

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

-Agenda Subject to Change-

**March 27, 2025 at 4:00 PM
Town of Louisville Municipal Building**

Call to Order	<ul style="list-style-type: none"> ▪ Robert McNeil, Chair
Roll Call/Quorum	
Public Notice	<ul style="list-style-type: none"> ▪ March 25, 2025
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> ▪ March 11, 2025..... 1-2
Financial Reports	
Committee Reports	
Old Business	
New Business	Resolution: Authorizing a Loan of up to \$750,000 to Empire State Mines..... 3-4 Resolution: Accepting 2024 Annual Audit..... 5-24
IDA Report	
MED Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency
Louisville Municipal Office

Meeting Minutes of March 11, 2025

Call to Order: The meeting was called to order at 4:10 PM by Chairman McNeil.

Roll Call/Determination of Quorum: In attendance are board members Clark, Forsythe, McNeil, and Strait. Absent is board member Kramer. Patrick Kelly and Bob Ahlfeld are in attendance from the St. Lawrence County Industrial Development Agency. Chairman McNeil announces there is a quorum.

Public Notice: Public notifications were sent on March 5, 2025, to, at a minimum: St. Lawrence County's newspapers designated for the publication of local laws and other matters required by law to be published. Notifications are also sent to other local media sources and websites. Mitch Marolf, new Vice President of the Massena Rod & Gun Club, is there as a member of the public.

Approval of Minutes: Strait/Clark motion/second to approve the January 21, 2025, meeting minutes. The motion passes unanimously.

Financial Report: Forsythe/Clark motion/second to accept the November 2024 financial reports. Mr. Kelly mentions that the Community Development & Environmental Improvement Program applications are out. He asks if there are any specific questions regarding the November 2024 Financial Report. Motion passes unanimously.

Resolution: Authorizing a loan repayment modification for Canexsys:

Mr. Kelly explains that Canexsys is working to make their loan payments current. The company would like to pay off their 2017 load by the end of 2025. Mr. Forsythe asked how many employees are working at the Paterson Street facility in Ogdensburg. Mr. Kelly reports there are 10 employees at this time. Clark/Strait motion/second to authorize the loan modification for Canexsys. Motion passes unanimously.

IDA Report: Mr. Kelly reports:

Air Products announcement to terminate their project in Massena. Mr. Kelly notes that new members on the company's board were not in favor of the company's focus on green energy projects and that the company had recently brought in a new CEO. The company then announced the cancellation of projects in Massena, Texas, and California. Mr. Kelly noted that we are doing our best to stay in front of any potential suitors for the parcel, as it would be a desirable location given the fact that much of the land has been cleared and has access to very good electrical infrastructure. We are talking with some companies and will follow up with Air Products regarding their site disposition plans.

A discussion ensues about the current correctional facility strikes, Mr. Kelly points out that the IDA serves on a task force with county representatives as well as community leaders from Gouverneur and Ogdensburg, which is closely following the developments at the correctional facilities.

Mr. Kelly notes the St. Lawrence County Property Development Corporation has acquired the former Kraft Canton Plant. The idea is to repurpose the facility and market it for potential tenants or a new owner.

Mr. Ahlfeld presented the board with an overview of the “Find Properties” tab on the SLCIDA.com website. He discussed how site selectors and Empire State Development are able to access the nearly 70 sites and buildings around St. Lawrence County that are located on www.slcida.com.

Executive Session: Clark/Forsythe motion/second to enter into executive session.at 4:49 PM. Motion passes unanimously. Clark/Strait exit executive session and return to the regular meeting at 5:23 PM. Motion passes unanimously.

MED Report: Mr. McMahon reports the CEO of Alcoa was in Massena today to discuss aluminum tariffs and the possible effect on Massena. He also noted there are 140 acres of land with sufficient access to 200 MW of power on the Horton Road in Massena. Mr. McMahon confirmed that Air Products was not an MED customer but rather a direct connect customer of the New York Power Authority.

