

Annual Report for Upper Mohawk Valley Memorial Auditorium Authority

Fiscal Year Ending: 12/31/2019

Run Date: 12/29/2021
Status: CERTIFIED
Certified Date: 12/29/2021

Governance Information (Authority-Related)

| Question | | Response | URL (If Applicable) |
|----------|---|----------|---|
| 1. | Has the Authority prepared its annual report on operations and accomplishments for the reporting period as required by section 2800 of PAL? | Yes | https://www.adkbankcenter.com/ |
| 2. | As required by section 2800(9) of PAL, did the Authority prepare an assessment of the effectiveness of its internal controls? | Yes | https://www.adkbankcenter.com/ |
| 3. | Has the lead audit partner for the independent audit firm changed in the last five years in accordance with section 2802(4) of PAL? | Yes | N/A |
| 4. | Does the independent auditor provide non-audit services to the Authority? | No | N/A |
| 5. | Does the Authority have an organization chart? | Yes | https://www.adkbankcenter.com/ |
| 6. | Are any Authority staff also employed by another government agency? | No | |
| 7. | Has the Authority posted their mission statement to their website? | Yes | https://www.adkbankcenter.com/ |
| 8. | Has the Authority's mission statement been revised and adopted during the reporting period? | No | N/A |
| 9. | Attach the Authority's measurement report, as required by section 2824-a of PAL and provide the URL. | | https://www.adkbankcenter.com/ |

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Governance Information (Board-Related)

| Question | Response | URL (If Applicable) |
|---|----------|---|
| 1. Has the Board established a Governance Committee in accordance with Section 2824(7) of PAL? | No | N/A |
| 2. Has the Board established an Audit Committee in accordance with Section 2824(4) of PAL? | No | N/A |
| 3. Has the Board established a Finance Committee in accordance with Section 2824(8) of PAL? | No | N/A |
| 4. Provide a URL link where a list of Board committees can be found (including the name of the committee and the date established): | | https://www.adkbankcenter.com/ |
| 5. Does the majority of the Board meet the independence requirements of Section 2825(2) of PAL? | Yes | N/A |
| 6. Provide a URL link to the minutes of the Board and committee meetings held during the covered fiscal year | | https://www.adkbankcenter.com/ |
| 7. Has the Board adopted bylaws and made them available to Board members and staff? | Yes | https://www.adkbankcenter.com/ |
| 8. Has the Board adopted a code of ethics for Board members and staff? | No | |
| 9. Does the Board review and monitor the Authority's implementation of financial and management controls? | Yes | N/A |
| 10. Does the Board execute direct oversight of the CEO and management in accordance with Section 2824(1) of PAL? | Yes | N/A |
| 11. Has the Board adopted policies for the following in accordance with Section 2824(1) of PAL? | | |
| Salary and Compensation | No | N/A |
| Time and Attendance | No | N/A |
| Whistleblower Protection | Yes | N/A |
| Defense and Indemnification of Board Members | Yes | N/A |
| 12. Has the Board adopted a policy prohibiting the extension of credit to Board members and staff in accordance with Section 2824 (5) of PAL? | No | N/A |
| 13. Are the Authority's Board members, officers, and staff required to submit financial disclosure forms in accordance with Section 2825(3) of PAL? | Yes | N/A |
| 14. Was a performance evaluation of the board completed? | No | N/A |
| 15. Was compensation paid by the Authority made in accordance with employee or union contracts? | No | N/A |
| 16. Has the board adopted a conditional/additional compensation policy governing all employees? | No | |

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Board of Directors Listing

| | | | |
|---|-------------------------|--|--------------|
| Name | Annese, Carl | Nominated By | Local |
| Chair of the Board | Yes | Appointed By | Local |
| If yes, Chair Designated by | Elected by Board | Confirmed by Senate? | N/A |
| Term Start Date | 1/1/2008 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2022 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

| | | | |
|---|-----------------------|--|--------------|
| Name | Gaeta, Gregory | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 5/29/2019 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2022 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

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| | | | |
|---|-----------------------|--|--------------|
| Name | Gerace, Joanne | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 1/1/2005 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2019 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | No |

| | | | |
|---|-------------------|--|--------------|
| Name | Karl, Vin | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 12/31/2012 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2021 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

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| | | | |
|---|---------------------|--|--------------|
| Name | Mojave, Mark | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 9/14/2017 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2021 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

| | | | |
|---|-------------------------|--|--------------|
| Name | Parsons, Michael | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 5/29/2019 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2021 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

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| | | | |
|---|---------------------|--|--------------|
| Name | Romano, Paul | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 1/1/2009 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2021 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

| | | | |
|---|------------------------|--|--------------|
| Name | Stalker, Harold | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 1/1/2015 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2019 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

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| | | | |
|---|----------------------|--|--------------|
| Name | Weiman, Shawn | Nominated By | Local |
| Chair of the Board | No | Appointed By | Local |
| If yes, Chair Designated by | | Confirmed by Senate? | N/A |
| Term Start Date | 5/29/2019 | Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty? | Yes |
| Term Expiration Date | 12/31/2022 | Complied with Training Requirement of Section 2824? | Yes |
| Title | | Does the Board Member/Designee also Hold an Elected or Appointed State Government Position? | No |
| Has the Board Member Appointed a Designee? | | Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position? | No |
| Designee Name | | Ex-Officio | |

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Staff Listing

| Name | Title | Group | Department/ Subsidiary | Union Name | Bargainin g Unit | Full Time/ Part Time | Exempt | Base Annualized Salary | Actual salary paid to the individual | Overtime paid by Authority | Performance Bonus | Extra Pay | Other Compensation/ Allowances/ Adjustments | Total Compensation | Individual also paid by another entity to perform the work of the Authority | If yes, Is the payment made by State or local government |
|------|-------|-------|---------------------------|---------------|---------------------|-------------------------|--------|------------------------------|---|----------------------------------|----------------------|-----------|--|-----------------------|--|--|
|------|-------|-------|---------------------------|---------------|---------------------|-------------------------|--------|------------------------------|---|----------------------------------|----------------------|-----------|--|-----------------------|--|--|

This Authority has indicated that it has no staff during the reporting period.

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Benefit Information

During the fiscal year, did the Authority continue to pay for any of the above mentioned benefits for former staff or individuals affiliated with the Authority after those individuals left the Authority?

No

Board Members

| Name | Title | Severance Package | Payment for Unused Leave | Club Memberships | Use of Corporate Credit Cards | Personal Loans | Auto | Transportation | Housing Allowance | Spousal / Dependent Life Insurance | Tuition Assistance | Multi-Year Employment | None of these Benefits | Other |
|------------------|--------------------|-------------------|--------------------------|------------------|-------------------------------|----------------|------|----------------|-------------------|------------------------------------|--------------------|-----------------------|------------------------|-------|
| Annese, Carl | Board of Directors | | | | | | | | | | | | X | |
| Gaeta, Gregory | Board of Directors | | | | | | | | | | | | X | |
| Gerace, Joanne | Board of Directors | | | | | | | | | | | | X | |
| Karl, Vin | Board of Directors | | | | | | | | | | | | X | |
| Mojave, Mark | Board of Directors | | | | | | | | | | | | X | |
| Parsons, Michael | Board of Directors | | | | | | | | | | | | X | |
| Romano, Paul | Board of Directors | | | | | | | | | | | | X | |
| Stalker, Harold | Board of Directors | | | | | | | | | | | | X | |
| Weiman, Shawn | Board of Directors | | | | | | | | | | | | X | |

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Staff

| Name | Title | Severance | Payment for Unused Leave | Club Memberships | Use of Corporate Credit Cards | Personal Loans | Auto | Transportation | Housing Allowance | Spousal / Dependent Life Insurance | Tuition Assistance | Multi-Year Employment | None of these Benefits | Other |
|------|-------|-----------|-----------------------------------|---------------------|-------------------------------------|-------------------|------|----------------|----------------------|---|-----------------------|--------------------------|------------------------------|-------|
|------|-------|-----------|-----------------------------------|---------------------|-------------------------------------|-------------------|------|----------------|----------------------|---|-----------------------|--------------------------|------------------------------|-------|

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Subsidiary/Component Unit Verification

| | |
|--|-----|
| Is the list of subsidiaries, as assembled by the Office of the State Comptroller, correct? | Yes |
| Are there other subsidiaries or component units of the Authority that are active, not included in the PARIS reports submitted by this Authority and not independently filing reports in PARIS? | No |

| Name of Subsidiary/Component Unit | Status |
|-----------------------------------|--------|
|-----------------------------------|--------|

Request Subsidiary/Component Unit Change

| Name of Subsidiary/Component Unit | Status | Requested Changes |
|-----------------------------------|--------|-------------------|
|-----------------------------------|--------|-------------------|

Request Add Subsidiaries/Component Units

| Name of Subsidiary/Component Unit | Establishment Date | Purpose of Subsidiary/Component Unit |
|-----------------------------------|--------------------|--------------------------------------|
|-----------------------------------|--------------------|--------------------------------------|

Request Delete Subsidiaries/Component Units

| Name of Subsidiary/Component Unit | Termination Date | Reason for Termination | Proof of Termination Document Name |
|-----------------------------------|------------------|------------------------|------------------------------------|
|-----------------------------------|------------------|------------------------|------------------------------------|

