

BETHEL LOCAL DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2023

BETHEL LOCAL DEVELOPMENT CORPORATION

DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of the Bethel Local
Development Corporation
White Lake, NY

Opinions

We have audited the accompanying financial statements of the Bethel Local Development Corporation, a component unit of the Town of Bethel, New York, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Bethel Local Development Corporation, as of December 31, 2023 and 2022, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bethel Local Development Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bethel Local Development Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Bethel Local Development Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bethel Local Development Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2024 on our consideration of the Bethel Local Development Corporation'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 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 Bethel Local Development Corporation's internal control over financial reporting and compliance.

Cooper Arias, LLP

Mongaup Valley, New York
April 4, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ending December 31, 2023

This section of the Bethel Local Development Corporation's annual financial report presents our discussion and analysis of the Corporation's financial performance during the fiscal year ended on December 31, 2023. Please read it in conjunction with the Corporation's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- Operating revenues increased \$3,898 (11%) from the previous year
- Operating expenses decreased \$9,718 (24%) from the previous year.
- Net operating gain of \$6,698 was up \$13,616 from the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The Corporation's statements follow the accrual basis of accounting and are presented in a manner similar to a private business.

FINANCIAL ANALYSIS OF THE CORPORATION

The following table summarizes the changes in net position between December 31, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Current Assets	\$ 9,302	\$ 3,323
Capital Assets, net	<u>83,507</u>	<u>84,239</u>
Total Assets	<u>92,809</u>	<u>87,562</u>
Current Liabilities	450	1,169
Long Term Liabilities	<u>65,404</u>	<u>65,404</u>
Total Liabilities	<u>65,854</u>	<u>66,573</u>
Net Investment In Capital Assets	59,663	60,395
Restricted	18,473	14,084
Unrestricted	<u>(51,181)</u>	<u>(53,490)</u>
Total Net Position	<u>\$ 26,955</u>	<u>\$ 20,989</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ending December 31, 2023

Operating Income. The following table summarizes the changes in operating activity between fiscal years 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Commissions	\$ 20,000	\$ 20,000
Grants and Contributions	18,154	13,838
Other Income	<u>-</u>	<u>418</u>
Total Operating Revenues	<u>38,154</u>	<u>34,256</u>
Program Expenses	17,000	29,351
Legal and Professional Fees	4,200	4,500
Consulting	9,121	5,688
Other Expenses	<u>1,135</u>	<u>1,635</u>
Total Operating Expenses	<u>31,456</u>	<u>41,174</u>
Operating Revenue (Loss)	<u>\$ 6,698</u>	<u>\$ (6,918)</u>

CAPITAL ASSETS

The Corporation had \$83,507 and \$84,239 invested in capital assets, net of \$10,005 and \$9,273 in accumulated depreciation as of December 31, 2023 and 2022, respectively. Depreciation expense was \$732 and \$733 for the years ended December 31, 2023 and 2022, respectively.

DEBT

The Corporation had no debt as of December 31, 2023 and 2022.

OPERATIONS AND ACCOMPLISHMENTS

Public Authorities Reporting Information System (PARIS), under the Public Authorities Law (PAL) passed in 2005, the Bethel Local Development (BLDC) became subject to specific and detailed reporting requirements in 2010. The Bethel Local Development Corporation filed their certificate of Incorporation in May 1998 thereby in 2023 the BLDC celebrated 25 years of operations

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ending December 31, 2023

The Smallwood Golf Course (SGC), one of many strategic projects, represents 196 acres and was purchased by the BLDC from Sullivan County in 2011 using funds borrowed from the Town of Bethel. The title for the 60-acre mining property was transferred to the Town from the BLDC in June of 2014 by resolution of the Town Board. Subsequent negotiations led to a new agreement with Sullivan County regarding sharing in the property's mined road sand, and the marketing of several parcels that were reserved for potential development as part of the original plans for the property. This transfer resulted in a \$19,080 value to the BLDC. The reserved parcels gave way to a Community Park known as the Forest Reserve at Smallwood. Many subsequent benefits are being realized from the sale including an outdoor recreation area with an inclusive playground, athletic exercise equipment, dog park and trails designed to improve the quality and quantity of leisure experiences. There is evidence that exposure to the natural world (blue-green spaces) have potential benefits for mental health and well-being. Forest Reserve was viewed as a critical element during COVID.