Adjournment: Clark/Forsythe motion/second to adjourn at 5:17pm. Chairman McNeil declares the meeting adjourned.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Resolution No. RVR-25-03-xx
 March 27, 2025

**AUTHORIZING A LOAN OF \$750,000
 TO EMPIRE STATE MINES, LLC**

WHEREAS, the St. Lawrence River Valley Redevelopment Agency (“RVRDA”) seeks to actively participate in economic development projects which result in the creation of jobs, and

WHEREAS, the RVRDA has partnered with the St. Lawrence County Industrial Development Agency Local Development Corporation (“SLCIDA-LDC”) as prescribed in certain agreements among multiple parties dated June 2, 2010 for the purpose of providing assistance to such projects, and

WHEREAS, Empire State Mines, LLC (the “Company”) has applied for financial assistance for the purchase of new equipment, and

WHEREAS, the project is expected to assist in the retention of 135 full-time equivalent jobs over and the creation of 5 full-time equivalent jobs over the next three years, and

WHEREAS, on March 25, 2025 the SLCIDA-LDC approved Resolution LDC-25-03-07, “AUTHORIZING A LOAN OF UP TO \$1,500,000 to EMPIRE STATE MINES, LLC,” and

WHEREAS, SLCIDA-LDC Resolution LDC-25-03-07 states that said loan of up to \$1,500,000 may include the participation of the St. Lawrence River Valley Redevelopment Agency,

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency, having exercised its own due diligence in the matter, authorizes the allocation of St. Lawrence River Valley Redevelopment Agency funds for this loan, as outlined in Resolution # LDC-25-03-07, and

BE IT FURTHER RESOLVED that said loan of up to \$750,000 shall be subject to the following terms and conditions:

Principal	Up to \$750,000 of the \$1,500,000 approved by Resolution # LDC-02-03-07
Interest Rate	½ of the US Prime Rate +1 fixed at the date of the loan closing
Term	Three months interest-only, followed by 120-month repayment period
Security	Co-proportional first lien with North Country Economic Development Fund (administered by the Development Authority of the North Country) on equipment to be purchased with loan proceeds.
Other	<ul style="list-style-type: none"> • The Company agrees to retain 135 FTE jobs and create 5 FTE jobs at its facility in Fowler, New York within the next three years • Satisfactory proof of owner cash contribution of \$3,009,089 • NCEDF loan of \$500,000 • Necessary permits and approvals. • Evidence of corporation borrowing authorization

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Resolution No. RVR-25-01-xx
 March 27, 2025

**AUTHORIZING A LOAN OF \$750,000
 TO EMPIRE STATE MINES, LLC**

Move:				
Second:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
Clark				
Forsythe				
Kramer				
McNeil				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

 Lori Sibley
 March 27, 2025

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Resolution No. RVR-25-03-xx
 March 27, 2025

ACCEPTING 2024 AUDIT

WHEREAS, the St. Lawrence River Valley Redevelopment Agency has appointed the firm of EFPR Group, CPA’s PLLC as its auditor for the years 2024 through 2026, and

WHEREAS, EFPR Group, CPA’s PLLC has submitted the attached document entitled “St. Lawrence River Valley Redevelopment Agency Financial Statements, December 31, 2024 and 2023;”

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency accepts and approves said report.

Move:				
Second:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
Clark				
Forsythe				
Kramer				
McNeil				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

 Lori Sibley
 March 27, 2025

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ST. LAWRENCE RIVER VALLEY
REDEVELOPMENT AGENCY
Financial Statements and
Independent Auditors' Report
December 31, 2024 and 2023

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
St. Lawrence River Valley Redevelopment Agency:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of St. Lawrence River Valley Redevelopment Agency (SLRVRA) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SLRVRA as of December 31, 2024, and the changes in its net assets and its cash flows for the year 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the SLRVRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Prior Period Financial Statements

The financial statements of SLRVRA as of December 31, 2023 were audited by other auditors whose report dated March 26, 2024, expressed an unmodified opinion on those statements.

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 the SLRVRA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SLRVRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the SLRVRA'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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2025, on our consideration of the SLRVRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and

not to provide an opinion on the effectiveness of the SLRVRA'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 SLRVRA's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 24, 2025

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Statements of Financial Position
 December 31, 2024 and 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and equivalents	\$ 4,868,927	4,466,746
Investments	2,226,646	2,122,660
Accounts receivable	7,996	2,851
Accrued interest receivable	2,336	20,109
Mortgages and notes receivable (net of credit loss allowance of \$80,000 in 2024 and \$110,000 in 2023)	342,445	516,568
Capital leases receivable	22,647	22,984
Total current assets	7,470,997	7,151,918
Noncurrent assets:		
Capital assets, net	266,714	284,521
Mortgages and notes receivable, net of current portion	907,683	1,342,195
Capital leases receivable, net of current portion	262,135	282,207
Total noncurrent assets	1,436,532	1,908,923
Total assets	\$ 8,907,529	9,060,841
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	26,333	21,668
Security deposit payable	3,301	3,300
Total current liabilities	29,634	24,968
Net assets with donor restrictions	8,877,895	9,035,873
Total liabilities and net assets	\$ 8,907,529	9,060,841

