

ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

(A Discretely Presented Component Unit of
St. Lawrence County, New York)

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

December 31, 2025 and 2024

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
St. Lawrence County Industrial Development Agency:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the St. Lawrence County Industrial Development Agency (the Agency), a discretely presented component unit of St. Lawrence County, New York, as of and for the years ended December 31, 2025 and 2024, and the related notes to financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of December 31, 2025 and 2024, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in note 20 to the financial statements, the Agency restated its net position for certain lease transactions for the year ended December 31, 2024. Our opinion is not modified with response to this matter.

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 Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 GAAS 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 GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Agency'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 Agency'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 audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the additional information as listed in the table of contents, 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 GAAS, 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 audits 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 was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying other supplementary information as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic 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 26, 2026, on our consideration of the Agency'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 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 Agency's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 26, 2026

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis

December 31, 2025 and 2024

Our discussion and analysis of the St. Lawrence County Industrial Development Agency's (the Agency) financial performance provides an overview of the Agency's financial activities for the years ended December 31, 2025 and 2024, with 2023 presented for comparative purposes. Please read it in conjunction with the Agency's financial statements.

HIGHLIGHTS

Financial Highlights

- Total assets and deferred outflows of resources for the year ended December 31, 2025 decreased by \$1,313,319 due to the utilization of cash to pay for project development and operating expenses. Total assets and deferred outflows of resources for the year ended December 31, 2024 increased by \$586,860 primarily due to an equipment lease to North American Forest Group, Inc. which was offset by a decrease in cash and equivalents.
- Total liabilities and deferred inflows of resources for the year ended December 31, 2025 increased by \$133,681 due to the Agency entering into a lease arrangement with the St. Lawrence County Property Development Corporation. Total liabilities and deferred inflows of resources for the year ended December 31, 2024 decreased by \$1,124,228 primarily due to recognition of American Rescue Plan Act deferred revenue as allowable expenses were incurred.

Agency Highlights

- February 2025 - The Agency authorized the Standard Workday Reporting Resolution. The Agency also passed a resolution of support for the continued operations of the New York State Correctional Facilities in St. Lawrence County, Project modification for St. Lawrence Suds (dba Bent Beam Brewing) and Authorizing the Lease of Real Property Located at 30 Buck Street, Canton.
- March 2025 - The Agency conducted its annual review of its Governance and Finance policies. The Agency accepted the 2024 Audit and reviewed its 2024 Annual Assessment of Active IDA Projects. The Agency also adopted the revised Freedom of Information Law (FOIL) and Open Meetings Law Policy.
- April 2025 - The Agency authorized Projects: Cives Steel Northern Division - improvements will be at the production facility and the downtown office building. The Agency also authorized application for grant funds through the Northern Border Regional Commission.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis, Continued

- May 2025 - The Agency authorized Resolution for Vecino Group New York, LLC/Canton Midtown Plaza Project and Vecino Group New York, LLC/Potsdam Congdon Hall.
- July 2025 - The Agency authorized Resolution for Kinney Drugs, Inc. and approve a lead generation marketing campaign. The Agency also authorized the disposal of a vehicle and new vehicle purchase.
- October 2025 - The Agency adopted the 2026 Tentative Budget and authorized an application for grant funds through the Northern Border Regional Commission.

USING THIS ANNUAL REPORT

This annual report consists of four parts: management's discussion and analysis, financial statements, required supplementary information, and other supplementary information. The financial statements also include notes that explain in more detail some of the information in the financial statements.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The financial statements of the Agency report information using accounting methods similar to those used by private-sector companies. These statements provide both long-term and short-term information about the Agency's overall financial status. The Agency's basic financial statements include the statement of net position, statements of revenue, expenses and changes in net position and statements of cash flows. The financial statements also include notes that are considered essential to a full understanding of the data that is being presented on the statements.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Management's Discussion and Analysis, Continued

The statements of net position presents information on all of the Agency's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statements of revenue, expenses and changes in net position account for all of the current year's revenue and expenses. These statements measure the success of the Agency's operations over the year and can be used to determine whether the Agency has successfully recovered all of its costs. It provides the user with basic financial information about profitability and creditworthiness.

