

**GREATER GLENS FALLS
LOCAL DEVELOPMENT CORPORATION**

**FINANCIAL REPORT
and
SUPPLEMENTARY INFORMATION
SIX MONTHS ENDED JUNE 30, 2017**

Greater Glens Falls Local Development Corporation

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McCarthy & Conlon, LLP
Certified Public Accountants

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Greater Glens Falls Local Development Corporation
Glens Falls, New York

Management is responsible for the accompanying financial statements of Greater Glens Falls Local Development Corporation ("LDC"), which comprise the statement of net assets as of June 30, 2017 and the related statement of revenue expenses and changes in net assets for the six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the LDC's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information on pages 4 to 7, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

We are not independent with respect to Greater Glens Falls Local Development Corporation.

McCarthy & Conlon, LLP

Glens Falls, New York
June 30, 2017

Greater Glens Falls Local Development Corporation

Statement of Net Assets
June 30, 2017

Assets

Current assets:

Cash - unrestricted	\$ 11,642
Cash - restricted	302,196
Grants receivable	-
Escrow funds receivable	-
Prepaid expenses	3,786
Other receivables	1,280
Total current assets	<u>318,904</u>

Property and improvements:

Tech Meadows campus	393,311
Tech Meadows infrastructure	1,027,853
Incubator property	329,961
45 South Street	259,943
Total property and improvements	<u>2,011,068</u>

Loans receivable	<u>233,716</u>
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Total assets	<u>\$ 2,563,688</u>
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Liabilities and Net Assets

Current liabilities:

Note payable	\$ -
Accounts payable	2,275
Total current liabilities	<u>2,275</u>

Long term liabilities:

Loan payable - USDA	<u>134,786</u>
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Net assets:

Unrestricted	2,124,431
Temporarily restricted	302,196
Total net assets	<u>2,426,627</u>

Total liabilities and net assets	<u>\$ 2,563,688</u>
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Greater Glens Falls Local Development Corporation

Statement of Revenue, Expenses and Changes in Net Assets For the Six Months Ended June 30, 2017

Operating revenues:	
Interest on loans	\$ 6,794
Grant revenue	-
Late fees and returned check fees	-
Loan fees	-
Total operating revenue	<u>6,794</u>
Other revenue:	
Interest income	71
Total operating and other revenue	<u>6,865</u>
Operating expenses:	
Accounting fees	4,540
Audit fees	9,025
Advertising / marketing	962
Attorneys	3,236
Community Foundation	-
Consulting, grant development, engineering	-
Downtown façade assistance program	-
Dues & subscriptions	-
Incubator	4,073
Insurance	11,480
Interest	95
Miscellaneous	250
Downtown parking structure	-
EDC contract expense	1,875
Payroll	994
Total operating expenses	<u>36,530</u>
Other expenses:	
Tech Meadows interest expense	-
Tech Meadows Taxes	1,752
USDA Interest	-
Total operating and other expenses	<u>38,282</u>
Change in net assets	(31,417)
Net assets, beginning	<u>2,458,044</u>
Net assets, ending	<u>\$ 2,426,627</u>

Note: Incubator expenses of \$4,073 were paid from the separate Incubator cash account.

Supplementary Information

Greater Glens Falls Local Development Corporation

Schedule of Loan Details June 30, 2017

Loan Date	Maturity Date	Total Payments Through Maturity	Principal Paid to Date	Interest Paid to Date	Interest Rate	Monthly Payment	Payment Due Date	Balance Due at June 30, 2017	Fund	Balance by Program	Status/Notes
1/26/14	3/26/19	11,254	6,228	1,089	4.75%	188	26th	3,772	PI	\$ 3,772	Current
1/13/14	5/13/21	184,776	38,926	19,264	4.75%	1,573	13th	111,074	USDA	\$ 111,074	Current
1/31/14	6/5/18	27,554	18,289	2,374	4.85%	574	5th	6,711	PI	\$ 6,711	Current
1/29/15	5/28/25	95,060	11,441	6,404	5.50%	811	28th	63,559	MISC	\$ 63,559	Current
1/19/15	8/19/22	36,587	6,853	2,787	6.00%	438	19th	23,147	PI	\$ 23,147	Current
1/20/14	12/20/20	47,053	14,547	4,447	5.50%	654	20th	25,453	USDA	\$ 25,453	In Grace Period
		402,284	96,284	36,365		\$ 4,238		\$ 233,716		\$ 233,716	

and supplementary information.