See accompanying notes to financial statements.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Statements of Activities

Years ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Totals
Support and revenue:						
Rental income	\$ -	70,290	70,290	-	59,090	59,090
Interest income - banks	-	2,040	2,040	-	133,287	133,287
Interest income - loans/leases	-	100,548	100,548	-	83,467	83,467
Application fees	-	900	900	-	1,000	1,000
Late payment fees	-	-	-	-	575	575
Insurance refund	-	6,579	6,579	-	-	-
Gain on investments	-	136,587	136,587	-	-	-
Net assets released from restrictions	<u>474,922</u>	<u>(474,922)</u>	<u>-</u>	<u>476,248</u>	<u>(476,248)</u>	<u>-</u>
Total support and revenue	<u>474,922</u>	<u>(157,978)</u>	<u>316,944</u>	<u>476,248</u>	<u>(198,829)</u>	<u>277,419</u>
Expenses:						
Program services:						
Contractual	330,000	-	330,000	330,000	-	330,000
Community development	113,168	-	113,168	89,999	-	89,999
Depreciation	17,807	-	17,807	17,807	-	17,807
Advertising and marketing	18,330	-	18,330	21,517	-	21,517
Insurance	4,929	-	4,929	4,639	-	4,639
Property tax	3,608	-	3,608	-	-	-
Repairs and maintenance	2,598	-	2,598	1,295	-	1,295
Underwriting fees	70	-	70	435	-	435
Utilities	<u>7,209</u>	<u>-</u>	<u>7,209</u>	<u>4,062</u>	<u>-</u>	<u>4,062</u>
Total program services	<u>497,719</u>	<u>-</u>	<u>497,719</u>	<u>469,754</u>	<u>-</u>	<u>469,754</u>
Management and general:						
Accounting	4,350	-	4,350	4,228	-	4,228
Bank fees	-	-	-	33	-	33
Legal	840	-	840	-	-	-
Office expenses	-	-	-	95	-	95
D&O Insurance	<u>2,013</u>	<u>-</u>	<u>2,013</u>	<u>2,138</u>	<u>-</u>	<u>2,138</u>
Total management and general	<u>7,203</u>	<u>-</u>	<u>7,203</u>	<u>6,494</u>	<u>-</u>	<u>6,494</u>
Total expenses	<u>504,922</u>	<u>-</u>	<u>504,922</u>	<u>476,248</u>	<u>-</u>	<u>476,248</u>
Other gains - change in credit loss allowance	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	-	(157,978)	(157,978)	-	(198,829)	(198,829)
Net assets at beginning of year	-	<u>9,035,873</u>	<u>9,035,873</u>	-	<u>9,234,702</u>	<u>9,234,702</u>
Net asset at end of year	<u>\$ -</u>	<u>8,877,895</u>	<u>8,877,895</u>	<u>-</u>	<u>9,035,873</u>	<u>9,035,873</u>

See accompanying notes to financial statements.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Statements of Cash Flows
 Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from interest	\$ 152,963	128,165
Cash received from building rents	70,290	59,090
Cash received from others	6,999	7,661
Cash paid to others for community development projects	(113,168)	(89,999)
Cash paid for goods and services	<u>(373,947)</u>	<u>(349,743)</u>
Net cash used in operating activities	<u>(256,863)</u>	<u>(244,826)</u>
Cash flows from investing activities:		
Payments received on capital lease	20,409	20,283
Issuance of new mortgages and notes	(110,000)	(422,000)
payments received on mortgage and notes	<u>748,635</u>	<u>689,050</u>
Net cash provided by investing activities	<u>659,044</u>	<u>287,333</u>
Net change in cash and equivalents	402,181	42,507
Cash and equivalents at beginning of year	<u>4,466,746</u>	<u>4,424,239</u>
Cash and equivalents at end of year	<u>\$ 4,868,927</u>	<u>4,466,746</u>

See accompanying notes to financial statements.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements

December 31, 2024 and 2023

(1) History and Basis of Financial Statement Presentation

The St. Lawrence River Valley Redevelopment Agency (SLRVRA) is a joint action agency formed on June 2, 2010 to make use of certain New York Power Authority (NYPA) assets for the purposes of economic development in the St. Lawrence Valley and surrounding communities. Under the 2010 agreement, the New York Power Authority made available for economic development purposes a \$16,000,000 fund and 20 megawatts of electrical power generation from hydro-electric facilities situated on the St. Lawrence River. A parallel agreement, also dated June 2, 2010, between the SLRVRA and the St. Lawrence County Industrial Development Agency Local Development Corporation (SLCIDA-LDC) provided the mechanism for administering these assets. The SLRVRA has no employees.

