

**COUNTY OF CHAUTAUQUA
INDUSTRIAL DEVELOPMENT AGENCY
AND COMPONENT UNITS**

**REPORT ON
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
DECEMBER 31, 2024**

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
AND COMPONENT UNITS**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-7
Financial Statements	
Combined Statement of Net Position – All Funds	8
Combined Statement of Revenue, Expenditures and Changes in Net Position – All Funds	9
Combined Statement of Cash Flows – All Funds.....	10
Statement of Fiduciary Net Position.....	11
Statement of Changes in Fiduciary Net Position.....	12
Notes to Financial Statements	13-25
Supplemental Information	
Schedule 1 – Schedule of Other Income and General and Administrative Expenses – All Funds.....	26
Schedule 2 – Schedule of Tax-Exempt Bonds.....	27
Schedule 3 – Schedule of Net Position – CREDC	28
Schedule 4 – Schedule of Revenue, Expenditures and Changes in Net Position – CREDC	29
Schedule 5 – Schedule of Cash Flows – CREDC.....	30
Schedule 6 – Schedule of Expenditures of Federal Awards	31
Special Reports	
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 " <i>Government Auditing Standards</i> ".....	32-33
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance.....	34-35
Schedule of Findings and Questioned Costs	36-37
Schedule of Prior Findings and Questioned Costs.....	38

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
County of Chautauqua Industrial Development Agency
Jamestown, New York

Opinion

We have audited the accompanying financial statements of **County of Chautauqua Industrial Development Agency** and its component units, Chautauqua Region Economic Development Corporation and the Chautauqua County Capital Resource Corporation as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Agency and its component unit's basic financial statements as listed in the Table of Contents. The Agency and its component units are considered a component unit of the County of Chautauqua, New York.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of **County of Chautauqua Industrial Development Agency** and its component units, as of December 31, 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 **County of Chautauqua Industrial Development Agency** and its component units 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 **County of Chautauqua Industrial Development Agency** and its component unit's ability to continue as a going concern for within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 **County of Chautauqua Industrial Development Agency** and its component unit'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 **County of Chautauqua Industrial Development Agency** and its component unit'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 3 through 7 and related notes be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental statements on pages 26 through 30 are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, on page 31, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and, except for that portion marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2025, on our consideration of **County of Chautauqua Industrial Development Agency's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 **County of Chautauqua Industrial Development Agency'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 the Cooperative's internal control over financial reporting and compliance.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Jamestown, New York
March 25, 2025**

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Page 3

I. Discussion and Analysis

The following is a discussion and analysis of the *County of Chautauqua Industrial Development Agency* and its component units' financial performance for the year ended December 31, 2024. This section is a summary of the Agency's financial activities based on currently known facts, decisions, or conditions. It is based on the financial statements. The results of the current year are discussed in the following paragraphs. This section is only an introduction and should be read in conjunction with the Agency's financial statements, which follow this section.

II. Financial Highlights

The following items are the financial highlights experienced by the *County of Chautauqua Industrial Development Agency* during the year ended December 31, 2024:

- Overall net position of the Agency increased \$373,000 during the year ended December 31, 2024.
- The Agency's total revenue and other sources were approximately \$5,333,000 during 2024 as compared with \$6,815,000 during 2023. This decrease was primarily related to economic development service agreements and the forgiveness of the debt related to the Talcott Street property in the prior year.
- The Agency's total expenses and other uses were approximately \$4,960,000 during 2024 as compared to \$4,443,000 during 2023. This increase was primarily the result of an increase in salaries and benefits.
- PILOT payments passed through to local governmental units were approximately \$2,814,000 during 2024 as compared to \$2,498,000 during 2023.

III. Overview of the Financial Statements

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information.

A. Reporting the Agency as a Whole (Government-wide Financial Statements):

The government-wide statements report information about the entity as a whole using accounting methods similar to those used by private-sector companies. Activities that are fiduciary in nature are not included in these statements.

1. Combined Statement of Net Position-All Fund Types

The Combined Balance Sheet (page 8) shows the "assets" (what is owned), "liabilities" (what is owed) and the "net position" (the resources that would remain if all obligations were settled) of the Agency. The Statement categorizes assets to show that some assets are very liquid, such as cash and cash equivalents. Some assets are designated for certain purposes or reserved for emergencies and cash flow purposes. Some assets are available to fund budgets of the following year.

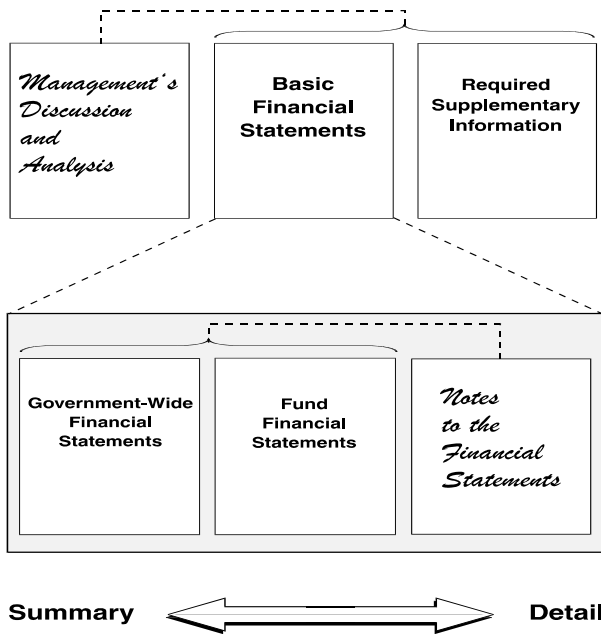
2. Combined Statement of Revenue, Expenditures, and Changes in Net Position-All Fund Types

The Combined Statement of Revenue Expenditures and Changes in Net Position (page 9) shows the amounts of program-specific and general Agency revenue used to support the Agency's various functions.

The two government-wide statements report the Agency's net position and how they have changed. Net Position – the difference between the Agency's assets and liabilities – is one way to measure the Agency's financial health or position. Over time, increases or decreases in the Agency's net position are an indicator of whether its financial position is improving or deteriorating, respectively. To assess the Agency's overall health additional non-financial factors also need to be considered.

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Figure A-2 - Required Components of the Agency's Annual Financial Report



IV. Financial Analysis of the Agency as a Whole

Net Position

The Agency's total entity-wide net position at December 31, 2024 was approximately \$24,890,000. This includes: capital assets, net of related debt of \$3,142,000, restricted net position of \$18,233,000; and unrestricted net position of \$3,515,000.

Revenue

The Agency's total revenue and other sources were approximately \$5,333,000 during the year ended December 31, 2024. The Agency also received approximately \$2,814,000 of pass-through revenue during the year ended December 31, 2024. The Agency acts as an intermediary for these funds, and appropriately recognizes each pass-through amount as an expenditure upon distribution.

Figure A-4 presents the major sources of revenue of the Agency. The most significant sources of governmental revenue in the Agency are more thoroughly discussed as follows:

- Revenue from application and administrative fees increased \$674,000 during the year ended December 31, 2024. This increase was primarily related to administrative fees related to Wells Enterprise projects.

IV. Financial Analysis of the Agency as a Whole (continued)

Revenue (continued)

- Grant income increased \$339,000 during the year ended December 31, 2024 primarily related to grant income related to Partnership for Economic Growth funding.
- Economic development service agreement revenue decreased \$1,691,000 during the year ended December 31, 2024 related to Broadband and North County service agreement contracts received from the Chautauqua County in the prior year.
- Revenue from interest income increased \$95,000 during the year ended December 31, 2024 as a result of a larger loan portfolio in 2024 related to the AI Tech Loan and EDA CARES funds.
- Rental revenue decreased by \$85,000 during the year ended December 31, 2024. This decrease was due to the sale of the Talcott Street property in June 2023 which previously generated rental income.

Expenses

The total cost of all programs and services of the Agency was approximately \$4,960,000. The Agency's expenses consist primarily of grant expenses, depreciation, interest expense and general and administrative expenses. The Agency's expenses are more thoroughly discussed as follows:

- The Agency's total costs were approximately \$4,960,000 during the year ended December 31, 2024 as compared with \$4,443,000 during the year ended December 31, 2023. This increase was primarily the result of an increase in general and administrative costs.
- The Agency's general and administration costs were approximately \$3,730,000 during the year ended December 31, 2024 as compared with \$3,154,000 during the year ended December 31, 2023. This increase was caused by increases in salaries and benefits.
- The Agency's loan funds by their very design often function as a lender of last resort. Because of this, management is constantly challenged to evaluate its loan portfolio with respect to its collectability. At December 31, 2024, the Agency has reserved against potential uncollectible loans in the amount of approximately \$75,000, \$2,152,000, \$2,047,000, and \$67,000 for the Chautauqua Revolving Loan Fund, the AI-Tech Trust Fund, the EDA CARES Fund, and the CREDC fund, respectively. Bad debt expense totaled approximately \$505,000 and \$473,000 during the years ended December 31, 2024 and 2023, respectively.
- The Agency's grant expense increased approximately \$11,000 in 2024 due to business assistance grants and their associated costs.

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Figure A-3 - Combined Statement of Net Position

County of Chautauqua Industrial Development Agency and Component Units			
Combined Statement of Net Position (in thousands of dollars)			
	Total Government-wide		
	2024	2023	% Change
Assets			
Current and other assets	\$ 11,108	\$ 15,008	-26%
Capital and right of uses assets, net	905	1,008	-10%
Other assets	20,483	18,907	8%
Total assets	\$ 32,496	\$ 34,923	-7%
Liabilities			
Current liabilities	\$ 5,659	\$ 8,202	-31%
Long-term liabilities	1,947	2,204	-12%
Total liabilities	7,606	10,406	-27%
Net Position			
Invested in capital assets, net of related debt	3,142	2,903	8%
Restricted	18,233	18,370	-1%
Unrestricted	3,515	3,244	8%
Total net position	24,890	24,517	2%
Total liabilities and net position	\$ 32,496	\$ 34,923	-7%

Figure A-4 Statement of Revenue & Expenses

County of Chautauqua Industrial Development Agency and Component Units			
Changes in Net Position from Operating Results (in thousands of Dollars)			
	Total Government-wide		
	2024	2023	% Change
Revenue			
Application & administration fees	\$ 1,491	\$ 817	82%
Grant income	1,542	1,203	28%
Economic development service agreements	1,002	2,693	-63%
Rental income	21	106	-80%
Interest income	851	756	13%
Other income and gain (loss) on sale	426	1,240	-66%
Total revenue	5,333	6,815	-22%
Expenses			
General and administrative	3,730	3,154	18%
Grant expenses	638	627	2%
Bad debt expenses	505	473	7%
Other expenses	33	99	-67%
Depreciation	13	45	-71%
Interest expense	41	45	-9%
Total expenses	4,960	4,443	12%
Pass-through transactions			
Revenues-PILOT	2,814	2,498	13%
Expenditures-PILOT	(2,814)	(2,498)	13%
	--	--	0%
Change in net position	\$ 373	\$ 2,372	

Figure A-5 Sources of Revenue

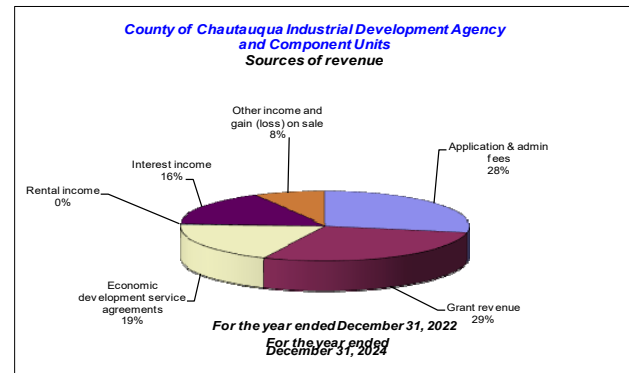
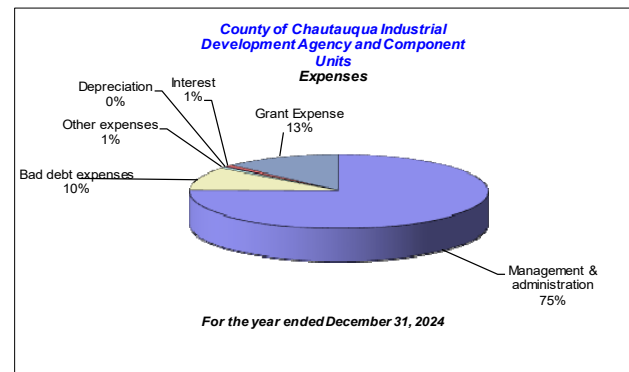


Figure A-6 - Expenses



V. Financial Analysis of the Agency Funds

Industrial Development Agency (IDA)

Net Position

During the current year, IDA fund total revenues exceeded total expenditures by \$417,000. Total net position increased from \$5,599,000 to \$6,016,000.

