

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
FINANCIAL REPORT  
DECEMBER 31, 2020**

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY**

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## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Town of Bolton Local Development Corporation  
Bolton Landing, New York

### Report on the Financial Statements

We were engaged to audit the accompanying consolidated financial statements of the Town of Bolton Local Development Corporation (Organization), a public benefit corporation and subsidiary, which comprise the consolidated balance sheet as of December 31, 2020 and 2019, and the related consolidated statements of operations and accumulated deficit, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

## **Opinion**

In our opinion the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Town of Bolton Local Development Corporation and subsidiary as of December 31, 2020 and 2019, and the results of its operations, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Consolidating Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 16 through 20 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the balance sheet, changes in accumulated deficit and cash flows of the individual entities, and it is not required part of the consolidated financial statements. Accordingly, we do not express an opinion on the balance sheet, changes in accumulated deficit and cash flows of the individual entities. The consolidating information is the responsibility of management and was derived from and relates directly to the underlying accounting other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2021 on our consideration of the Town of Bolton Local Development Corporation and subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Bolton Local Development Corporation and subsidiary'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 Town of Bolton Local Development Corporation and subsidiary's internal control over financial reporting and compliance.

*Marvin and Company, P.C.*

Queensbury, NY  
March 31, 2021

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATED BALANCE SHEET  
DECEMBER 31, 2020 AND 2019**

|                                          | <b>ASSETS</b>       |                     |
|------------------------------------------|---------------------|---------------------|
|                                          | <u>2020</u>         | <u>2019</u>         |
| <b>Current Assets</b>                    |                     |                     |
| Cash and cash equivalents                | \$ 205,020          | \$ 211,349          |
| Accounts receivable                      | 128,814             | 139,093             |
| Prepaid income taxes                     | 22,517              | 219                 |
| Prepaid expenses                         | 5,069               | 11,414              |
| Other receivables                        | -                   | 3,251               |
| Inventory                                | 19,909              | 21,204              |
| Total Current Assets                     | <u>381,329</u>      | <u>386,530</u>      |
| <b>Property and Equipment</b>            | <u>2,042,344</u>    | <u>2,132,804</u>    |
| <b>Other Assets</b>                      |                     |                     |
| Investments                              | 100,929             | 100,677             |
| Intangible assets                        | 202,472             | 235,942             |
| Total Other Assets                       | <u>303,401</u>      | <u>336,619</u>      |
| <b>TOTAL ASSETS</b>                      | <u>\$ 2,727,074</u> | <u>\$ 2,855,953</u> |
| <b>LIABILITIES AND NET DEFICIT</b>       |                     |                     |
| <b>Current Liabilities</b>               |                     |                     |
| Accounts payable                         | \$ 2,225            | \$ -                |
| Accrued Expenses                         | 8,564               | 2,295               |
| Payroll liabilities                      | 1,154               | 1,019               |
| Deferred revenue                         | 208,215             | 204,505             |
| Income taxes                             | 13,555              | 34,794              |
| Current portion of long-term debt        | 167,517             | 154,888             |
| Total Current Liabilities                | <u>401,230</u>      | <u>397,501</u>      |
| <b>Long-Term Liabilities</b>             |                     |                     |
| Mortgage payable, net of current portion | 709,100             | 875,667             |
| Note payable                             | 2,000,000           | 2,000,000           |
| Deferred taxes                           | 7,465               | 14,643              |
| Total Long-Term Liabilities              | <u>2,716,565</u>    | <u>2,890,310</u>    |
| <b>TOTAL LIABILITIES</b>                 | <u>3,117,795</u>    | <u>3,287,811</u>    |
| <b>Net Deficit</b>                       |                     |                     |
| Without donor restrictions:              |                     |                     |
| Undesignated                             | (390,721)           | (431,858)           |
|                                          | <u>(390,721)</u>    | <u>(431,858)</u>    |
| <b>TOTAL LIABILITIES AND NET DEFICIT</b> | <u>\$ 2,727,074</u> | <u>\$ 2,855,953</u> |

See accompanying notes to consolidated financial statements

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF OPERATIONS  
AND ACCUMULATED DEFICIT  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

|                                                          | <u>2020</u>         | <u>2019</u>         |
|----------------------------------------------------------|---------------------|---------------------|
| <b>Changes in net assets without donor restrictions:</b> |                     |                     |
| <b>Revenues</b>                                          |                     |                     |
| Dock space                                               | \$ 215,453          | \$ 223,352          |
| Launches and retrievals                                  | 124,930             | 111,275             |
| Parking                                                  | 325,319             | 267,180             |
| Gasoline sales                                           | 224,067             | 213,185             |
| Store sales                                              | 55,227              | 72,628              |
| Other sales                                              | 1,776               | 3,701               |
| <b>Total Revenue</b>                                     | <u>946,772</u>      | <u>891,321</u>      |
| <b>Cost of Goods Sold</b>                                | <u>187,320</u>      | <u>187,000</u>      |
| <b>Gross Income</b>                                      | 759,452             | 704,321             |
| <b>Expenses</b>                                          |                     |                     |
| Management and general expenses                          | 169,195             | 31,866              |
| Norowal Marina expenses                                  | 478,299             | 458,736             |
| <b>Total Expenses</b>                                    | <u>647,494</u>      | <u>490,602</u>      |
| <b>Total Operating Income</b>                            | <u>111,958</u>      | <u>213,719</u>      |
| <b>Other Income and (Expenses)</b>                       |                     |                     |
| Commissions                                              | 5,124               | 6,192               |
| Rental income                                            | -                   | 12,500              |
| Interest income                                          | 980                 | 756                 |
| Interest expense                                         | (54,470)            | (62,015)            |
| <b>Total other income and (expenses)</b>                 | <u>(48,366)</u>     | <u>(42,567)</u>     |
| <b>Income before Provision for Taxes</b>                 | 63,592              | 171,152             |
| <b>Provision for Taxes</b>                               | <u>22,455</u>       | <u>44,533</u>       |
| Increase in net assets without donor restrictions        | 41,137              | 126,619             |
| Net Deficit, Beginning of Year                           | <u>(431,858)</u>    | <u>(558,477)</u>    |
| <b>NET DEFICIT, END OF YEAR</b>                          | <u>\$ (390,721)</u> | <u>\$ (431,858)</u> |