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Summary Financial Information
SUMMARY STATEMENT OF NET ASSETS

| | | | Amount |
|-------------------------------|---|--|-----------------|
| Assets | | | |
| Current Assets | | | |
| | Cash and cash equivalents | | \$125,534.00 |
| | Investments | | \$0.00 |
| | Receivables, net | | \$107,641.00 |
| | Other assets | | \$0.00 |
| | Total Current Assets | | \$233,175.00 |
| Noncurrent Assets | | | |
| | Restricted cash and investments | | \$0.00 |
| | Long-term receivables, net | | \$0.00 |
| | Other assets | | \$0.00 |
| | Capital Assets | | |
| | | Land and other nondepreciable property | \$2,087,595.00 |
| | | Buildings and equipment | \$23,605,063.00 |
| | | Infrastructure | \$2,859,294.00 |
| | | Accumulated depreciation | \$5,327,299.00 |
| | | Net Capital Assets | \$23,224,653.00 |
| | Total Noncurrent Assets | | \$23,224,653.00 |
| Total Assets | | | \$23,457,828.00 |
| Liabilities | | | |
| Current Liabilities | | | |
| | Accounts payable | | \$171,177.00 |
| | Pension contribution payable | | \$0.00 |
| | Other post-employment benefits | | \$0.00 |
| | Accrued liabilities | | \$0.00 |
| | Deferred revenues | | \$0.00 |
| | Bonds and notes payable | | \$178,447.00 |
| | Other long-term obligations due within one year | | \$0.00 |
| | Total Current Liabilities | | \$349,624.00 |
| Noncurrent Liabilities | | | |
| | Pension contribution payable | | \$0.00 |
| | Other post-employment benefits | | \$0.00 |
| | Bonds and notes payable | | \$2,344,723.00 |
| | Long Term Leases | | \$0.00 |
| | Other long-term obligations | | \$0.00 |
| | Total Noncurrent Liabilities | | \$2,344,723.00 |

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| | | | |
|----------------------------|---|--|------------------------|
| Total Liabilities | | | \$2,694,347.00 |
| Net Asset (Deficit) | | | |
| Net Assets | | | |
| | Invested in capital assets, net of related debt | | \$20,701,483.00 |
| | Restricted | | \$0.00 |
| | Unrestricted | | \$61,998.00 |
| | Total Net Assets | | \$20,763,481.00 |

SUMMARY STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

| | | | Amount |
|--------------------------------|---|--|-------------------------|
| Operating Revenues | | | |
| | Charges for services | | \$75,000.00 |
| | Rental & financing income | | \$231,993.00 |
| | Other operating revenues | | \$77.00 |
| | Total Operating Revenue | | \$307,070.00 |
| Operating Expenses | | | |
| | Salaries and wages | | \$0.00 |
| | Other employee benefits | | \$0.00 |
| | Professional services contracts | | \$115,480.00 |
| | Supplies and materials | | \$583,549.00 |
| | Depreciation & amortization | | \$1,251,037.00 |
| | Other operating expenses | | \$0.00 |
| | Total Operating Expenses | | \$1,950,066.00 |
| Operating Income (Loss) | | | (\$1,642,996.00) |
| Nonoperating Revenues | | | |
| | Investment earnings | | \$0.00 |
| | State subsidies/grants | | \$0.00 |
| | Federal subsidies/grants | | \$0.00 |
| | Municipal subsidies/grants | | \$732,050.00 |
| | Public authority subsidies | | \$0.00 |
| | Other nonoperating revenues | | \$93,000.00 |
| | Total Nonoperating Revenue | | \$825,050.00 |
| Nonoperating Expenses | | | |
| | Interest and other financing charges | | \$121,262.00 |
| | Subsidies to other public authorities | | \$0.00 |
| | Grants and donations | | \$0.00 |
| | Other nonoperating expenses | | \$0.00 |
| | Total Nonoperating Expenses | | \$121,262.00 |
| | Income (Loss) Before Contributions | | (\$939,208.00) |
| Capital Contributions | | | \$0.00 |

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| | | | |
|--|--|--|-----------------|
| Change in net assets | | | (\$939,208.00) |
| Net assets (deficit) beginning of year | | | \$21,702,689.00 |
| Other net assets changes | | | \$0.00 |
| Net assets (deficit) at end of year | | | \$20,763,481.00 |

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Current Debt

| Question | Response |
|---|----------|
| 1. Did the Authority have any outstanding debt, including conduit debt, at any point during the reporting period? | Yes |
| 2. If yes, has the Authority issued any debt during the reporting period? | Yes |

New Debt Issuances

Type of Debt: Authority Debt - General Obligation

Program: 1

| Project | Amounts | Bond Closing Date | Issue Process | True Interest Cost | Interest Type | Term (Yrs) | Cost Of Issuance |
|-------------------------------------|--------------------|-------------------|---------------|--------------------|---------------|------------|------------------|
| 470 Whitesboro Street Closing Costs | Refunding \$0.00 | 1/12/2019 | Negotiated | 4.75% | Variable | 1 | \$0.00 |
| | New \$32,302.00 | | | | | | |
| | Total \$32,302.00 | | | | | | |
| 470 Whitesboro Street | Refunding \$0.00 | 1/12/2019 | Negotiated | 5.75% | Variable | 15 | \$32,302.00 |
| | New \$750,000.00 | | | | | | |
| | Total \$750,000.00 | | | | | | |

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Schedule of Authority Debt

| Type of Debt | | | Statutory Authorization Amount (\$) | Begin Amount Total (\$) | New Debt Issuance (\$) | Amount Retired (\$) | End Amount Total (\$) |
|-------------------------------------|-------------------------------------|--|-------------------------------------|-------------------------|------------------------|---------------------|-----------------------|
| State Obligation | State Guaranteed | | | | | | |
| State Obligation | State Supported | | | | | | |
| State Obligation | State Contingent Obligation | | | | | | |
| State Obligation | State Moral Obligation | | | | | | |
| Other State-Funded | Other State-Funded | | | | | | |
| Authority Debt - General Obligation | Authority Debt - General Obligation | | 0.00 | 127,000.00 | 782,302.00 | 71,475.00 | 837,827.00 |
| Authority Debt - Revenue | Authority Debt - Revenue | | 0.00 | 1,776,709.93 | 0.00 | 91,367.00 | 1,685,342.93 |
| Authority Debt - Other | Authority Debt - Other | | | | | | |
| Conduit | | Conduit Debt | | | | | |
| Conduit | | Conduit Debt - Pilot Increment Financing | | | | | |
| TOTALS | | | 0.00 | 1,903,709.93 | 782,302.00 | 162,842.00 | 2,523,169.93 |

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Real Property Acquisition/Disposal List

| | | | |
|--|-----------------------|--|--------------------------|
| 1. Address Line1 | 470 Whitesboro Street | Lease Data (If applicable) | |
| Address Line2 | 1 | Market Rate(\$/square foot) | 1 |
| City | UTICA | Lease Rate(\$/square foot) | 1 |
| State | NY | Seller/Purchaser/Tenant Data: | 1 |
| Postal Code | 13502 | Organization | Caliber Club Realty, LLC |
| Plus4 | 1 | Last Name | 1 |
| Province/Region | 1 | First Name | 1 |
| Country | United States | Address Line1 | 88 Indian Mound Drive |
| Property Description | Commercial Building | Address Line2 | 1 |
| Estimated Fair market value | \$750,000.00 | City | WHITESBORO |
| How was the Fair Market Value Determined? | Appraisal | State | NY |
| Transaction Type | ACQUISITION | Postal Code | 13492 |
| If Other, Explain: | 1 | Plus4 | 1 |
| Transaction Date | 1/12/2019 | Province/Region | 1 |
| Purchase Sale Price | \$750,000.00 | Country | USA |
| | | Relation With Board Member/Senior Authority Management? | No |

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Personal Property

This Authority has indicated that it had no personal property disposals during the reporting period.

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Property Documents

| Question | | Response | URL (If Applicable) |
|----------|---|----------|---|
| 1. | In accordance with Section 2896(3) of PAL, the Authority is required to prepare a report at least annually of all real property of the Authority. Has this report been prepared? | Yes | https://www.adkbankcenter.com/ |
| 2. | Has the Authority prepared policies, procedures, or guidelines regarding the use, awarding, monitoring, and reporting of contracts for the acquisition and disposal of property? | No | |
| 3. | In accordance with Section 2896(1) of PAL, has the Authority named a contracting officer who shall be responsible for the Authority's compliance with and enforcement of such guidelines? | Yes | N/A |

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Additional Comments

Certified Financial Audit for Upper Mohawk Valley Memorial Auditorium Authority

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Financial Documents

| Question | Response |
|--|----------|
| 1. Attach the independent audit of the Authority's financial statements. | N/A |

| URL (If Applicable) | Attachments |
|---|---------------------|
| https://www.adkbankcenter.com/ | Attachment Included |

| Question | Response |
|--|----------|
| 2. Has the Authority's independent auditor issued a management letter to the Authority in connection with its audit of the Authority's financial statements? | Yes |

| URL (If Applicable) | Attachments |
|---|---------------------|
| https://www.adkbankcenter.com/ | Attachment Included |

| Question | Response |
|--|----------|
| 3. Has the Authority's independent auditor issued a Report on Internal Controls Over Financial Reporting to the Authority? | Yes |

| URL (If Applicable) | Attachments |
|---|---------------------|
| https://www.adkbankcenter.com/ | Attachment Included |

| Question | Response |
|--|----------|
| 4. Attach any other communication required or allowed by government auditing standards issued by the Comptroller General of the United States to be issued by the Authority's independent auditor in connection with its annual audit of the Authority's financial statements. | |

| URL (If Applicable) | Attachments |
|---------------------|-------------|
| | |

Additional Comments

Investment Report for Upper Mohawk Valley Memorial Auditorium Authority

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Investment Information

| Question | | Response | URL (If Applicable) |
|----------|---|----------|---------------------|
| 1. | Has the Authority prepared an Annual Investment Report for the reporting period as required by Section 2925 (6) of PAL? | No | |
| 2. | Are the Authority's investment guidelines reviewed and approved annually? | No | |
| 3. | Did the Authority have an independent audit of investments as required by Section 2925(3)(f) of PAL? | No | |
| 4. | Has the Authority's independent auditor issued a management letter to the Authority in connection with its annual audit of investments? | No | |

