

CITY OF DUNKIRK
INDUSTRIAL DEVELOPMENT AGENCY
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

**CITY OF DUNKIRK
INDUSTRIAL DEVELOPMENT AGENCY**

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Statement of Net Position	5
Statement of Activities	6
Balance Sheet - Governmental Funds	7
Reconciliation of the Balance Sheet to the Statement of to Net Position - Governmental Funds	8
Statement of Revenues, Expenses and Changes in Fund Balance	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Governmental Funds	10
Statement of Cash Flows	11
Notes to Financial Statements	12
Required Supplementary Information:	
Budgetary Comparison Schedule - Governmental Funds	18
Supplementary Information	
Schedule of Leases	19
City of Dunkirk Industrial Development Agency Annual Financial Report	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	



**JOHNSON, MACKOWIAK
& ASSOCIATES, LLP**

Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
City of Dunkirk Industrial Development Agency
342 Central Avenue
Dunkirk, New York 14048

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Dunkirk Industrial Development Agency ("DIDA"), as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise DIDA's basic financial statements as listed in the table of contents.

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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the DIDA, as of December 31, 2019, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 and 4 and page 19 be presented to supplement the basic financial statements. Such information, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DIDA's basic financial statements. The Annual Financial Report is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary schedules and Annual Financial Report are the responsibilities of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Annual Financial Report is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2020, on our consideration of the DIDA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 DIDA's internal control over financial reporting and compliance.

Johnson, Mackowiak & Associates, LLP

JOHNSON, MACKOWIAK & ASSOCIATES, LLP

Fredonia, New York
May 29, 2020

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

This discussion and analysis of the City of Dunkirk Industrial Development Agency's (DIDA) financial performance provides an overview of the DIDA financial activities for the year ended December 31, 2019. This document should be read in conjunction with the DIDA financial statements which begin on page 5.

FINANCIAL HIGHLIGHTS

- The DIDA increased from a net position of \$13,424 to \$18,785 as a result of this year's activity.

USING THIS REPORT

The annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information regarding the DIDA as a whole and present a longer-term view of the DIDA finances. Financial statements for each fund start on page 7. For governmental activities, these statements show how services were financed in the overall operation of the DIDA in greater detail than the government-wide financial statements.

REPORTING THE AGENCY AS A WHOLE

The Statement of Net Position and Statement of Activities

The statement of net position and statement of activities show information about the DIDA as a whole. These statements include all assets and liabilities of the DIDA using the accrual basis of accounting which is used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the DIDA net position and the changes to it. The DIDA net position – the difference between assets and liabilities – is a way to measure the DIDA financial health, or financial position. Over time, increases or decreases in the DIDA net assets are one indicator of whether its financial health is improving or deteriorating.

In the statement of net position and the statement of activities, the DIDA reports all its basic services as governmental activities. These services are primarily economic development.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our discussion and analysis of the DIDA major fund begins on page 7 and provides detail of the DIDA most significant fund on an individual basis rather than the DIDA taken as a whole. Some funds are required to be established by state or local law or by the nature of the federal and state funding for their operation. Currently the DIDA only utilizes a single governmental fund.

Governmental Funds

The sole fund of the DIDA is considered a governmental fund. This Section focuses on how revenue flows into and out of this fund and the balance of the fund at year-end which is available for future spending. The fund is reported using the modified accrual basis of accounting which measures cash and financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the DIDA general operations and the basic services it provides. This information helps determine the financial resources that can be spent to finance DIDA programs. The relationship between the governmental activities (accrual basis) and the governmental funds (modified accrual basis) is provided in reconciliations on pages 8 and 10.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the DIDA finances and to show the DIDA accountability for the money it receives. If you have any questions or need additional information, contact Wilfred Rosas, Mayor of the City of Dunkirk, City Hall, 342 Central Avenue, Dunkirk, New York 14048.

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

ASSETS

CURRENT ASSETS

Cash and cash equivalents

\$ 18,785

TOTAL ASSETS

\$ 18,785

LIABILITIES AND NET POSITION

TOTAL LIABILITIES

\$ -

NET POSITION

Unrestricted

\$ 18,785

TOTAL NET POSITION

18,785

TOTAL LIABILITIES AND NET POSITION

\$ 18,785

See accompanying notes to financial statements

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>FUNCTIONS/PROGRAMS</u>					
Governmental activities:					
Economic assistance and opportunity	\$ 11,139	\$ 16,500	\$ -	\$ -	\$ 5,361
Total governmental activities	\$ 11,139	\$ 16,500	\$ -	\$ -	5,361
General revenues					-
Change in net position					5,361
NET POSITION - beginning					13,424
NET POSITION - ending					\$ 18,785

See accompanying notes to financial statements

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

ASSETS

CURRENT ASSETS

Cash and cash equivalents

\$ 18,785

TOTAL ASSETS

\$ 18,785

LIABILITIES AND FUND BALANCE

TOTAL LIABILITIES

\$ -

TOTAL FUND BALANCE

18,785

TOTAL LIABILITIES AND FUND BALANCE

\$ 18,785

See accompanying notes to financial statements

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
 RECONCILIATION OF THE BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2019