Revenue

During the current year, total IDA fund revenue and other sources were \$2,905,000 as compared with \$4,680,000 during 2023. This decrease in revenue was primarily due to economic development service agreements related to North County Industrial Park and Broadband and the forgiveness of the debt related to the Talcott Street property in the prior year. This was offset by an increase in administration fees related to the Wells Enterprise projects.

Expenses

During the current year, total IDA fund expenses were \$2,487,000 as compared with \$2,238,000 during 2023. This increase was primarily the result of increases in salaries and benefits which were partially offset by a decrease in grant expense.

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

**V. Financial Analysis of the Agency Funds
(continued)**

Chautauqua Revolving Loan Fund (CRLF)

The IDA operates a revolving loan fund which originated from grant revenue received from the Appalachian Regional Commission for the purpose of extending loans to companies for eligible energy improvements. This fund is operated on a revolving basis and is administered by the IDA.

Net Position

During the current year, the CRLF's total revenues exceeded total expenditures by \$87 causing total net position to increase to \$566,000.

Revenue

During the current year, total revenue of the CRLF was \$24,000 as compared with \$17,000 during 2023. This increase was primarily the result of an increase in interest income.

Expenses

During the current year, total expenses of the CRLF were \$24,000 as compared with \$47,000 during 2023. This decrease is related to bad debt expense decreasing related to adjusting the allowance for bad debts.

AI-Tech Trust Fund

The AI Tech Trust Fund was established as a result of a \$10,000,000 grant from the U.S. Economic Development Administration (EDA) to Chautauqua and Albany Counties. Pursuant to a letter dated April 20, 2006, the EDA authorized a transfer of the AL Tech Trust Fund to the IDA, which was previously administered by the Job Development Authority (JDA).

Net Position

During the current year, the AI-Tech Trust Fund total expenses exceeded total revenues by approximately \$44,000 causing total net position to decrease from \$9,182,000 to \$9,138,000 as of December 31, 2024.

Revenue

During the current year, total revenue and other sources of AI-Tech Trust Fund was \$442,000 as compared with \$404,000 during the prior year. This increase was caused by an increase in interest revenue offset by a decrease in application fees.

**V. Financial Analysis of the Agency Funds
(continued)**

AI-Tech Trust Fund (continued)

Expenses

During the current year, total expenses of the AI-Tech Trust Fund were \$486,000, as compared with \$247,000 during the prior year. This increase primarily resulted from adjusting the bad debt reserve. This increase was driven by the increase in outstanding loans during the year.

EDA CARES Fund

The EDA CARES Fund was established in 2020 as a result of a \$10,500,000 grant from the U.S. Economic Development Administration (EDA) to the IDA to assist local business experiencing hardship due to the COVID 19 pandemic.

Net Position

During the current year, the EDA CARES Fund total expenditures exceeded total revenues by approximately \$93,000 causing total net position to decrease from \$8,622,000 to \$8,529,000.

Revenue

During the current year, total revenue and other sources EDA CARES Fund was \$317,000 as compared to \$261,000 during 2023. This increase is due to interest income increasing due to the loan fund being fully distributed during whole year.

Expenses

During the current year, total expenses of the EDA CARES Fund \$410,000 as compared to \$573,000 during 2023. This decrease was related primarily to adjusting the allowance for bad debts.

EPA Brownfield Remediation Revolving Loan Fund

The CCIDA received a grant from the U.S. Environmental Protection Agency (EPA) to provide loans and subgrants to clean up brownfield sites located in Chautauqua County. There was \$17,000 of revenues and expenditures in 2024 and no loans were issued as of December 31, 2024.

Chautauqua Region Economic Development Corporation (CREDC)

Chautauqua Region Economic Development Corporation was incorporated in 1986 under the Non-profit Corporation Law for the purpose of: relieving and reducing unemployment, promoting, and providing for additional and maximum employment, bettering and maintaining job opportunities, etc. The financial statements of CREDC are treated as a blended component unit and are included in the audit report with the Industrial Development Agency.

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

**V. Financial Analysis of the Agency Funds
(continued)**

**Chautauqua Region Economic Development
Corporation (CREDC) (continued)**

Net Position

During the current year, the CREDC's total revenues exceeded total expenditures by approximately \$93,000 causing total net position to increase from \$548,000 to \$641,000.

Revenue

During the current year, total revenue of CREDC was \$1,628,000 as compared with \$1,454,000 during 2023. This increase was primarily due to Partnership for Economic Growth grants recognized in revenue during the current year.

Expenses

During the current year, total expenses of CREDC were \$1,535,000 as compared with \$1,338,000 during 2023. This increase related to grant assistance passed through to local businesses in the Partnership for Economic Growth fund.

**Chautauqua County Capital Resource Corporation
(CCRC)**

Chautauqua County Capital Resource Corporation was incorporated in 2011. The key focus of the Corporation is to assist not for profit institutions, manufacturing and industrial businesses to obtain access to low interest tax-exempt and non-tax-exempt financing for their eligible projects as well as other projects within the County for the purpose of promoting economic development and reducing unemployment. There were no new Tax-Exempt Bonds and therefore no activity in the Corporation in 2024.

VI. Capital Asset and Debt Administration

Capital Assets

As depicted in Figure A-7, as of December 31, 2024, the Agency and its component unit had invested approximately in a broad range of capital assets, including industrial parks, buildings and furniture and equipment. There were no capital additions made during the year ended December 31, 2024.

Long-term Debt

As depicted in Figure A-8, as of December 31, 2024, the Agency and its component units had approximately \$2,285,000 in bonds, notes payable and other liabilities, a decrease of approximately \$249,000 as compared with the previous year. This decrease was due to the Agency making regularly scheduled debt payments.

Figure A-7 – Capital Assets

<i>County of Chautauqua Industrial Development Agency and Component Units Capital and Right of Use Assets (in thousands)</i>			
	2024	2023	Change
Buildings	\$ 253	\$ 253	0%
SPEC Buildings	26	26	0%
Improvements	420	420	0%
Equipment	129	129	0%
Right-of-use asset, net	592	682	-13%
Accumulated depreciation	(515)	(502)	-3%
Capital and Right of Use Assets - net	\$ 905	\$ 1,008	-10%

Figure A-8 – Long-term Debt

<i>County of Chautauqua Industrial Development Agency and Component Units Long-term Debt (in thousands)</i>			
	2024	2023	Change
Bond - Stoneman Park SPEC Building	\$ 622	\$ 690	-10%
Bond - Chadwick Bay SPEC Building	874	966	-10%
Other bonds	81	81	0%
Lease liability	708	797	-11%
Total long-term debt	\$ 2,285	\$ 2,534	-10%

VII. Factors Bearing on the Agency's Future

At the time these financial statements were prepared and audited, the Agency was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The CCIDA is aggressively seeking to acquire property or properties to create a new shovel-ready site or sites, and/or to expand an existing industrial park. The site or sites will be as close to being ready to construct as soon as possible, including having site control, undertaking due diligence, installing and/or stubbing in infrastructure, ensuring zoning is appropriate, etc. At present, the CCIDA/County is woefully deplete of shovel-ready sites, and is missing out on opportunities for new development that require large, strategically-located sites that are shovel-ready.

VIII. Contacting the Agency's Financial Management

This financial report is designed to provide citizens, taxpayers, customers and investors and creditors with a general overview of the finances of the Agency and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, please contact:

County of Chautauqua Industrial Development Agency
Mrs. Shelby Bilskie, CFO
201 West Third Street
Jamestown, New York 14701

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
COMBINED STATEMENT OF NET POSITION – ALL FUNDS**

As of December 31, 2024

	CCIDA					CREDC	(Memo Only) Total Reporting Entity
	Industrial Development Agency	Chautauqua Revolving Loan Fund	AI- Tech Trust Fund	EDA CARES Fund	EPA Brownfield Revolving Trust Fund		
Assets							
Current							
Cash and cash equivalents	\$ 5,305,443	\$ 266,580	\$ 767,925	\$ 620,391	\$ 75,018	\$ 605,181	\$ 7,640,538
Other receivables, current	636,880	--	--	--	--	26,500	663,380
Other current assets	--	--	--	--	--	2,583	2,583
Current portion, mortgage receivable	157,577	--	--	--	--	--	157,577
Current portion, notes receivable	--	52,411	975,908	1,428,697	--	187,094	2,644,110
Total current assets	6,099,900	318,991	1,743,833	2,049,088	75,018	821,358	11,108,188
Property, equipment and right-of-use assets, net	905,251	--	--	--	--	--	905,251
Other assets							
Other receivables, net of current portion	920,000	--	--	--	--	--	920,000
Notes receivable, net of current portion	--	322,117	9,546,368	8,526,684	--	1,130,107	19,525,276
Allowance for uncollectible notes receivable	--	(75,000)	(2,152,000)	(2,047,000)	--	(67,000)	(4,341,000)
Mortgage receivable, net of current portion	1,347,216	--	--	--	--	--	1,347,216
Security deposits and other assets	13,529	--	--	--	--	--	13,529
Real property held for resale	2,986,970	--	--	--	--	30,488	3,017,458
Total other assets	5,267,715	247,117	7,394,368	6,479,684	--	1,093,595	20,482,479
	\$ 12,272,866	\$ 566,108	\$ 9,138,201	\$ 8,528,772	\$ 75,018	\$ 1,914,953	\$ 32,495,918
Liabilities and Net Position							
Current liabilities							
Accounts payable	\$ 63,853	\$ --	\$ --	\$ --	\$ --	\$ 45,260	\$ 109,113
Due to other governments	115,276	--	--	--	--	--	115,276
Accrued liabilities	75,468	--	--	--	--	3,641	79,109
Unearned revenue	3,717,189	--	--	--	75,018	1,224,681	5,016,888
Current portion of lease liabilities	92,944	--	--	--	--	--	92,944
Current portion of long-term debt	245,338	--	--	--	--	--	245,338
Total current liabilities	4,310,068	--	--	--	75,018	1,273,582	5,658,668
Lease liabilities, net of current portion	614,926	--	--	--	--	--	614,926
Long-term debt, net of current portion	1,331,825	--	--	--	--	--	1,331,825
Total liabilities	6,256,819	--	--	--	75,018	1,273,582	7,605,419
Net position							
Invested in capital assets, net of related receivables and debt	3,111,981	--	--	--	--	30,488	3,142,469
Restricted	--	566,108	9,138,201	8,528,772	--	--	18,233,081
Unrestricted	2,904,066	--	--	--	--	610,883	3,514,949
Total net position	6,016,047	566,108	9,138,201	8,528,772	--	641,371	24,890,499
	\$ 12,272,866	\$ 566,108	\$ 9,138,201	\$ 8,528,772	\$ 75,018	\$ 1,914,953	\$ 32,495,918