As per the 2010 agreements, NYPA has provided the \$16,000,000 to the SLRVRA and the SLCIDA-LDC. On October 18, 2013, NYPA executed an agreement with the Massena Electric Department (as proposed in the 2010 agreements) that made the 20 megawatts of electricity allocated to the SLRVRA available for economic development projects in St. Lawrence County.

(2) Summary of Significant Accounting Policies

The financial statements of St. Lawrence River Valley Redevelopment Agency (SLRVRA) have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

(a) Financial Statement Presentation

The SLRVRA has adopted FASB ASC 958-205. Under this standard, the SLRVRA is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions: Net assets not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions: Net assets whose use is limited by donor-imposed time and/or purposes restrictions.

Revenue is reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. When restrictions expire, net assets with donor restrictions are classified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

(b) Contributions

The SLRVRA has also adopted FASB ASC 958-605. In accordance with this standard, contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(c) Cash and Cash Equivalents

For the purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and savings instruments with a maturity of less than three months.

(d) Mortgages and Notes Receivable

Mortgages and notes receivable are reported at their principal amounts outstanding, net of allowances for possible credit losses. Interest revenue on the mortgages and notes are a credit to interest income based on loan principal amounts outstanding at appropriate interest rates.

(e) Allowance for Credit Losses

The SLRVRA issues mortgages and notes receivable to third parties to stimulate growth and development. At each balance sheet date, management evaluates each mortgage and note individually to consider the circumstances where amounts are considered at risk of being uncollectable.

The allowance estimate is derived from a review of the historical losses based on the aging of mortgages and accounts receivable outstanding. The estimate is adjusted for management's assessment of current economic conditions and any other factors deemed relevant by the SLRVRA. As a result of this analysis, SLRVRA has elected to establish an allowance for both 2024 and 2023. Management expects a lower than expected loss compared to 2023 and as a result reduced the allowance for credit losses for the year-ended December 31, 2024.

The SLRVRA will write-off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. There was one write-off in the amount of \$19,845 for the year ended December 31, 2023. This was netted against the allowance at year end.

(f) Capital Assets

Capital assets are reported at actual cost. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the financial statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 5,000	Straight Line (SL)	50 years
Building improvements	2,500	SL	10 years

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(g) Net Assets with Donor Restrictions

The net assets with donor restrictions represent activity related to the \$16,000,000 grant from the New York Power Authority.

(h) Income Taxes

The SLRVRA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is also duly established under Section 402 of the Not-For-Profit Corporation Law of the State of New York. For tax reporting purposes, the accounts of the SLRVRA are consolidated with those of the SLCIDA-LDC for reporting as a combined entity.

(i) Advertising and Marketing

The SLRVRA expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2024 and 2023 were \$18,330 and \$21,517, respectively.

(j) Depreciation

Depreciation is calculated on buildings and improvements on the straight-line method over the assets estimated useful life. Depreciation expense for the years ended December 31, 2024 and 2023 was \$17,807.

(k) Allocation of Functional Expenses

Program expenses are activities that directly fulfill the mission of the SLRVRA. Management and general expenses are supporting activities that are not directly identifiable with a program. Expenses of the SLRVRA consist of costs related to promoting economic development. The financial statements do not report any categories of expenses that are attributable to more than one program or supporting functions. Therefore, an allocation of functional expenses is not required.

(3) Mortgages and Notes Receivable

The SLRVRA carries its mortgages and notes receivable at cost recognizing interest income on the accrual basis as specified in the various agreements. The SLRVRA evaluates the collectability of its mortgages and notes receivable and the Board has established a credit loss allowance. The credit loss allowance at December 31, 2024 and 2023 was \$80,000 and \$110,000, respectively.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(3) Mortgages and Notes Receivable, Continued

Mortgages and notes receivable balances at December 31, 2024 and 2023 consisted of the following:

	<u>Date</u>	<u>Due</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>	
					<u>2024</u>	<u>2023</u>
ACCO Way	11/1/22	2/1/38	4.125%	\$ 225,000	-	224,115
Ansen	3/4/16	3/1/26	2.625%	241,954	32,222	58,692
Atlantic Testing	1/26/17	2/1/24	2.875%	218,160	-	14,368
Atlantic Testing	4/14/21	4/1/28	2.625%	344,500	167,806	220,623
Atlantic Testing	7/31/23	8/1/30	5.125%	322,000	265,932	309,414
Canexsys	9/15/17	1/1/24	3.125%	150,000	17,912	29,368
Canexsys	10/21/22	1/1/30	4.125%	130,000	109,101	116,807
Curran Renewable Energy	3/16/16	3/1/23	3.500%	1,356,278	80,407	208,848
High Peaks Winery	4/30/14	5/1/29	3.750%	36,500	13,996	16,450
Kingston Pharma, LLC	7/26/18	8/1/23	3.500%	96,000	-	14,845
North American Forest Group	11/21/18	11/1/33	3.625%	100,000	68,411	74,456
North Country Dairy, LLC	2/1/19	2/1/26	3.375%	800,000	148,369	256,834
Northeastern Sign	1/29/24	1/1/31	5.250%	110,000	98,692	-
Pepsi-Cola Ogdensburg Bottlers	11/21/19	12/1/24	3.375%	200,000	15,235	57,514
PSP, Inc.	6/8/22	6/1/27	2.750%	87,192	49,450	62,280
Riverside Iron, LLC	3/18/22	3/1/32	2.625%	125,000	92,651	105,216
Structural Wood	4/9/20	4/1/30	2.625%	300,000	169,944	198,933
Total mortgages and notes receivable					1,330,128	1,968,763
Less current portion					(422,445)	(626,568)
Total mortgages and notes receivable, net of current portion					<u>\$ 907,683</u>	<u>1,342,195</u>

Future maturities of the mortgages and notes receivable are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 422,445	41,294	463,739
2026	238,153	29,957	268,110
2027	202,212	22,517	224,729
2028	162,675	15,541	178,216
2029	145,609	9,557	155,166
2030	<u>159,034</u>	<u>5,062</u>	<u>164,096</u>
	<u>\$ 1,330,128</u>	<u>123,928</u>	<u>1,454,056</u>

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(4) Capital Lease (Lease-Purchase Agreements)

The SLRVRA leases a building under lease-purchase agreement. Through this agreement, as the Lessor the SLRVRA provides financial assistance for the acquisition of SLRVRA-owned properties for companies as part of economic development projects. Balances at December 31, 2024 and 2023 are as follows:

<u>Capital Lease</u>	<u>Original Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance 2024</u>	<u>Balance 2023</u>
AmTech Yarns, Inc.	07/24/19	12/31/34	3.750%	\$450,000	<u>284,782</u>	<u>305,191</u>

Future minimum lease payments under the capital lease are as follows:

<u>Year(s) ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 22,647	9,450	32,097
2026	23,737	9,424	33,161
2027	24,642	8,519	33,161
2028	25,582	7,579	33,161
2029	26,558	6,603	33,161
2030 - 2034	148,784	17,021	165,805
2035	<u>12,832</u>	<u>109</u>	<u>12,941</u>
	\$ <u>284,782</u>	<u>58,705</u>	<u>343,487</u>

(5) Investments

Investments as of December 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Certificates of deposit	\$ <u>2,226,646</u>	<u>2,122,660</u>

(6) Fair Value Measurements

The framework for measuring fair value includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the SLRVRA has the ability to access.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(6) Fair Value Measurements, Continued

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3 - Inputs to the valuation methodology are unobservable inputs and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2024 and 2023:

Certificates of Deposit - Valued based on quoted market prices in active markets. The SLRVRA considered investments in certificates of deposit to be Level 1.

The methods described above may produce a fair value calculation that may not be reflective of future fair values. Furthermore, while the SLRVRA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(7) Community Development Environmental Improvement Projects

The SLRVRA made grant awards during the years 2011 through 2024 as part of its Community Development Environmental Improvement Projects (CDEIP), as authorized by the June 2, 2010 contracts. The original grant award amounts and expenditures as of December 31, 2024 are as follows:

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(7) Community Development Environmental Improvement Projects, Continued