See accompanying notes to consolidated financial statements

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

|                                     | <b>Program<br/>Activities</b>   | <b>Support<br/>Activities</b>     |                   |
|-------------------------------------|---------------------------------|-----------------------------------|-------------------|
|                                     | <b>Norowal<br/>Marina, Inc.</b> | <b>Management<br/>and General</b> | <b>Totals</b>     |
| <b>Cost of Goods Sold</b>           |                                 |                                   |                   |
| Inventory, beginning                | \$ 21,205                       | \$ -                              | \$ 21,205         |
| Purchases                           | 186,023                         | -                                 | 186,023           |
| Inventory, ending                   | (19,908)                        | -                                 | (19,908)          |
| Total cost of goods sold            | <u>187,320</u>                  | <u>-</u>                          | <u>187,320</u>    |
| <b>Operating Expenses</b>           |                                 |                                   |                   |
| Advertising                         | 2,032                           | 610                               | 2,642             |
| Bank charges and merchant fees      | 18,609                          | -                                 | 18,609            |
| Bad debts                           | 500                             | -                                 | 500               |
| Contracted services                 | -                               | 4,750                             | 4,750             |
| Contributions                       | 18,236                          | -                                 | 18,236            |
| Depreciation and amortization       | 100,553                         | 140,587                           | 241,140           |
| Dues and Subscriptions              | 48                              | -                                 | 48                |
| Fees and registrations              | 10                              | -                                 | 10                |
| Insurance                           | 21,714                          | 1,811                             | 23,525            |
| Miscellaneous expenses              | 1,765                           | -                                 | 1,765             |
| Office expenses                     | 6,100                           | 3,621                             | 9,721             |
| Payroll                             | 223,418                         | -                                 | 223,418           |
| Payroll taxes and employee benefits | 28,726                          | -                                 | 28,726            |
| Postage                             | 3,247                           | -                                 | 3,247             |
| Professional fees                   | 10,171                          | 15,125                            | 25,296            |
| Real estate taxes                   | 8,174                           | 1,885                             | 10,059            |
| Repairs and maintenance             | 27,806                          | -                                 | 27,806            |
| Telephone expense                   | 2,437                           | -                                 | 2,437             |
| Utilities                           | 4,753                           | 806                               | 5,559             |
| Total Operating Expenses            | <u>478,299</u>                  | <u>169,195</u>                    | <u>647,494</u>    |
| <b>Total Expenses</b>               | <u>\$ 665,619</u>               | <u>\$ 169,195</u>                 | <u>\$ 834,814</u> |

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                     | <b>Program<br/>Activities</b>   | <b>Support<br/>Activities</b>     |                   |
|-------------------------------------|---------------------------------|-----------------------------------|-------------------|
|                                     | <b>Norowal<br/>Marina, Inc.</b> | <b>Management<br/>and General</b> | <b>Totals</b>     |
| <b>Cost of Goods Sold</b>           |                                 |                                   |                   |
| Inventory, beginning                | \$ 22,218                       | \$ -                              | \$ 22,218         |
| Purchases                           | 185,987                         | -                                 | 185,987           |
| Inventory, ending                   | (21,205)                        | -                                 | (21,205)          |
| Total cost of goods sold            | <u>187,000</u>                  | <u>-</u>                          | <u>187,000</u>    |
| <b>Operating Expenses</b>           |                                 |                                   |                   |
| Advertising                         | 3,020                           | 75                                | 3,095             |
| Bank charges and merchant fees      | 13,797                          | -                                 | 13,797            |
| Contributions                       | 13,500                          | -                                 | 13,500            |
| Depreciation and amortization       | 90,464                          | 5,513                             | 95,977            |
| Dues and Subscriptions              | 696                             | -                                 | 696               |
| Fees and registrations              | 160                             | -                                 | 160               |
| Insurance                           | 17,807                          | 3,441                             | 21,248            |
| Miscellaneous expenses              | 4,519                           | -                                 | 4,519             |
| Office expenses                     | 8,877                           | 3,219                             | 12,096            |
| Payroll                             | 207,112                         | -                                 | 207,112           |
| Payroll taxes and employee benefits | 26,344                          | -                                 | 26,344            |
| Postage                             | 3,092                           | -                                 | 3,092             |
| Professional fees                   | 12,772                          | 14,734                            | 27,506            |
| Real estate taxes                   | 8,669                           | 1,716                             | 10,385            |
| Repairs and maintenance             | 39,313                          | 326                               | 39,639            |
| Telephone expense                   | 3,815                           | -                                 | 3,815             |
| Utilities                           | 4,779                           | 2,842                             | 7,621             |
| Total Operating Expenses            | <u>458,736</u>                  | <u>31,866</u>                     | <u>490,602</u>    |
| <b>Total Expenses</b>               | <u>\$ 645,736</u>               | <u>\$ 31,866</u>                  | <u>\$ 677,602</u> |