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
 COMBINED STATEMENT OF REVENUE, EXPENDITURES AND
 CHANGES IN NET POSITION - ALL FUNDS**

Year ended December 31, 2024

	CCIDA					CREDC	(Memo Only) Total Reporting Entity
	Industrial Development Agency	Chautauqua Revolving Loan Fund	AI-Tech Trust Fund	EDA CARES Fund	EPA Brownfield Revolving Trust Fund		
Revenue							
Application and administration fees	\$ 1,475,767	\$ 5,300	\$ 9,750	\$ --	\$ --	\$ --	\$ 1,490,817
Grant income	--	--	--	--	--	1,541,929	1,541,929
Economic development service agreements	921,872	--	--	--	17,252	62,500	1,001,624
Rental income	21,400	--	--	--	--	--	21,400
Interest income	63,418	18,462	431,770	317,214	--	20,122	850,986
Other income	422,439	--	--	--	--	3,374	425,813
Total revenue	2,904,896	23,762	441,520	317,214	17,252	1,627,925	5,332,569
Expenditures							
General and administrative	2,328,114	14,675	204,828	195,043	17,252	969,834	3,729,746
Grant expenses	72,546	--	--	--	--	565,192	637,738
Industrial Park expenses	33,015	--	--	--	--	--	33,015
Bad debt expense	--	9,000	281,000	215,000	--	--	505,000
Depreciation	13,009	--	--	--	--	--	13,009
Total expenses	2,446,684	23,675	485,828	410,043	17,252	1,535,026	4,918,508
Excess (deficiency) of revenue over expenditures before financing sources and pass-throughs	458,212	87	(44,308)	(92,829)	--	92,899	414,061
Other financing sources (uses)							
Interest expense	(40,774)	--	--	--	--	--	(40,774)
	(40,774)	--	--	--	--	--	(40,774)
Pass-through transactions							
Revenue - PILOT	2,814,313	--	--	--	--	--	2,814,313
Expenditures - PILOT	(2,814,313)	--	--	--	--	--	(2,814,313)
	--	--	--	--	--	--	--
Excess (deficiency) of revenue and other sources over expenditures	417,438	87	(44,308)	(92,829)	--	92,899	373,287
Net position, beginning	5,598,609	566,021	9,182,509	8,621,601	--	548,472	24,517,212
Net position, ending	\$ 6,016,047	\$ 566,108	\$ 9,138,201	\$ 8,528,772	\$ --	\$ 641,371	\$ 24,890,499

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
COMBINED STATEMENT OF CASH FLOWS – ALL FUNDS**

Year ended December 31, 2024

	CCIDA					EPA Brownfield Revolving Trust Fund	CREDC	(Memo Only) Total Reporting Entity
	Industrial Development Agency	Chautauqua Revolving Loan Fund	AI-Tech Trust Fund	EDA CARES Fund				
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from entities assisted	\$ 1,237,355	\$ 5,300	\$ 9,750	\$ --	\$ --	\$ --	\$ --	\$ 1,252,405
Grant income	--	--	--	--	92,270	--	1,247,345	1,339,615
Economic development service agreements	952,145	--	--	--	--	62,500	1,014,645	
Repayment of economic development service agreements	(1,500,000)	--	--	--	--	--	(1,500,000)	
Rental income	21,400	--	--	--	--	--	21,400	
Cash received on PILOT's	2,929,589	--	--	--	--	--	2,929,589	
Cash paid to contractors	(2,252,795)	(20)	8,026	(43,790)	(17,252)	(689,840)	(2,995,671)	
Interagency charges	405,737	(14,655)	(203,177)	(151,253)	--	(36,652)	--	
Cash paid to employees	(737,743)	--	--	--	--	(223,042)	(960,785)	
Cash payments on PILOTs	(2,814,313)	--	--	--	--	--	(2,814,313)	
Cash paid for grants	(72,546)	--	--	--	--	(565,192)	(637,738)	
Other receipts	16,702	--	--	--	--	3,374	20,076	
Interest paid	(40,774)	--	--	--	--	--	(40,774)	
Interest received	63,418	18,462	431,770	307,651	--	20,122	841,423	
Net cash provided by (used in) operating activities	(1,791,825)	9,087	246,369	112,608	75,018	(181,385)	(1,530,128)	
CASH FLOWS FROM INVESTING ACTIVITIES:								
Issuances of notes receivable	--	(100,000)	(2,166,210)	(1,972,000)	--	(434,000)	(4,672,210)	
Collections on mortgages and notes receivable	152,926	53,663	996,623	1,185,653	--	216,520	2,605,385	
Purchase of land held for resale	(246,891)	--	--	--	--	--	(246,891)	
Net cash used in investing activities	(93,965)	(46,337)	(1,169,587)	(786,347)	--	(217,480)	(2,313,716)	
CASH FLOWS FROM FINANCING ACTIVITIES:								
Principal payments on long-term debt	(159,792)	--	--	--	--	--	(159,792)	
Net cash used in investing activities	(159,792)	--	--	--	--	--	(159,792)	
Net change in cash	(2,045,582)	(37,250)	(923,218)	(673,739)	75,018	(398,865)	(4,003,636)	
Cash and cash equivalents, beginning of year	7,351,025	303,830	1,691,143	1,294,130	--	1,004,046	11,644,174	
Cash and cash equivalents, end of year	\$ 5,305,443	\$ 266,580	\$ 767,925	\$ 620,391	\$ 75,018	\$ 605,181	\$ 7,640,538	
Reconciliation of change in net position to net cash provided by (used in) operating activities:								
Change in net position	\$ 417,438	\$ 87	\$ (44,308)	\$ (92,829)	\$ --	\$ 92,899	\$ 373,287	
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities:								
Depreciation	13,009	--	--	--	--	--	13,009	
Bad debt expense	--	9,000	281,000	215,000	--	--	505,000	
Forgiveness of note receivable from unearned revenue	--	--	--	--	--	200,000	200,000	
Change in operating assets and liabilities:								
Other receivable	(200,912)	--	--	--	--	98,500	(102,412)	
Interest receivable	--	--	--	(9,563)	--	--	(9,563)	
Security deposits and other assets	31,061	--	10,000	--	--	--	41,061	
Due from other governments	115,276	--	--	--	--	--	115,276	
Accounts payable	(84,550)	--	(323)	--	--	20,300	(64,573)	
Accrued liabilities	5,081	--	--	--	--	--	5,081	
Right-of-use asset and lease liability, net	896	--	--	--	--	--	896	
Unearned revenue	(2,089,124)	--	--	--	75,018	(593,084)	(2,607,190)	
Net cash provided by (used in) operating activities	\$ (1,791,825)	\$ 9,087	\$ 246,369	\$ 112,608	\$ 75,018	\$ (181,385)	\$ (1,530,128)	

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF FIDUCIARY NET POSITION

Year ended December 31, 2024

	Deferred Compensation Trust Fund	Defined Contribution Trust Fund
ASSETS		
Mutual funds	\$ 633,391	\$ 229,227
Total Investments	<u>633,391</u>	<u>229,227</u>
Total Assets	<u>\$ 633,391</u>	<u>\$ 229,227</u>
NET POSITION		
Restricted for:		
Deferred compensation	\$ 633,391	\$ --
Defined contribution	--	229,227
Total net position	<u>633,391</u>	<u>229,227</u>
Total Net Position	<u>\$ 633,391</u>	<u>\$ 229,227</u>

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year ended December 31, 2024

	Deferred Compensation Trust Fund	Defined Contribution Trust Fund
ADDITIONS		
Contributions:		
Members	\$ 63,654	\$ - -
Employers	- -	51,680
Total contributions	<u>63,654</u>	<u>51,680</u>
Investment Earnings		
Net increase in fair value of investments	<u>64,157</u>	<u>36,605</u>
Total investment earnings	<u>64,157</u>	<u>36,605</u>
Total additions	<u>127,811</u>	<u>88,285</u>
DEDUCTIONS		
Benefits paid to participants or beneficiaries	<u>15,856</u>	<u>26,173</u>
Total deductions	<u>15,856</u>	<u>26,173</u>
Net Change in fiduciary net position	111,955	62,112
Net Position-beginning of year	<u>521,436</u>	<u>167,115</u>
Net Position-ending of year	<u>\$ 633,391</u>	<u>\$ 229,227</u>

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Page 13

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Significant Accounting Policies

The accompanying general purpose financial statements of the **County of Chautauqua Industrial Development Agency** have been prepared in conformity with accounting principles generally accepted in the United States of America for governments as prescribed by the Governmental Accounting Standards Board which is the standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The **County of Chautauqua Industrial Development Agency** (the "Agency") was established as a public benefit corporation under Title I, Article 18A of General Municipal Law of the State of New York and signed into law by the Governor, March 22, 1972. The purpose of the Agency is to promote, develop, encourage, and assist in the acquiring, constructing and maintaining of industrial and manufacturing facilities. The Agency is exempt from federal and state income taxes. As required by generally accepted accounting principles, these financial statements present the County of Chautauqua Industrial Development Agency (the primary government) and its component units. The component units discussed in Note 2 are included in the Agency's reporting entity because of the significance of their operational and financial relationship with the Agency. The Agency and its component units are included as a discretely presented component unit within the County of Chautauqua, New York's financial statements.

B. Basis of Accounting

The Agency's accounts are maintained on an accrual basis whereby revenue is recognized when earned and expenses are recorded when incurred.

C. Fund Accounting

The Agency uses funds to report on its financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

General Operating Fund

The general operating fund of the Agency is used to account for all financial transactions except those required to be accounted for and reported in another fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Accounting (continued)

AI-Tech Loan Funds

Pursuant to a letter dated April 20, 2006, the Economic Development Authority (EDA) authorized a transfer of the AI Tech Trust Fund to the **County of Chautauqua Industrial Development Agency**, which previously served as a project packager assisting local industry in preparing the loan packages and recommending local industries for loans from the fund. Beginning in September 2006, the Agency began reviewing and approving loans from the Trust Fund, and otherwise performing all administrative functions for the Fund that had previously been performed by the Job Development Authority.

EDA CARES Loan Funds

On September 9, 2020 the **County of Chautauqua Industrial Development Agency** was selected as the recipient of a \$10.5 million grant through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which enabled the agency to establish a new Revolving Loan Fund (RLF). The RLF provides capital in the form of low-interest loans to both businesses and non-profit organizations to respond to economic injury resulting from the COVID-19 pandemic.