Fund balances - total governmental funds	\$	18,785
There are no differences between the amounts reported on the DIDA's governmental funds and the amounts reported in the Statement of Net Position.		-
Net position of governmental activities	\$	<u>18,785</u>

See accompanying notes to financial statements

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2019**

REVENUE FROM OPERATIONS	\$ 16,500
EXPENSES OF OPERATIONS	<u>11,139</u>
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	5,361
OTHER SOURCES (USES)	<u>-</u>
EXCESS/(DEFICIT) OF REVENUES AND OTHER SOURCES OVER EXPENSES AND OTHER USES	5,361
FUND BALANCE, beginning	<u>13,424</u>
FUND BALANCE, ending	<u><u>\$ 18,785</u></u>

See accompanying notes to financial statements

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

Net change in fund balances - total governmental funds	\$	5,361
There are no differences between the amounts reported in the Statement of Revenues, Expenditures and Changes in Fund Balance and the amounts reported in the Statement of Activities.		
Change in net position of governmental activities	\$	<u>5,361</u>

See accompanying notes to financial statements

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received for services	\$ 16,500
Payments of contractual expenses	<u>(11,139)</u>
Cash provided by operating activities	<u>5,361</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS 5,361

CASH AND CASH EQUIVALENTS, beginning 13,424

CASH AND CASH EQUIVALENTS, ending \$ 18,785

**RECONCILIATION OF NET INCOME TO NET CASH PROVIDED (USED)
BY OPERATING ACTIVITIES:**

Net income	<u>\$ 5,361</u>
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NET CASH PROVIDED BY OPERATING ACTIVITIES \$ 5,361

See accompanying notes to financial statements

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Dunkirk Industrial Development Agency (DIDA) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the DIDA's accounting policies are described below.

A. Reporting Entity

The reporting entity of the DIDA is based on Criteria set forth by GASB Statement 14, *The Financial Reporting Entity*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

1. Nature of the Organization

The City of Dunkirk Industrial Development Agency was established by the enactment of Section 890-a of the General Municipal Law, effective June 17, 1971, as a special act of the New York State Legislature. The DIDA is authorized under the Act to issue bonds to promote the economic and industrial development of the State. The bonds are secured by pledges of any rents, revenues and receipts as well as a lien on and a security interest in the projects being promoted. Neither the DIDA nor the City of Dunkirk shall be held liable for repayment of these bonds out of any funds other than those pledged by the DIDA. Members of the Board of Directors of the DIDA are appointed by and designated to serve at the pleasure of the City's Common Council. The City of Dunkirk Industrial Development Agency is a component unit of the City of Dunkirk and, accordingly, is included in the City's financial statements as a discretely presented component unit.

B. Basis of presentation:

1. Government-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the DIDA's governmental activities. These statements include the financial activities of the overall governmental entity in its entirety, except those that are fiduciary.

2. Fund financial statements:

The fund statements provide information about the DIDA's funds, including fiduciary funds (when applicable). Currently, the DIDA maintains a single governmental fund. The emphasis of fund financial statements is on this governmental fund.

The DIDA reports the following major governmental fund:

General Fund: This is the DIDA's primary operating fund. Currently, the general fund is the only fund of the DIDA.

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

C. Measurement focus and basis of accounting

The Government-wide financial statements are reported using the economic resources management focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the DIDA gives or receives value without directly receiving or giving equal value in exchange, may include grants and donations. On an accrual basis, revenue is recognized in the fiscal year for which the revenue is earned. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources management focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The DIDA considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt or claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in

D. Cash and Cash Equivalents

The DIDA's cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the DIDA's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United State Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Investments are stated at fair value.

E. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenditures, assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and during the reported period. Actual results could differ from those estimates and those differences could be significant.

F. PILOT Program

The PILOT program is governed by New York State statute. The DIDA has the local authority to offer real property tax abatement as an inducement for industrial development projects. The DIDA can affix the tax abatement discount at a rate necessary to satisfactorily complete a project. The real property tax abatement is for a period not to exceed fifteen years and the percentage of abatement ranges from 0% to 100% depending on the type of project. The PILOT agreement is the instrument by which the discounted tax payments to be made are structured. Details of the current PILOT agreements are disclosed in the DIDA's Annual Financial Report included as supplementary information.

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

G. Accounting and Reporting Change

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83 - *Certain Asset Retirement obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The DIDA implemented Statement No. 83 effective for the year ended December 31, 2019 and which had no effect on the DIDA's financial statements.

During January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84 - *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The DIDA implemented Statement No. 84 effective for the year ended December 31, 2019 and which had no effect on the DIDA's financial statements.

In April 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 88 - *Certain disclosures related to debt, including direct borrowings and direct placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The DIDA implemented Statement No. 85 effective for the year ended December 31, 2019 and which had no effect on the DIDA's financial statements.