**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

|                                                                                             | <u>2020</u> | <u>2019</u> |
|---------------------------------------------------------------------------------------------|-------------|-------------|
| <b>Cash Flows From Operating Activities</b>                                                 |             |             |
| Change in net deficit from operating activities                                             | \$ 41,137   | \$ 126,619  |
| Adjustments to reconcile change in net deficit to net cash provided by operating activities |             |             |
| Depreciation and amortization                                                               | 241,140     | 95,977      |
| Bad debts                                                                                   | 500         | -           |
| Deferred taxes                                                                              | (7,178)     | (6,101)     |
| (Increase) decrease in                                                                      |             |             |
| Accounts receivable                                                                         | 9,779       | (27,496)    |
| Prepaid income taxes                                                                        | (22,298)    | 3,169       |
| Prepaid expenses                                                                            | 6,345       | (11,414)    |
| Inventory                                                                                   | 1,295       | 1,014       |
| Other receivables                                                                           | 3,251       | -           |
| Increase (decrease) in                                                                      |             |             |
| Accounts payables                                                                           | -           | (317)       |
| Accrued expenses                                                                            | 8,494       | (31)        |
| Payroll Liabilities                                                                         | 135         | (2,162)     |
| Deferred revenue                                                                            | 3,710       | 4,556       |
| Income taxes                                                                                | (21,239)    | 520         |
| Net Cash Provided By Operating Activities                                                   | 265,071     | 184,334     |
| <b>Cash Flows From Investing Activities</b>                                                 |             |             |
| Purchase of investments                                                                     | (252)       | (302)       |
| Purchase of property and equipment                                                          | (117,210)   | (70,463)    |
| Net Cash Used by Investing Activities                                                       | (117,462)   | (70,765)    |
| <b>Cash Flows From Financing Activities</b>                                                 |             |             |
| Payments on long-term debt                                                                  | (153,938)   | (163,085)   |
| <b>Net Decrease in Cash and Cash Equivalents</b>                                            | (6,329)     | (49,516)    |
| Cash and Cash Equivalents, Beginning of Year                                                | 211,349     | 260,865     |
| <b>Cash and Cash Equivalents, End of Year</b>                                               | \$ 205,020  | \$ 211,349  |
| <b>Supplemental Information</b>                                                             |             |             |
| Cash paid for business income taxes                                                         | \$ 37,695   | \$ 46,945   |
| Cash paid for interest                                                                      | \$ 54,470   | \$ 62,015   |

See accompanying notes to consolidated financial statements

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**1. ORGANIZATION**

The Town of Bolton Local Development Corporation (BLDC) was incorporated in New York State on March 10, 2005 as a special not-for-profit corporation pursuant to Article 14 of New York State Not-For-Profit Corporation Law. The core purpose of creating the corporation was to create a local development organization that would promote tourist business activities within the Town of Bolton, which is a municipality principally comprised of family-owned motels, a destination resort hotel, tourist-oriented retail shops and camping, boating, fishing and "day-use activities" on Lake George.

Norowal Marina, Inc. (Marina) is a wholly-owned subsidiary of the Town of Bolton Local Development Corporation. The Marina provides public access to Lake George to residents and visitors of Bolton Landing, NY. The Marina is operated as a park and launch facility with seasonal mooring slips, winter storage and basic amenities such as showers, laundry, bathrooms and limited general store supplies.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of BLDC is present to assist in understanding the BLDC's financial statements. The consolidated financial statements and notes are representation of BLDC's management, which is responsible for their integrity and objectivity.

***Basis of Accounting***

The BLDC prepares its consolidated financial statements on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

***Basis of Presentation***

The consolidated financial statements include the accounts of the Town of Bolton Local Development Corporation and its majority-owned subsidiary, Norowal Marina, Inc. Intercompany balances and transactions have been eliminated.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of BLDC and changes therein are classified and reported as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

With donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by the actions of BLDC and/or the passage of time and net assets subject to donor-imposed stipulations that they be maintained permanently by BLDC.

When a donor-imposed restriction expires, the net assets are reported in the statement of activities as net assets released from restrictions.

At December 31, 2020 and 2019, BLDC had no net assets with donor restrictions.

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Revenue Recognition***

The BLDC recognizes revenue in accordance with Financial Accounting Standards Board ASU 2014-19 *Revenue from Contracts with Customers (Topic 606)*. This guidance provides a single comprehensive model to account for revenue from contracts with customers. The BLDC's primary source of income is derived from operations of the Marina located in Bolton Landing, New York. The Marina recognizes revenue when its single performance obligation is satisfied upon transfer of control of the promised product or service, a point in time, to customers in an amount that reflects the consideration the Marina expects to receive in exchange for those goods and services. Generally, the timing of the revenue recognition and the cash collections occur at the same point in time and do not result in creation of a customer accounts receivable. The revenues recognized are reported in the consolidated statement of operations as launches and retrievals, parking, gasoline sales, store sales and other sales.

In addition to the revenues derived during the day to day operations, the Marina has seasonal dock space rental based on a rental agreement with individuals. The revenue from the dock space rentals is short term in nature covering the annual period that the Marina is open for operations.

***Support With and Without Donor Restrictions***

Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions.

***Use of Estimates***

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

***Income Taxes***

The BLDC files a consolidated Federal Corporation Tax Return with its wholly-owned subsidiary, Norowal Marina, Inc., and a separate New York State General Business Tax Return. BLDC pays federal income tax and New York State franchise tax based on its net income.

