
<u>EXHIBIT I</u> - <u>Statements of Financial Position</u>	1
<u>EXHIBIT II</u> - <u>Statements of Activities</u>	2
<u>EXHIBIT III</u> - <u>Statements of Cash Flows</u>	3
<u>EXHIBIT IV</u> - <u>Statements of Functional Expenses</u>	4
<u>Notes to Financial Statements</u>	5 - 8
<u>Auditors' Required Communications</u>	9 - 11

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
<u>Current Restricted Assets</u>		
Cash and Cash Equivalents	\$ 13,290,499	\$ 15,797,347
Security Deposits	34,000	-
Accrued Interest Receivable	2,942	-
Notes Receivable - Current	145,488	-
	<hr/>	<hr/>
Total Current Restricted Assets	13,472,929	15,797,347
	<hr/>	<hr/>
<u>Restricted Fixed Assets - Net</u>	697,667	-
	<hr/>	<hr/>
<u>Long - Term Restricted Assets</u>		
Notes Receivable - Long Term	1,229,512	-
	<hr/>	<hr/>
Total Long-Term Restricted Assets	1,229,512	-
	<hr/>	<hr/>
Total Restricted Assets	15,400,108	15,797,347
	<hr/>	<hr/>
TOTAL ASSETS	<u>15,400,108</u>	<u>15,797,347</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts Payable	-	6,284
Security Deposits	34,000	-
	<hr/>	<hr/>
Total Current Liabilities	34,000	6,284
	<hr/>	<hr/>
Total Liabilities	34,000	6,284
	<hr/>	<hr/>
<u>Net Assets</u>		
Temporarily Restricted	15,366,108	15,791,063
	<hr/>	<hr/>
Total Net Assets	15,366,108	15,791,063
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,400,108</u>	<u>\$ 15,797,347</u>

See accompanying notes to financial statements and independent auditors' report.

EXHIBIT II

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>TEMPORARILY RESTRICTED NET ASSETS</u>		
Support		
Rental Income	\$ 15,529	\$ -
New York Power Authority	-	16,000,000
Interest Income	45,231	12,711
Miscellaneous Income	<u>2,300</u>	<u>2</u>
TOTAL TEMPORARILY RESTRICTED SUPPORT	<u>63,060</u>	<u>16,012,713</u>
Expenses		
Program Services	462,587	186,100
Management and General	<u>25,428</u>	<u>35,550</u>
TOTAL EXPENSES	<u>488,015</u>	<u>221,650</u>
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	<u>(424,955)</u>	<u>15,791,063</u>
INCREASE (DECREASE) IN NET ASSETS	(424,955)	15,791,063
NET ASSETS - BEGINNING OF YEAR	<u>15,791,063</u>	<u>-</u>
NET ASSETS - END OF YEAR	<u>\$ 15,366,108</u>	<u>\$ 15,791,063</u>

See accompanying notes to financial statements and independent auditors' report.

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
STATEMENT OF CASH FLOWS
DECEMBER 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets	\$ (424,955)	\$ 15,791,063
<u>Adjustments to Reconcile Net Income to Net Cash</u> <u>Provided (Used) by Operating Activities</u>		
Depreciation	2,333	-
Changes in Operating Assets and Liabilities:		
Security Deposits	(34,000)	-
Accrued Interest Receivable	(2,942)	-
Accounts Payable	(6,284)	6,284
Security Deposits	34,000	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>(431,848)</u>	<u>15,797,347</u>
<u>INVESTING ACTIVITIES</u>		
New Notes	(1,375,000)	-
Fixed Asset Purchases	(700,000)	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>(2,075,000)</u>	<u>-</u>
<u>FINANCING ACTIVITIES</u>	<u>-</u>	<u>-</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2,506,848)	15,797,347
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>15,797,347</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 13,290,499</u>	<u>\$ 15,797,347</u>

See accompanying notes to financial statements and auditors' report.

EXHIBIT IV

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

<u>EXPENSES</u>	<u>2011</u>			<u>2010</u>		
	<u>Program</u>	<u>Management and General</u>	<u>Totals</u>	<u>Program</u>	<u>Management and General</u>	<u>Totals</u>
Accounting Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	-	54	54
Contractual	375,196	-	375,196	186,100	-	186,100
Community Development	56,079	-	56,079	-	-	-
Depreciation	2,333	-	2,333	-	-	-
Insurance	8,232	-	8,232	-	-	-
Legal Expenses	-	24,160	24,160	-	34,193	34,193
Miscellaneous	200	741	941	-	1,303	1,303
Property Taxes	20,535	-	20,535	-	-	-
D & O Insurance	-	527	527	-	-	-
Utilities	12	-	12	-	-	-
Underwriting	-	-	-	-	-	-
Total Expenses	<u>\$462,587</u>	<u>\$ 25,428</u>	<u>\$488,015</u>	<u>\$186,100</u>	<u>\$ 35,550</u>	<u>\$221,650</u>

See accompanying notes to financial statements and independent auditors' report.