For the years ending the 2023 and 2022, the Corporation received a commission from the Town of Bethel in the amount of 20,000 each year, for sand and gravel extracted from the parcel of land purchased in 2011.

In 2023, the BLDC received grants awards from Delaware Valley Arts Alliance, Farm Credit East and Cornell Cooperative Extension in addition to donations to finance local community event and programs. The list of events and programs in addition to the (SGC) include Bethel Business Association, CEAP, Farmers Market, Dog Park, Nourish Your Neighbor, Bethel Lakeside Music, Animal Abuse and Prevention, Literacy Center.

The Town of Bethel, is on the same corridor that hosted the original Woodstock Music Festival, now the site of Bethel Woods Performing Arts Center and the Bethel Woods Museum. Due to its proximity many Community Events are held including Bethel Lakeside Music (BLM) in the spirit of the Woodstock's 1969 Festival. The BLM event has since expanded to showcase Sullivan County's rich talent by combining two big local events; Farm and Makers with Bethel Lakeside Music. The combination offers musical performances, art exhibits, art & craft making, and culinary demonstrations. This yearlong "admission free" gathering held since 2016 unites families, friends and tourists in a celebration of creativity, culture, and performance. BLM takes pride in presenting a wide range of musical genres, a venue for both emerging and established artist, and makers, offering "free" live concerts, visual arts, kid-friendly activities and culinary offerings. The 2023 schedule featured 27 yearlong including holidays live music concerts, art exhibits, art & craft making, & culinary demonstrations. BLM events are a one stop multi-sensory experience that aim to incorporate all 5 senses to benefit mind, spirit, and body.

The authority operates with 1 full time equivalent employee. The BLDC works closely with our auditors from Cooper Arias, LLP to assist in analysis of financial implications so we can make informed decisions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ending December 31, 2023

Looking ahead, we are excited to be working with Town of Bethel as grant funds were awarded to the Town by the New York State 2022-2023 Environmental Protection Fund Smart Growth Community Planning Program. The Town of Bethel will use the funds to update its 2006 Comprehensive Plan to guide future land uses, infrastructure, conservation, recreation, and housing to align with its community vision and the current economic, environmental, and social landscape.

The Bethel Local Development Corporation continues to move forward in keeping with its mission to drive the Town of Bethel economy by promoting and attracting new business, supporting the expansion of existing business, developing a capable workforce, sustaining a healthy environment, to maintain a vibrant community. To this end the BLDC places priority on the fields of agriculture, tourism, local art, and sustainable energy.

The intention of the BLDC is to develop, and promote invaluable programs that are essential to the growth of the community including displaying the talents of local artists, makers, musicians fostering a strong community spirit, which has the potential to attract enterprises and visitors and engage residents in the local culture. This leads to increased patronage and sales.

We would like to thank the members of the Board of Directors and the people of Bethel for the goodwill and assistance they have continually exhibited.

CONTACTING THE CORPORATION'S MANAGEMENT

If you have any questions about this report or need additional information, contact the Bethel Local Development Corporation, at PO Box 300, White Lake, NY 12786.

BETHEL LOCAL DEVELOPMENT CORPORATION
STATEMENT OF NET POSITION
DECEMBER 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash – Restricted	\$ <u>9,302</u>	\$ <u>3,323</u>
Total Current Assets	<u>9,302</u>	<u>3,323</u>
Fixed Assets		
Land - Smallwood Golf Course (Note 4)	80,944	80,944
Equipment	12,568	12,568
Accumulated Depreciation	<u>(10,005)</u>	<u>(9,273)</u>
Net Fixed Assets	<u>83,507</u>	<u>84,239</u>
TOTAL ASSETS	<u>92,809</u>	<u>87,562</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	<u>450</u>	<u>1,169</u>
Total Current Liabilities	<u>450</u>	<u>1,169</u>
Long Term Liabilities		
Loans Payable – Related Party (Note 3)	<u>65,404</u>	<u>65,404</u>
Total Long-Term Liabilities	<u>65,404</u>	<u>65,404</u>
TOTAL LIABILITIES	<u>65,854</u>	<u>66,573</u>
NET POSITION		
Net Investment In Capital Assets	59,663	60,395
Restricted	18,473	14,084
Unrestricted	<u>(51,181)</u>	<u>(53,490)</u>
TOTAL NET POSITION	<u>\$ 26,955</u>	<u>\$ 20,989</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