Additional Comments

Procurement Report for Upper Mohawk Valley Memorial Auditorium Authority

Fiscal Year Ending: 12/31/2019

 Run Date: 12/29/2021
 Status: CERTIFIED
 Certified Date : 12/29/2021

Procurement Information:

| Question | | Response | URL (If Applicable) |
|----------|---|----------|---|
| 1. | Does the Authority have procurement guidelines? | Yes | https://www.adkbankcenter.com/ |
| 2. | Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board? | No | |
| 3. | Does the Authority allow for exceptions to the procurement guidelines? | No | |
| 4. | Does the Authority assign credit cards to employees for travel and/or business purchases? | No | |
| 5. | Does the Authority require prospective bidders to sign a non-collusion agreement? | No | |
| 6. | Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts? | No | |
| 7. | Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-j(2)(a) of the State Finance Law, "The Procurement Lobbying Act"? | Yes | |
| 8. | Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-j(10) of the State Finance Law? | No | |
| 8a. | If Yes, was a record made of this impermissible contact? | | |
| 9. | Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-j(9) of the State Finance Law? | No | |

Procurement Report for Upper Mohawk Valley Memorial Auditorium Authority

Fiscal Year Ending: 12/31/2019

Run Date: 12/29/2021

Status: CERTIFIED

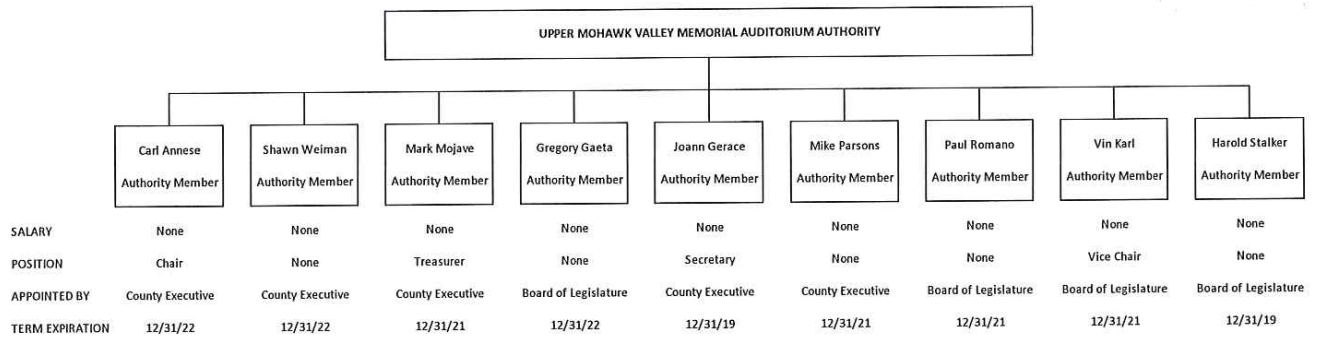
Certified Date : 12/29/2021

Procurement Transactions Listing:

The Authority has indicated that it had no procurement transactions during the reporting period.

Additional Comments

ORGANIZATION CHART
2019



Authority's Mission Statement and Performance Measurements

Name of Public Authority:

Upper Mohawk Valley Memorial Auditorium Authority

Public Authority's Mission Statement:

"To provide an environment for entertainment, sports, community events and recreation in order to create a positive economic impact and improved quality of life for the citizens of the Mohawk Valley"

List of Performance Goals:

- 1.) To improve the quality of each event by maintaining, improving and upgrading the auditorium facilities.
- 2.) To provide community events that will attract residents of the Mohawk Valley, Region and State to attend and participate.
- 3.) To provide a safe, friendly and comfortable atmosphere for each event.
- 4.) Continue to improve the number and quality of events being held at the auditorium.
- 5.) Increase the overall utilization of the auditorium.
- 6.) To continue managing the auditorium with an operating surplus.

Performance Measures:

- 1.) The authority has purchased and commenced on the construction of the NEXUS Center on the former Tartan Textile site, a 170,000 + square foot complex featuring three multipurpose playing surfaces that can be utilized as ice rinks or turf.
- 2.) In 2019, the auditorium held 78 events with 206,696 people in attendance.
- 3.) The authority members meet at least once a month to discuss, review, analyze and implement the goals and objectives of the auditorium.
- 4.) In 2019 the auditorium held various entertainment, sports and community events including the following:

- CCR & Blue Oyster Cult Concert
- Casa Food Show
- Utica Stampede
- WWE
- Harlem Globetrotters
- CNY Wine & Chocolate
- Skating Club of Utica
- Utica City FC
- Utica College Men's & Women's Hockey
- Utica Comets AHL Hockey
- Utica Jr. Comets Youth Hockey
- Various High School & College Graduation Ceremonies

5.) The auditorium's current financial situation is sound with a budgeted operating surplus projected over the next 2 years.

Authority Acknowledgements:

1.) Have the authority members acknowledged that they have read and understood the mission of the public authority?

Yes

2.) Who has the power to appoint the management of the public authority?

Members of the Authority

3.) If the Authority appoints management, do you have a policy you follow when appointing the management of the public authority?

No

4.) Briefly describe the role of the Authority and the role of management in the implementation of the mission.

The Authority meets at least once a month to discuss, review, analyze and implement the goals and objectives of the auditorium. The Authority contracts with management services to meet these objectives.

5.) Has the Authority acknowledged that they have read and understood the responses to each of these questions?

Yes

The Finance, Governance and Audit Committees, as they consist of sitting Agency members, meet as a committee of the whole, and in doing such, meet at every meeting.

BYLAWS

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

ARTICLE I

PREAMBLE

Title 10-B of Article 8 of the Public Authorities Law of the State of New York created a public corporation known as the Upper Mohawk Valley Memorial Auditorium Authority (the "Authority"). The governing body of the Authority is a board consisting of seven members.

ARTICLE II

OFFICERS

As provided by section 1942(2) of the Public Authorities Law, the officers of the Authority shall consist of a Chairman, Vice-Chairman, and Treasurer, who shall be members of the Authority, and a Secretary, who need not be a member of the Authority.

The Chairman shall preside at all meetings of the Authority and shall sign and execute all contracts in the name of the Authority and all notes, bonds or other indebtedness who so authorized by a resolution of the Board.

The Vice-Chairman may preside over meetings of the Authority as a result of the temporary absence of the Chairman.

ARTICLE III

MEETINGS

Regular meetings of the members of the Authority shall be held on the second tuesday of each and every month at 4:00 p.m. at the Auditorium, 400 Oriskany Street W., Utica, New York, or as otherwise determined by the Authority.

Special meeting may be held at any time or place within the service area of the Authority (as defined by section 1941(18) of the Public Authorities Law) on twenty-four (24) hours' notice to each member of the Authority, or within the State of New York on as seventy-two (72) hour notice to each member of the Authority. Such notice may be oral, telephonic, written or any other means reasonably calculated to provide notice to each member of the Authority, and shall state, in addition to the purposes, the date, place and hour of such meeting. Oral notice shall be immediately confirmed in writing.

All meetings of the Authority shall comply with the Public Officers Law of the State of New York.

The order of business and all other matters of procedure at each meeting of the Authority may be determined by the presiding officer.

The Chairman may request the resignation of a member who fails to attend any three regular meetings of the Authority in any calendar year and/or fails to attend two successive regular meetings, if in either case, such absences are not excused by the Chairman for good cause.

ARTICLE IV

COMMITTEES

The Chairman of the Authority may create one or more committees, which shall serve in an advisory capacity only, and no committee shall be delegated any powers of the Authority.

Meetings of any committee of the Authority may be held at such places and at such times as may be determined by either the Authority or such committee, and on such notice to the members of the committee as shall be required for meetings.

The chairman of the committee or, in the event that the office of the committee chairman is vacant or in the absence or disability of the committee chairman, such other member of the committee as is chosen by the committee shall preside at each meeting of the committee. The chairman of the committee shall appoint a member of the committee to act as secretary.

All committees shall keep minutes of their meetings, which shall be circulate to all members of the Authority.

ARTICLE V

DEFENSE AND INDEMNIFICATION

The Authority shall confer upon its employees (including its current and former members, officers and employees, their estates and their judicially appointed representatives) the benefits of Section 18 of the Public Officers Law providing for the defense and indemnification of employees of public entities. The Authority shall be held liable for the costs incurred under the provisions of said law.

The benefits accorded to employees under this Article and Section 18 of Public Officers Law shall supplement, and be available in addition to, defense or indemnification protection conferred by other statutes or otherwise.

ARTICLE VI

FISCAL YEAR

The Fiscal Year of the Authority shall commence on the first day of January and end of the 31st day of December of each calendar year.

ARTICLE VII

BYLAWS, RULES AND REGULATIONS

Bylaws of the Authority may be adopted, amended or repealed at any meeting of the Authority by vote of a majority of the whole number of the voting members of the Authority; provided that, the first meeting of the Authority at which an amendment to or repealing of the Bylaws is proposed, any member may unilaterally require that voting on the proposed amendment or repeal of the Bylaws be postponed until the next regular meeting of the Authority.

The Secretary of the Authority shall file the Bylaws and any amendments thereto, duly certified by such secretary, in the office of the Authority.

Except as may otherwise by law, the Bylaws of the Authority or any part thereof may be suspended at any meeting of the Authority, by majority vote of the members of the Authority.

The Authority shall have the power, from time to time, by majority vote of the members, to establish, add to, amend, modify or revoke rules and regulations governing the operations and affairs of the Authority, which shall have the same force and effect as though fully incorporated in and made a part of these Bylaws.

FINAL

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON JANUARY 9TH,
2019 AT 4:00 PM.**

Members Present: Carl Annese, Vin Karl, Mark Mojave, Harold Stalker, Jim Brock, Paul Romano, Joanne Gerace

Also Present: Kevin Martin

Authority Business:

The minutes of the Dec 11th, 2018 meeting were reviewed. Mark made a motion to accept the minutes. Jim seconded. All were in favor. While not a change needing to be made in the minutes, it was pointed out that the closing on the Kline property was delayed and was now scheduled for January 11, 2019.

As Mike Potrzeba was absent, there were no vouchers or other accounting details presented for discussion.

Speaking of the Kline property purchase, a resolution by the Authority is required by the Bank of Utica for such borrowing. Therefore, a motion was, Made by Jim, seconded by Mark to borrow \$750,000.00 to purchase the Kline property. All in favor.

A second motion was made by Mark, seconded by Jim to establish a \$150,000.00 line of credit with the Bank of Utica to use as needed for operating purposes. All in favor.

