

## REQUIRED COMMUNICATIONS

March 12, 2024

To the Board of Directors of  
City of Utica Industrial Development Agency:

We have audited the financial statements of the business-type activities of City of Utica Industrial Development Agency (Utica IDA) for the years ended December 2023 and 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated February 20, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### SIGNIFICANT AUDIT FINDINGS

#### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Utica IDA are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by Utica IDA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

#### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

6 Wembley Court  
Albany, NY 12205  
p (518) 464-4080  
f (518) 464-4087

[www.bonadio.com](http://www.bonadio.com)

**Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. See attachment A for material adjustments recorded as a result of our audit procedures.

**Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated with the date of our Independent Auditor's Report.

**Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Utica IDA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Utica IDA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Other Matters**

We applied certain limited procedures to management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

**Restriction on Use**

This information is intended solely for the use of the Board of Directors and management of Utica IDA and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours

Bonadio & Co., LLP

**CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY**  
**DECEMBER 31, 2023**

---

**Attachment A - Material Audit Adjustments**

*To record deposit recieved and deposited in December from Chicago Title Insurance Company regarding Art Space that was not recorded until 2024.*

Bank of Utica - Checking	\$ 48,859	\$ -
Agency Fees	-	45,859
Admin Fees	-	3,000
<b>Total</b>	<u>\$ 48,859</u>	<u>\$ 48,859</u>

*To record accounts payable based on subsequent disbursement testing. Client recorded these transactions in 2024.*

Consulting Fee	\$ 29,455	\$ -
Consulting Fee	82,755	-
Accounts Payable	-	112,210
	<u>\$ 112,210</u>	<u>\$ 112,210</u>