During August 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 90 - *Majority equity interests - an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The DIDA implemented Statement No. 86 effective for the year ended December 31, 2019 and which had no effect on the DIDA's financial statements.

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

H. Future Impacts of Accounting Pronouncements

The DIDA has not completed the process of evaluating the impact that will result from adopting GASB Statement No. 87 - *Leases*, effective for the year ending December 31, 2020; GASB Statement No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for the year ending December 31, 2020; GASB Statement No. 91- *Conduit Debt Obligations* and GASB Statement No. 92 - *Omnibus 2020*.

The DIDA is therefore unable to disclose the impact that adopting these GASB Statements will have on its financial position and results of operation when such statements are adopted.

NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the government-wide statements, certain financial transactions are treated differently. The basic financial statements contain full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

A. Total fund balances of governmental funds vs. net position of governmental activities:

Total fund balances of the DIDA's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental funds Balance Sheet.

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of the three broad categories. The amounts shown below represent:

1. Long-term revenue differences:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

2. Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the differences between recording an expenditure for the purchase of capital items in the governmental funds statements and depreciation expense on those items as recorded in the Statement of Activities.

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)**

**NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS**

3. Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental funds, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

NOTE 3 - EQUITY CLASSIFICATIONS

A. Government-wide Statements

In the government-wide statements, there are three classes of net position:

Net Investment in Capital Assets - This class consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of these assets. The DIDA does not currently record any capital assets.

Restricted Net Position - Restricted net position reports constraints placed on assets that are either legally imposed by creditors (such as through covenants), grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

The DIDA does not have restricted net position at December 31, 2019.

Unrestricted Net Position - Designations are not legally required restrictions, but are segregated for a specific purpose. At December 31, 2019, the DIDA had not designated any unrestricted net position.

B. Fund Statements

In the fund basis statements there are five classifications of fund balance:

Non-Spendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The DIDA did not have any nonspendable fund balance at December 31, 2019.

Restricted - includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. At December 31, 2019 the DIDA did not have any restricted fund balances.

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

NOTE 3 - EQUITY CLASSIFICATIONS

B. Fund Statements, continued

Committed - includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the DIDA's highest level of decision making authority, i.e., the Board of Directors. At December 31, 2019 the DIDA did not have any committed fund balances.

Assigned - includes amounts that are constrained by the DIDA's intent to be used for specific purposes but are neither restricted nor committed. The DIDA did not have any assigned fund balances at December 31, 2019.

Unassigned - includes all other General Fund net position that does not meet the definition of the above four classifications and are deemed to be available for general use by the DIDA.

Order of Use of Fund Balance - The DIDA's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined.

NOTE 4 - CONTINGENCIES

A. Litigation

The DIDA is party to various legal proceedings which normally occur in governmental operations. The DIDA believes that its ultimate liability, if any, in connection with these matters, will not have a material effect on the DIDA's financial condition or results of operations.

NOTE 5 - EVALUATION OF SUBSEQUENT EVENTS

The DIDA has evaluated subsequent events through May 29, 2020, the date which the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustments of or disclosure in the accompanying financial statements.

CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

	Original Budget	Revisions	Revised Budget	Actual	Variance Favorable (Unfavorable)
REVENUE FROM OPERATIONS	\$ 14,700	\$ -	\$ 14,700	\$ 16,500	\$ 1,800
EXPENSES OF OPERATIONS	850	-	850	11,139	(10,289)
DEFICIT OF EXPENSES OVER REVENUES	13,850	-	13,850	5,361	(8,489)
OTHER SOURCES (USES)	-	-	-	-	-
EXCESS (DEFICIT) OF EXPENSES AND OTHER USES OVER (UNDER) REVENUES AND OTHER SOURCES	13,850	-	13,850	5,361	(8,489)
FUND BALANCE, beginning	13,424	-	13,424	13,424	-
FUND BALANCE, ending	\$ 27,274	\$ -	\$ 27,274	\$ 18,785	\$ (8,489)

**CITY OF DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF LEASES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Name of Project:	S&K Hospitality, LLC
Project number:	0602-19-01A
Project Owner and Address:	30 Lakeshore Drive East Dunkirk, NY 14048
Year of Origin:	2019
Purpose:	Renovation, upgrading and equipping of existing improvements
Estimated Project Amount:	\$600,000
Amount of Tax Exemption:	\$48,000

PART II - Supplementary Information

INDUSTRIAL DEVELOPMENT AGENCY
ANNUAL FINANCIAL REPORT

____ Please check here if the name, address, and/or telephone number is different from last year.

FOR _____ DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY
(name of Industrial Development Agency)

City of Dunkirk
(name of sponsoring municipality)

FOR THE FISCAL YEAR ENDED December 31, 2019

General Municipal Law, Section 859 (1):

(b) Within ninety days following the close of its fiscal year, each agency or authority shall prepare a financial statement for that fiscal year in such form as may be prescribed by the State Comptroller. Such statement shall be audited within such ninety day period by an independent certified public accountant....