Re Insurance coverage for the building, our agent has changed carriers from Philadelphia to American Specialty. Our premium did go up \$400, but our coverage is much better, For example, our deductible went down from \$50,000 to \$10,000 and we have a 10% increase in coverage. A motion was made at 4:40 by Jim to enter into Executive Session Seconded by Mark.

A motion to adjourn was made by Joanne at 5:10 pm, seconded by Jim, All in favor.

FINAL

**MINUTES OF THE EMERGENCY MEETING OF THE UPPER
MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY HELD ON
JANUARY 31TH, 2019 AT 5:00 PM.**

Members Present: Carl Annese, Vin Karl, Mark Mojave, Harold Stalker, Jim Brock, Paul Romano, Joanne Gerace

Also Present: Rob Esche, Mike Potrzeba

EXCUSED: Jim Brock

Authority Business:

As was discussed at a meeting last Fall (11/14/18) the video boards have been crashing and causing trouble. First at some UC hockey games, then most recently at a UCFC game. At that meeting replacement costs were said to be in the range of \$45,000.00

The most serious issue, making it the **most urgent** issue, we have learned, is that each crash is damaging the hard drive of the command system that would cost about \$90,000.00 to replace!

This system is a sole-source product and therefore exempt from normal 3 quote rules. The supplier is the company CHYRONHEGO, located in Melville NY on Long Island. Their quotation Q-02324-1 in the amount of \$42,602.50 covers all the equipment for both the Click Effects SDI and MDI systems, with training and commissioning included.

A motion was made by Vin, seconded by Joanne to accept this quotation and purchase this video board system upgrade/replacement. All in favor. The video boards are an important part of the fan experience in our building. The equipment being replaced is 6 years old. And, importantly, it is protecting the master hard drive from further damage.

It also reminds us of the need for a 5 year plan of capital improvement estimations and how we will need to go about building reserves to pay for same, such as a sinking reserve fund.

A motion to adjourn was made by Joanne at 5:20 pm, seconded by Paul, All in favor.

FINAL VERSION

MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY HELD ON FEBRUARY 14TH, 2019 AT 4:00 PM.

Members Present: Carl Annese, Vin Karl, Mark Mojave, Harold Stalker, Jim Brock, Paul Romano,

Also Present: Mike Potrzeba, Kevin Martin, LuAnn Horton-Murad, Rob Esche

Excused: Joanne Gerace

Authority Business:

The minutes of the Jan 9th 2019 meeting were reviewed. Jim made a motion to accept the minutes. Mark seconded. All were in favor. The minutes of the Jan 31st, 2019 emergency meeting were reviewed. Mark made a motion to accept the minutes. Harold seconded. All were in favor.

Mike presented nine (9) vouchers for approval and payment: These were:

| | |
|------------------------------|-------------|
| Bank of Utica | \$6,542.46 |
| Walters Equip Service | \$2,154.75 |
| Utica Comets (Naming Rights) | \$75,000.00 |
| ChyronHego Corp | \$42,306.50 |
| Clinton Tractor | \$39,270.80 |
| Hughes Construction | \$1,135.00 |
| Usmail Electric | \$2,088.64 |
| Usmail Electric | \$2,574.91 |
| Gaetano Construction | \$7,846.00 |

A discussion was held concerning some of the specific steps that are required in a Design Build project. In the study that needs to be done for the design build (DB), a project labor agreement that is good for the

public must be included. Also a Request For Interest must be published to determine what firms are out there that might be capable of a DB project.

A motion was made by Jim, seconded by Mark, to authorize our counsel to enter into a Professional Services Agreement with Seeler Engineering for a study on feasibility on Nexus.

Kevin has also been approached by Bill Rabbia of the Solid Waste Authority offering to remove the rest of the foundation and other rubble from the Tartan site. But it needs to be sooner versus later before they get busy with their main municipality work. A motion was made by Mark , seconded by Paul, to enter into discussions with the SWA about removing the remaining construction debris.

A motion to adjourn was made by Vin at 4:40 pm, seconded by Jim, All in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON MARCH 13TH,
2019 AT 4:00 PM.**

Members Present: Carl Annese, Mark Mojave, Harold Stalker, Jim Brock, Paul Romano and Joanne Gerace

Also Present: Mike Potrzeba, Kevin Martin, LuAnn Horton-Murad

Excused: Vin Karl

Authority Business:

The minutes of the February 14th 2019 meeting were reviewed. Jim made a motion to accept the minutes. Mark seconded. All were in favor.

Mike presented four (4) vouchers for approval and payment: These were:

| | |
|-----------------------------|------------|
| River Road Auto Repair, LLC | \$2,800.68 |
| Titan Steel Corp | \$1,635.25 |
| Modular Mechanical | \$3,500.00 |
| Walter's Equipment Service | \$3,151.25 |

A discussion was held concerning some of the specific steps that are required in a Design Build project. Carl had met with O'Brien & Gere last week about the timeline and costs associated with the Owners Project Requirements. Carl updates the board on questions associated with the Owners Project Requirements

Carl discusses the progress with OHSWA regarding removing the foundations and slabs for 300 Oriskany Street W. OHSWA needs a letter from an engineer stating that all the slabs and foundations are free of mastic in order to move forward.

Jim makes a motion to hire Atlantic Testing Laboratories to complete a waste classification sampling and inspection of the slabs at 300 Oriskany Street W, not to exceed \$10,000. Paul seconded. All were in favor

For the removal of Slabs, we will require a SWPP for New York State, along with a demolition permit. Jim makes a motion to approve Allen Schwatzak to complete the SWPP, Mark seconded. All were in favor

A motion to adjourn was made by Harold at 5:07 pm, seconded by Mark, All in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON APRIL 10TH, 2019
AT 4:00 PM.**

Members Present: Carl Annese, Vin Karl, Mark Mojave, Jim Brock, Paul Romano, and Joanne Gerace

Also Present: Mike Potrzeba, Kevin Martin, and LuAnn Horton-Murad

Excused: Harold Stalker

Authority Business:

The minutes of the March 13th 2019 meeting were reviewed. Jim made a motion to accept the minutes.

Mike presented the Cap Fund attendance figures for the first quarter of 2019. Actual attendance was 100,188. Adjusting for \$3.00 for each suite attendee brought total Cap Fund revenue for Q1 to \$111,470.00. Ice rentals paid amounted to \$82,433.65.

Mike also presented four (4) vouchers for approval and payment: These were:

| | |
|-------------------|------------|
| ChyronHego Corp | \$4,109.26 |
| City Tax | \$5,866.51 |
| Massoud Tree Farm | \$4,025.00 |
| EV Roofing | \$ 337.75 |

Barone & Howard have submitted an invoice for their annual Audit Services in the amount of \$6400. A motion was made by Paul, seconded by Joanne to authorize payment of this invoice. All in favor.

Discussion continued from our last meeting concerning the Nexus project. It was felt by the board that we should try to proceed as far as we can without waiting for the state grant money to arrive.

Before anything else was said, Paul and Mark stated that they were recusing themselves from any further discussions or votes and needed the minutes to reflect same.

After the Owner's Project Requirements mentioned at the March meeting, it was determined that we needed to have Design Build Consultancy Services who would have the technical and communication skill to develop an RFQ (qualifications for contractors).

O'Brien & Gere has submitted a quotation of \$274,670 for this Consultancy Services package. It would be for our account at this time. However, it would be an eligible Project Reimbursable Expense since it is being incurred after the 8/31/18 start date for the state grant. Therefore a motion was made by Jim, seconded by Joanne to enter into this Design Build Consultancy Services contract with O'Brien & Gere. All were in favor, with two abstentions, as noted above.

A motion to adjourn was made by Vin at 4:50 pm, seconded by Paul, All in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON JUNE 12TH, 2019
AT 4:00 PM.**

Members Present: Carl Annese, Harold Stalker, Vin Karl, Gregory Gaeta, Mark Mojave, Joanne Gerace, Paul Romano, Shawn Weiman and Mike Parsons

Also Present: Mike Potrzeba, Kevin Martin & Luann Horton-Murad

Excused:

Authority Business:

Carl calls the meeting to order at 4:01 PM

The following vouchers were distributed for approval:

| | |
|-----------------------------|-------------|
| Jeffrey W. Hanretty, CPA | \$650.00 |
| Utica Comets, LLC | \$8,078.81 |
| Usmail Electric | \$20,955.00 |
| Garden Entertainment, LLC | \$62,535.31 |
| Rommel Fence, LLC | \$4,659.00 |
| Potrzeba Plumbing & Heating | \$480.00 |

Carl introduces the newly appointed board members, discussion follows on the mission statement, general updates and strategic plans moving forward.

The board discusses the status of the NEXUS Project

A motion to adjourn was made by Harold at 5:10 pm, seconded by Greg, All in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON JULY 10TH, 2019
AT 4:00 PM.**

Members Present: Carl Annese, Harold Stalker, Mark Mojave, Paul Romano, Gregory Gaeta, Mike Parsons, Shawn Weiman and Joanne Gerace

Also Present: Mike Potrzeba, Kevin Martin, and Luann Horton-Murad

Excused: Vin Karl

Authority Business:

Carl calls the meeting to order at 4:05 PM

Carl informs the board the minutes from last meeting will be distributed before next meeting

The following vouchers were distributed for approval:

| | |
|-------------------------------|------------|
| Seeler Engineering | \$990.00 |
| Atlantic Testing Laboratories | \$5,595.00 |
| Gatehouse Media | \$231.28 |
| Jasper Group | \$1,369.78 |
| Bank of Utica | \$6,542.46 |
| Bank of Utica | \$6,542.46 |

Further discussion is had on the UC Sports Management Program and E-Sports, and how both will be implemented into the design of NEXUS

Carl presented the O'Brien & Gere professional service contract for engineering the electrical relocation, extensive discussion followed

Harold made a motion to accept the O'Brien & Gere proposal to engineer the electric relocation, not to exceed \$60,000.00. Shawn seconds, All in favor. Paul & Mark abstained

Carl presented the PMY proposal as the owner's technology consultant as a professional service agreement, extensive discussion followed.