BETHEL LOCAL DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEARS ENDED DECEMBER 31,

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Commissions	\$ 20,000	\$ 20,000
Grants and Contributions	18,154	13,838
Refund of Prior Year Expenses	<u> -</u>	<u> 418</u>
 TOTAL OPERATING REVENUES	 <u> 38,154</u>	 <u> 34,256</u>
 OPERATING EXPENSES		
Program Expenses (Note 5)	17,000	29,351
Consulting	9,121	5,688
Legal and Professional Fees	4,200	4,500
Miscellaneous Expenses	<u> 1,135</u>	<u> 1,635</u>
 TOTAL OPERATING EXPENSES	 <u> 31,456</u>	 <u> 41,174</u>
 NET OPERATING REVENUE (LOSS)	 6,698	 (6,918)
 NON-OPERATING EXPENSES		
Depreciation Expense	<u> (732)</u>	<u> (733)</u>
 CHANGE IN NET POSITION	 5,966	 (7,651)
 NET POSITION - Beginning of Period	 <u> 20,989</u>	 <u> 28,640</u>
 NET POSITION – End of Period	 <u> \$ 26,955</u>	 <u> \$ 20,989</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

BETHEL LOCAL DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants and contributions	\$ 13,154	\$ 13,838
Cash received from related parties	25,000	20,000
Other Cash Received	-	418
Cash payments for contractual expenses	<u>(32,175)</u>	<u>(43,169)</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>5,979</u>	 <u>(8,913)</u>
 NET INCREASE (DECREASE) IN CASH	 5,979	 (8,913)
 CASH- BEGINNING OF PERIOD	 <u>3,323</u>	 <u>12,236</u>
 CASH- END OF PERIOD	 <u>\$ 9,302</u>	 <u>\$ 3,323</u>
 Reconciliation of operating revenue to net cash provided by operating activities:		
Operating Revenue (Loss)	\$ 6,698	\$ (6,918)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	<u>(719)</u>	<u>(1,995)</u>
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 5,979</u>	 <u>\$ (8,913)</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

BETHEL LOCAL DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Bethel Local Development Corporation was established in May 1998 under Section 1411 of the Not For Profit Corporation Law, which covers local development corporations. The purpose of the Bethel Local Development Corporation is to foster the creation, retention and expansion of jobs and economic opportunities within the Town of Bethel, located in Sullivan County, New York. The Corporation's main revenues are generated from grants and contributions.

The Corporation is a component unit of the Town of Bethel, New York. The Town Supervisor appoints the Board members of the Corporation and a majority of the Board must be made up of officials of the Town of Bethel. The financial activities of the Corporation are combined with the financial activities of the Town and other component units, which constitutes the entire reporting entity for the Town of Bethel.

Basis of Accounting

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

The Corporation follows the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when incurred. Fixed assets and long-term liabilities related to these activities are recorded within the financial statements.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Operating Revenues and Expenses

In the statement of revenues, expenses and changes in fund net position, operating revenues and expenses include all activity that is part of the Corporation's normal operating activities. Interest earned on cash balances, depreciation and unusual or infrequent items are included as non-operating activities.

BETHEL LOCAL DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash

For the statement of cash flows, the Bethel Local Development Corporation considers all highly liquid investments as cash.

New Accounting Standards

The Corporation has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At December 31, 2023 the Corporation implemented the following new standards:

GASB 93 – *Replacement of Interbank Offered Rates*, effective for the year ending December 31, 2022, except for the removal of LIBOR as an appropriate benchmark interest rate, which is effective for the year ending December 31, 2023.