Chautauqua Revolving Loan Fund

The Chautauqua Revolving Loan Fund originated from grant revenue received from the Appalachian Regional Commission for the purpose of extending loans to companies for eligible energy improvements. This fund is now operated on a revolving basis and is administered by the **County of Chautauqua Industrial Development Agency**. As principal and interest is repaid, the proceeds are used to extend financing to other companies. The Agency has developed standards for advancing proceeds from the fund. These standards have the broader purpose of fostering both job growth as well as the retention of existing jobs, by assisting existing business and industry or for the purpose of providing seed capital to start-up ventures.

EPA Brownfield Remediation Revolving Loan Fund

The EPA Brownfield Remediation Revolving Loan Fund originated from grant revenue received from the U.S. Environmental Protection Agency (EPA) to provide loans and subgrants to clean up brownfield sites located in Chautauqua County.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Page 14

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Accounting (continued)

Chautauqua Region Economic Development Corporation

The Agency has a component unit, the Chautauqua Region Economic Development Corporation (CREDC) which is further described in Note 2 of the financial statements.

Chautauqua County Capital Resource Corporation

The Agency has a component unit, the Chautauqua County Capital Resource Corporation (CCCRC) which is further described in Note 2 of the financial statements.

Fiduciary fund

Fiduciary Funds are used to account for fiduciary activities. Fiduciary activities are those in which the Agency acts as trustee or agent for resources that belong to others. These activities are not included in the combined financial statements, because their resources do not belong to the Agency, and are not available to be used. Included in the Fiduciary Funds are a Defined Contribution Fund and Deferred Compensation Plan Fund.

D. Cash and Cash Equivalents

The Agency includes all highly liquid investments with original maturities of 90 days or less in cash and cash equivalents on the accompanying balance sheet. Bank balances are collateralized through the Federal Deposit Insurance Corporation and with securities held by the pledging financial institution's trust department in the Agency's name. As of December 31, 2024, the Agency was fully collateralized.

E. Investments

Short-term investments consist of certificates of deposit with maturities greater than 90 days. Fiduciary Activities investments include mutual funds measured at fair value.

F. Fair Value of Financial Instruments

The Agency has a number of financial instruments, none of which are held for trading purposes. Management estimates that the fair value of all financial instruments at December 31, 2024, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Industrial Development Revenue Bonds and Civic Facility Bonds

Industrial development revenue bonds issued by the Agency are secured by the properties which are leased to companies and are retired by lease payments. Civic facility bonds issued by the Agency include facilities owned or operated by New York State Not-for-Profit Corporations. The industrial development revenue and civic facility bonds are not obligations of the Agency, County, or State. The Agency does not record the assets or liabilities resulting from any such bond issuance in its financial statements since its primary function is to arrange the financing between the borrowing companies and the bondholders and funds arising from the issuance are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administrative fees from the borrowing companies. Such administrative fee income is recognized immediately upon receipt after issuance of the bonds.

In May 2009, the Agency formed a non-profit organization under the name of Chautauqua County Capital Resource Corporation (CCCRC). This entity has the ability to provide such financing to non-profit organizations in the future.

H. Tax Lease Program

The Agency maintains tax lease and PILOT (payment in lieu of tax) programs. These programs are offered to companies who acquire, construct or substantially renovate facilities suitable for manufacturing, warehousing, research and development and other industrial purposes. Under the tax lease program, title to the property is conveyed to the Agency through the term of the lease agreement. Transfer of title removes the property from the tax rolls and the project assumes a tax-exempt nature, abating real property taxes, sales tax and mortgage taxes. A lease is written between the company as lessee and the **County of Chautauqua Industrial Development Agency** as lessor, which specifies that the company will retain operational control of the project. At the end of the lease term, title to the assets is returned to the company. The Agency does not record assets acquired under the lease program since the Agency's primary function is to provide state and local tax benefits to the lessee. The Agency receives lease administrative fees from the lessee for providing the service.

Both the PILOT and tax lease programs are governed by New York State statute. The Agency has the local authority to offer real property tax abatement as an inducement for industrial development projects.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Tax Lease Program (continued)

The Agency can affix the tax abatement discount at a rate necessary to satisfactorily complete a project. Under special circumstances defined by NYS statute, the Agency has the authority to also provide real property tax abatement to both commercial and/or retail projects located within areas designated to be of high distress. The Agency has a standard PILOT program for qualified projects, qualified projects that are also adaptive re-use projects and tourism destination projects. The real property tax abatement is for a period not to exceed fifteen years and the percentage of abatement ranges from 0% to 100% depending on the type of project. The PILOT agreement is the instrument by which the discounted tax payments to be made are structured. All taxing jurisdictions receive payments in the same proportion as if the entire tax amount were paid.

A PILOT agreement and tax lease can run concurrently, but are not required to be used together. It is possible to structure a tax lease agreement without an accompanying PILOT.

The Agency's PILOT program generated \$2,814,313 in 2024 for taxing jurisdictions including the county, local municipalities and school districts.

I. Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated on the straight-line method for buildings and equipment over the estimated useful asset life which ranges from three to thirty-nine years.

J. Real Property Held for Resale

The Agency and CREDC has valued the real property held for resale at cost.

Beginning of year real property	\$ 2,770,567
Current additions and improvements	246,891
Current disposals and sales	--
Total Real Property Held for Resale	<u>\$ 3,017,458</u>

K. Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenditures. Actual results could differ from those estimates.

L. Revenue Recognition

The Agency receives administration fees on projects the Agency negotiates. Revenue on projects is recognized once the project has closed and is under construction.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Total Columns on Financial Statements

The columns of the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles.

N. Income Tax Status

CREDC is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and from New York State income taxes under Article 7-A of the Executive Law and New York Estates, Powers, and Trusts Law. Therefore, no provision has been made for federal or New York State income taxes in the accompanying financial statements. In addition, the Agency qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an Agency other than a private foundation under Section 509(a)(2).

CREDC has assessed its filing status under the sections of the Internal Revenue Code and New York State Executive Law referenced above and concluded that the Agency meets the requirements to be considered a public charity. Tax filings that remain subject to examination by taxing authorities include years 2021 and later.

The Chautauqua Capital Resource Corporation (CCCRC) is a corporation that was established to assist the County in issuing tax exempt bonds in furtherance of its purposes. The bonds issued on behalf of the County by the Corporation will be treated as tax-exempt as defined under Internal Revenue Service Code 103.

O. New Accounting Pronouncement

Effective for the year ended December 31, 2024, the Agency implemented the provisions of GASB Statement No. 101, *Compensated Absences*, which provides clarity surrounding the recognition and measurement of compensated absences. The new standard did not have a material impact on the Agency.

NOTE 2 - COMPONENT UNITS

Chautauqua Region Economic Development Corporation (CREDC)

The Board of Chautauqua Region Economic Development Corporation (CREDC) consists of all members of the *County of Chautauqua Industrial Development Agency's* Board of Directors.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 2 - COMPONENT UNITS (CONTINUED)

Chautauqua Region Economic Development Corporation (CREDC) (continued)

CREDC was incorporated in 1986 under Section 402 of the Not-for-Profit Corporation Law. The purposes of the Corporation are: the relieving and reducing of unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, carrying on scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area, lessening the burdens of government, and acting in the public interest.

The Corporation was formed to replace the Jamestown Area Development Corporation which was created as a for-profit corporation and as such could not properly act as a conduit between the Chautauqua Region Economic Development Corporation and the New York Job Development Authority. The financial statements of CREDC are treated as a blended component unit and are included in this audit report for the year ended December 31, 2024.

Chautauqua County Capital Resource Corporation (CCCRC)

The Board of the Chautauqua County Capital Resource Corporation (CCCRC) consists of all members of the *County of Chautauqua Industrial Development Agency's* Board of Directors.

The Chautauqua County Capital Resource Corporation (CCCRC) is a local development corporation formed under Section 1411 of the New York State Not-for-Profit Corporation Law. The Corporation undertakes projects either on its own behalf ("Corporation Projects"), or for the benefit of an applicant ("Applicant Projects"). According to the NFPCCL and the Incorporation Certificate, the Corporation can undertake any project that promotes community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of Chautauqua County (the "County") by developing and providing programs for not-for profit institutions, manufacturing and industrial businesses and other entities to access low interest tax exempt and non-tax-exempt financing for their eligible projects, as well as projects and activities within the County for the purpose of relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County, and lessening the burdens of government and acting in the public interest.

Additionally, the Corporation was created as a public instrumentality of the County. Accordingly, when the Corporation issues debt which is intended to be federally tax-exempt and which qualifies as federally tax-exempt debt, the interest payable on such Tax-Exempt Bonds is excludable from the gross income of the holders thereof for federal income tax. This exemption of interest from certain income taxation allows the Corporation to borrow at lower interest rates, thus lowering the cost of borrowing for a project.

The financial statements of CCCRC are treated as a blended component unit. CCCRC had no activity during the year ended December 31, 2024 and therefore are not presented in the financial statements.

NOTE 3 – OTHER RECEIVABLES

As of December 31, 2024, the Agency had an outstanding balance in other receivables of \$1,583,380. The majority of the balance consists of fees related to the Immunity Bio project (\$425,000 other receivables – see note 17), Electrovaya project (\$280,000 other receivables – see note 17), Wells Enterprises project (\$600,000 other receivables – see note 17) and ConnectGen project (\$105,000 other receivables). Also, in the other receivables balance were \$146,880 of receivables related to rents, administrative fees and grant receivables. As of December 31, 2024, CREDC had an outstanding balance in other receivables of \$26,500. The majority of the balance is related to grant receivable from the Northern Chautauqua Community Foundation.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2024:

	2023 Balance	Additions	Deletions	2024 Balance
IDA:				
Jamestown Airport Hanger	\$ 252,565	\$ --	\$ --	\$ 252,565
Furniture and equipment	128,691	--	--	128,691
West End Improvements	53,848	--	--	53,848
Other improvements	392,947	--	--	392,947
Right-of-use assets	861,925	--	--	861,925
	1,689,976	--	--	1,689,976
Less: accumulated depreciation and amortization	(681,776)	(102,949)	--	(784,725)
Total	\$ 1,008,200	\$ (102,949)	\$ --	\$ 905,251

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Page 17

NOTE 4 - PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation expense relating to property and equipment was \$13,009 for CCIDA during the year ended December 31, 2024. Amortization expense relating to right-of-use assets was \$89,940 for CCIDA during the year ended December 31, 2024.

NOTE 5 - INDUSTRIAL PARK EXPENSES

These costs include North County Industrial Water District charges, South County Industrial Park real estate taxes, engineering costs and related development expenses of the Industrial Park.

NOTE 6 - UNEARNED REVENUE

Unearned revenue of the *County of Chautauqua Industrial Development Agency* includes special projects grant income received but not yet disbursed and other income received but not yet earned.

During 2022, CCIDA received \$95,000 of Brownfields Remediation money from Chautauqua County as the local share towards the creation of a Brownfields Revolving Loan Fund. The total loan fund awarded by the United States Environmental Agency was for a \$600,000 fund of which 20% was to be local funds (\$95,000 from Chautauqua County and \$25,000 from the CCIDA). During the year ended December 31, 2024, the Agency incurred expenditures relating to the grant of \$17,252. Through December 31, 2024, total expenditures related to the project were \$19,982. The remaining \$75,018 was recorded as unearned revenue in the EPA Loan Fund.