Joanne made a motion to accept the PMY proposal, not to exceed \$60,000.00. Gregory seconds, all in favor.

Carl hands out the RFQ ranking that were received for the NEXUS project and how O'Brien & Gere scored the responses, extensive discussion followed.

Mark makes a motion to accept the RFQ rankings as provided by O'Brien & Gere. Joanne seconds, all in favor. Paul abstained

Harold makes a motion to approves the chairman to qualify the number firms based on those rankings after conferring with Oneida County & O'Brien & Gere. Mike seconds, all in favor.

Kevin discusses with the board on the status of the Project Labor Agreement with Seeler Engineering. Kevin reports that the agreement is approximately 90% complete and anticipates it to be completed in time for the NEXUS RFP.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON AUGUST 14TH,
2019 AT 4:00 PM.**

Members Present: Carl Annese, Harold Stalker, Vin Karl, Gregory Gaeta and Mike Parsons

Also Present: Mike Potrzeba

Excused: Mark Mojave, Paul Romano, Shawn Weiman and Joanne Gerace

Authority Business:

Carl calls the meeting to order at 4:05 PM

The minutes of the April 10th 2019 meeting were reviewed. Mike Parsons made a motion to accept the minutes. Gregory Gaeta seconded. All were in favor.

The minutes of the July 10st, 2019 meeting were reviewed. Mike Parsons made a motion to accept the minutes. Harold seconded. All were in favor.

The following vouchers were distributed for approval:

| | |
|-------------------------------|--------------|
| Mohawk Valley Water Authority | \$1,047.64 |
| Exemplis | \$386.20 |
| Modular Mechanical Service | \$3,200.00 |
| Bank of Utica | \$6,542.46 |
| Nagra Kudelski | \$3,450.00 |
| PMY ETS (USA), Inc. | \$5,000.00 |
| PMY ETS (USA), Inc. | \$30,000.00 |
| O'Brien & Gere | \$69,346.60 |
| O'Brien & Gere | \$163,183.00 |
| Seeler Engineering | \$6751.00 |

The board discusses the status of the NEXUS Project and the RFP.

The board discusses the Pedestrian crossing in-front of the Labatt Blue Ticket Entrance and how cars do not stop for pedestrians in the crosswalk. The board requests Garden Entertainment to obtain pedestrian crossing signs and cones for the crosswalk to ensure safety of people accessing the building.

Discussion on upcoming events

The board discuss the need for a Whistleblower policy per the ABO. The board attorney will draft a Whistleblower policy that is in line with the ABO's guidelines and distribute prior to the next meeting for review.

Carl hands out the proposal from O'Brien & Gere to research grants from NYSERDA, NYPA and National Grid for the NEXUS Project.
Discussion was had on the scope of the proposal

Vin makes motion to accept the O'Brien & Gere proposal for \$3,500.00, Harold seconds. All in favor

A motion to adjourn was made by Vin at 5:10 pm, seconded by Greg, All in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON SEPTEMBER 11TH,
2019 AT 4:00 PM.**

Members Present: Carl Annese, Harold Stalker, Vin Karl, Gregory Gaeta, Mark Mojave, Joanne Gerace, Paul Romano and Mike Parsons

Also Present: Mike Potrzeba & Kevin Martin

Excused:

Authority Business:

Carl calls the meeting to order at 4:07 PM

The minutes of the August 14th 2019 meeting were reviewed. Mike Parsons made a motion to accept the minutes. Gregory Gaeta seconded. All were in favor.

The minutes of the June 12st, 2019 meeting were reviewed. Mike Parsons made a motion to accept the minutes. Gregory Gaeta seconded. All were in favor.

The following vouchers were distributed for approval:

| | |
|-------------------------------|-------------|
| Mohawk Valley Water Authority | \$1,268.70 |
| Usmail Electric | \$997.36 |
| Bank of Utica | \$6,542.46 |
| Inserra's Flooring Outlet | \$2,685.84 |
| O'Brien & Gere | \$29,759.00 |
| O'Brien & Gere | \$10,854.40 |

Gregory makes a motion to accept the opinion letter by Kevin Martin on the NEXUS Management. Harold seconds, all in favor

Harold makes a motion to adopt the Whistleblower Policy, which was reviewed and approved by legal counsel. Joanne seconds, all in favor

Carl informs the board the annual Utica Comets Military game is scheduled for November 11th and opens discussion on what the overall theme would be for this year. Joanne makes a motion to waive the CAP Fee for the November 10 game for Garden Entertainment, Mike seconds, all in favor

Mark makes a motion to extend the Bank of Utica Note for an additional 3 months vin second, all in favor

The board discusses the status of the NEXUS Project and the Tartan Property site

Harold makes a motion to go into executive session at 4:34, Mark second, all in favor

Harold Makes a motion to leave executive session at 5:16, Joanne second, all in favor

A motion to adjourn was made by Harold at 5:10 pm, seconded by Greg, All in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON OCTOBER 23RD,
2019 AT 4:00 PM.**

Members Present: Carl Annese, Harold Stalker, Vin Karl, Gregory Gaeta, Mark Mojave, Joanne Gerace, Paul Romano, Shawn Weiman and Mike Parsons

Also Present: Mike Potrzeba, Robert Esche, Steve Eckler & Kevin Martin

Excused:

Authority Business:

Carl calls the meeting to order at 4:02 PM

The minutes of the September 11th 2019 meeting were reviewed. Mark Mojave made a motion to accept the minutes. Joanne Gerace seconded. All in favor.

Mark Mojave makes a motion to approve the SEQR Resolution as presented, Joanne Gerace Seconded. All in favor

The following vouchers were distributed for approval:

| | |
|---------------------------|------------|
| Resurfix | \$9,128.80 |
| Usmail Electric | \$1,775.84 |
| Bank of Utica | \$6,542.46 |
| Garden Entertainment, LLC | \$3,903.12 |
| O'Brien & Gere | \$3,500.00 |
| Seeler Engineering | \$6,760.00 |
| George's Gym Equipment | \$550.00 |
| Inserra's Flooring Outlet | \$1,042.40 |

Mark Mojave makes a motion to accept the 2018 Audited Financials & PARIS Filing as presented on the Google Drive. Greg Gaeta seconds, all in favor

Mike Parsons makes a motion to go into executive session at 4:16PM, Vin Karl second, all in favor

Vin Karl makes a motion to leave executive session at 5:23, Shawn Weiman second, all in favor

Discussion on NEXUS continues and based on the scoring results from O'Brien & Gere, OBG recommends Hueber-Breuer as the Design-Build Team for NEXUS

NEXUS Subcommittee unanimous recommends Hueber-Breuer as the Design-Build Team for NEXUS

Vin Karl makes a motion to select Hueber-Breuer as the Design-Build Team for NEXUS, seconded by Gregory Gaeta, all in favor. Paul Romano abstained from the discussion and vote.

A motion to adjourn was made by Harold Stalker at 6:01 pm, seconded by Greg Gaeta, all in favor.

FINAL VERSION

**MINUTES OF THE MEETING OF THE UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM AUTHORITY HELD ON NOVEMBER 13RD,
2019 AT 4:00 PM.**

Members Present: Carl Annese, Harold Stalker, Vin Karl, Gregory Gaeta, Mark Mojave, Joanne Gerace, Shawn Weiman and Mike Parsons

Also Present: Mike Potrzeba, Robert Esche, Steve Eckler & Kevin Martin

Excused: Paul Romano

Authority Business:

Carl calls the meeting to order at 4:04 PM

The minutes of the October 23rd 2019 meeting were reviewed. Harold Stalker made a motion to accept the minutes. Vin Karl seconded. All were in favor.

The following vouchers were distributed for approval:

| | |
|--------------------|------------|
| Resurfix | \$2,412.70 |
| Bank of Utica | \$6,542.46 |
| Nagravision SA | \$3,450.00 |
| Seeler Engineering | \$6,751.00 |
| Walters Equipment | \$4,716.21 |

Carl made the board aware that the contract with O'Brien & Gere to act as the NEXUS project owner's engineer has expired now that a Design/Build company has been selected. The board reviewed a proposal from O'Brien & Gere to continue in this capacity through the completion of the NEXUS project. Completion of the NEXUS project is defined as the Auditorium Authority receiving the NEXUS certificate of occupancy. Discussion was had on the scope of the proposal. Mike

Parson makes a motion to accept the O'Brien & Gere proposal for \$385,000.00, Vin Karl seconds. All in favor.

Gary Scalzo of Scalzo, Zogby & Wittig, Inc arrived at 4:25 PM to provide a summary of insurance review to the board based on the Authority's current insurance policy. A summary of insurance hand-out was provided to each member of the board. Discussion was had between board members and Gary Scalzo on the current policy and the future policy which will include the NEXUS Center. Gary's presentation and board discussion ended at 5:14 PM.

Carl made the board aware of the NEXUS switch gear approval process and the importance of this approval to keep the project on time. Kevin Martin provided his opinion and recommendation on the bidding rules process. Vin Karl made a motion to approve the direct hire of Usmail Electric to do this switch gear work, Joanne Gerace seconded, all in favor. The board asked Rob Esche for a better understanding of the importance of the switch gear being made through a direct hire. Discussion was had between Rob and the board on the compelling interest for this process to keep the entire project on its' planned timeline.

Carl made the board aware of the National Grid proposal for the NEXUS project switch gear work previously voted on. Kevin Martin will send the proposal to Oneida County for processing.

The board discussed the PMY NEXUS E-Sports contract that recently expired. The board will need to re-visit a new PMY contract once their services are needed again on Nexus E-Sports. This timeline will be identified once NEXUS construction begins.

The board discusses forming an insurance committee chaired by Mike Potrzeba. The committee will be responsible for reviewing all insurance requirements and making recommendations to the board. Greg Gaeta was selected as a member of the insurance committee. Mike will schedule all future committee meetings, the committee will make insurance recommendations to the board with an understanding that the current policy expires on December 31, 2019. The board continued discussion on their future insurance requirements.