GASB 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

GASB 96 – *Subscription-Based Information Technology Arrangements*

GASB 99 – *Omnibus 2023*, effective for the year ending December 31, 2023 *except for the portion related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53*, which is effective for the year ending December 31, 2024.

Future Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following standards that will become effective in future fiscal years:

GASB 99 – *Omnibus 2023*, effective for the year ending December 31, 2023 *except for the portion related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53*, which is effective for the year ending December 31, 2024.

GASB 100 – *Accounting Changes and Error Corrections – an amendment of GASB No. 62*, effective for the year ending December 31, 2024

GASB 101 – *Compensated Absences*, effective for the year ending December 31, 2024

The Corporation will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

BETHEL LOCAL DEVELOPMENT CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications

In the financial statements there are three classes of net position:

Net investment in capital assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets.

Restricted – reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Corporation’s restricted net position consisted of amounts restricted to use on the following programs as of December 31:

	<u>2023</u>	<u>2022</u>
Save Your Life	\$ 3,534	\$ 3,534
CEAP	3,885	485
Bethel Business Association	4,941	4,092
Nourish Your Neighbor	1,503	503
Animal Abuse and Prevention	4,020	5,020
Other Programs	<u>590</u>	<u>450</u>
 TOTAL	 <u>\$ 18,473</u>	 <u>\$ 14,084</u>

Unrestricted – reports all other net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the Corporation.

Order of Use of Net Position:

When an expense is incurred for which both restricted and unrestricted resources are available, the Board will assess the current financial condition of the Corporation and then determine which classification of net position will be applied.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources, which represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and

BETHEL LOCAL DEVELOPMENT CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

so will not be recognized as an inflow of resources (revenue) until that time. The Corporation reported no deferred outflows or inflows of resources as of December 31, 2023 and 2022.

Capital Assets

The Corporation records all purchased capital assets at historical cost. Donated assets are recorded at their fair market or appraised value at the date of the gift. Depreciation and amortization of capital assets are provided over the estimated useful lives of the respective assets on a straight-line basis. The estimated useful lives for depreciation purposes are as follows:

Equipment	5-10 Years
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NOTE 2 – CASH AND INVESTMENTS

Corporation monies are deposited in FDIC-insured commercial banks in the form of demand deposits or certificates of deposit. All cash balances were covered by FDIC insurance as of December 31, 2023 and 2022.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Town of Bethel has control over the appointment of board members to the Bethel Local Development Corp. Therefore, the Corporation is a component unit of the Town. The Corporation is involved in the following transactions with the Town of Bethel:

Loans Payable

The Bethel Local Development Corporation receives loans from the Town of Bethel to finance various projects in anticipation of future revenues, such as grant income, that will be used to repay the loans. The Corporation had the following outstanding loans with the Town of Bethel for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Smallwood Golf Course	\$ 23,844	\$ 23,844
Operating Funds	25,513	25,513
Community Events	<u>16,047</u>	<u>16,047</u>
 TOTAL	 <u>\$ 65,404</u>	 <u>\$ 65,404</u>

BETHEL LOCAL DEVELOPMENT CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2023

NOTE 3 – RELATED PARTY TRANSACTIONS (Continued)

Operating Revenues

During the year ended December 31, 2014, the Town purchased a parcel of land from the Corporation to be used for sand and gravel mining. In addition to the purchase price, the Town will pay a commission to the Corporation for all sand and gravel extracted from the parcel. The annual commission of \$15,000 may be revised upon the mutual consent of both parties. In September 2022, the Town Board approved an increase of \$5,000 to the payment. The Corporation received commission payments from the Town of \$20,000 and \$20,000 for the years ended December 31, 2023 and 2022, respectively.

During the year ended December 31, 2023, the Town contributed \$5,000 towards the Corporation’s CEAP program. There was no contribution for this program for the year ended December 31, 2022.

NOTE 4 – SMALLWOOD GOLF COURSE

On November 4, 2011, the Bethel Local Development Corporation purchased a golf course located in the Town of Bethel, New York from the County of Sullivan. The property is reported as land and, therefore, no depreciation is recognized.