During 2020, CCIDA received an economic development service agreement from Chautauqua County in the amount of \$200,000 related to the North County Industrial Park. During 2021, 2022 and 2023, CCIDA received an additional \$130,000, \$1,500,000 and \$3,700,000, respectively from Chautauqua County related to the North County Industrial Park. During 2024, CCIDA received an additional \$37,500 from National Grid in relation to the North County Industrial Park. Per the agreement, the funds are to be utilized to complete infrastructure upgrades. During the year ended December 31, 2024, the Agency incurred expenditures relating to the agreements of \$356,985. Through December 31, 2024, total expenditures related to the project were \$2,627,655. The remaining \$2,939,845 was recorded as unearned revenue.

NOTE 6 - UNEARNED REVENUE (CONTINUED)

During 2023, CCIDA received an economic development service agreement from Chautauqua County in the amount of \$2,500,000 related to Broadband Infrastructure improvements. Per the agreement, the funds are to be utilized to complete infrastructure upgrades. During 2024, Chautauqua County requested that \$1,500,000 be returned to be utilized for other projects. During the year ended December 31, 2024, the Agency incurred expenditures relating to the agreement of \$245,752. Through December 31, 2024, total expenditures related to the project were \$297,656. The remaining \$702,344 was recorded as unearned revenue.

During 2024, CCIDA received \$75,000 related to a battery storage project that did not close as of year end. As of December 31, 2024, \$75,000 has been recognized as an unearned revenue.

During 2022, CREDC received \$367,000 from the New York State Office of Community Renewal that was passed through to Jamestown Advanced Products Corp. in the form of a deferred loan. If the company complies with the covenants, conditions and obligations of the loan agreement the balance will be forgiven.

During 2023, CREDC received \$400,000 from the New York State Office of Community Renewal that was passed through to Jamestown Container in the form of a deferred loan. If the company complies with the covenants, conditions and obligations of the loan agreement the balance will be forgiven.

During 2024, CREDC received \$217,000 from the New York State Office of Community Renewal that was passed through to 42 Lake Erie in the form of a deferred loan. If the company complies with the covenants, conditions and obligations of the loan agreement the balance will be forgiven.

During the years ended December 31, 2024, 2023, 2022 and 2021, CREDC received \$125,000, \$350,000, \$350,000 and \$350,000, respectively, from the Ralph C. Wilson, Jr. Foundation to implement priority projects in alignment with Chautauqua County's economic development strategic plan. During the year ended December 31, 2024, CREDC incurred expenditures relating to the grant of \$424,182, including \$112,093 of transfers to other PEG projects. Through December 31, 2024, total expenditures related to the project were \$1,100,000. The remaining \$75,000 was recorded as unearned revenue.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Page 18

NOTE 6 - UNEARNED REVENUE (CONTINUED)

During 2022, CREDC received \$500,000 from Chautauqua County related to the Partnership for Economic Growth's Strategic Plan. During the year ended December 31, 2024, CREDC incurred expenditures relating to the agreement of \$116,911, including \$58,500 of transfers to other PEG projects. Through December 31, 2024, total expenditures related to the project were \$450,499. The remaining \$49,501 was recorded as unearned revenue.

During 2022, CREDC received \$200,000 from Chautauqua County related to special tourism and marketing programs. During the year ended December 31, 2024, CREDC incurred expenditures relating to the agreement of \$45,889, including \$5,000 of transfers to other PEG projects. Through December 31, 2024, total expenditures related to the project were \$187,051. The remaining \$7,949 was recorded as unearned revenue.

During 2022, CREDC received \$31,216 related to Chadwick Bay Regional Commission. Through December 31, 2024, total expenditures related to the project were \$27,150. The remaining \$4,066 was recorded as unearned revenue.

During 2024, CREDC received \$50,000 from Ralph Sheldon Foundation for the Greenway project. During the year ended December 31, 2024, CREDC incurred expenditures relating to the agreement of \$17,428. The remaining \$32,572 was recorded as unearned revenue.

During 2024, CREDC received \$26,250 from Chautauqua County for the Greenway project. As of December 31, 2024, no expenditures have been made and \$26,250 has been recognized as an unearned revenue.

During the years ended December 31, 2024, 2023, and 2022, CREDC received \$80,000, \$60,000, and \$80,000, respectively, from the Gebbie Foundation related to the Chadakoin River project. During the year ended December 31, 2024, CREDC incurred expenditures relating to the agreement of \$101,778. Through December 31, 2024, total expenditures related to the project were \$190,239. The remaining \$29,761 was recorded as unearned revenue.

During 2024, CREDC received \$69,853 from Chautauqua County for the Mason Park project. During the year ended December 31, 2024, CREDC incurred expenditures relating to the agreement of \$56,242. The remaining \$13,611 was recorded as unearned revenue.

During 2024, CREDC received \$5,705 from various entities related to Northern Chautauqua Young Professionals. During the year ended December 31, 2024, CREDC incurred expenditures relating to the agreement of \$3,734. The remaining \$1,971 was recorded as unearned revenue.

NOTE 7 - CONTINGENCIES

The Agency receives funding from federal, state and local governmental sources. This funding is dependent on current economic conditions and community needs as defined by the governmental units. The contracts related to these programs could be terminated or significantly reduced with minimal notice.

Disallowances, if any, as a result of audit by a grantor may become liabilities of the Agency. Management believes that no material disallowances will result from any audits by grantor agencies.

NOTE 8 - MORTGAGE RECEIVABLE

Industrial Development Agency

In 2006, CCIDA sold a building (Chadwick Bay Spec Building) to a Company and assumed a mortgage note receivable. At the time CCIDA also had an outstanding note payable to Chautauqua County related to bonds issued for the construction of the property. In 2010, the Company defaulted on the note receivable and Chautauqua County, who held a first position on the mortgage, foreclosed on the property and took title to it. On February 22, 2012, Chautauqua County transferred title to the property back to CCIDA and a note payable in the amount of \$1,816,765 was assumed by CCIDA. On June 25, 2013 CCIDA sold the building and established a \$1,700,000 promissory note from the purchaser of the building. The promissory note calls for monthly principal and interest payments in the amount of \$9,428 per month and the note matures in July 2033. In doing so, CCIDA modified the terms of their bond with Chautauqua County to a rate of 2.274% from 3.00% and a term of 21.5 years from 31.5 years. The balance outstanding on the note was \$855,209, as of December 31, 2024.

In 2018, CCIDA sold a building (Stoneman Park) to a company and assumed a mortgage note receivable. CCIDA also has an outstanding note payable to Chautauqua County related to bonds issued for the construction of the property. A \$1,055,000 promissory note was established from the purchaser of the building to CCIDA. The promissory note calls for monthly principal and interest payments in the amount of \$7,286 per month and the note matures in May 2033. In doing so, CCIDA modified the terms of their bond with Chautauqua County to a rate of 3.00% and a maturity date of December 2033. The balance outstanding on the note was \$649,584, as of December 31, 2024.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 9 - NOTES RECEIVABLE

<u>Chautauqua Revolving Loan Fund</u>	<u>Balance as of 12/31/24</u>
Chautauqua County Commerce Park, LLC., 4% interest bearing note receivable, \$454 per month including interest through January 1, 2036.	\$ 48,761
Original Crunch Roll Factory, 4% interest bearing note receivable (loan awarded in 2024), \$1,842 per month including interest through May 1, 2029.	87,792
Original Crunch Roll Factory, 4% interest bearing note receivable, \$515 per month including interest through September 1, 2037.	66,119
Big Inlet Brewing, 4% interest bearing note receivable, \$828 per month including interest through October 1, 2028.	34,717
Kimbert Manufacturing, Inc, 4% interest bearing note receivable, interest only through November 30, 2020 then \$759 per month including interest through August 1, 2030.	45,966
Beichner Waster, 4% interest bearing note receivable, \$683 per month including interest through April 1, 2027.	17,619
The Stannard Group Properties, 4% interest bearing note receivable, interest only through May 1, 2024 at \$250 per month, then \$454 per month including interest through May 1, 2044.	<u>73,554</u>
Subtotal	374,528
Less: reserve	<u>(75,000)</u>
Subtotal	299,528
Less: current portion	<u>(52,411)</u>
Long-term portion - Chautauqua Revolving Loan Fund	<u>\$ 247,117</u>

<u>AI-Tech Trust Fund</u>	<u>Balance as of 12/31/24</u>
Chautauqua Utilities, 4% note receivable, \$1,339 interest only through March 1, 2021, then \$5,030 per month including principal, through March 1, 2029.	\$ 235,483
International Ordnance Technologies, Inc. 4% interest bearing note receivable, entered into a forbearance agreement through June 1, 2017, then \$1,230 per month including interest through July 1, 2029.	61,727
Jamestown Mattress 4% interest bearing note receivable, \$3,029 per month including interest through February 1, 2025.	6,237
Scott's Peak 'n Peek, LLC, 4% interest bearing note receivable, \$2,806 per month including interest through April 1, 2034.	260,397
Erie Shore Holdings, LLC, 4% interest bearing note receivable, \$1,030 per month including interest through September 1, 2029.	52,784

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>AI-Tech Trust Fund (continued)</u>	<u>Balance as of 12/31/24</u>
Gren Ventures LLC, 4% interest bearing note receivable, \$4,068 per month including interest through December 1, 2028.	\$ 180,180
Chautauqua County Commerce Park, LLC, 4% interest bearing note receivable, \$4,151 per month including interest through January 1, 2036.	445,356
Chadwick Bay Marina, 4% interest bearing note receivable, \$2,145 per month including interest through January 1, 2032.	158,121
Chautauqua Woods, 4% interest bearing note receivable, \$1,230 per month including interest through February 1, 2025.	2,429
Shults Real Estate, 4% interest bearing note receivable, \$3,030 per month including interest through December 1, 2037.	367,788
All Metal Press, 4% interest bearing note receivable, \$962 per month including interest through July 1, 2031.	66,690
The Tube Fabrication Co., 4% interest bearing note receivable, \$2,025 per month including interest through December 1, 2032.	575,532
200 Harrison Street, LLC, 4% interest bearing note receivable, \$2,424 per month including interest through June 1, 2037.	285,755
Bailey Manufacturing, 4% interest bearing note receivable, \$5,062 per month including interest through February 1, 2028.	176,122
Pier LLC, 4% interest bearing note receivable, \$1,598 per month including interest through February 1, 2033.	133,322
Big Inlet Brewing, Inc, 4% interest bearing note receivable, \$1,822 per month including interest through June 1, 2029.	89,070
AgriAmerica, LLC, 4% interest bearing note receivable, \$26,509 annually including interest in 2019 and \$32,589 thereafter through February 1, 2038.	342,448
HH Jamestown, LLC, 4% interest bearing note receivable, \$5,140 per month including interest through April 1, 2043.	800,532
Kimbert Manufacturing, Inc, 4% interest bearing note receivable, \$1,300 per month including interest through January 1, 2039.	167,263
Beichner Waste Services Inc, 4% interest bearing note receivable, \$1,367 per month including interest through April 1, 2027.	35,238
Premier Precision Machining, LLC, 4% interest bearing note receivable, \$3,037 per month including interest through October 1, 2028.	129,335