(c) Within thirty days after completion, a copy of the audited financial statement shall be transmitted to the Commissioner of the Department of Economic Development, the State Comptroller and the governing body of the municipality for whose benefit the agency was created.

OFFICE OF THE STATE COMPTROLLER
LOCAL GOVERNMENT SERVICES AND ECONOMIC DEVELOPMENT
DATA MANAGEMENT UNIT 12-8-C
110 STATE STREET
ALBANY, NY 12236-0001

TABLE OF CONTENTS

<u>Enterprise Fund</u>	1
Balance Sheet.....	2
Statement of Revenues, Expenses and Changes in Net Assets.....	3
Statement of Cash Flows.....	5
<u>Notes to Financial Statements</u>	6
	7
DEBT SECTION	
<u>Statement of Indebtedness</u>	10
<u>Maturity Schedule</u>	11
	12
SUPPLEMENTAL INFORMATION	
<u>Instructions for Completing Schedule of Supplemental Information</u>	13
<u>Supplemental Information Bonds</u>	14
<u>Supplemental Information Straight Lease</u>	
<u>Bank Reconciliation</u>	
<u>Certification of Chief Fiscal Officer</u>	

ENTERPRISE FUND * BALANCE SHEET * AS OF December 31, 2019

ASSETS	EDP CODE	LIABILITIES AND NET ASSETS		EDP CODE		
Cash	ED100S	\$	18,785	ED200S	\$	-
Investments	ED105S		-	ED205S		-
Other Receivables (Net)	ED115S		-	ED210S		-
State and Federal Aid Receivables	ED120S		-	ED215S		-
Due From Other Funds	ED125S		-	ED220S		-
Due From Other Governments	ED130S		-	ED225S		-
Economic Development Projects	EDXXXX		-	ED230S		-
Prepaid Expenses	ED140S		-	EDXXX		-
Restricted Assets	ED145S		-	ED245S		-
Fixed Assets (Net)	ED150S		-			
				Total Liabilities	\$	-
				Invested in Capital Assets, Net of		
				Related Debt	ED301	-
				Restricted	ED306	-
				Unrestricted	ED311	18,785
				Net Assets	\$	18,785
TOTAL ASSETS		\$	18,785	TOTAL LIABILITIES AND NET ASSETS	\$	18,785

The Notes to the Financial Statements are an integral part of this statement.

ENTERPRISE FUND

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED December 31, 2019**

	<u>EDP CODE</u>	<u>AMOUNT</u>
<u>Operating Revenues</u>		
Charges for Services	ED515S	\$ 16,500
Payments in lieu of taxes	ED _____S	-
Total Operating Revenues		\$ 16,500
<u>Operating Expenses</u>		
Personal Services	ED625.1S	\$ -
Contractual Expenses	ED625.4S	11,139
Employee Benefits	ED625.8S	-
Depreciation	ED603.4S	-
Total Operating Expenses		\$ 11,139
Operating Income (Loss)		\$ 5,361
<u>Non-Operating Revenues (Expenses)</u>		
Revenues:	ED525S	\$ -
Use of Money and Property	ED530S	-
Sale of Property and Compensation for Loss	ED _____S	-
Forgiveness of Debt		-
Expenses: (Specify)		-
Realized & Unrealized Gain on Marketable Securities	ED _____S	-
Interest on Note	ED _____S	-
Net Non-Operating Revenue (Expense)		\$ -
Income (Loss) Before Transfers and Taxes		\$ 5,361
Operating Transfers In	ED555S	-
Operating Transfers Out	ED655.9S	-
Real Property Taxes	ED _____4S	-
Net Income (Loss)		\$ 5,361
Net Assets - Beginning of Year	ED400S	\$ 13,424
Adjustments: (Specify)		-
Transfer of Capital Assets	ED _____S	-
Interest		-
Net Assets - End of Year	ED405S	\$ 18,785

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED December 31, 2019
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

Cash Flows from Operating Activities:

Cash Received from Providing Services
Cash Payments Contractual Expenses
Cash Payments Personal Services & Benefits
Other Operating Revenues

Net Cash Provided (Used) by Operating Activities

Cash Flows from Non-Capital and Financing Activities:

Real Property Taxes
Operating Grants Received
Transfers To/From Other Funds
Proceeds of Debt (Non-Capital)
Payment of Debt (Non-Capital)
Interest Expenses (Non-Capital)

Net Cash Provided (Used) by Non-Capital Financing Activities

Cash Flows from Capital and Related Financing Activities:

Proceeds of Debt (Capital)
Principal Payments Debt (Capital)
Interest Expenses (Capital)
Capital Contributed by Developers
Capital Contributed by Other Funds
Payments to Contractors
Capital Grants Received from Other Governments
Proceeds from Sale of Assets