Date of Award	Grant Award	Expended			Total Expended	Balance of Grant Remaining
		Prior to 2023	2023	2024		
2011	\$ 522,553	522,553	-	-	522,553	-
2012	556,694	556,694	-	-	556,694	-
2013	390,382	390,382	-	-	390,382	-
2014	415,152	415,152	-	-	415,152	-
2015	349,146	316,417	-	-	316,417	32,729
2016	349,099	341,851	-	-	341,851	7,248
2017	323,735	310,308	-	-	310,308	13,427
2018	99,235	90,657	7,607	-	98,264	971
2019	100,000	80,000	20,000	-	100,000	-
2020	98,378	59,598	18,200	-	77,798	20,580
2021	145,231	80,641	2,681	20,000	103,322	41,909
2022	95,100	45,100	40,133	5,116	90,349	4,751
2023	100,000	-	1,378	64,195	65,573	34,427
2024	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>23,857</u>	<u>23,857</u>	<u>76,143</u>
Total	<u>\$ 3,644,705</u>	<u>3,209,353</u>	<u>89,999</u>	<u>113,168</u>	<u>3,412,520</u>	<u>232,185</u>

(8) Fixed Assets

Fixed assets at December 31, 2024 and 2023 consisted of:

	2024	2023
Massena Lot 19 - building and improvements	\$ 450,232	450,232
Less accumulated depreciation	(183,518)	(165,711)
Total fixed assets, net	\$ <u>266,714</u>	<u>284,521</u>

(9) Subsequent Events

SLRVRA has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(10) Concentration of Credit Risk

At December 31, 2024 and the SLRVRA had bank balances totaling \$4,874,965 and \$4,458,344, respectively. These deposits were fully secured by Federal Deposit Insurance Corporation (FDIC) insurance and pledged securities.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(11) Liquidity and Availability

All financial assets of the SLRVRA are subject to the terms and restrictions set forth by the New York Power Authority as more fully described in note 1. The financial assets available within one year of the balance sheet date subject to these restrictions are as follows:

	<u>2024</u>	<u>2023</u>
Cash and equivalents	\$ 4,865,626	4,463,446
Investments	2,226,646	2,122,660
Accounts receivable	7,996	2,851
Accrued interest receivable	2,336	20,109
Mortgages and notes receivable (net)	342,445	543,560
Capital lease receivable	<u>22,647</u>	<u>22,984</u>
Total	\$ <u>7,467,696</u>	<u>7,175,610</u>

Management has established a credit loss allowance. Therefore, the net mortgages and notes receivable above are expected to be received in full. The investments above consist of certificates of deposit with maturity dates within one year.

(12) Recognition of Certain Grant Revenue and Expenditures

Occasionally, the SLRVRA (the grantee) applies for and receives grants from government agencies and other organizations. These grants are usually “reimbursement grants”, i.e., the monies from the grant are only paid to the grantee as reimbursements after the grantee has documented to the grantor that the grantee has achieved defined benchmarks, paid out required funds, and otherwise complied with all other required grant conditions. Projects in which such grants are involved often span several fiscal years and long delays in the reimbursement process are frequent. Consequently, in cases involving reimbursement grants, the SLRVRA does not accrue expected grant revenue or receivables until it has complied with the conditions of the grant agreement(s) and submitted the necessary documentation that will trigger the payment process. Until such documentation has been submitted, and accepted, the grantor still has substantial discretion to deny or reduce payment. Accordingly, at year end the SLRVRA does not accrue any expenses or payables associated with items to be paid out for future grant reimbursement until the SLRVRA is satisfied that it has complied with all grant reimbursement eligibility requirements. These items are usually paid out in the subsequent period and will be recorded as project expenses. As of December 31, 2024, there were no active grants of this nature.

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Notes to Financial Statements, Continued

(12) Recognition of Certain Grant Revenue and Expenditures, Continued

The SLRVRA also funds a grant program of its own - the Community Development Environmental Improvement Program. Since these grants are also reimbursement grants, the SLRVRA adopts the same policy when acting as a grantor that is described above when it is a grantee, i.e., it doesn't accrue the expense until the grantee has documented satisfactorily that it has complied with the grant conditions.

(13) Related Party Transactions

The SLRVRA is related to the following entities:

- St. Lawrence County Industrial Development Agency Local Development Corporation (SLCIDA-LDC)
 - Program Administrative Agreements and Participation Loan Agreements.
- Greater Massena Economic Development Fund (GMEDF)
 - Participation Loan Agreements.

Administrative fees paid to the SLCIDA-LDC by SLRVRA totaled \$300,000 for both 2024 and 2023.

INDEPENDENT AUDITORS' 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

The Board of Directors
St. Lawrence River Valley Redevelopment Agency:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the St. Lawrence River Valley Redevelopment Agency (SLRVRA) (a nonprofit organization), which comprise the statement of financial position as of December 31 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 24, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the SLRVRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the SLRVRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the SLRVRA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a 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 by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 SLRVRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 24, 2025