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>AI-Tech Trust Fund (continued)</u>	<u>Balance as of 12/31/24</u>
The Stannard Group, 4% interest bearing note receivable, interest only through May 1, 2024 then \$3,280 per month including interest through May 1, 2044.	\$ 965,031
Falcon Conveyor, 4% interest bearing note receivable, interest only through August 1, 2023 then \$933 per month including interest through June 1, 2043.	145,901
Cockaigne Development, LLC, 4% interest bearing note receivable, \$3,030 per month including interest through October 1, 2040.	425,144
Hy-Wit, 4% interest bearing note receivable, \$1,012 per month including interest through April 1, 2031.	67,874
MW Graphics, Inc., 4% interest bearing note receivable, \$607 per month including interest through January 1, 2033.	50,276
2 Portage LLC, 4% interest bearing note receivable, \$2,878 per month including interest through March 1, 2043.	446,877
Excelco Newbrook LLC, 4% interest bearing note receivable, \$9,208 per month including interest through January 1, 2028.	320,032
Landmark Restaurant, 4% interest bearing note receivable, \$2,350 per month including interest through February 1, 2033.	208,608
See-Zurh House, 4% interest bearing notes receivable, \$406 and \$404 per month including interest through August 1, 2030 and August 1, 2033, respectively.	228,895
Ghostfish Brewing, 4% interest bearing notes receivable, \$1,842 and \$901 per month including interest through March 1, 2028 and March 1, 2030, respectively.	118,358
Alchemy Farms, 4% interest bearing note receivable, \$2,435 per month including interest through May 1, 2030.	151,776
BP Endeavors, 4% interest bearing note receivable, \$1,000 per month including interest through October 1, 2033.	89,062
ZTS Development, 4% interest bearing note receivable, \$2,424 per month including interest through June 1, 2043.	379,803
Royal Fern Nursery, 4% interest bearing note receivable, \$638 per month including interest through November 1, 2033.	\$ 57,325

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>AI-Tech Trust Fund (continued)</u>	<u>Balance as of 12/31/24</u>
Bemus Point Inn, 4% interest bearing note receivable, \$2,412 per month including interest through June 1, 2028.	\$ 101,111
Excelco Newbrook, 4% interest bearing note receivable (loan awarded during 2024), \$1,842 per month including interest through June 1, 2029.	89,336
Wicked Jimmy LLC, 4% note receivable (loan awarded during 2024), \$5,757 payments commencing March 1, 2025. Payments will be applied first to accrued interest and then principal with the loan maturing October 1, 2044.	959,563
42 Lake Erie LLC, 4% interest bearing note receivable (loan awarded during 2024), \$2,977 per month including interest through October 1, 2044.	488,527
Eminence Group Inc, 4% interest bearing note receivable (loan awarded during 2024), \$5,468 per month including interest through November 1, 2031.	395,866
LINC Products and Services LLC, 4% interest bearing notes receivable (loan awarded during 2024), \$140 and \$610 interest only through January 1, 2025 then \$575 and \$2,500 per month including principal and interest through July 1, 2031.	225,000
Emergency working capital loans, during 2020 25 \$10,000 working capital loans were provided to local business in the form of 4% interest bearing notes, at \$184 per month through 2026.	<u>36,102</u>
Subtotal	10,522,276
Less: reserve	<u>(2,152,000)</u>
Subtotal	8,370,276
Less: current portion	<u>(975,908)</u>
Long-term portion - AI-Tech Trust Fund	<u>\$ 7,394,368</u>
As of December 31, 2024, the Agency had a commitment to issue notes to one company totaling approximately \$240,000.	
<u>EDA CARES Fund</u>	<u>Balance as of 12/31/24</u>
Webb's Candies, Inc and Webb's Motel, Inc., 2.44% interest bearing notes receivable, \$648 and \$331 per month including interest through January 1, 2028 and June 1, 2032, respectively.	\$ 50,265
The Original Crunch Roll, 2.44% interest bearing note receivable, \$972 per month including interest through January 1, 2028.	34,617

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>EDA CARES Fund (continued)</u>	<u>Balance as of 12/31/24</u>
The Bilicki Law Firm, P.C., 2.44% interest bearing notes receivable, interest only through July 1, 2021, then \$1,214 and \$1,037 per month including interest through January 1, 2028 and July 1, 2029, respectively.	\$ 97,146
Excelco/Newbrook, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through February 1, 2028.	59,195
Ark Wholesale, LLC., 2.44% interest bearing note receivable, \$2,211 per month including interest through July 1, 2026.	41,435
Shawbucks Inc., 2.44% interest bearing note receivable, \$1,593 per month including interest through May 1, 2028.	59,553
Ivory Acres Weddings, LLC, 2.44% interest bearing note receivable, \$454 per month including interest through January 1, 2028.	16,155
Cockaigne Development, LLC, 2.44% interest bearing note receivable, \$2,635 per month including interest through January 1, 2041.	418,921
Corvus Bus & Charter, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through January 1, 2028.	57,695
Advanced Production Group LLC, 2.44% interest bearing notes receivable, \$1,620 and \$2,350 per month including interest through August 1, 2028 and September 1, 2031, respectively.	254,620
Merritt Estate Winery, Inc., 2.44% interest bearing notes receivable, \$531 and \$531 per month including interest through January 1, 2028 and July 1, 2029, respectively.	46,552
Falconer Hotel, LLC, 2.44% interest bearing notes receivable, \$648 and \$705 per month including interest through February 1, 2028 and February 1, 2031, respectively.	72,066
Pucci Carpet & Furniture, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through February 1, 2028.	59,195
Luscombe Aircraft Corporation., 2.44% interest bearing notes receivable, \$1,731 and \$1,038, respectively, per month including interest through February 1, 2028 and December 1, 2041, respectively. This loan currently is in default.	297,583
Kimbert Mfg. Inc., 2.44% interest bearing note receivable, \$1,210 per month including interest through February 1, 2036.	141,760

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>EDA CARES Fund (continued)</u>	<u>Balance as of 12/31/24</u>
International Ordnance Inc., 2.44% interest bearing notes receivable, \$1,199 and \$3,241, respectively, per month including interest through April 1, 2032 and October 1, 2031, respectively.	\$ 297,918
Brigiotta's Farmland Produce and Garden Center, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through February 1, 2028.	59,195
The Gerry Homes Inc., 2.44% interest bearing notes receivable, \$1,620, \$2,350 and \$1,296 per month including interest through February 1, 2028, February 1, 2031 and July 1, 2029, respectively.	287,875
Uhl Ventures, LLC, 2.44% interest bearing note receivable, \$443 per month including interest through March 1, 2026.	6,539
Webbs Harbor Restaurant and Bowling Lanes, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through February 1, 2028.	59,195
Pace's Pizzeria, LLC., 2.44% interest bearing notes receivable, \$1,175, \$846, and \$162 per month including interest through March 1, 2031, July 1, 2031 and March 1, 2028, respectively.	150,844
Artone, LLC., 2.44% interest bearing notes receivable, \$3,473, \$1,620 and \$1,620 per month including interest through October 1, 2031, February 1, 2028 and July 1, 2029, respectively.	405,481
Lakeside Capital Corp., 2.44% interest bearing note receivable, \$981 per month including interest through December 1, 2026.	22,960
Jamestown's Rental Properties LLC, 2.44% interest bearing note receivable, \$1,296 per month including interest through September 1, 2028.	55,688
Lido's Crescent Inn Inc., 2.44% interest bearing note receivable, \$324 per month including interest through July 1, 2028.	13,330
Labyrinth Press, LLC., 2.44% interest bearing note receivable, \$1,296 per month including interest through July 1, 2029.	67,387
Ready About Sailing, Inc., 2.44% interest bearing notes receivable, interest only through May 1, 2022 and June 1, 2022, then \$846 and \$1,735 per month including interest through December 1, 2036 and December 1, 2028, respectively.	207,148

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>EDA CARES Fund (continued)</u>	<u>Balance as of 12/31/24</u>
Rocky's Family Karate and Fitness Inc., 2.44% interest bearing note receivable, \$324 per month including interest through July 1, 2028.	\$ 13,330
Scott's Peek'N Peak, LLC., 2.44% interest bearing notes receivable, \$1,675 and \$5,050 per month including interest through July 1, 2028 and July 1, 2037, respectively.	724,904
The Service Manufacturing Group, Inc., 2.44% interest bearing notes receivable, \$356 and \$282 per month including interest through February 1, 2029 and July 1, 2032, respectively.	40,655
Reg Lenna Center for the Arts, Inc., 2.44% interest bearing note receivable, interest only through August 1, 2022, \$1,777 per month including interest through December 1, 2028.	81,176
Cleaners of Chautauqua, Inc., 2.44% interest bearing note receivable, \$1,296 per month including interest through May 1, 2028.	50,941
The Kosciuszko Polish Home Association, Inc., 2.44% interest bearing note receivable, \$347 per month including interest through May 1, 2028.	13,634
The Maple Springs Lake Side Inn, Inc., 2.44% interest bearing notes receivable, \$648 and \$1,410 per month including interest through April 1, 2031 and April 1, 2028, respectively.	124,069
Lynn Development, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through May 1, 2028.	63,677
Southern Tier Environments for Living, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through August 1, 2028.	67,202
Fredonia Ford Inc., 2.44% interest bearing note receivable, \$3,689 per month including interest through May 1, 2041.	598,303
National Comedy Center, Inc., 2.44% interest bearing note receivable, \$1,731 per month including interest through May 1, 2028.	68,305
Falconer Power Sports, Inc., 2.44% interest bearing note receivable, \$1,620 per month including interest through May 1, 2028.	63,677
Blackstone Advanced Tech, 2.44% interest bearing note, \$4,446 per month including interest through April 1, 2032.	357,916
Lancaster LLC., 2.44% interest bearing note receivable, \$898 per month including interest through November 1, 2031.	59,802

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>EDA CARES Fund (continued)</u>	<u>Balance as of 12/31/24</u>
Bailey Manufacturing, 2.44% interest bearing note receivable, \$6,078 per month including interest through February 1, 2032.	\$ 479,108
Chautauqua County Chamber of NYSARC, 2.44% interest bearing note receivable, \$1,163 per month including interest through April 1, 2032.	93,631
James Turner Sales, 2.44% interest bearing note receivable, \$1,296 per month including interest through July 1, 2028.	53,319
Majestic Woods, LLC, 2.44% interest bearing notes receivable, \$389, \$483 and \$650 per month including interest through July 1, 2028, September 1, 2028 and December 1, 2028, respectively.	62,324
Meeder's Restaurant, Inc., 2.44% interest bearing note receivable, \$972 per month including interest through July 1, 2028.	39,990
Chautauqua Lake Self Storage, LLC., 2.44% interest bearing note receivable, \$2,371 per month including interest through November 1, 2041.	394,092
Birchman's Parisian, LLC., 2.44% interest bearing note receivable, \$519 per month including interest through September 1, 2028.	22,275
New Cinema Relations, 2.44% interest bearing note receivable, \$1,296 per month including interest through July 1, 2029.	74,139
Colecraft Commercial Furniture, 2.44% interest bearing note receivable, \$1,296 per month including interest through July 1, 2029.	67,387
Bemus Point Inn, 2.44% interest bearing note receivable \$3,469 per month including interest through July 1, 2029.	184,327
Weber Knapp, 4% interest bearing note receivable, \$10,125 per month including interest through December 1, 2033.	916,995
The Original Crunch Roll, 4% interest bearing notes receivable (loan awarded during 2024), \$1,381 and \$3,075 per month including interest through April 1, 2029 and April 1, 2031, respectively.	272,021
Tim and Edmond, LLC., 4% interest bearing note receivable (loan awarded during 2024), \$2,959 per month including interest through October 1, 2039.	396,744

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 9 - NOTES RECEIVABLE (CONTINUED)

<u>EDA CARES Fund (continued)</u>	<u>Balance as of 12/31/24</u>
Lakeside Capital Corp, 4% interest bearing note receivable (loan awarded during 2024), \$10,970 per month including interest through September 1, 2032.	\$ 876,009
Gren Ventures, LLC., 4% interest bearing note receivable (loan awarded during 2024), \$6,851 per month including interest through September 1, 2029.	<u>355,111</u>
Subtotal	9,955,381
Less: reserve	<u>(2,047,000)</u>
Subtotal	7,908,381
Less: current portion	<u>(1,428,697)</u>
Long-term portion – EDA CARES	<u>\$ 6,479,684</u>

As of December 31, 2024, the Agency had a commitment to issue notes to one company totaling approximately \$280,000.