The board discusses the status of the NEXUS project and the need for a future committee to make quick decisions to keep the project on time. A contract should be in place with Hueber-Breuer in the next week and work on the site should begin in the next 7-10 days. Further discussion was made on the funding for the NEXUS project.

Carl discussed the next board meeting is scheduled for Tuesday December 10, 2019.

A motion to adjourn was made by Harold Stalker at 6:01 pm, seconded by Greg Gaeta, all in favor.



Property Listing

Address

400 Oriskany St W Utica, NY 13502
470 Whitesboro St Utica, NY 13502
No Address
300 Oriskany St W Utica, NY 13502

Tax ID

318.34-1-15
318.34-1
318.34-1.1
318.34-1-20



UPPER MOHAWK VALLEY
MEMORIAL AUDITORIUM
AUTHORITY

FINANCIAL STATEMENTS
December 31, 2019 and 2018

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UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

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Dermody, Burke & Brown, CPAs, LLC

INDEPENDENT AUDITORS' REPORT

TO THE AUTHORITY MEMBERS OF UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

Report on the Financial Statements

We have audited the accompanying financial statements of **UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY** (the Authority), which comprise the statement of net position as of December 31, 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinion 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 auditors' 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 Authority'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 Authority'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.

443 North Franklin Street • Syracuse, NY 13204-1441 • (315) 471-9171 • Fax (315) 471-8555

1120 Corporate Drive • Auburn, NY 13021-1634 • (315) 253-6273 • Fax (315) 253-0890

4350 Middle Settlement Road • New Hartford, NY 13413-5328 • (315) 732-2991 • Fax (315) 732-0282

<http://www.dbbllc.com>

Auditor's Responsibility – Continued

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

Basis for Qualified Opinion

As discussed in Note 2 to the financial statements, the financial statements do not reflect all the costs of the Authority's building and equipment. Generally accepted accounting principles require these assets to be capitalized and depreciated over the assets' useful lives. The effects on the accompanying financial statements of the failure to record depreciation expense are discussed in Note 2.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2019, and the changes in net 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 information on pages 4 to 8 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 inquires 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 the other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Prior Period Financial Statements

The financial statements of Upper Mohawk Valley Memorial Auditorium Authority as of December 31, 2018, were audited by other auditors whose report dated August 27, 2019, expressed an unmodified opinion on those financial statements.

Dermody, Burke & Brown

DERMODY, BURKE & BROWN, CPAs, LLC

New Hartford, NY

September 8, 2021

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

December 31, 2019 and 2018

Introduction

Upper Mohawk Valley Memorial Auditorium Authority's (the Authority) Management's Discussion and Analysis for the year ended December 31, 2019 provides an introduction to the major activities that had an effect on the operations of the Authority and it also addresses the financial performance and status of the Authority. The information contained within the Management's Discussion and Analysis (MD&A) should be used and considered in conjunction with all of the information contained within the 2019 financial report, which follows this report.

Financial Highlights

The Authority's net position decreased by approximately \$939,000 as a result of this year's operations.

The decrease in net position is due to an excess of expenses over revenue. Depreciation expense and interest expense both increased in 2019.

In 2019, there were 79 events with attendance totaling 231,995 while in 2018 there were 61 events with attendance at 157,164.

Future operating results depend upon how much success the Authority has in attracting events to use the facility. In addition to these activities, the Authority is expected to continue to need operating subsidies from the Mohawk Valley Water Authority.

Overview of the Financial Statements

This annual report consists of three parts: MD&A (this section) and the basic financial statements. The MD&A is intended to serve as an introduction to the Authority's basic financial statements. The notes to the financial statements also contain more detail on some of the information presented in the financial statements. These statements offer short-term and long-term financial information about its activities. The statements of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The statements of revenues, expenses and changes in net position presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are recorded in this statement for some items that will result in cash flows in future periods.

The financial statements can be found on pages 9 to 13 of this report. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided within these financial statements. The notes to the financial statements can be found on pages 14 to 23 of this report.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019 and 2018

Financial Analysis

This section summarizes information and data as related to the statements of net position as of December 31, 2019 and 2018, and the statements of revenues, expenses and changes in net position for those years then ended.

Statements of Net Position

TABLE 1

| | 2019 | 2018 |
|---------------------------|-----------------------------|-----------------------------|
| Current Assets | \$ 233,175 | \$ 709,112 |
| Capital Assets | <u>23,224,653</u> | <u>23,060,647</u> |
| TOTAL ASSETS | <u>\$ 23,457,828</u> | <u>\$ 23,769,759</u> |
| | | |
| Current Liabilities | \$ 349,624 | \$ 292,360 |
| Long-Term Liabilities | <u>2,344,723</u> | <u>1,774,710</u> |
| TOTAL LIABILITIES | <u>\$ 2,694,347</u> | <u>\$ 2,067,070</u> |
| | | |
| TOTAL NET POSITION | <u>\$ 20,763,481</u> | <u>\$ 21,702,689</u> |

Total assets decreased approximately \$267,000 in 2019 as a result of the following:

- Grants receivable decreased approximately \$357,000 due to the collection on the Empire State Development Grant.
- Property and equipment, net increased approximately \$164,000. Fixed asset additions of approximately \$1,415,000 offset by depreciation expense of approximately \$1,251,000.

Total liabilities increased approximately \$628,000 in 2019 as a result of the following:

- Debt payable increased approximately \$620,000. Proceeds from debt of approximately \$782,000 offset by debt payments of approximately \$163,000.

Total net position decreased by approximately \$939,000.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019 and 2018

Financial Analysis – ContinuedStatements of Revenues, Expenses and Changes in Net Position**TABLE 2**

| | 2019 | 2018 |
|--------------------------------|---------------------|----------------------|
| REVENUES | | |
| Oneida County PILOT Payments | \$ 732,050 | \$ 732,050 |
| Grant Income | 0 | 10,900,000 |
| Miscellaneous | 93,000 | 250 |
| Advertising Income | 75,000 | 75,000 |
| Capitalization Fund Income | 231,993 | 193,905 |
| Interest Income | 77 | 1,804 |
| Total Revenues | <u>\$ 1,132,120</u> | <u>\$ 11,903,009</u> |
| OPERATING EXPENSES | | |
| Operations | \$ 699,029 | \$ 592,469 |
| Interest | 121,262 | 79,660 |
| Depreciation | 1,251,037 | 926,085 |
| Total Operating Expenses | <u>\$ 2,071,328</u> | <u>\$ 1,598,214</u> |
| CHANGES IN NET POSITION | <u>\$ (939,208)</u> | <u>\$ 10,304,795</u> |

Total revenues decreased approximately \$10,771,000 as a result of the following:

- In 2018 the Authority recognized \$10,900,000 in grant income related to a capital project.

Total expenses increased approximately \$473,000 as a result of the following:

- Depreciation expense increased approximately \$325,000 due to a full year of fixed assets purchased in 2018 and the 2019 additions.
- Interest expense increased approximately \$42,000 due to new debt obtained in 2019.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019 and 2018

Summary of Changes in Property and Equipment**TABLE 3**

| | 2019 | 2018 |
|-----------------------------|----------------------|----------------------|
| Land | \$ 2,087,595 | \$ 1,337,595 |
| Building and Improvements | 23,605,063 | 23,095,594 |
| Equipment | <u>2,859,294</u> | <u>2,703,720</u> |
| Total | 28,551,952 | 27,136,909 |
| Accumulated Depreciation | <u>5,327,299</u> | <u>4,076,262</u> |
| Property and Equipment, Net | <u>\$ 23,224,653</u> | <u>\$ 23,060,647</u> |

The Authority owns property and equipment located in the City of Utica. Changes to property and equipment include the following highlights:

- Land increased by \$750,000 due to the purchase of 470 Whitesboro Street.
- Building and improvements increase approximately \$509,000 due to the locker room and Nexus projects.
- Depreciation expense of approximately \$1,251,000 was recorded in the current year.

Summary of Long-Term Debt**TABLE 4**

| | 2019 | 2018 |
|----------------|---------------------|---------------------|
| Long-Term Debt | <u>\$ 2,523,170</u> | <u>\$ 1,903,710</u> |

Increase in long-term debt includes the following highlights:

- Proceeds from long-term debt of approximately \$782,000 were received.
- Payments on long-term debt of approximately \$163,000 were made in 2019.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019 and 2018

Economic Factors and Future Outlook

Major Shows

The Upper Mohawk Valley Memorial Auditorium Authority expects to continue hosting many annual shows, including The Harlem Globetrotters, WWE Wrestling, Monster Trucks, and The Shrine Circus, as well as athletic competitions and other events. In 2013, professional hockey returned with the Utica Comets of the American Hockey League. In 2019, there were a total of 79 events with a total of 231,993 people in attendance.

PILOT Payment Amount

The Auditorium PILOT payment is paid in monthly installments from the Mohawk Valley Water Authority. The payment totaled \$732,050 in both 2019 and 2018.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information and other information.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances for all those who have an interest in this Authority's finances. Questions concerning any of the information presented in this report, or requests for additional financial information should be addressed to the Upper Mohawk Valley Memorial Auditorium Authority, 400 Oriskany Street West, Utica, NY 13502.