Greater Glens Falls Local Development Corporation

Actual to Budget Comparison For the Six Months Ended June 30, 2017

	Budget 2017	Actual YTD 2017	Committed 2017	Total Actual and Committed 2017	(Under)/Over Budget
<u>Operating Revenue</u>					
EDA Grant	\$ -	\$ -	\$ -	\$ -	\$ -
Loan fees	850	-	-	-	(850)
Loan interest	6,800	6,794	-	6,794	(6)
Late fees	-	-	-	-	-
Grant revenue	-	-	-	-	-
Local façade income	-	-	-	-	-
Sale of Tech Meadow lots	100,000	-	-	-	(100,000)
Total revenue	<u>107,650</u>	<u>6,794</u>	<u>-</u>	<u>6,794</u>	<u>(100,856)</u>
<u>Non-Operating Revenue and Other Sources</u>					
Interest income	210	71	-	71	(139)
Miscellaneous	-	-	-	-	-
Total non-operating revenue and other sources	<u>210</u>	<u>71</u>	<u>-</u>	<u>71</u>	<u>(139)</u>
Total revenue and other sources	<u>107,860</u>	<u>6,865</u>	<u>-</u>	<u>6,865</u>	<u>(100,995)</u>
<u>Operating Expenses</u>					
Accounting fees	7,475	4,540	-	4,540	(2,935)
Audit fees	9,025	9,025	-	9,025	-
Advertising / marketing	5,000	962	-	962	(4,038)
Attorneys	7,000	3,236	-	3,236	(3,764)
Community Foundation	-	-	-	-	-
Consulting, grant development, engineering	10,000	-	-	-	(10,000)
Downtown façade assistance program	-	-	-	-	-
Dues & subscriptions	500	-	-	-	(500)
Incubator (including insurance)	4,260	4,073	-	4,073	(187)
Insurance	12,122	11,480	-	11,480	(642)
Interest	-	95	-	95	95
Miscellaneous	800	250	-	250	(550)
EDC contract expense	8,000	1,875	-	1,875	(6,125)
Payroll	3,000	994	-	994	(2,006)
Total operating expenses	<u>67,182</u>	<u>36,530</u>	<u>-</u>	<u>36,530</u>	<u>(30,652)</u>
<u>Other Expenses</u>					
Tech Meadows interest expense	-	-	-	-	-
Tech Meadows taxes	1,836	1,752	-	1,752	(84)
USDA Interest	-	-	-	-	-
Total operating and other expenses	<u>69,018</u>	<u>38,282</u>	<u>-</u>	<u>36,530</u>	<u>(30,652)</u>
Changes in Net Assets	<u>\$ 38,842</u>	<u>\$ (31,417)</u>	<u>\$ -</u>	<u>\$ (31,417)</u>	
Cash from Incubator Account		4,073		4,073	
Net change in non-incubator assets		<u>(27,344)</u>		<u>(27,344)</u>	

See accountant's compilation report and supplementary information.

Greater Glens Falls Local Development Corporation
Selected Information - Substantially All Disclosures
Required By Generally Accepted Accounting Principles Omitted
June 30, 2017

1. SUPPLEMENTAL INFORMATION

Revenue

Greater Glens Falls Local Development Corporation recognizes revenue on the accrual basis. Revenue from cash balances and grant funds are recognized when available.

Tech Meadows

Tech Meadows represents a parcel of land in Glens Falls, NY owned by the Greater Glens Falls Local Development Corporation. Costs to develop this land are capitalized as incurred.

2. LOANS RECEIVABLE

Loans receivable represents principal balances due in the future. All loans were current as of June 30, 2017, although one loan was in its payment grace period.

Greater Glens Falls Local Development Corporation

Selected Information - Substantially All Disclosures Required By Generally Accepted Accounting Principles Omitted June 30, 2017

3. CASH AND CASH EQUIVALENTS

Cash balances are comprised of several checking, money market, and certificate of deposit accounts held by two local banks. Cash balances are divided between eight pools of funds: Program Income, Local Money, ARBI, Tech Meadows, GGF EDA, GGF Local Facade Escrow, USDA Relending and Miscellaneous. Program Income and miscellaneous funds have attached varying requirements to receive loans. A breakdown of these funds' current commitments (within one year) and available balances are as follows:

ARBI account	\$ 83,732
Miscellaneous Account	
No commitments at this time	11,642
GGF EDA Account	185
USDA Relending Account	66,809
USDA Relending Reserve	8,723
Warren Street BOA	18,693
Program Income Account	124,054
Total	313,838
Future Commitments	
ARBI Account	
Incubator	(83,732)
GGF EDA Account	(185)
USDA Relending Account	(66,809)
USDA Relending Reserve	(8,723)
Warren Street BOA	(18,693)
Program Income Account	
Loans related to jobs	(124,054)
	(302,196)
Total available funds	\$ 11,642

Resolution

Glens Falls Industrial Development Agency and Greater Glens Falls Local Development Corporation : Supporting the City of Glens Falls Submittal of Local Waterfront Revitalization Funding Application for Pruyn Island Improvements.

Whereas the City of Glens Falls and its related economic partners including the Greater Glens Falls Local Development Corporation and the Glens Falls Industrial Development Agency participated in a regional Waterfront Plan (Hudson River and Champlain Inter municipal Local Waterfront Revitalization Plan a for development along the Hudson River through NYS Department of State; and

Whereas the City's approved HUD Community Challenge Plan outlined recommendations for improvements to the bike, pedestrian path along Feeder canal. , construction of pedestrian -bike connection over the Feeder Canal to Pruyn Island and Havilland's Cove; and

Whereas the City developed a Redevelopment and Connection Plan for Pruyns Island pursuant to a NYS Water Front Revitalization program in 2011-12; and

Whereas the City's approved HUD Community Challenge Plan outlined recommendations for improvements to the bike, pedestrian path along Feeder canal. , construction of pedestrian -bike connection over the Feeder Canal to Pruyn Island and Havilland's Cove; and

Whereas the recently approved Glens Falls Downtown Revitalization Initiative (May 2017) proposed greater connectivity to Pruyn Island with recommended potential funding sources under this CFA process and Brownfield Opportunity Area; and

Whereas it is the intent of the City to be submitting a CFA application (Local Waterfront Revitalization in Round 7 of the CFAS process;

Now therefore be it resolved that the Greater Glens Falls Local Development Corporation and Glens Falls Industrial Development Agency endorses and support the City's submittal of round 7 CFA Pruyn Island funding initiative application (through NYS Department of State "Local Waterfront Revitalization for greater connectivity and access improvements to Pruyn island, Havilland's Cove, Feeder Canal and Hudson River area;.