Net Cash Provided (Used) by Capital and Related Financing Activities

<u>EDP CODE</u>	<u>AMOUNT</u>
ED7111S	\$ 16,500
ED7112S	\$ (11,139)
ED7113S	\$ -
ED7114S	\$ -
ED7119S	\$ 5,361
ED7121S	\$ -
ED7122S	\$ -
ED7123S	\$ -
ED7124S	\$ -
ED7125S	\$ -
ED7126S	\$ -
ED7129S	\$ -
ED7131S	\$ -
ED7132S	\$ -
ED7133S	\$ -
ED7134S	\$ -
ED7135S	\$ -
ED7136S	\$ -
ED7137S	\$ -
ED7138S	\$ -
ED7139S	\$ -

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED December 31, 2019
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (Continued)

	<u>EDP CODE</u>	<u>AMOUNT</u>
Cash Flows from Investing Activities:		
Purchase of Investments	ED7151S	\$ -
Sale of Investments	ED7152S	-
Interest Income & Other	ED7153S	-
Net Cash Provided (Used) by Investing Activities	ED7159S	\$ -
 Net Increase (Decrease) in Cash and Cash Equivalents	ED7161S	\$ 5,361
Cash and Cash Equivalents at Beginning of Year	ED7171S	\$ 13,424
Cash and Cash Equivalents at End of Year	ED7179S	\$ 18,785
 RECONCILIATION OF OPERATING INCOME TO NET CASH		
Operating Income (Loss)	ED7181S	\$ 5,361
 Adjustments to Reconcile Operating Income to Net Cash Provided (Used) from Operations:		
Depreciation	ED7182S	\$ -
Increase/Decrease in Assets Other than Cash and Cash Equivalents	ED7183S	-
Increase/Decrease in Liabilities Other than Cash and Cash Equivalents	ED7184S	-
Other Reconciling Items:		
Interest Income & Other	ED7185S	-
Transfer Out - Beginning Balance	ED7185S	-
	ED7185S	-
	ED7185S	-
	ED7188S	\$ -
Total Adjustments	ED7189S	\$ 5,361
Net Cash Provided (Used) by Operating Activities		

NOTES TO FINANCIAL STATEMENTS
Summary of Significant Accounting Policies

See accompanying notes to the financial statements

DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY

SCHEDULE OF INDUSTRIAL REVENUE BONDS AND NOTES ISSUED

December 31, 2019

[illegible]

STATEMENT OF INDEBTEDNESS

List Separately by Date of Issue	EDP CODE	Month and Year*	Interest Rate		Outstanding Beginning of Fiscal Year	Do Not Include Renewals Here		Outstanding End of Fiscal Year	Final Maturity Date
			At Issuance	If Variable, Applicable Range		Issued During Fiscal Year	Paid During Fiscal Year		
		T			1	3	5	7	
Capital Notes:	2P1865	/							
Other Debt (specify):		/							
		/							
Bond Anticipation Notes:		/							
		/							
		/							
		/							
		/							
Total Bond Anticipation Notes	2P1866								
**BANS Redeemed from Bond Proceeds	2P1888								
Bonds (List by Purpose)		/							
		/							
		/							
		/							
		/							
Total Bonds	2P1867								
Authority Loans	2P1869	/							
TOTAL OF ALL INDEBTEDNESS									

Please note callable features of bond issues and any reserve funds available to pay debt (include also in the Notes to Financial Statements)

*ON NEW ISSUES, PLEASE INSERT NEW ISSUE DATE. ON RENEWAL, PLEASE INSERT LATEST RENEWAL DATE. PLEASE INSERT 4 DIGITS. I.E. APRIL 2003 WOULD BE 04/03.

MATURITY SCHEDULE
BONDS ISSUED DURING THE YEAR

1. SCHEDULE ATTACHED
2. INFO APPEARS ON ATTACHED PROJECT SHEETS

PURPOSE OF ISSUE	EDP CODE								
For State Comptroller Use Only	2P3CE								
TOTAL PRINCIPAL	2P3PR								
DATE OF ISSUE*	2P3DT	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
INTEREST RATE (In Decimals)	2P3PC								
DATE OF FINAL MATURITY*	2P3DM	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
Amount of Principal Redeemed in or to be Redeemed in Fiscal Year Ending in	2002	2P302							
	2003	2P303							
	2004	2P304							
	2005	2P305							
	2006	2P306							
	2007	2P307							
	2008	2P308							
	2009	2P309							
	2010	2P310							
	2011	2P311							
	2012	2P312							
	2013	2P313							
	2014	2P314							
	2015	2P315							
	2016	2P316							
Continue on Reverse Side									

*PLEASE INSERT SIX DIGITS, FOR EXAMPLE, APRIL 1, 2003 SHOULD BE SHOWN AS 04/01/03
NOTE: If two or more purposes are combined in a consolidated issue, show the maturity schedule for each purpose.