NOTE 5 – PROGRAM EXPENSES

The Corporation’s program expenses for the years ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Bethel Business Association	\$ 3,352	\$ 2,159
Smallwood Golf Course	450	900
CEAP	1,600	1,800
Farmer’s Market	3,649	3,308
Dog Park	236	1,999
Nourish Your Neighbor	2,000	10,200
Music in the Park	4,713	4,974
Animal Abuse and Prevention	1,000	2,000
Literacy Center	-	1,613
Miscellaneous Programs	-	398
	<u>\$ 17,000</u>	<u>\$ 29,351</u>

BETHEL LOCAL DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 – LIABILITIES PAID FROM RESTRICTED ASSETS

The following liabilities of the Corporation will be paid from restricted assets:

	<u>2023</u>	<u>2022</u>
Accounts Payable	<u>\$ 271</u>	<u>\$ 1,160</u>

NOTE 7 – CAPITAL ASSETS

Capital asset balances and activity for the years ended December 31, 2023 and 2022 were as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENTS/ RECLASSIFICATIONS</u>	<u>ENDING BALANCE</u>
<u>2023</u>				
Non-depreciable capital assets:				
Land	\$ 80,944	\$ -	\$ -	\$ 80,944
Total non-depreciable	<u>80,944</u>	<u>-</u>	<u>-</u>	<u>80,944</u>
Depreciable capital assets:				
Machinery and Equipment	<u>12,568</u>	<u>-</u>	<u>-</u>	<u>12,568</u>
Total depreciable	<u>12,568</u>	<u>-</u>	<u>-</u>	<u>12,568</u>
Less accumulated depreciation:				
Machinery and Equipment	<u>9,273</u>	<u>732</u>	<u>-</u>	<u>10,005</u>
Total Accumulated Depreciation	<u>9,273</u>	<u>732</u>	<u>-</u>	<u>10,005</u>
Total historical cost, net	<u>\$ 84,239</u>	<u>\$ 732</u>	<u>\$ -</u>	<u>\$ 83,507</u>
<u>2022</u>				
Non-depreciable capital assets:				
Land	\$ 80,944	\$ -	\$ -	\$ 80,944
Total non-depreciable	<u>80,944</u>	<u>-</u>	<u>-</u>	<u>80,944</u>
Depreciable capital assets:				
Machinery and Equipment	<u>12,568</u>	<u>-</u>	<u>-</u>	<u>12,568</u>
Total depreciable	<u>12,568</u>	<u>-</u>	<u>-</u>	<u>12,568</u>
Less accumulated depreciation:				
Machinery and Equipment	<u>8,540</u>	<u>733</u>	<u>-</u>	<u>9,273</u>
Total Accumulated Depreciation	<u>8,540</u>	<u>733</u>	<u>-</u>	<u>9,273</u>
Total historical cost, net	<u>\$ 84,972</u>	<u>\$ 733</u>	<u>\$ -</u>	<u>\$ 84,239</u>

BETHEL LOCAL DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 – NET INVESTMENT IN CAPITAL ASSETS

	<u>2023</u>	<u>2022</u>
Net Capital Assets	\$ 83,507	\$ 84,239
Less: Outstanding Loans	<u>(23,844)</u>	<u>(23,844)</u>
Net Investment In Capital Assets	<u>\$ 59,663</u>	<u>\$ 60,395</u>

NOTE 9 – EVENTS OCCURRING AFTER REPORTING DATE

The Bethel Local Development Corporation has evaluated events and transactions that occurred between December 31, 2023 and April 4, 2024, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

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 the Bethel Local
Development Corporation
White Lake, New York 12786

We have audited, 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, the financial statements of the Bethel Local Development Corporation, a component unit of the Town of Bethel, New York, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Bethel Local Development Corporation's financial statements and have issued our report thereon dated April 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bethel Local Development Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bethel Local Development Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bethel 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 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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Cooper Arias, LLP

Mongaup Valley, New York
April 4, 2024