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Income Taxes***

The provision for income taxes represents income taxes payable for the current year plus the change in deferred income taxes during the year. Deferred income taxes have been determined using the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement carrying amounts and the tax bases of assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse. This method also allows for the recognition of deferred tax assets in the current period for the future benefit of net operating loss carryforwards and items for which expenses have been recognized for financial statement purposes, but which will be deductible in future periods for income tax purposes. A valuation allowance is provided for deferred tax assets if it is uncertain as to the future realization of these benefits. Currently, there is no valuation allowance provided for in these statements.

BLDC has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles. BLDC believes that income tax filings positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the BLDC's financial condition, results of operations, or cash flows. Accordingly, the BLDC has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2020 and 2019.

BLDC recognizes interest accrued related to income taxes in interest expense and penalties in operating expenses.

***Cash and Cash Equivalents***

Cash and cash equivalents include bank accounts as well as certificates of deposit purchased with a maturity of three months or less.

***Accounts Receivable***

Accounts receivable represents the amount due from seasonal dock space customers. BLDC considers all accounts receivable as of December 31, 2020 and 2019 to be fully collectible, therefore no allowance for bad debts has been recorded. It is the BLDC's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. For the years ended December 31, 2020 and 2019, bad debt expense was \$500 and \$-0-, respectively.

***Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation. Expenditures for major renewals and betterments that extend useful lives of equipment are capitalized. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations using the straight-line method over the following estimated useful lives:

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Property and Equipment***

|                                   | <u>Years</u> |
|-----------------------------------|--------------|
| Furniture, fixtures and equipment | 3-7          |
| Buildings and improvements        | 10-39        |

For the years ended December 31, 2020 and 2019, depreciation and amortization expense was \$241,140 and \$95,977, respectively.

Maintenance and repairs are charged to operations when incurred.

***Intangible Assets***

The Marina has adopted *FASB Accounting Standards Update (ASU) No. 2014-02 Intangibles – Goodwill and Other (Topic 350) Accounting for Goodwill*, which allows the Marina to amortize its goodwill over a period of ten years or less if the Marina can demonstrate another useful life is more appropriate. The Marina has chosen to amortize its goodwill on a straight-line basis over ten years. By adopting the provisions of ASU No. 2014-02, management must test its goodwill for impairment when a triggering event has occurred that indicates that fair value of the intangible is less than its carrying amount. For the year ended December 31, 2020 and 2019, management does not believe that a triggering event had occurred, therefore, no impairment testing was required to be performed.

***Presentation of Sales Tax***

New York State and Warren County impose a sales tax on the Marina's merchandise sales. The Marina collects that sales tax from customers and remits the entire amount to the respective taxing authority. The BLDC's accounting policy is to exclude the tax collected and remitted from revenue and cost of sales.

***Inventory***

Inventory for BLDC consists of gasoline and store merchandise that is reported at the lower of cost or market. BLDC reports the usage of inventory at the lower of FIFO cost and net realizable value.

**3. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at December 31:

|                                    | <u>2019</u>         | <u>2018</u>         |
|------------------------------------|---------------------|---------------------|
| Land and improvements              | \$ 1,876,795        | \$ 1,721,300        |
| Building and improvements          | 427,997             | 572,933             |
| Furniture, equipment and fixtures  | 318,503             | 307,750             |
| Construction in progress           | -                   | 55,715              |
|                                    | <u>2,623,295</u>    | <u>2,657,698</u>    |
| Less Accumulated Depreciation      | 580,951             | 524,894             |
| Property, Plant and Equipment, Net | <u>\$ 2,042,344</u> | <u>\$ 2,132,804</u> |

**OWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**3. PROPERTY AND EQUIPMENT**

During 2020, the BLDC demolished a facility that was capitalized and classified as part of buildings and improvements. As the result of this action the BLDC recorded an impairment loss of approximately \$141,000 which is classified as depreciation expense in 2020. The facility and the associated accumulated depreciation has been removed from property and equipment.

**4. INTANGIBLE ASSETS**

Intangible assets, net, at December 31, 2020 consists of:

| Asset                         | Town of Bolton<br>Local<br>Development<br>Corporation | Norowal<br>Marina, Inc. | Total             |
|-------------------------------|-------------------------------------------------------|-------------------------|-------------------|
| Goodwill                      | \$ -                                                  | \$ 334,702              | \$ 334,702        |
| Option to purchase land       | 1,650                                                 | -                       | 1,650             |
| Total                         | <u>1,650</u>                                          | <u>334,702</u>          | <u>336,352</u>    |
| Less Accumulated Amortization | -                                                     | 133,880                 | 133,880           |
| Intangible Assets, Net        | <u>\$ 1,650</u>                                       | <u>\$ 200,822</u>       | <u>\$ 202,472</u> |

Intangible assets, net, at December 31, 2019 consists of:

| Asset                         | Town of Bolton<br>Local<br>Development<br>Corporation | Norowal<br>Marina, Inc. | Total             |
|-------------------------------|-------------------------------------------------------|-------------------------|-------------------|
| Goodwill                      | \$ -                                                  | \$ 334,702              | \$ 334,702        |
| Option to purchase land       | 1,650                                                 | -                       | 1,650             |
| Total                         | <u>1,650</u>                                          | <u>334,702</u>          | <u>336,352</u>    |
| Less Accumulated Amortization | -                                                     | 100,410                 | 100,410           |
| Intangible Assets, Net        | <u>\$ 1,650</u>                                       | <u>\$ 234,292</u>       | <u>\$ 235,942</u> |

Annual amortization of the goodwill will be \$33,470 through December 31, 2026

**5. OPTION TO PURCHASE LAND**

As part of a purchase transaction during 2017, BLDC obtained a purchase option with the sellers for the purchase of three identified separate properties located in the Town of Bolton, New York. If the sellers of the property decide to sell any or all of the properties, BLDC will have the first opportunity to purchase them at a price equal to the property's tax roll value. In addition, the seller is given the right to request a life tenancy in the property, which would further reduce the purchase price of the property. The option will expire 45 days after notification of the owner's intent to sell the properties. As of December 31, 2020, the BLDC has not received notice of an intent to sell the three parcels.

**OWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**6. INVESTMENTS**

Investments consist of the following at December 31:

|                          | <u>2020</u>       | <u>2019</u>       |
|--------------------------|-------------------|-------------------|
| Certificates of deposits | \$ <u>100,929</u> | \$ <u>100,677</u> |

The investments are stated at fair value based on quoted prices for similar assets in active markets and inputs that are observable for the asset either directly or indirectly, for substantially the full term of the financial instrument (Level 2).

**7. LONG-TERM DEBT**

|                                                                                                                                                                                                                                                                              | <u>2020</u>         | <u>2019</u>         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Mortgage note payable to Glens Falls National Bank and Trust Company, collateralized by property of Norowal Marina, Inc., payable in monthly installments of \$17,308 inclusive of principal and interest. Interest rate is 5.5% and the mortgage matures in September 2025. | \$ 876,617          | \$ 1,030,555        |
| Note payable to the Town of Bolton, guaranteed by the Town of Bolton Local Development Corporation. Payment on this note is deferred for both principal and interest until the Town Board deems necessary.                                                                   | <u>2,000,000</u>    | <u>2,000,000</u>    |
| Total                                                                                                                                                                                                                                                                        | <u>2,876,617</u>    | <u>3,030,555</u>    |
| Less current portion                                                                                                                                                                                                                                                         | <u>167,517</u>      | <u>154,888</u>      |
| Long-term portion                                                                                                                                                                                                                                                            | <u>\$ 2,709,100</u> | <u>\$ 2,875,667</u> |

The aggregate maturities of notes payable for the next five years and thereafter are as follows:

|            |                     |
|------------|---------------------|
| 2021       | \$ 167,517          |
| 2022       | 172,854             |
| 2023       | 182,604             |
| 2024       | 192,905             |
| 2025       | 160,737             |
| Thereafter | <u>2,000,000</u>    |
| Total      | <u>\$ 2,876,617</u> |

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**8. INCOME TAXES**

The Organization's wholly owned subsidiary, Norowal Marina, Inc. (Marina), is a taxable entity and is, therefore, subject to federal and state income taxes. As noted in Note 2, BLDC files a consolidated corporate and separate state tax return. The provisions for income taxes consist of the following components:

|                                  | <u>2020</u>      | <u>2019</u>      |
|----------------------------------|------------------|------------------|
| Current Tax Provision            |                  |                  |
| Federal                          | \$ 12,153        | \$ 40,875        |
| State                            | <u>17,480</u>    | <u>9,759</u>     |
| Total Current Tax Provision      | 29,633           | 50,634           |
| Deferred tax provision (benefit) |                  |                  |
| Federal                          | (5,392)          | (4,903)          |
| State                            | <u>(1,786)</u>   | <u>(1,198)</u>   |
| Provision for income tax         | <u>\$ 22,455</u> | <u>\$ 44,533</u> |

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of Marina's assets and liabilities. Differences are primarily attributable to depreciation of assets.

Deferred Tax Liability

The net deferred tax liabilities in the accompanying consolidated statements of financial position include the following components:

|                                                    | <u>2020</u>       | <u>2019</u>        |
|----------------------------------------------------|-------------------|--------------------|
| Current:                                           |                   |                    |
| Deferred tax liabilities                           | \$ -              | \$ -               |
| Deferred tax assets                                | -                 | -                  |
| Net deferred tax assets – Current portion          | <u>-</u>          | <u>-</u>           |
| Non- current:                                      |                   |                    |
| Deferred tax liabilities                           | (7,465)           | (14,643)           |
| Deferred tax assets                                | -                 | -                  |
| Net deferred tax liabilities – Non-current portion | <u>(7,465)</u>    | <u>(14,643)</u>    |
| Total net deferred tax liabilities                 | <u>\$ (7,465)</u> | <u>\$ (14,643)</u> |

**9. FUNCTIONAL EXPENSES**

All expenses for the Marina are directly identifiable and are considered to be BLDC's program expenditures. Management and general expenses are directly identifiable and are charged to BLDC's accounts. There are no accounts which require further allocation.

**10. AVAILABLE RESOURCES AND LIQUIDITY**

The BLDC regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, BLDC considers all expenditures related to its ongoing program services as well as the services undertaken to support this activity to be general expenditures.



**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**10. AVAILABLE RESOURCES AND LIQUIDITY**

At December 31, 2020, the following tables show the total financial assets held by the Organization and the amount of those financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures.