**MATURITY SCHEDULE
BONDS ISSUED DURING THE YEAR**

1. SCHEDULE ATTACHED
2. INFO APPEARS ON ATTACHED PROJECT SHEETS

	EDP CODE								
	2019	2P319							
	2020	2P320							
	2021	2P321							
	2022	2P322							
	2023	2P323							
	2024	2P324							
	2025	2P325							
	2026	2P326							
	2027	2P327							
	2028	2P328							
	2029	2P329							
	2030	2P330							
	2031	2P331							
	2032	2P332							
	2033	2P333							
	2034	2P334							
	2035	2P335							
	2036	2P336							
	2037	2P337							
	2038	2P338							

Continue on Next Page

*PLEASE INSERT SIX DIGITS, FOR EXAMPLE, APRIL 1, 2003 SHOULD BE SHOWN AS 04/01/03
NOTE: If two or more purposes are combined in a consolidated issue, show the maturity schedule for each purpose.

1. SCHEDULE ATTACHED
2. INFO APPEARS ON ATTACHED PROJECT SHEETS

		EDP CODE							
Amount of Principal Redeemed in or to be Redeemed in Fiscal Year Ending in	2039	2P339							
	2040	2P340							
	2041	2P341							
	2042	2P342							
	2043	2P343							
	2044	2P344							
	2045	2P345							
	2046	2P346							
	2047	2P347							
	2048	2P348							
	2049	2P349							
	2050	2P350							
	2051	2P351							
	2052	2P352							
	2053	2P353							
	2054	2P354							
	2055	2P355							
	2056	2P356							
	2057	2P357							
Total									

*PLEASE INSERT SIX DIGITS. FOR EXAMPLE, APRIL 1, 2003 SHOULD BE SHOWN AS 04/01/03

NOTE: If two or more purposes are combined in a consolidated issue, show the maturity schedule for each purpose.

INSTRUCTIONS FOR COMPLETING SCHEDULE OF SUPPLEMENTAL BOND/NOTE AND LEASE INFORMATION FOR INDUSTRIAL DEVELOPMENT AGENCIES AND AUTHORITIES

The Supplemental Information follows the Maturity Schedule and is required to be completed for each project begun in 1990 and thereafter for which debt was issued, outstanding or retired during the fiscal year or any straight lease agreement which was entered into since 1990 and thereafter and is outstanding. (Photocopy additional sheets if needed).

1. On the Schedule of Supplemental Information, the name of the project, the name of the project owner, and the project owner's address must be completed for all projects begun in 1990 and thereafter. This information should be current and reflect any changes since the project was undertaken. The project code must be established and reported for all projects started in 1998 and thereafter. Refer to separate instructions for coding structure for IDA project identification numbers. This code should also be used to identify the project in reporting project activity to other state agencies or departments.
2. The project purpose code should be taken from the list on the top of pages 11 and 12 of the annual report forms. The definitions for the codes follows these instructions.
3. Total Project Amount is the cost of the entire project.
4. Benefitted Project Amount is Total Project Amount less any project costs that will not result in an IDA-derived benefit. For example, items included within the project amount that are not sales taxable (e.g. service, such as legal, architectural, engineering) or do not result in an increase in the real property assessment.
5. Bond or Note Amount is the original principal amount of bond or note issued.
6. Show the federal tax status of each bond or note using the codes on top of page 11.
7. Not-for-Profit Organization status of project occupant should be indicated by putting a "yes" in the not-for-profit column.
8. New Tax Revenue If No Exemptions Granted refers to the amount of tax revenues a project would generate if the project did not receive any tax exemptions.
9. Method of Financial Assistance Other Than Tax Exemptions or other economic benefits can be detailed on another page if necessary.
10. Tax exemptions refer to the total dollar amount of exemptions received during the year for which the report is being completed. For real property tax exemptions, please indicate the total amount of taxes for which the project would have been liable if the IDA was not involved. Do not deduct amounts paid pursuant to any payment in lieu of taxes (PILOT) agreements. Real property tax exemptions must be shown for all projects including those to which PILOTS are made.
11. Total Real Property Tax Exemptions Net of RPTL section 485-b Exemptions is the amount of real property tax exemptions the project received as a result of IDA status, i.e., deduct from the IDA exemption the amount of any real property tax exemptions the project would have received, irrespective of IDA involvement.
12. Each project where a PILOT is made must be listed on pages 11b and 12b.
- code 1 (all local units); - code 2 (selected local units)
13. FTE Jobs Created and Retained-report the number of full time equivalent jobs.

PROJECT PURPOSE CODE DEFINITIONS

Services: This category includes establishments primarily engaged in producing a wide variety of services for individuals, business and government establishments and other organizations. Hotels and other lodging places, recreational services, health, legal, engineering, and other professional services; educational institutions, membership organizations, and other miscellaneous services, are included.

Construction: This category includes establishments primarily engaged in construction. Three broad types of construction activity are covered: (1) building construction by general contractors or by operative builders; (2) heavy construction other than building by general contractors and special trade contractors; and (3) construction activity by other special trade contractors.

Agriculture, Forestry and Fishing: This category includes establishments primarily engaged in agricultural production, forestry, commercial fishing, hunting and trapping and related services.

Wholesale Trade: This category includes establishments or places of business primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, construction contractors, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies.