CREDC Economic Development Program Balance as of 12/31/24

42 Lake Erie LLC, loan of \$434,000, (loan awarded in 2024) if conditions of loan are met through December 1, 2027, \$217,000 of the loan will be forgiven.	\$ 434,000
Jamestown Advanced Products Corp., loan of \$734,000, if conditions of loan are met through September 1, 2025, \$367,000 of the loan will be forgiven.	470,481
Jamestown Container, loan of \$500,000, if conditions of loan are met through September 1, 2025, \$400,000 of the loan will be forgiven.	<u>412,720</u>
Subtotal	1,317,201
Less: reserve	<u>(67,000)</u>
Subtotal	1,250,201
Less: current portion	<u>(187,094)</u>
Long-term portion – CREDC	<u>\$ 1,063,107</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

<u>Industrial Development Agency</u>	<u>Balance as of 12/31/24</u>
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.	\$ 622,061
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.	<u>873,731</u>
Subtotal	1,577,163
Less: current portion	<u>(245,338)</u>
Long-term debt – IDA	<u>\$ 1,331,825</u>

At December 31, 2024, debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
CCIDA			
2025	\$ 245,338	\$ 36,599	\$ 281,937
2026	168,253	32,313	200,566
2027	172,654	27,912	200,566
2028	177,172	23,394	200,566
2029	181,810	18,756	200,566
2030-2033	631,936	27,555	659,491
	<u>\$ 1,577,163</u>	<u>\$ 166,529</u>	<u>\$ 1,743,692</u>

CCIDA incurred interest expense in the amounts of \$40,774 during 2024.

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, 2024, the weighted average remaining lease term is 4.6 years and weighted average discount rate is 2%.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

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

The maturities of lease liabilities as of December 31, 2024 were as follows:

2025	\$	106,257
2026		108,382
2027		110,550
2028		112,761
2029		115,016
2030 and thereafter		205,361
Total undiscounted cash flows		758,327
Less: interest		(50,457)
Present value of lease liability	\$	<u>707,870</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 2024:

IDA	Receipts	Disbursements
<u>Pilot Program</u>		
Pilot payments collected from businesses and remitted to local governments	\$ 2,814,313	\$ 2,814,313

The Agency received \$115,276 of 2025 Pilot payments in December 2024 which was recorded as due to other governments.

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 \$26,173 for the year ended December 31, 2024. The balance in the 401 (a) plan as of December 31, 2024 was \$229,227 as presented in the Statement of Fiduciary Net Position.

NOTE 14 – DEFERRED COMPENSATION PLAN

The Agency has a 457 deferred compensation 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. Employees can elect to make discretionary contributions to the deferred compensation plan. The employees contributed \$63,654 to the deferred compensation plan for the year ended December 31, 2024. The balance of the deferred compensation plan as of December 31, 2024 was \$633,391 as presented in the Statement of Fiduciary Net Position.

NOTE 15 - INTERAGENCY TRANSACTIONS

During the current year, the Agency’s general fund charged costs to administer the loan funds which were recorded as expenditures in the applicable loan funds. These costs are included within general and administrative expenses in the combined statement of revenue, expenditures and changes in net position while the corresponding revenue was recognized by the IDA in other income. Costs were allocated as follows:

Revolving Loan Fund	\$	14,655
CREDC		36,652
EDA CARES		151,253
AI-tech Loan Fund		203,177
	\$	<u>405,737</u>

NOTE 16 - RESTRICTED NET POSITION

The amounts restricted as of December 31, 2024 include:

<u>Chautauqua Revolving Loan Fund</u>	
Revolving Loan funds	\$ <u>566,108</u>
<u>AI Tech Trust Fund</u>	
AI Tech funds	\$ <u>9,138,201</u>
<u>EDA CARES Fund</u>	
EDA CARES funds	\$ <u>8,528,772</u>

NOTE 17 – PROJECTS

During 2017, 2022 and 2024, the Agency entered into agreements with Athenex, Inc, Electroveya Inc., and Wells Enterprises respectively. Immunity Bio assumed the agreement of Athenex Inc.

Immunity Bio

The agreement calls for administrative fees to be paid to CCIDA in the amounts of \$1,750,000 over a period of nine years. During 2017, CCIDA received and recognized revenue the first payment (\$100,000) in the Statement of Revenue, Expenditures and Changes in Financial Position. Construction began on the project during 2018 which triggered revenue recognition for the project and resulted in the Agency recognizing a receivable and revenue related to the remaining payments. The Agency recognized revenue in the amount of \$1,650,000 during the year ended December 31, 2018. Below is a schedule of the remaining payments under the agreement:

Electroveya

The project included the purchase of existing facilities and occurred during 2022 which triggered revenue recognition for the project and resulted in the Agency recognizing a receivable and revenue related to the remaining payments. The Agency recognized revenue in the amount of \$300,000 during the year ended December 31, 2022. Below is a schedule of the remaining payments under the agreement:

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 17 – PROJECTS (CONTINUED)

Wells Enterprises

The project included the expansion of existing facilities and occurred during 2024 which triggered revenue recognition for the project and resulted in the Agency recognizing a receivable and revenue related to the remaining payments. The Agency recognized revenue in the amount of \$725,000 during the year ended December 31, 2024. Below is a schedule of the remaining payments under the agreement:

	<u>Immunity Bio</u>	<u>Electrovaya</u>	<u>Wells Enterprises</u>
2025	\$ 175,000	\$ 20,000	\$ 200,000
2026	250,000	86,000	200,000
2027	--	87,000	200,000
2028	--	87,000	--
Total remaining payments	\$ 425,000	\$ 280,000	\$ 600,000

NOTE 18 – RENTAL INCOME

The CCIDA receives rental income from various entities related to its office building. Rental income amounted to \$21,400 for the year ended December 31, 2024. The rental agreements are short term annual agreements which expired on December 31, 2024 and renewed in 2025.

NOTE 19 – INVESTED CAPITAL NET OF RECEIVABLES AND DEBT

CCIDA and certain component units have net assets classified as invested capital, net of receivables and debt. Below is a calculation of the amounts reported in the Statement of Net Position:

	<u>IDA</u>	<u>CREDC</u>
Property, equipment and right-of-use assets	\$ 905,251	\$ --
Real property held for resale	2,986,970	30,488
Mortgage receivable	1,504,793	--
Long-term debt and leases	(2,285,033)	--
Ending balance	\$ 3,111,981	\$ 30,488

NOTE 20 – PARTNERSHIP FOR ECONOMIC GROWTH

In 2018 Chautauqua County entered into a two-phased economic development plan. The mission of the plan was to work with private and public sectors in a collaborative effort to develop a strategy for future economic prosperity. Phase one was directed towards developing the plan at the County level. Phase two, which occurred in 2019, involved creating the organization, Chautauqua County Partnership for Economic Growth (PEG), under the umbrella of CREDC. PEG through its partnership board and advisory group has approved multiple projects aimed at economic development in the Chautauqua region. During the years ended December 31, 2024 and 2023, CREDC recognized \$1,228,068 and \$704,544, respectively, of grant revenue and service agreements for the various projects.

NOTE 21 – EDA CARES REVOLVING LOAN FUND

On September 9, 2020 the *County of Chautauqua Industrial Development Agency* was selected as the recipient of a \$10.5 million grant through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which enabled the agency to establish a new Revolving Loan Fund (RLF). The RLF provides capital in the form of low-interest loans to both businesses and non-profit organizations to respond to economic injury resulting from the COVID-19 pandemic. As of December 31, 2024 \$9,955,381 was loaned out to 56 different local businesses to assist with any hardships experienced due to the pandemic. The Agency reserved against approximately 20% of all loans outstanding as of December 31, 2024.

NOTE 22 – SUBSEQUENT EVENTS

Subsequent events were evaluated through March 25, 2025, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF OTHER INCOME AND GENERAL AND ADMINISTRATIVE
EXPENSES – ALL FUNDS

Schedule 1
Page 26

Year ended December 31, 2024

	CCIDA					CREDC	(Memo Only) Total Reporting Entity
	Industrial Development Agency	Chautauqua Revolving Loan Fund	AI-Tech Trust Fund	EDA CAREs Fund	EPA Brownfield Revolving Trust Fund		
Other Income							
Interagency charges	\$ 405,737	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 405,737
Other	16,702	--	--	--	--	3,374	20,076
Total other income	\$ 422,439	\$ --	\$ --	\$ --	\$ --	\$ 3,374	\$ 425,813
General and Administrative Expenses							
Payroll and benefits	\$ 1,094,841	\$ --	\$ --	\$ --	\$ --	\$ 223,042	\$ 1,317,883
Publicity and promotion	137,886	--	--	--	--	102,313	240,199
Rent	145,487	--	--	--	--	11,880	157,367
Insurance	28,403	--	--	--	--	240	28,643
Office and postage	74,518	20	--	1,682	--	41,634	117,854
Meeting expense	2,155	--	--	--	--	1,220	3,375
Professional fees	747,164	--	--	42,108	17,252	533,651	1,340,175
Interagency charges	--	14,655	203,177	151,253	--	36,652	405,737
Repairs and maintenance	--	--	--	--	--	2,878	2,878
Utilities	17,161	--	--	--	--	--	17,161
Dues and subscriptions	11,668	--	--	--	--	2,363	14,031
Miscellaneous	38,981	--	1,593	--	--	4,280	44,854
Travel and entertainment	14,631	--	58	--	--	9,681	24,370
Other	15,219	--	--	--	--	--	15,219
Total general and administrative	\$ 2,328,114	\$ 14,675	\$ 204,828	\$ 195,043	\$ 17,252	\$ 969,834	\$ 3,729,746

See accompanying independent auditor's report.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF TAX-EXEMPT BONDS

