

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

CREDC Economic Development Program Balance as of 12/31/23

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.	\$ 247,688
Jamestown Advance Products Corp., loan of \$734,000, if conditions of loan are met through September 1, 2025, \$367,000 of the loan will be forgiven.	589,065
Jamestown Container., loan of \$500,000, (loan awarded in 2023) if conditions of loan are met through September 1, 2025, \$400,000 of the loan will be forgiven.	<u>462,968</u>
Subtotal	1,299,721
Less: reserve	<u>(67,000)</u>
Subtotal	1,232,721
Less: current portion	<u>(210,323)</u>
Long-term portion – CREDC	<u>\$ 1,022,398</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 Balance as of 12/31/23

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.	\$ 689,723
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

NOTE 10 – LONG-TERM DEBT (CONTINUED)

Industrial Development Agency (continued)

Balance as of 12/31/23

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.	<u>965,861</u>
Subtotal	1,736,955
Less: current portion	<u>(241,163)</u>
Long-term debt – IDA	<u>\$ 1,495,792</u>

At December 31, 2023, debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
CCIDA			
2024	\$ 241,163	\$ 40,774	\$ 281,937
2025	163,967	36,599	200,566
2026	168,253	32,313	200,566
2027	172,654	27,912	200,566
2028	177,172	23,394	200,566
2029-2033	813,746	69,331	883,077
	<u>\$ 1,736,955</u>	<u>\$ 230,323</u>	<u>\$ 1,967,278</u>

CCIDA incurred interest expense in the amounts of \$44,840 during 2023.

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.

As of December 31, 2023, the weighted average remaining lease term is 5.6 years and weighted average discount rate is 2%.

The maturities of lease liabilities as of December 31, 2023 were as follows:

2024	\$ 104,174
2025	106,257
2026	108,382
2027	110,550
2028	112,761
2029 and thereafter	<u>320,377</u>
Total undiscounted cash flows	862,501
Less: interest	<u>(65,587)</u>
Present value of lease liability	<u>\$ 796,914</u>