Retail Trade: This category includes establishments engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods. In general, retail establishments are classified by kind of business according to the principal lines of commodities sold (groceries, hardware, etc.), or the usual trade designation (drug store, cigar store, etc.). Some of the important characteristics of retail trade establishments are: the establishment is usually a place of business and is engaged in activities to attract the general public to buy; the establishment buys or receives merchandise as well as sells; the establishment may process its products, but such processing is incidental or subordinate to selling; the establishment is considered as retail in the trade; and the establishment sells to customers for personal or household use.

Finance, Insurance and Real Estate: This category includes establishments operating primarily in the fields of finance, insurance and real estate. Finance includes depository institutions, non-depository credit institutions, holding (but not predominantly operating) companies, other investment companies, brokers and dealers in securities and commodity contracts, and security and commodity exchanges. Insurance covers carriers of all types of insurance, and insurance agents and brokers. Real estate includes owners, lessors, lessees, buyers, sellers, agents, and developers of real estate.

Transportation, Communications, Electric, Gas and Sanitary Services: This category includes establishments providing, to the general public or to other business enterprises, passenger and freight transportation, communications services, or electricity, gas, steam, water or sanitary services.

Other Categories:

- Exempt Facility
- Local furnishing of electric energy or gas
- Water and sewage facilities
- Docks, wharves and public transit
- Solid waste and resource recovery
- Exempt sports facility
- Pollution control
- Civic Facility-- Facility owned or occupied by a nonprofit organization

Manufacturing: The manufacturing category includes establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments are usually described as plants, factories, or mills and characteristically use power drive machines and materials handling equipment. Establishments engaged in assembling component parts of manufactured products are also considered manufacturing if the new product is neither a structure nor other fixed improvement. Also included is the blending of materials, such as lubricating oils, plastic resins, or liquors.

DUNKIRK IDA - 2019

BOND PROJECTS

Refer to Page 10 of this report for instructions

[illegible]

**SCHEDULE OF SUPPLEMENTAL INFORMATION
BONDS/NOTES**

Refer to Page 10 of this report for instructions

TAX EXEMPTIONS									
No.	<u>Sales Tax Exemptions</u>		<u>Real Property Tax Exemptions</u>		School	Mortgage Recording	Total Exemptions	Total Exemptions Net of RPTL section 485-b Exemptions	
	State	Local	County	Local					
1.									
2.									
3.									
4.									
5.									
6.									
7.									

**SCHEDULE OF SUPPLEMENTAL INFORMATION
BONDS/NOTES**

Refer to page 10 of this report for instructions.

*For appropriate Code, indicate 1 or 2:

- 1 =PILOT payments made to all eligible local government participants.
- 2 =PILOT payments made to selected local government participants.

PAYMENTS IN LIEU OF TAXES (PILOTS)						
No.	Project Code	County	Local	School	Total PILOTS	Code*
1.						
2.						
3.						
4.						
5.						
6.						
7.						

SCHEDULE OF SUPPLEMENTAL INFORMATION - BONDS/NOTES
Full Time Equivalent (FTE) Jobs Created and Retained

No.	# of FTE Employees at Project Location Before IDA Status	Original Estimate of Jobs to be Created:	Original Estimate of Jobs to be Retained:	# of Current FTE Employees	# of FTE Construction Jobs Created During Fiscal Year	
1.						
2.						
3.						
4.						
5.						
6.						
7.						

DUNKIRK IDA - 2019

LEASE PROJECTS

SCHEDULE OF SUPPLEMENTAL INFORMATION STRAIGHT LEASE

		Project Purpose Codes							
		1. Services	4. Wholesale Trade	Project Purpose Codes					
		2. Construction	5. Retail Trade	7. Transportation, Communication, Electric, Gas, and Sanitary Services	8. Other (specify)				
		3. Agriculture, Forestry, Fishing	6. Finance, Insurance and Real Estate	9. Manufacturing					
No.	Project Code	Name of Project, Project Owner and Address	Purpose	Total Amount of Lease	Not for Profit	New Tax Revenues if No Exemptions Granted*	* Total Exemptions (page 12a) less total PILOTS (page 12b) Refer to page 10 of this report for instructions		
1.							Method of Financial Assistance Utilized by Project, Other than Tax Exemptions Claimed by Project (Identify amount and type)		
2.									
3.									
4.									
5.									
6.									
7.									

**SCHEDULE OF SUPPLEMENTAL INFORMATION
STRAIGHT LEASE**

Refer to Page 10 of this report for instructions

TAX EXEMPTIONS									
No.	<u>Sales Tax Exemptions</u>		<u>Real Property Tax Exemptions</u>			Mortgage Recording	Total Exemptions	Total Exemptions Net of RPTL section 485-b Exemptions	
	State	Local	County	Local	School				
1.									
2.									
3.									
4.									
5.									
6.									
7.									

SCHEDULE OF SUPPLEMENTAL INFORMATION STRAIGHT LEASE

Refer to page 10 of this report for instructions.

*For appropriate Code, indicate 1 or 2:

1 =PILOT payments made to all eligible local government participants.