As of December 31, 2024

	Loan ID	Original Amount	Outstanding Principal	Date of Issuance	Date of Maturity	Interest Rate
Tax-exempt bonds						
County of Chautauqua Industrial Development Agency:						
JCC Foundation Inc.	0601-07-02A	\$ 3,345,000	\$ 730,000	2007	2027	Variable
Covenant Manor Apartments	0601-14-01	\$ 4,440,000	\$ 3,760,000	2014	2054	Variable
Chautauqua County Capital Resource Corporation:						
Jamestown Center City Development Co.	0601-13-01A	\$ 19,955,000	\$ 18,605,000	2021	2031	Variable
National Comedy Center	0601-13-01A	\$ 4,925,000	\$ 4,615,000	2021	2031	Variable
Lutheran Housing Administration Services Group Inc.	0601-17-02	\$ 6,300,000	\$ 4,590,000	2017	2037	Variable
NRG Power Corporation	0601-09-01	\$ 58,500,000	\$ 58,500,000	2020	2042	Variable

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF NET POSITION - CREDC

Schedule 3
Page 28

As of December 31, 2024

	CREDC		(Memo Only) Total Reporting Entity
	Operating Fund	Partnership for Economic Growth (PEG)	
Assets			
Current			
Cash and cash equivalents	\$ 300,977	\$ 304,204	\$ 605,181
Other receivables	--	26,500	26,500
Other current assets	2,093	490	2,583
Current portion, notes receivable	187,094	--	187,094
Total current assets	490,164	331,194	821,358
Other assets			
Notes receivable, net of current portion	1,130,107	--	1,130,107
Allowance for uncollectible notes receivable	(67,000)	--	(67,000)
Real property held for resale	30,488	--	30,488
Total other assets	1,093,595	--	1,093,595
	\$ 1,583,759	\$ 331,194	\$ 1,914,953
Liabilities and Net Position			
Current liabilities			
Accounts payable	\$ --	\$ 45,260	\$ 45,260
Accrued liability	--	3,641	3,641
Unearned revenue	984,000	240,681	1,224,681
Total current liabilities	984,000	289,582	1,273,582
Total liabilities	984,000	289,582	1,273,582
Net position			
Invested in capital assets, net of related debt	30,488	--	30,488
Unrestricted	569,271	41,612	610,883
Total net position	599,759	41,612	641,371
	\$ 1,583,759	\$ 331,194	\$ 1,914,953

See accompanying independent auditor's report.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN NET POSITION – CREDC

Schedule 4
Page 29

Year ended December 31, 2024

	CREDC		
	Operating Fund	Partnership for Economic Growth (PEG)	(Memo Only) Total Reporting Entity
Revenue			
Interest income	\$ 20,122	\$ --	\$ 20,122
Grant income	376,361	1,165,568	1,541,929
Economic Development Service Agreement	--	62,500	62,500
Other income	--	3,374	3,374
Total revenue	396,483	1,231,442	1,627,925
Expenditures			
General and administrative	40,290	929,544	969,834
Grant expense	193,111	372,081	565,192
Total expenses	233,401	1,301,625	1,535,026
Excess (deficiency) of revenue over expenditures	163,082	(70,183)	92,899
Net position, beginning	436,677	111,795	548,472
Net position, ending	\$ 599,759	\$ 41,612	\$ 641,371

See accompanying independent auditor's report.

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF CASH FLOWS - CREDC

Year ended December 31, 2024

	CREDC		(Memo Only) Total Reporting Entity
	Operating Fund	Partnership for Economic Growth (PEG)	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from grantors	\$ 593,361	\$ 653,984	\$ 1,247,345
Economic Development Service Agreements	--	62,500	62,500
Cash paid to contractors	(16,017)	(673,823)	(689,840)
Interagency charges	(36,652)	--	(36,652)
Cash paid to employees	--	(223,042)	(223,042)
Cash payments to grantees	(193,111)	(372,081)	(565,192)
Other receipts	--	3,374	3,374
Interest received	20,122	--	20,122
Net cash provided by (used in) operating activities	367,703	(549,088)	(181,385)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Issuances of mortgages and notes receivable	(434,000)	--	(434,000)
Collections on notes receivable	216,520	--	216,520
Net cash used in investing activities	(217,480)	--	(217,480)
Net change in cash	150,223	(549,088)	(398,865)
Cash, beginning of year	150,754	853,292	1,004,046
Cash, end of year	\$ 300,977	\$ 304,204	\$ 605,181
Reconciliation of change in net position to net cash provided by (used in) operating activities:			
Change in net position	\$ 163,082	\$ (70,183)	\$ 92,899
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities:			
Forgiveness of note receivable from unearned revenue	200,000	--	200,000
Change in operating assets and liabilities:			
Accounts receivable	--	98,500	98,500
Accounts payable	(12,379)	32,679	20,300
Unearned revenue	17,000	(610,084)	(593,084)
Net cash provided by (used in) operating activities	\$ 367,703	\$ (549,088)	\$ (181,385)
Supplemental Disclosure of Cash Flow Information:			
Cash paid during the year for:			
Interest	\$ --	\$ --	\$ --

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2024

Grantor/Pass-through agency	Project Title	Federal CFDA Number	Project Number	Expenditures
U.S. Department of Commerce:				
Economic Development Administration	COVID-19 Economic Adjustment Assistance *	11.307	01-79-15014	<u>\$ 10,985,815</u>
Total U.S. Department of Commerce				<u>10,985,815</u>
U.S. Department of Housing and Urban Development (HUD) passed through NYS Office of Community Renewal:				
NYS Homes and Community Renewal	Community Development Block Grant **	14.218	366ED989-21	<u>614,611</u>
Total U.S. Department of HUD				<u>614,611</u>
Total Federal Awards				<u><u>\$ 11,600,426</u></u>

* Economic Development Cluster
 ** CDBG - Entitlement Grants Cluster

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the County of Chautauqua Industrial Development Agency and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2 - Indirect Costs

The Agency has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance in the current year.

Note 3 - EDA RLF Expenditure Calculation

The federal expenditures for the Economic Development Administration (the "EDA") Economic Adjustment Assistance Revolving Loan Fund (the "RLF") for the year ended December 31, 2024 are calculated as follows:

Outstanding loans receivable as of December 31, 2024	\$ 9,955,381
Cash as of December 31, 2024	620,391
Administrative expenses for the year ended December 31, 2024	195,043
Loan losses for the year ended December 31, 2024	<u>215,000</u>
Total EDA RLF expenditures	<u><u>\$ 10,985,815</u></u>



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 Directors
County of Chautauqua Industrial Development Agency
Jamestown, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **County of Chautauqua Industrial Development Agency** and its component units, the Chautauqua Region Industrial Development Corporation and the Chautauqua County Capital Resource Corporation, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Agency and its component units' basic financial statements and have issued our report thereon dated March 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **County of Chautauqua Industrial Development Agency'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of **County of Chautauqua Industrial Development Agency's** internal control. Accordingly, we do not express an opinion on the effectiveness of **County of Chautauqua Industrial Development Agency's** internal control.

A deficiency in internal control over financial reporting 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 a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention to those charged with governance.

Our consideration of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal controls over that we consider to be material weaknesses. However, material weaknesses may exist and have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **County of Chautauqua Industrial Development Agency's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 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.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Jamestown, New York
March 25, 2025**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
County of Chautauqua Industrial Development Agency
Jamestown, New York

Opinion on Each Major Program

We have audited **County of Chautauqua Industrial Development Agency's** compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Institution's major federal programs for the year ended December 31, 2024. **County of Chautauqua Industrial Development Agency's** major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, **County of Chautauqua Industrial Development Agency** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **County of Chautauqua Industrial Development Agency** and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of **County of Chautauqua Industrial Development Agency's** compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to **County of Chautauqua Industrial Development Agency's** federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **County of Chautauqua Industrial Development Agency's** compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **County of Chautauqua Industrial Development Agency** with the requirements of each major federal program as a whole.

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

Auditor's Responsibilities for the Audit of Compliance (continued)

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 **County of Chautauqua Industrial Development Agency's** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **County of Chautauqua Industrial Development Agency's** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **County of Chautauqua Industrial Development Agency's** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that may be material weakness or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Jamestown, New York
March 25, 2025**

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's opinion(s) issued or whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes x no
 Significant deficiency(ies) identified? _____ yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ yes x no
 Significant deficiency(ies) identified? _____ yes x none reported

Type of auditor's opinion issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR-200.516(a) _____ yes x no

Federal Program Title	Federal CFDA Number	Amount
Total expenditures of Federal Awards		<u>\$ 11,600,426</u>
Identification of Major Programs Tested:		
COVID-19 Economic Adjustment Assistance *	11.307	<u>\$ 10,985,815</u>
Total major programs tested		<u>\$ 10,985,815</u>
% of Federal programs tested		<u>94.70%</u>

* Represents Economic Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low risk? _____ yes x no

COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024

II. FINANCIAL STATEMENT AUDIT – FINDINGS

A. INTERNAL CONTROL OVER FINANCIAL REPORTING

Year ended December 31, 2024

There are no internal control over financial reporting findings reported upon during the year ended December 31, 2024.

B. COMPLIANCE AND OTHER MATTERS

Year ended December 31, 2024

There are no compliance and other matters findings reported upon during the year ended December 31, 2024.

III. MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

A. COMPLIANCE

Year ended December 31, 2024

There are no compliance findings reported upon during the year ended December 31, 2024.

B. INTERNAL CONTROLS OVER COMPLIANCE

Year ended December 31, 2024

There are no findings related to internal control over compliance reported upon during the year ended December 31, 2024.

**COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

I. FINANCIAL STATEMENT AUDIT – FINDINGS

A. INTERNAL CONTROL OVER FINANCIAL REPORTING

Year ended December 31, 2023

There were no internal control over financial reporting findings reported upon during the year ended December 31, 2023.

B. COMPLIANCE AND OTHER MATTERS

Year ended December 31, 2023

COVID-19 Economic Adjustment Assistance (CFDA# 11.307)

2023-001 Activities Allowed – Uniform Guidance

Condition and Criteria: During the current year, the Agency awarded a loan from its Economic Development Loan Fund to a corporation for the purpose of acquiring stock from former owners. 13 CFR Section 307.17(c)(4) prohibits lending for such purpose unless sufficient justification as outlined in the Section is provided in the loan documentation.

Cause: The Agency failed to document the justification that it relied upon as an exception to the restriction to lend funds for the acquisition of stock.

Questioned Cost: The loan awarded was \$1 million.

Auditor's Recommendation: We recommend that the Agency's Board of Director's document the justification and approval for the exception to the Federal requirement related to stock acquisition.

Agency's Response: At its March 26th Meeting, the CCIDA Board approved an amendment to the Resolution 9-26-23-01 originally approved on September 26, 2023. The amendment includes new language that justifies the lending of funds for the acquisition of stock, which is an exception to 13 CFR Section 307.17(c)(4).

Current Status: During 2024, the entity awarded a new loan from its Economic Development Loan Fund to a corporation for the purpose of acquiring stock. Included in the Agency's resolution for the loan was specific language addressing the exception to 13 CFR Section 307.17(c)(4) indicating the Agency correctly implemented the prior recommendation. As a result, this finding is not reported upon in the current year.

II. MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

A. COMPLIANCE

Year ended December 31, 2023

Same finding and current status as that described above as finding 2023-001.

B. INTERNAL CONTROLS OVER COMPLIANCE

Year ended December 31, 2023

There were no findings related to internal control over compliance reported upon during the year ended December 31, 2023.