The statements of cash flows provides information about the Agency's cash receipts and cash payments during the year. The statements report cash receipts, cash payments and net changes in cash resulting from operating, capital and related financing, investing and noncapital financing activities. The purpose of these statements is to tell the user where the Agency's cash came from, what the cash was used for, and by how much the cash balance changed over the course of the year.

Notes to Financial Statements - The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Required Supplementary Information - This information is required in connection with the Agency's participation in the New York State and Local Employees' Retirement System and other postemployment benefits. The required supplementary information is presented for additional analysis only.

Other Supplementary Information - In addition to the financial statements and accompanying notes to financial statements, this section presents supplementary schedules, which are presented for purposes of additional analysis only.

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government agency's financial position. In the case of the Agency, total net position was \$6,350,609 and \$7,797,609 at December 31, 2025 and 2024, respectively.

The Agency's financial position is the product of several financial transactions including the net results of activities, the payment of debt, the disposal of capital assets, and the depreciation of capital assets.

The following tables present a summary of the Agency's statements of net position at December 31, 2025, 2024 and 2023.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis, Continued

Condensed Statements of Net Position

	<u>2025</u>	<u>2024*</u>	<u>Change</u>	<u>Percentage Change</u>
Current assets	\$ 6,037,155	7,622,537	(1,585,382)	-20.80%
Capital assets, net	3,468,366	2,704,371	763,995	28.25%
Other noncurrent assets	<u>1,165,697</u>	<u>1,450,020</u>	<u>(284,323)</u>	-19.61%
Total assets	<u>10,671,218</u>	<u>11,776,928</u>	<u>(1,105,710)</u>	-9.39%
Deferred outflows of recourses	<u>665,640</u>	<u>873,249</u>	<u>(207,609)</u>	-23.77%
Current liabilities	254,617	318,903	(64,286)	-20.16%
Long-term liabilities	<u>3,643,196</u>	<u>3,247,974</u>	<u>395,222</u>	12.17%
Total liabilities	<u>3,897,813</u>	<u>3,566,877</u>	<u>330,936</u>	9.28%
Deferred inflows of resources	<u>1,088,436</u>	<u>1,285,691</u>	<u>(197,255)</u>	-15.34%
Net position:				
Net investment in capital assets	2,275,821	2,225,893	49,928	2.24%
Unrestricted - board designated	2,000,000	2,000,000	-	0.00%
Unrestricted	<u>2,074,788</u>	<u>3,571,716</u>	<u>(1,496,928)</u>	-41.91%
Total net position	<u>\$ 6,350,609</u>	<u>7,797,609</u>	<u>(1,447,000)</u>	-18.56%

	<u>2024*</u>	<u>2023**</u>	<u>Change</u>	<u>Percentage Change</u>
Current assets	\$ 7,622,537	7,746,894	(124,357)	-1.61%
Capital assets, net	2,704,371	2,836,753	(132,382)	-4.67%
Other noncurrent assets	<u>1,450,020</u>	<u>568,282</u>	<u>881,738</u>	155.16%
Total assets	<u>11,776,928</u>	<u>11,151,929</u>	<u>624,999</u>	5.60%
Deferred outflows of recourses	<u>873,249</u>	<u>911,388</u>	<u>(38,139)</u>	-4.18%
Current liabilities	318,903	1,896,536	(1,577,633)	-83.18%
Long-term liabilities	<u>3,247,974</u>	<u>3,183,107</u>	<u>64,867</u>	2.04%
Total liabilities	<u>3,566,877</u>	<u>5,079,643</u>	<u>(1,512,766)</u>	-29.78%
Deferred inflows of resources	<u>1,285,691</u>	<u>897,153</u>	<u>388,538</u>	43.31%
Net position:				
Net investment in capital assets	2,225,893	2,335,814	(109,921)	-4.71%
Unrestricted - board designated	2,000,000	2,000,000	-	0.00%
Unrestricted	<u>3,571,716</u>	<u>1,750,707</u>	<u>1,821,009</u>	104.02%
Total net position	<u>\$ 7,797,609</u>	<u>6,086,521</u>	<u>1,711,088</u>	28.11%

* Restated for prior period adjustment as described in note 20.