2 =PILOT payments made to selected local government participants.

PAYMENTS IN LIEU OF TAXES (PILOTS)						
No.	Project Code	County	Local	School	Total PILOTS	Code*
1.						
2.						
3.						
4.						
5.						
6.						
7.						

SCHEDULE OF SUPPLEMENTAL INFORMATION - STRAIGHT LEASE
Full Time Equivalent (FTE) Jobs Created and Retained

No.	# of FTE Employees at Project Location Before IDA Status	Original Estimate of Jobs to be Created:	Original Estimate of Jobs to be Retained:	# of Current FTE Employees	# of FTE Construction Jobs Created During Fiscal Year
1.					
2.					
3.					
4.					
5.					
6.					
7.					

Project Code

1

Please Specify: Bond Project

☐ Lease Project

Schedule of Supplemental Information (Bonds/Notes or Straight Lease)

Name of Project: 0602 19 01A

Project Owner and Address: S&K Hospitality LLC

30 Lake Shore Drive, Dunkirk, NY 14048

Project Purpose (see instructions): 1Federal Tax Status: Taxable ☒ Tax Exempt ☐

Total Project/Lease Amount

\$600,000

Straight Lease

End Date: 12/31/2019

Benefited Project Amount

\$600,000

Bond/Note Amount

\$0

Non-profit? Y ☐ N ☒ New tax revenues if no exemptions granted

Please check box if applicable:
☐ Not all data is reported.
 Letter of explanation attached.

Exemptions

Sales Tax (est)	Real Property Tax	Mortgage Recording	Total Exemptions	Total Exemptions Net of RPTL Sec 485-b Exemptions
State: \$24,000	County: \$0	\$0.00	\$48,000	\$48,000
Local: \$24,000	Local (sum of \$0)			
	School: \$0			

Payments in Lieu of Taxes (PILOTS)

County	Local (sum of	School	Total PILOTS	Code (see instructions)
\$0	\$0	\$0	\$0	Services

Full-Time Equivalent (FTE) Jobs Created and Retained

# FTE Employees at Project Location Prior to IDA Status	Original Estimate of Jobs to be Created	Original Estimate of Jobs to be Retained	# Current FTE Employees	# FTE Construction Jobs Created during Fiscal Year
0	1	1	15	0

Straight Lease: Identify method of financial assistance utilized by project, other than tax exemptions claimed by project. Identify by amount and type:

Please complete bond and note information on reverse

BANK RECONCILIATION

CASH BY FUNDS, PER BALANCE SHEETS

Include Petty Cash.

Enterprise Fund

18,785

TOTAL ALL FUNDS

18,785 *

BANK BALANCES

Identify Bank Balances with Funds by Listing the Applicable Code Letters

Fund	Code
------	------

Name and Location of Bank

COMMUNITY BANK - DUNKIRK, NY

Less Outstanding Checks

Bank Balance

18,785

Add Cash on Hand

Adjusted Bank
Balance

18,785

Add:

Petty Cash Funds

Adjustments (specify)

TOTAL ADJUSTED BANK BALANCE AND PETTY CASH

18.785

*These amounts must agree.

NOTE: Bank certification forms are not required to be filed with this report. However, the Office of the State Comptroller may confirm bank balances directly with the bank.

Page 13

CERTIFICATE OF CHIEF FISCAL OFFICER

I, Wilfred Rosas, CERTIFY THAT I AM THE CHIEF FISCAL OFFICER OF THE
DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY AND THAT THIS REPORT TO THE BEST OF MY
KNOWLEDGE, INFORMATION, AND BELIEF, IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL TRANSACTIONS AND FISCAL
CONDITION FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

SIGNATURE _____ DATE _____

TITLE Mayor

OFFICIAL ADDRESS: DUNKIRK INDUSTRIAL DEVELOPMENT AGENCY

342 CENTRAL AVENUE

DUNKIRK, NY 14048

OFFICE TELEPHONE NO. 716-366-0452

PLEASE MAIL REPORT TO:

OFFICE OF THE STATE COMPTROLLER
DIVISION OF LOCAL GOVERNMENT SERVICES
AND ECONOMIC DEVELOPMENT
DATA MANAGEMENT UNIT 12-8-C
110 STATE STREET
ALBANY, NY 12236

IF YOU HAVE QUESTIONS RELATING TO THIS REPORT, PLEASE
CALL: (518) 408-2941

**PART III - 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***



**JOHNSON, MACKOWIAK
& ASSOCIATES, LLP**

Certified Public Accountants & Consultants

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

To the Board of Directors
City of Dunkirk Industrial Development Agency
342 Central Avenue
Dunkirk, New York 14048

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Dunkirk Industrial Development Agency ("DIDA"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the DIDA's basic financial statements and have issued our report thereon dated May 29, 2020.

Internal Control Over Financial Reporting

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

Johnson, Mackowiak & Associates, LLP

JOHNSON, MACKOWIAK & ASSOCIATES, LLP

Fredonia, New York
May 29, 2020