Financial assets at year-end

|                                        | <u>2020</u>       | <u>2019</u>       |
|----------------------------------------|-------------------|-------------------|
| Cash and cash equivalents              | \$ 205,020        | \$ 211,349        |
| Investments in Certificates of Deposit | 100,929           | 100,677           |
| Accounts receivable                    | 128,814           | 139,093           |
| Total financial assets at year-end     | <u>\$ 434,763</u> | <u>\$ 451,119</u> |

**10. AVAILABLE RESOURCES AND LIQUIDITY**

Financial assets available to meet general expenditures over the next 12 months

|                                        | <u>2020</u>       | <u>2019</u>       |
|----------------------------------------|-------------------|-------------------|
| Cash and cash equivalents              | \$ 205,020        | \$ 211,349        |
| Investments in Certificates of Deposit | 100,929           | 100,677           |
| Accounts receivable                    | 128,814           | 139,093           |
| Total financial assets at year-end     | <u>\$ 434,763</u> | <u>\$ 451,119</u> |

**11. FUTURE ACCOUNTING STANDARDS**

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*, which was effective for fiscal years beginning after December 15, 2019. Subsequently, in November 2019 FASB issued ASU 2019-10 extending the effective date to fiscal years beginning after December 15, 2020 and in June 2020, the FASB issued ASU 2020-05, which extended the effective date to fiscal years beginning after December 15, 2021. Management is currently evaluating the impact of this standard on their financial statements.

**12. RISKS AND UNCERTAINTIES**

The outbreak of COVID-19, a respiratory disease has been characterized as a pandemic by the World Health Organization on March 11, 2020. The full impact of the COVID-19 outbreak continues to evolve as of the date these financial statements were available to be issued. It is uncertain as to the full magnitude that the pandemic will have on the financial condition, liquidity, and future results of operations.

**13. SUBSEQUENT EVENTS**

Management has evaluated events subsequent to the balance sheet date of December 31, 2020 through March 31, 2021 which is the date the financial statements were available to be issued, and has determine that there are no subsequent events that require recording or disclosure.

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATING BALANCE SHEET  
DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR 2019)**

**ASSETS**

|                               | <b>Town of<br/>Bolton, LDC</b> | <b>Norwal<br/>Marina Inc.</b> | <b>Eliminations</b>   | <b>2020<br/>Total</b> | <b>2019<br/>Total</b> |
|-------------------------------|--------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Current Assets</b>         |                                |                               |                       |                       |                       |
| Cash and cash equivalents     | \$ 40,232                      | \$ 164,788                    | \$ -                  | \$ 205,020            | \$ 211,349            |
| Accounts receivable           | -                              | 128,814                       | -                     | 128,814               | 139,093               |
| Prepaid income taxes          | 194                            | 22,323                        | -                     | 22,517                | 219                   |
| Prepaid expenses              | -                              | 5,069                         | -                     | 5,069                 | 11,414                |
| Other receivables             | -                              | -                             | -                     | -                     | 3,251                 |
| Inventory                     | -                              | 19,909                        | -                     | 19,909                | 21,204                |
| Total Current Assets          | <u>40,426</u>                  | <u>340,903</u>                | <u>-</u>              | <u>381,329</u>        | <u>386,530</u>        |
| <b>Property and Equipment</b> | <u>108,050</u>                 | <u>1,934,294</u>              | <u>-</u>              | <u>2,042,344</u>      | <u>2,132,804</u>      |
| <b>Other Assets</b>           |                                |                               |                       |                       |                       |
| Investments                   | 2,337,995                      | 100,929                       | (2,337,995)           | 100,929               | 100,677               |
| Intangible assets             | 1,650                          | 200,822                       | -                     | 202,472               | 235,942               |
| Total Current Assets          | <u>2,339,645</u>               | <u>301,751</u>                | <u>(2,337,995)</u>    | <u>303,401</u>        | <u>336,619</u>        |
| <b>TOTAL ASSETS</b>           | <u>\$ 2,488,121</u>            | <u>\$ 2,576,948</u>           | <u>\$ (2,337,995)</u> | <u>\$ 2,727,074</u>   | <u>\$ 2,855,953</u>   |

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATING BALANCE SHEET  
DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR 2019)**

**LIABILITIES AND NET ASSETS (DEFICIT)**

|                                                   | Town of<br>Bolton, LDC | Norowal<br>Marina Inc. | Eliminations          | 2020<br>Total       | 2019<br>Total       |
|---------------------------------------------------|------------------------|------------------------|-----------------------|---------------------|---------------------|
| <b>Current Liabilities</b>                        |                        |                        |                       |                     |                     |
| Accounts payable                                  | \$ 2,225               | \$ -                   | \$ -                  | \$ 2,225            | \$ -                |
| Accrued expenses                                  | -                      | 8,564                  | -                     | 8,564               | 2,295               |
| Payroll liabilities                               | -                      | 1,154                  | -                     | 1,154               | 1,019               |
| Deferred revenue                                  | -                      | 208,215                | -                     | 208,215             | 204,505             |
| Income taxes                                      | -                      | 13,555                 | -                     | 13,555              | 34,794              |
| Current portion of long-term debt                 | 167,517                | -                      | -                     | 167,517             | 154,888             |
| <b>Total Current Liabilities</b>                  | <u>169,742</u>         | <u>231,488</u>         | <u>-</u>              | <u>401,230</u>      | <u>397,501</u>      |
| <b>Long-Term Liabilities</b>                      |                        |                        |                       |                     |                     |
| Mortgage payable, net of current portion          | 709,100                | -                      | -                     | 709,100             | 875,667             |
| Note payable                                      | 2,000,000              | -                      | -                     | 2,000,000           | 2,000,000           |
| Deferred Taxes                                    | -                      | 7,465                  | -                     | 7,465               | 14,643              |
| <b>Total Long-Term Liabilities</b>                | <u>2,709,100</u>       | <u>7,465</u>           | <u>-</u>              | <u>2,716,565</u>    | <u>2,890,310</u>    |
| <b>TOTAL LIABILITIES</b>                          | <u>2,878,842</u>       | <u>238,953</u>         | <u>-</u>              | <u>3,117,795</u>    | <u>3,287,811</u>    |
| <b>Net Assets (Deficit)</b>                       |                        |                        |                       |                     |                     |
| Without donor restrictions:                       |                        |                        |                       |                     |                     |
| Undesignated                                      |                        |                        |                       |                     |                     |
| Common Stock                                      | -                      | 78,000                 | (78,000)              | -                   | -                   |
| Dividends                                         | -                      | (219,872)              | 219,872               | -                   | -                   |
| Additional Paid-In-Capital                        | -                      | 3,949,055              | (3,949,055)           | -                   | -                   |
| Net Deficit                                       | (390,721)              | (1,469,188)            | 1,469,188             | (390,721)           | (431,858)           |
| <b>TOTAL NET ASSETS (DEFICIT)</b>                 | <u>(390,721)</u>       | <u>2,337,995</u>       | <u>(2,337,995)</u>    | <u>(390,721)</u>    | <u>(431,858)</u>    |
| <b>TOTAL LIABILITIES AND NET ASSETS (DEFICIT)</b> | <u>\$ 2,488,121</u>    | <u>\$ 2,576,948</u>    | <u>\$ (2,337,995)</u> | <u>\$ 2,727,074</u> | <u>\$ 2,855,953</u> |