AUDITED FINANCIAL STATEMENTS**STATEMENTS OF NET POSITION**

December 31, 2019 and 2018

| ASSETS | | |
|--------------------------------|-------------------|-------------------|
| | 2019 | 2018 |
| CURRENT ASSETS | | |
| Cash and Cash Equivalents | \$ 125,534 | \$ 300,722 |
| Accounts Receivable | 107,641 | 42,520 |
| Grants Receivable | 0 | 357,244 |
| Prepaid Expenses | 0 | 7,505 |
| Other Assets | <u>0</u> | <u>1,121</u> |
| Total Current Assets | 233,175 | 709,112 |
| PROPERTY AND EQUIPMENT | | |
| Land | 2,087,595 | 1,337,595 |
| Building and Improvements | 23,605,063 | 23,095,594 |
| Equipment and Machinery | <u>2,859,294</u> | <u>2,703,720</u> |
| | 28,551,952 | 27,136,909 |
| Less: Accumulated Depreciation | <u>5,327,299</u> | <u>4,076,262</u> |
| Property and Equipment, Net | <u>23,224,653</u> | <u>23,060,647</u> |
| TOTAL ASSETS | <u>23,457,828</u> | <u>23,769,759</u> |

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

LIABILITIES AND NET POSITION

| | 2019 | 2018 |
|-----------------------------------|-----------------------------|-----------------------------|
| CURRENT LIABILITIES | | |
| Accounts Payable | 171,177 | 88,360 |
| Debt Payable - Current Portion | 178,447 | 129,000 |
| Deferred Revenue | <u>0</u> | <u>75,000</u> |
| Total Current Liabilities | 349,624 | 292,360 |
| NONCURRENT LIABILITIES | | |
| Long-Term Debt Payable | <u>2,344,723</u> | <u>1,774,710</u> |
| TOTAL LIABILITIES | <u>2,694,347</u> | <u>2,067,070</u> |
| NET POSITION | | |
| Net Investment in Capital Assets | 20,701,483 | 21,156,937 |
| Unrestricted | <u>61,998</u> | <u>545,752</u> |
| TOTAL NET POSITION | <u><u>\$ 20,763,481</u></u> | <u><u>\$ 21,702,689</u></u> |

See notes to financial statements.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years Ended December 31, 2019 and 2018

| | 2019 | 2018 |
|--------------------------------------|---------------|---------------|
| REVENUES | | |
| Municipal Subsidies | \$ 732,050 | \$ 732,050 |
| Grant Revenues | 0 | 10,900,000 |
| Miscellaneous | 93,000 | 250 |
| Advertising Income | 75,000 | 75,000 |
| Capitalization Fund Income | 231,993 | 193,905 |
| Interest Income | 77 | 1,804 |
| | <hr/> | <hr/> |
| Total Revenues | 1,132,120 | 11,903,009 |
| OPERATING EXPENSES | | |
| Utilities | 258,180 | 255,226 |
| Insurance | 100,850 | 109,201 |
| Repairs and Maintenance | 131,623 | 82,089 |
| Contracted Building Maintenance | 2,810 | 3,460 |
| Trash and Snow Removal | 53,176 | 8,366 |
| Professional Services Contracts | 59,494 | 60,800 |
| Telephone | 34,013 | 31,578 |
| Supplies | 36,071 | 24,292 |
| Office Supplies | 15,306 | 10,027 |
| Bank Charges | 5,898 | 2,321 |
| Miscellaneous | 1,608 | 5,109 |
| Depreciation | 1,251,037 | 926,085 |
| | <hr/> | <hr/> |
| Total Operating Expenses | 1,950,066 | 1,518,554 |
| INCOME (LOSS) FROM OPERATIONS | (817,946) | 10,384,455 |
| OTHER EXPENSE | | |
| Interest and Other Financing Charges | 121,262 | 79,660 |
| | <hr/> | <hr/> |
| Net Other Expense | 121,262 | 79,660 |
| CHANGE IN NET POSITION | (939,208) | 10,304,795 |
| Net Position, Beginning of Year | 21,702,689 | 11,397,894 |
| | <hr/> | <hr/> |
| Net Position, End of Year | \$ 20,763,481 | \$ 21,702,689 |
| | <hr/> | <hr/> |

See notes to financial statements.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2019 and 2018

| | 2019 | 2018 |
|---|-------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash Received from Government Grants and Subsidies | \$ 1,089,294 | \$ 11,274,806 |
| Cash Received from Customers | 334,949 | 296,703 |
| Cash Paid for Goods and Services | <u>(682,586)</u> | <u>(635,810)</u> |
| Net Cash Provided By Operating Activities | 741,657 | 10,935,699 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Cash Payments for the Purchase of Property | (665,043) | (12,203,060) |
| Principal Payments on Long-Term Debt | (162,842) | (529,936) |
| Proceeds from Long-Term Debt | 32,302 | 1,850,000 |
| Interest Expense | <u>(121,262)</u> | <u>(79,660)</u> |
| Net Cash Used In Financing Activities | <u>(916,845)</u> | <u>(10,962,656)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (175,188) | (26,957) |
| Cash and Cash Equivalents, Beginning of Year | <u>300,722</u> | <u>327,679</u> |
| Cash and Cash Equivalents, End of Year | <u>\$ 125,534</u> | <u>\$ 300,722</u> |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION | | |
| Building Acquired with Mortgage | <u>\$ 750,000</u> | <u>\$ 0</u> |

See notes to financial statements.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2019 and 2018

| | 2019 | 2018 |
|---|-------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income (Loss) from Operations | \$ (817,946) | \$ 10,384,455 |
| Adjustments to Reconcile Income (Loss) from Operations to Cash Provided By Operating Activities: | | |
| Depreciation | 1,251,037 | 926,085 |
| (Increase) Decrease in Operating Assets: | | |
| Accounts Receivable | (65,121) | 25,744 |
| Grants Receivable | 357,244 | (357,244) |
| Prepaid Expenses | 7,505 | (7,505) |
| Other Assets | 1,121 | 561 |
| Increase (Decrease) in Operating Liabilities: | | |
| Accounts Payable | 82,817 | (111,397) |
| Deferred Revenue | (75,000) | 75,000 |
| Net Cash Provided By Operating Activities | <u>\$ 741,657</u> | <u>\$ 10,935,699</u> |

See notes to financial statements.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 1 – NATURE OF OPERATIONS

The Upper Mohawk Valley Memorial Auditorium Authority (the Authority) was established in 1996 as a public benefit corporation under New York State law to own and manage the activities of the former City of Utica's Memorial Auditorium. On December 19, 1996, the City of Utica sold the entire facility and its contents to the Authority for one dollar. At that same time all of the operations of the auditorium facility became the responsibility of the Authority. The Authority has a seven-member board, which is responsible for the overall direction of the Auditorium. An outside firm manages the day-to-day operations. The Auditorium is a 3,935 seat arena. It hosts a variety of events, ranging from college and professional ice hockey, basketball tournaments, cheerleading and wrestling competitions, to concerts and trade shows.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

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

Basis of Presentation

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

- *Net Investment in Capital Assets* are the amounts expended by the Authority for the acquisition of capital assets, net of accumulated depreciation and related debt.
- *Restricted Net Position* – This component of net assets consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This component consists of remaining net assets, which can be further categorized as designated or undesignated. Designated assets are not governed by statute or contract but are committed for specific purposes pursuant to Authority policy and/or Board directives. Designated assets include funds and assets committed to maintaining and replacing capital assets and a contingency fund.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Presentation – Continued

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

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Authority has adopted the direct method of reporting net cash flows from operating activities and considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

The Authority considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made. Charges against operations were \$-0- for both 2019 and 2018.

Grants Receivable

The Authority considers grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

Prior to 1998, the Authority recorded equipment acquisitions and major building improvements as expenditures in the current period. Generally accepted accounting principles require these assets to be capitalized and depreciated over the assets' useful lives. Effective in 1998, the Authority capitalized equipment and building improvements at cost and recorded depreciation using the straight-line method based upon estimated useful lives of the assets.

Property, plant and equipment are reported at cost. Cost of current repairs and minor replacements of parts are charged to maintenance and expense accounts as incurred. The Authority's capitalization threshold is \$5,000. The Authority does not capitalize interest.

Depreciation is provided on the straight-line basis using the various lives for each asset which range between 5 and 40 years, with one-half year's depreciation taken in the year of acquisition and disposal. When assets are retired or otherwise disposed of, the related assets and accumulated depreciation is written off and any unrelated gains or losses are recorded.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Deferred Revenue

Deferred revenue represents funds received to conduct services that will be recognized in subsequent years as the related expenses are incurred.

Revenue Recognition

The Authority distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. Operating revenues are mostly comprised of government grant and subsidies revenue resulting from exchange transaction associated with the principal activities of the Authority. The Authority also receives capitalization fund income for ice time rentals. Other operating revenues are recognized when service has been rendered and collection is reasonably assured. The Authority's operating expenses include operations and maintenance expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Income Tax Status

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

Use of Estimates

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

Advertising Costs

Advertising costs are expensed as incurred.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Departure from Generally Accepted Accounting Principles

As stated in the auditors' report, the Authority's financial statements do not reflect all the costs of its building and equipment. Prior to 1998, the Authority recorded building and equipment as expenditures in the current period. Building and equipment are reported at actual cost for acquisitions subsequent to 1998. The assets acquired prior to 1998 should be recorded at estimated historical costs, based on appraisals conducted by independent third-party professionals. The effects of this departure are unknown.

Reclassifications

Certain 2018 amounts have been reclassified to conform to the 2019 presentation. These reclassifications had no impact on the total assets, liabilities, net assets or changes in net assets.

NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS

Cash held by the Authority at December 31, 2019 consists of the following:

| | Carrying Value | Bank Balance |
|-----------------|---------------------------|--------------------------|
| Cash Held: | | |
| Bank Accounts | <u>\$ 125,534</u> | <u>\$ 136,649</u> |
| Total Cash Held | <u><u>\$ 125,534</u></u> | <u><u>\$ 136,649</u></u> |

Cash held by the Authority at December 31, 2018 consists of the following:

| | Carrying Value | Bank Balance |
|-----------------|---------------------------|--------------------------|
| Cash Held: | | |
| Bank Accounts | <u>\$ 300,722</u> | <u>\$ 301,494</u> |
| Total Cash Held | <u><u>\$ 300,722</u></u> | <u><u>\$ 301,494</u></u> |

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's deposits are secured by \$136,649 from the Federal Depository Insurance Corporation plus \$-0- of pledged collateral at December 31, 2019. For the Authority, all pledged collateral and all investments are classified in the highest category by being held in bank trust departments in the Authority's name.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 4 – PROPERTY AND EQUIPMENT

Activity for property, plant and equipment and changes in accumulated depreciation for the year ended December 31, 2019 is as follows:

| | Balance December 31, 2018 | Additions | Retirements / Reclassification | Balance December 31, 2019 |
|--------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| Land | \$ 1,337,595 | \$ 750,000 | \$ 0 | \$ 2,087,595 |
| Building and Improvements | 23,095,594 | 509,469 | 0 | 23,605,063 |
| Equipment | <u>2,703,720</u> | <u>155,574</u> | <u>0</u> | <u>2,859,294</u> |
| | 27,136,909 | 1,415,043 | 0 | 28,551,952 |
| Less: Accumulated Depreciation | <u>4,076,262</u> | <u>1,251,037</u> | <u>0</u> | <u>5,327,299</u> |
| Property and Equipment, Net | <u><u>\$ 23,060,647</u></u> | <u><u>\$ 164,006</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 23,224,653</u></u> |

Activity for property, plant and equipment and changes in accumulated depreciation for the year ended December 31, 2018 is as follows:

| | Balance December 31, 2017 | Additions | Retirements / Reclassification | Balance December 31, 2018 |
|--------------------------------|---------------------------------|-----------------------------|-----------------------------------|---------------------------------|
| Land | \$ 425,250 | \$ 912,345 | \$ 0 | \$ 1,337,595 |
| Building and Improvements | 11,952,493 | 11,143,101 | 0 | 23,095,594 |
| Equipment | <u>2,556,107</u> | <u>147,613</u> | <u>0</u> | <u>2,703,720</u> |
| | 14,933,850 | 12,203,059 | 0 | 27,136,909 |
| Less: Accumulated Depreciation | <u>3,150,177</u> | <u>926,085</u> | <u>0</u> | <u>4,076,262</u> |
| Property and Equipment, Net | <u><u>\$ 11,783,673</u></u> | <u><u>\$ 11,276,974</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 23,060,647</u></u> |

Depreciation charged to expense at December 31, 2019 and 2018 was \$1,251,037 and \$926,085, respectively.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 5 – DEBT PAYABLE

Bond Payable

On September 15, 2010, the Authority issued a tax-exempt \$238,000 bond for the chiller project. Interest rates range from 3.75% to 4% over the life of the bond. Bonds outstanding at December 31, 2019 and 2018 amounted to \$30,000 and \$55,000, respectively. The bond matures in 2020.

Notes Payable

On February 23, 2018, the Authority borrowed \$1,850,000 at 4.5% from Adirondack Bank. The note is secured by all assets of the Authority. Payments of principal and interest of \$14,213 per month through February 2028. The note is amortized over 15 years with a final balloon payment due on the maturity date. Note payable outstanding at December 31, 2019 and 2018 amounted to \$1,685,343 and \$1,776,710, respectively.

The terms of the notes payable require the Authority to maintain an annual debt service coverage ratio of 1.10X (net income / loss + depreciation/amortization expense + interest expense divided by principal and interest in the year tested). The Organization was in compliance with both covenants as of December 31, 2019 and 2018.

In 2015 the Authority purchased land from the City of Utica's Urban Renewal Agency for \$120,250. No interest is due on the note unless default occurs. Payments of principal of \$120,000 per year. Note matures in 2025. Note payable outstanding at December 31, 2019 and 2018 amounted to \$60,000 and \$72,000, respectively.

On May 3, 2019, the Authority borrowed \$32,302 at prime from Bank of Utica. The note payable was interest only for three months. The note payable has renewed for interest only in three month terms through July 12, 2021. The note is due in full when the term is not renewed. Prime rate was 4.75% at December 31, 2019. Note payable outstanding at December 31, 2019 and 2018 amounted to \$32,302 and \$-0-, respectively.

Mortgage Payable

On January 12, 2019, the Authority borrowed \$750,000 at 5.75% from Bank of Utica for the purchase of 470 Whitesboro Street and is secured by the property. This mortgage has payments of principal and interest of \$6,543 per month. Mortgage matures January 2034. Mortgage payable outstanding at December 31, 2019 and 2018 amounted to \$715,525 and \$-0-, respectively.

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 5 – DEBT PAYABLE – Continued

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

| | Principal on Debt | Interest Payable | Total Debt Service |
|-----------------------|----------------------------|--------------------------|----------------------------|
| 2020 | \$ 178,447 | \$ 115,354 | \$ 293,801 |
| 2021 | 183,704 | 107,493 | 291,197 |
| 2022 | 159,949 | 101,099 | 261,048 |
| 2023 | 167,485 | 93,563 | 261,048 |
| 2024 | 175,170 | 85,878 | 261,048 |
| Thereafter | <u>1,658,415</u> | <u>350,374</u> | <u>2,008,789</u> |
| Total | 2,523,170 | <u><u>\$ 853,761</u></u> | <u><u>\$ 3,376,931</u></u> |
| Less: Current Portion | <u>178,447</u> | | |
| Total | <u><u>\$ 2,344,723</u></u> | | |

Changes in long-term liabilities in 2019 are as follows:

| | December 31, 2018 | Additions | Reductions | December 31, 2019 |
|--------------------|----------------------------|--------------------------|--------------------------|----------------------------|
| Debt Payable: | | | | |
| Bond Payable | \$ 55,000 | \$ 0 | \$ 25,000 | \$ 30,000 |
| Notes Payable | 1,848,710 | 32,302 | 103,367 | 1,777,645 |
| Mortgage Payable | <u>0</u> | <u>750,000</u> | <u>34,475</u> | <u>715,525</u> |
| Total Debt Payable | <u><u>\$ 1,903,710</u></u> | <u><u>\$ 782,302</u></u> | <u><u>\$ 162,842</u></u> | <u><u>\$ 2,523,170</u></u> |

Changes in long-term liabilities in 2018 are as follows:

| | December 31, 2017 | Additions | Reductions | December 31, 2018 |
|--------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| Debt Payable: | | | | |
| Bond Payable | \$ 80,000 | \$ 0 | \$ 25,000 | \$ 55,000 |
| Notes Payable | <u>84,000</u> | <u>1,850,000</u> | <u>85,290</u> | <u>1,848,710</u> |
| Total Debt Payable | <u><u>\$ 164,000</u></u> | <u><u>\$ 1,850,000</u></u> | <u><u>\$ 110,290</u></u> | <u><u>\$ 1,903,710</u></u> |

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 6 – MANAGEMENT CONTRACTS

On October 18, 2013, Garden Entertainment, LLC was contracted to operate the auditorium facility. The agreement is effective from October 18, 2013 to June 14, 2025. The Authority will utilize the subsidy from the Mohawk Valley Water Authority to pay debt service and operating expenses of the facility. See Note 7. All operating expenses beyond this are the responsibility of Garden Entertainment, LLC. The Authority retains the responsibility for capital improvements and for capital repairs and maintenance to the facility.

NOTE 7 – OPERATING CONSIDERATION

The Authority is assisted with its financial activities by receiving an annual subsidy from the County of Oneida (Via the Mohawk Valley Water Authority). The subsidy increases by 10% every 6th year for forty years. The payment, which is a payment in lieu of taxes to the County, is provided for under New York State Public Authorities Law Section 1226-r (3) (c). The subsidy is intended to provide the necessary funding to assist the Upper Mohawk Valley Memorial Auditorium Authority in meeting its operating expenses.

The payments are as follows for each year:

| | |
|-------------|------------|
| 1997 - 2001 | \$ 500,000 |
| 2002 - 2006 | 550,000 |
| 2007 - 2011 | 605,000 |
| 2012 - 2016 | 665,500 |
| 2017 - 2021 | 732,050 |
| 2022 - 2026 | 805,225 |
| 2027 - 2031 | 885,781 |
| 2032 - 2036 | 974,359 |

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 8 – RECENT AND UPCOMING PRONOUNCEMENTS

GASB Statement No. 87, “*Leases*”, was issued in June 2017. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The Authority is required to adopt the provisions of this Statement for the year ending December 31, 2022.

GASB Statement No. 89, “*Accounting for Interest Cost Incurred before the End of a Construction Period*”, was issued in June 2018. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. The Authority is required to adopt the provisions of this Statement for the year ending December 31, 2021.

GASB Statement No. 91, “*Conduit Debt Obligations*”, was issued in May 2019. The objectives of this Statement are to provide a single method of reporting conduit debt obligations and eliminate diversity in practices. The Authority is required to adopt the provisions of this Statement for the year ending December 31, 2022.

GASB Statement No. 92, “*Omnibus 2020*”, was issued in January 2020. The objectives of this Statement are to enhance comparability and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. The Authority is required to adopt the provisions of this Statement for the year ending December 31, 2022.

GASB Statement No. 93, “*Replacement of Interbank Offered Rates*”, was issued in March 2020. The objectives of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of interbank offered rates. The Authority is required to adopt the provisions of this Statement for the year ending December 31, 2022.

In May 2020, the GASB issued Statement No. 95, “*Postponement of the Effective Dates of Certain Authoritative Guidance*”. This Statement allows governments and other stakeholders to postpone the effective dates of certain provisions. GASB Statement No. 87, No. 89, No. 91, No. 92 and No. 93 were included in GASB Statement No. 95.

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

UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 9 – COVID-19 PANDEMIC

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) as a pandemic, which continues to spread throughout the United States. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the Authority’s operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge. The related financial impact and duration cannot be reasonably quantified at this time.

NOTE 10 – SUBSEQUENT EVENTS

The Authority entered into a \$150,000 line-of-credit payable on demand with a financial institution on March 24, 2020, which bears a variable interest rate at the institution’s prime lending rate plus 1% with a minimum interest rate of 4%.

Management has evaluated subsequent events through September 8, 2021, which is the date the financial statements were available to be issued.



Dermody, Burke & Brown, CPAs, LLC

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

**TO THE AUTHORITY MEMBERS OF
UPPER MOHAWK VALLEY MEMORIAL AUDITORIUM AUTHORITY**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Upper Mohawk Valley Memorial Auditorium Authority (the Authority) which comprise the statements of net position as of December 31, 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 8, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for determining audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Dermody, Burke & Brown

DERMODY, BURKE & BROWN, CPAs, LLC

New Hartford, NY

September 8, 2021