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of St. Lawrence River Valley Redevelopment Agency 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.

A. Financial Statement Presentation

The Organization has adopted *FASB ASC 958-205*. Under this standard, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As provided by this statement, the Organization has arranged its financial statements to present the three classes of net assets required, as applicable.

B. Contributions

The Organization has also adopted *FASB ASC 958-605*. In accordance with this standard, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required 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. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

E. Loans Receivable

Loans are reported at their principal amounts outstanding, net of allowances for possible credit losses. Interest revenue on loans is a credit to interest income based on loan principal amounts outstanding at appropriate interest rates. Interest accrues on loans which are delinquent for three or more months and which management considers uncollectible.

F. Temporarily Restricted Net Assets

The temporarily restricted net assets represent a \$16,000,000 grant from the New York Power Authority.

G. Income Taxes

The Organization was determined to be exempt from Federal Income Tax under section 501(c)(3) of the Internal Revenue Code shortly after formation.

Accounting principles generally accepted in the United States of America require the Organization to evaluate all significant tax positions. As of 12/31/11 the Organization does not believe that it has taken any positions that would require the recording of any tax liability, nor does it believe that there are any unrealized tax benefits that should be recorded or that would increase or decrease within the next year.

H. Advertising

The Organization expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2011 and were \$-0- and \$54, respectively.

I. Depreciation

Depreciation is calculated on buildings and improvements on the straight-line method over a 50 year life. Depreciation expense for the years ended December 31, 2011, and 2010 were \$2,333, and \$-0-, respectively

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

NOTE 2 – HISTORY AND BASIS OF STATEMENT PRESENTATION

The St. Lawrence River Valley Redevelopment Agency (SLRVRA) is a joint action agency formed on June 2, 2010 to make use of certain New York Power Authority assets for the purposes of economic development in the St. Lawrence Valley and surrounding communities. The New York Power Authority has made available certain assets consisting of \$16 million and 20 megawatts of electrical power generation from hydro-electric facilities situated on the St. Lawrence River. There is an agreement in place between the SLRVRA and the St. Lawrence County Industrial Development Agency Local Development Corporation (SLC IDALDC) for the administration of these assets. The SLRVRA has no employees.

As of December 31, 2011, the SLRVRA and SLC IDALDC have been provided the \$16 million, however, a second agreement between the New York Power Authority (NYPA) and the SLRVRA as to the allocation of the 20 megawatts of electricity has not been resolved as of the date of this report. Officials on both sides of the agreement remain hopeful that a resolution is forthcoming.

NOTE 3 - MORTGAGES AND NOTES RECEIVABLE

The Organization carries its mortgages and notes receivable at cost recognizing interest income on the accrual basis as specified in the various agreements.

On a periodic basis, the Organization evaluates its mortgages and notes receivable and will establish write offs as economic conditions warrant. The Board will determine which mortgages and notes to write off based on uncollectibility. All mortgages and notes are collectible until all legal remedies are exhausted.

Mortgages and Notes Receivable balances at December 31, 2011 and 2010 consisted of the following:

	<u>Date</u>	<u>Due</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>	
					<u>2011</u>	<u>2010</u>
<u>Receivable</u>						
NC Dairy, LLC	12/02/11	12/01/16	2.625%	400,000	400,000	-
SLIC Network Solutions	12/09/11	12/01/18	4.000%	825,000	825,000	-
Structual Wood Corp	12/20/11	12/01/21	2.625%	150,000	150,000	
					\$ 1,375,000	\$ -
Total					\$ 1,375,000	\$ -

ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

NOTE 4 – LOANS IN ARREARS

None – all loan repayments are current.

NOTE 5 – LOANS IN DEFAULT

None – there are no loans in default at this time.

NOTE 6 – LOANS WRITTEN OFF

None – all loans are still deemed collectible.

NOTE 7 – FIXED ASSETS

Fixed Assets at December 31 consisted of:

	<u>2011</u>	<u>2010</u>
Massena Lot 18	\$ 359,800	
Massena Lot 19	340,200	-
	<u>700,000</u>	<u>-</u>
Less: Accumulated Depreciation	(2,333)	-
	<u>697,667</u>	<u>-</u>

NOTE 8 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions from 12/31/11 through 2/28/12, 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.