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR 2019)**

|                                                          | Town of<br>Bolton, LDC | Narowal<br>Marina Inc. | Eliminations        | 2020<br>Total       | 2019<br>Total       |
|----------------------------------------------------------|------------------------|------------------------|---------------------|---------------------|---------------------|
| <b>Changes in net assets without donor restrictions:</b> |                        |                        |                     |                     |                     |
| <b>Revenues</b>                                          |                        |                        |                     |                     |                     |
| Dock space                                               | \$ -                   | \$ 215,453             | \$ -                | \$ 215,453          | \$ 223,352          |
| Launches and retrievals                                  | -                      | 124,930                | -                   | 124,930             | 111,275             |
| Parking                                                  | -                      | 325,319                | -                   | 325,319             | 267,180             |
| Gasoline sales                                           | -                      | 224,067                | -                   | 224,067             | 213,185             |
| Store sales                                              | -                      | 55,227                 | -                   | 55,227              | 72,628              |
| Other sales                                              | -                      | 1,776                  | -                   | 1,776               | 3,701               |
| Total Revenue                                            | <u>-</u>               | <u>946,772</u>         | <u>-</u>            | <u>946,772</u>      | <u>891,321</u>      |
| <b>Cost of Goods Sold</b>                                | <u>-</u>               | <u>187,320</u>         | <u>-</u>            | <u>187,320</u>      | <u>187,000</u>      |
| <b>Gross Income</b>                                      | <u>-</u>               | <u>759,452</u>         | <u>-</u>            | <u>759,452</u>      | <u>704,321</u>      |
| <b>Expenses</b>                                          |                        |                        |                     |                     |                     |
| Management and general expenses                          | 169,195                | -                      | -                   | 169,195             | 31,866              |
| Operating expenses                                       | -                      | 478,299                | -                   | 478,299             | 458,736             |
| Total Expenses                                           | <u>169,195</u>         | <u>478,299</u>         | <u>-</u>            | <u>647,494</u>      | <u>490,602</u>      |
| <b>TOTAL OPERATING INCOME</b>                            | <u>(169,195)</u>       | <u>281,153</u>         | <u>-</u>            | <u>111,958</u>      | <u>213,719</u>      |
| <b>Other Income and (Expenses)</b>                       |                        |                        |                     |                     |                     |
| Commissions                                              | -                      | 5,124                  | -                   | 5,124               | 6,192               |
| Equity in net income of Narowal Marina, Inc.             | 264,800                | -                      | (264,800)           | -                   | -                   |
| Rental income                                            | -                      | -                      | -                   | -                   | 12,500              |
| Interest income                                          | 27                     | 953                    | -                   | 980                 | 756                 |
| Interest expense                                         | (54,470)               | -                      | -                   | (54,470)            | (62,015)            |
| Total other income and (expenses)                        | <u>210,357</u>         | <u>6,077</u>           | <u>(264,800)</u>    | <u>(48,366)</u>     | <u>(42,567)</u>     |
| <b>Income Before Provision for Taxes</b>                 | 41,162                 | 287,230                | (264,800)           | 63,592              | 171,152             |
| Provision for Taxes                                      | 25                     | 22,430                 | -                   | 22,455              | 44,533              |
| Increase in net assets without donor restrictions        | <u>41,137</u>          | <u>264,800</u>         | <u>(264,800)</u>    | <u>41,137</u>       | <u>126,619</u>      |
| Net Deficit, Beginning of Year                           | <u>(431,858)</u>       | <u>(1,733,988)</u>     | <u>1,733,988</u>    | <u>(431,858)</u>    | <u>(558,477)</u>    |
| <b>Net Deficit, End of Year</b>                          | <u>\$ (390,721)</u>    | <u>\$ (1,469,188)</u>  | <u>\$ 1,469,188</u> | <u>\$ (390,721)</u> | <u>\$ (431,858)</u> |

