

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

EDA CARES Fund (continued)

Lancaster LLC., 2.44% interest bearing notes receivable , \$592 and \$306 per month including interest through November 1, 2031 and September 1,2028, respectively.	\$ 76,528
Bailey Manufacturing, 2.44% interest bearing note receivable (loan awarded during 2022), \$6,078 per month including interest through February 1, 2032.	598,539
Chautauqua County Chamber of NYSARC, 2.44% interest bearing note receivable (loan awarded during 2022), \$1,163 per month including interest through April 1, 2032.	116,393
James Turner Sales, 2.44% interest bearing note receivable, \$1,296 per month including interest through February 1 ,2028.	81,115
Majestic Woods, LLC, 2.44% interest bearing notes receivable, \$389, \$483 and \$560 per month including interest through July 1,2028, September 1, 2028 and December 1, 2028, respectively.	92,861
Meeder's Restaurant, Inc., 2.44% interest bearing note receivable, \$972 per month including interest through July 1, 2028.	60,836
Chautauqua Lake Self Storage, LLC., 2.44% interest bearing note receivable, \$2,371 per month including interest through November 1, 2041.	430,834
Birchman's Parisian, LLC., 2.44% interest bearing note receivable, \$519 per month including interest through September 1, 2028, respectively.	33,348
New Cinema Relations, 2.44% interest bearing note receivable (loan awarded during 2022), \$1,296 per month including interest through July 1, 2029.	94,513
Colecraft Commercial Furniture, 2.44% interest bearing note receivable (loan awarded during 2022), \$1,296 per month including interest through July 1, 2029.	94,513
Bemus Point Inn, 2.44% interest bearing note receivable (loan awarded during 2022), \$1,296 per month including interest through July 1, 2029.	<u>250,000</u>
Subtotal	9,174,721
Less: reserve	<u>(1,376,000)</u>
Subtotal	7,798,721
Less: current portion	<u>(1,061,964)</u>
Long-term portion – EDA CARES	<u>\$ 6,736,757</u>

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

EDA CARES Fund (continued)

As of December 31, 2022, the Agency had no commitments to issue notes.

CREDC Economic Development Program

Cockaigne Development, LLC, loan of \$400,000, if conditions of loan are met through April 30, 2024, \$200,000 of the loan will be forgiven.	\$ 288,358
Jamestown Advance Products Corp., loan of \$734,000, (loan awarded in 2022) if conditions of loan are met through September 1, 2025, \$367,000 of the loan will be forgiven.	<u>705,302</u>
Subtotal	993,660
Less: reserve	<u>(149,000)</u>
Subtotal	844,660
Less: current portion	<u>(160,080)</u>
Long-term portion – CREDC	<u>\$ 684,580</u>

The Agency makes reserves for uncollectible notes receivable based on an assessment of the recoverability of receivables. Reserves are applied to notes receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyzed customer creditworthiness, available collateral, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the reserve for uncollectible notes receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables. It is at least reasonably possible that the estimated reserve for uncollectible notes receivable will change in the future.

NOTE 10 - LONG-TERM DEBT

Industrial Development Agency

Bond payable to County of Chautauqua with an interest rate of 3%. Proceeds to be used to acquire Talcott Street property in Dunkirk, NY. Payable upon disposition of the acquired property.	\$ 2,000,000
Bond payable to County of Chautauqua. Proceeds used for construction of the Stoneman Industrial Park SPEC Building. Payable \$99,591 semi-annually beginning February 20, 2002, including interest at 3% - 5% accruing as of August 20, 2001, compounded semi-annually. The bond matures in 2032.	755,387

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

NOTE 10 - LONG-TERM DEBT (CONTINUED)

Industrial Development Agency (continued)

Bond payable to County of Chautauqua with an annual interest rate of 5%. Proceeds used for the construction of a new aircraft storage hangar. Payable on upon disposition of the acquired property. \$ 81,371

Bond payable to County of Chautauqua with interest at 2.274%. Proceeds used for construction of the Chadwick Bay Industrial Park SPEC Building. Monthly principal and interest payments totaling \$9,428 began July 25, 2013. The bond matures July 25, 2033. 1,055,922

Subtotal 3,892,680

Less: current portion (2,237,096)

Long-term debt – IDA \$ 1,655,584

At December 31, 2022, debt service requirements are as follows:

	Principal	Interest	Total
CCIDA			
2023	\$ 2,237,096	\$ 44,840	\$ 2,281,936
2024	159,792	40,774	200,566
2025	163,967	36,599	200,566
2026	168,253	32,313	200,566
2027	172,654	27,912	200,566
2028-2032	934,674	69,331	1,004,005
2033	56,244	374	56,618
	<u>\$ 3,892,680</u>	<u>\$ 252,143</u>	<u>\$ 4,144,823</u>

CCIDA incurred interest expense in the amounts of \$48,492 during 2022.

NOTE 11 – RIGHT-OF-USE ASSETS AND OPERATING LEASE

During 2016, the Agency moved its office location to 201 West Third Street in Jamestown, New York. A lease agreement was entered into which has an initial term of 10 years, with a 5 year renewal option, and commenced on August 1, 2016. Monthly rental payments of \$7,495 per month plus quarterly payments for common area maintenance fees and property taxes are due in the first year of this agreement, with subsequent lease periods increasing by 2%. The option to extend was included in the measurement as it is likely that the agreement is extended.

NOTE 11 – RIGHT-OF-USE ASSETS AND OPERATING LEASE (CONTINUED)

As of December 31, 2022, the weighted average remaining lease term is 6.6 years and weighted average discount rate is 2%.

The maturities of lease liabilities as of December 31, 2022 were as follows:

2023	\$	102,131
2024		104,174
2025		106,257
2026		108,382
2027		110,550
2028 and thereafter		433,138
Total undiscounted cash flows		964,632
Less: interest		(82,457)
Present value of lease liability	\$	<u>882,175</u>

NOTE 12 - PASS-THROUGH TRANSACTIONS

The Agency's responsibility regarding these transactions is to pass-through funds received to the primary recipients. Pass-through transactions are recorded as income or liabilities when received and expenses and reduction of liabilities when paid.

The Agency has received and disbursed the following funds resulting from this pass-through income during 2022:

IDA	Receipts	Disbursements
Pilot Program		
Pilot payments collected from businesses and remitted to local governments	\$ 2,358,780	\$ 2,358,780

NOTE 13 – DEFINED CONTRIBUTION PLAN

The Agency has a 401 (a) retirement plan, which covers employees over the age of 21, except for leased employees and those employees whose employment is governed by a collective bargaining agreement that does not participate in plan. It allows for employer to make discretionary contributions each year at a percentage of each eligible employee's compensation. The Agency had expenses related to the Plan in the amount of \$34,616 for the year ended December 31, 2022. The balance in the 401 (a) as of December 31, 2022 was \$128,896 as presented in the Statement of Fiduciary Net Position.