

**FULTON COUNTY CENTER FOR
REGIONAL GROWTH, INC.**

SCHEDULE OF INVESTMENTS

YEAR ENDED DECEMBER 31, 2020

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SCHEDULE OF INVESTMENTS

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INDEPENDENT AUDITORS' REPORT

To the Chairperson and Board of the
Fulton County Center for Regional Growth, Inc.
Gloversville, New York

Report on the Schedule of Investments

We have audited the accompanying schedule of investments of Fulton County Center for Regional Growth, Inc., a public benefit corporation, as of December 31, 2020, and the related notes.

Management's Responsibility for the Financial Schedule

Management is responsible for the preparation and fair presentation of the schedule of investments in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule of investments that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the schedule of investments 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 schedule of investments is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of investments. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the schedule of investments, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Fulton County Center for Regional Growth, Inc.'s preparation and fair presentation of the schedule of investments 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 schedule of investments.

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

Opinion

In our opinion, the schedule of investments referred to above present fairly, in all material respects, the investments of Fulton County Center for Regional Growth, Inc. as of December 31, 2020, in conformity with U.S. generally accepted accounting principles.

Report on the Financial Statements

We have audited, in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards*, the financial statements of Fulton County Center for Regional Growth, Inc. as of and for the year ended December 31, 2020, and our report thereon dated April 21, 2021, expressed an unmodified opinion on those financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2021, on our consideration of Fulton County Center for Regional Growth, Inc.'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 with respect to the schedule of investments. 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 Fulton County Center for Regional Growth, Inc.'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 Fulton County Center for Regional Growth, Inc.'s internal control over financial reporting and compliance with respect to the schedule of investments.

WEST & COMPANY CPAs PC

Gloversville, New York
April 21, 2021

FULTON COUNTY CENTER FOR REGIONAL GROWTH, INC.

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2020

INVESTMENTS	
Unrestricted	\$ <u>0</u>
TOTAL INVESTMENTS	\$ <u><u>0</u></u>

The accompanying notes are an integral part of this statement.

FULTON COUNTY CENTER FOR REGIONAL GROWTH, INC.

NOTES TO SCHEDULE OF INVESTMENTS

DECEMBER 31, 2020

NOTE 1 – BACKGROUND AND ORGANIZATION

Organization and Purpose

The Organization

The Fulton County Center for Regional Growth, Inc. (CRG or Organization collectively) was incorporated under the not for profit laws of the State of New York on March 2, 2012. CRG’s primary purpose is to promote economic development within Fulton County, New York and its neighboring communities. It does this primarily through the marketing, promotion and the administration of a number of governmental grants and projects, in cooperation with Gloversville Economic Development Corporation, Mohawk Valley Economic Development District, Inc., New York Business Development Corporation, New York State Empire State Development, Corp., Statewide Zone Capital Corp. and Fulton County Industrial Development Agency, among others, from its 37,250 square foot facility at 34 West Fulton Street in Gloversville, New York and also includes promoting other Fulton County Projects.

Basis of Accounting

These financial statements have been prepared under the accrual method of accounting in accordance with generally accepted accounting principles (GAAP) of the United States of America. The accounting principles under GAAP are defined by the Financial Accounting Standards Board (FASB) under the Accounting Standards Codification (ASC) as updated by Accounting Standards Updates (ASU). These financial statements are presented under the current applicable accounting and presentation standards.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments

In accordance with FASB ASC, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

NOTE 3 – INVESTMENTS

As of December 31, 2020, the Organization had the following investments. Investment maturities are shown for December 31, 2020 only.

	<u>Fair Value</u>	<u>Investment Maturities Less Than 1 Year</u>
Certificates of Deposit	\$ 363,021	\$ 363,021
Money Market	<u>81,955</u>	81,955
Total	444,976	
Less: cash equivalents	<u>(444,976)</u>	
Total unrestricted investments	<u>\$ 0</u>	

FULTON COUNTY CENTER FOR REGIONAL GROWTH, INC.

NOTES TO SCHEDULE OF INVESTMENTS

DECEMBER 31, 2020

NOTE 3 – INVESTMENTS – (CONTINUED)

Allowable Investments

Permissible investments by the Organization are:

- A. Cash and Equivalents** – Short-term investments shall consist of cash and money market funds.
- B. Fixed Income** – The fixed income portfolio shall consist of U.S. Treasury securities, U.S. Agency securities, corporate bonds, FDIC certificates of deposit, and bond mutual funds. Individual corporate bonds should carry an investment rating of “A” or higher as reported by Standard & Poor’s and/or Moody’s. Bonds held by FCCRG whose rating falls below “A” shall be divested unless it is deemed appropriate by the advisor, the rating is “BBB”, and the maturity is less than six months.

The maximum ownership of any individual corporate issue shall equal 100% of the fixed income segment of the portfolio.

The maximum exposure within the corporate bond portfolio to an Industry Group (as defined by the Standard & Poor’s Global Industry Classification Standard) shall not exceed 25% of the fixed income segment of the portfolio, unless it results from the purchase of a \$10,000 bond (minimum bond purchase value).

Maturities on all fixed income investments should not exceed 10 years.

- C. Equities** – The equity portfolio should be well diversified and include exposure to a variety of market segments as defined by industry, and market capitalization. Allowable investments shall consist of common and preferred stock, convertible securities, FDIC certificates of deposit, and stock mutual funds.

The maximum ownership of any individually purchased stock should not exceed 5% of the equity segment of the portfolio.

The maximum exposure to an Industry Group (as defined by the Standard & Poor’s Global Industry Classification Standard) shall not exceed 20% of the equity segment of the portfolio.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF THE SCHEDULE OF INVESTMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Chairperson and Board of the
Fulton County Center for Regional Growth, Inc.
Gloversville, New York

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 *Government Auditing Standards* issued by the Comptroller General of the United States, the schedule of investments of the Fulton County Center for Regional Growth, Inc., a public benefit corporation, as of and for the year ended December 31, 2020, and the related notes to the schedule of investments, and have issued our report thereon dated April 21, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the schedule of investments, we considered Fulton County Center for Regional Growth, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the schedule of investments, but not for the purpose of expressing an opinion on the effectiveness of Fulton County Center for Regional Growth, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Fulton County Center for Regional Growth, Inc.'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 Organization's schedule of investments 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 Fulton County Center for Regional Growth, Inc.'s schedule of investments are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and investment policies established by Fulton County Center for Regional Growth, Inc. and the New York State Comptroller investment guideline requirements as presented in Section 201.3(c) of the *Accounting, Reporting and Supervision Requirements for Public Authorities*, noncompliance with which could have a direct and material effect on the determination of schedule of investment amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is intended 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 Organization'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.

WEST & COMPANY CPA PC

Gloversville, New York
April 21, 2021