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR 2019)**

|                                                                                            | <u>Town of<br/>Bolton, LDC</u> | <u>Norowal<br/>Marina, Inc.</u> | <u>Eliminations</u> | <u>2020<br/>Total</u> | <u>2019<br/>Total</u> |
|--------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|---------------------|-----------------------|-----------------------|
| <b>Cash Flows Provided (Used) By Operating Activities</b>                                  |                                |                                 |                     |                       |                       |
| Change in net deficit from operating activities                                            | \$ 41,137                      | \$ 264,800                      | \$ (264,800)        | \$ 41,137             | \$ 126,619            |
| Adjustments to reconcile change in net deficit<br>to net cash used by operating activities |                                |                                 |                     |                       |                       |
| Depreciation and amortization                                                              | 140,587                        | 100,553                         | -                   | 241,140               | 95,977                |
| Equity in net profit of Norowal Marina, Inc.                                               | (264,800)                      | -                               | 264,800             | -                     | -                     |
| Bad debts                                                                                  | -                              | 500                             | -                   | 500                   | -                     |
| Deferred taxes                                                                             | -                              | (7,178)                         | -                   | (7,178)               | (6,101)               |
| (Increase) decrease in                                                                     |                                |                                 |                     |                       |                       |
| Accounts receivable                                                                        | -                              | 9,779                           | -                   | 9,779                 | (27,496)              |
| Prepaid income taxes                                                                       | 25                             | (22,323)                        | -                   | (22,298)              | 3,169                 |
| Prepaid expenses                                                                           | -                              | 6,345                           | -                   | 6,345                 | (11,414)              |
| Inventory                                                                                  | -                              | 1,295                           | -                   | 1,295                 | 1,014                 |
| Other receivables                                                                          | -                              | 3,251                           | -                   | 3,251                 | -                     |
| Increase (decrease) in                                                                     |                                |                                 |                     |                       |                       |
| Accounts payable                                                                           | -                              | -                               | -                   | -                     | (317)                 |
| Accrued expenses                                                                           | 2,225                          | 6,269                           | -                   | 8,494                 | (31)                  |
| Payroll Liabilities                                                                        | -                              | 135                             | -                   | 135                   | (2,162)               |
| Deferred revenue                                                                           | -                              | 3,710                           | -                   | 3,710                 | 4,556                 |
| Income taxes                                                                               | -                              | (21,239)                        | -                   | (21,239)              | 520                   |
| Net Cash Provided (Used) By Operating Activities                                           | <u>(80,826)</u>                | <u>345,897</u>                  | <u>-</u>            | <u>265,071</u>        | <u>184,334</u>        |
| <b>Cash Flows From Investing Activities</b>                                                |                                |                                 |                     |                       |                       |
| Purchase of investments                                                                    | -                              | (252)                           | -                   | (252)                 | (302)                 |
| Dividends from Subsidiary                                                                  | 219,872                        | (219,872)                       | -                   | -                     | -                     |
| Purchases of property and equipment                                                        | (25,000)                       | (92,210)                        | -                   | (117,210)             | (70,463)              |
| Net Cash Provided (Used) by Investing Activities                                           | <u>194,872</u>                 | <u>(312,334)</u>                | <u>-</u>            | <u>(117,462)</u>      | <u>(70,765)</u>       |
| <b>Cash Flows From Financing Activities</b>                                                |                                |                                 |                     |                       |                       |
| Payments on long-term debt                                                                 | (153,938)                      | -                               | -                   | (153,938)             | (163,085)             |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                                | (39,892)                       | 33,563                          | -                   | (6,329)               | (49,516)              |
| Cash and Cash Equivalents, Beginning of Year                                               | 80,124                         | 131,225                         | -                   | 211,349               | 260,865               |
| <b>Cash and Cash Equivalents, End of Year</b>                                              | <u>\$ 40,232</u>               | <u>\$ 164,788</u>               | <u>\$ -</u>         | <u>\$ 205,020</u>     | <u>\$ 211,349</u>     |

**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(WITH COMPARATIVE TOTALS FOR 2019)**

|                                     | <u>Town of<br/>Bolton, LDC</u> | <u>Norowal<br/>Marina, Inc.</u> | <u>Eliminations</u> | <u>2020<br/>Total</u> | <u>2019<br/>Total</u> |
|-------------------------------------|--------------------------------|---------------------------------|---------------------|-----------------------|-----------------------|
| <b>Supplemental Information</b>     |                                |                                 |                     |                       |                       |
| Cash paid for business income taxes | <u>\$ 25</u>                   | <u>\$ 37,670</u>                | <u>\$ -</u>         | <u>\$ 37,695</u>      | <u>\$ 46,945</u>      |
| Cash paid for interest              | <u>\$ 54,470</u>               | <u>\$ -</u>                     | <u>\$ -</u>         | <u>\$ 54,470</u>      | <u>\$ 62,015</u>      |

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

To the Board of Directors  
Town of Bolton Local Development Corporation  
Bolton Landing, NY

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 consolidated financial statements of the Town of Bolton Local Development Corporation and subsidiary, which comprise the consolidated balance sheet as of December 31, 2020, and the related consolidated statements of operations and accumulated deficit, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 31, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Bolton Local Development Corporation’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Bolton Local Development Corporation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Bolton Local Development Corporation’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Bolton Local Development Corporation'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.

*Marvin and Company, P.C.*

Queensbury, NY  
March 31, 2021



**TOWN OF BOLTON LOCAL DEVELOPMENT CORPORATION  
AND SUBSIDIARY  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**2019-001 PURCHASES OF PROPERTY AND EQUIPMENT**

Status

Town of Bolton Local Development Corporation (BLDC) has adopted a policy for documenting consideration and approval for purchases or disposition of significant items classified as property, or equipment. No similar issue was noted in the current year.