** Not restated for prior period adjustment.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis, Continued

Changes in the Agency's net position can be determined by reviewing the following condensed statements of revenue, expenses and changes in net position for the years ended December 31, 2025, 2024 and 2023.

Condensed Statements of Revenue, Expenses and Changes in Net Position

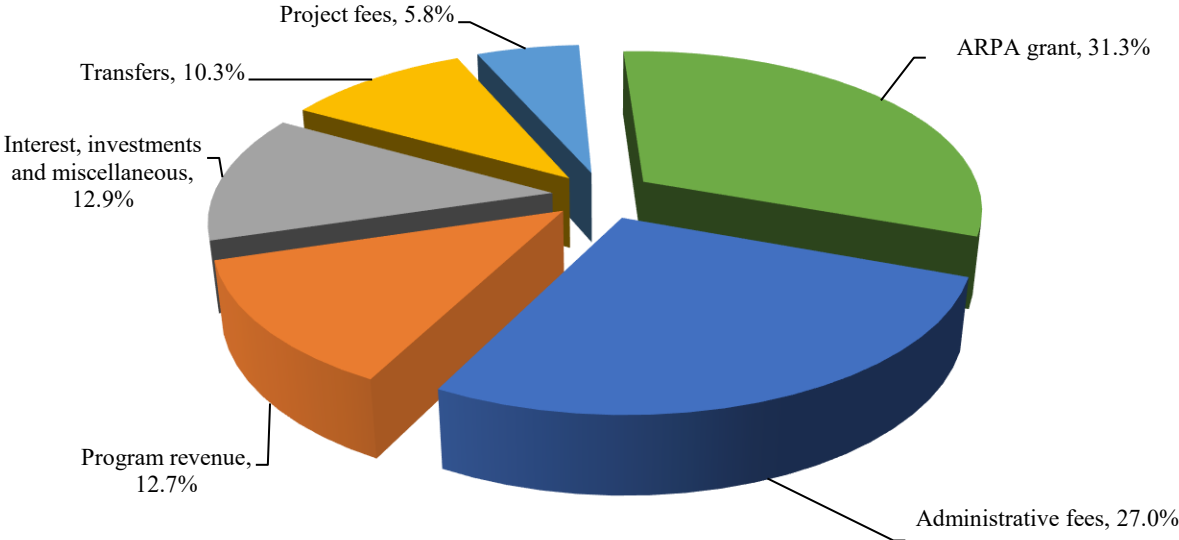
	<u>2025</u>	<u>2024*</u>	<u>Change</u>	Percentage <u>Change</u>
Revenue:				
Program revenue	\$ 190,819	136,450	54,369	39.85%
Other revenue	844,195	3,067,272	(2,223,077)	-72.48%
ARPA revenue	<u>472,393</u>	<u>1,267,723</u>	<u>(795,330)</u>	-62.74%
Total revenue	<u>1,507,407</u>	<u>4,471,445</u>	<u>(2,964,038)</u>	-66.29%
Expenses:				
Program expenses	1,707,781	462,549	1,245,232	269.21%
Administrative operating expenses	774,233	1,033,556	(259,323)	-25.09%
ARPA expenses	<u>472,393</u>	<u>1,267,723</u>	<u>(795,330)</u>	-62.74%
Total expenses	<u>2,954,407</u>	<u>2,763,828</u>	<u>190,579</u>	6.90%
Change in net position	<u>\$ (1,447,000)</u>	<u>1,707,617</u>	<u>(3,154,617)</u>	-184.74%
	<u>2024*</u>	<u>2023**</u>	<u>Change</u>	Percentage <u>Change</u>
Revenue:				
Program revenue	\$ 136,450	130,238	6,212	4.77%
Other revenue	3,067,272	951,401	2,115,871	222.40%
ARPA revenue	<u>1,267,723</u>	<u>1,375,526</u>	<u>(107,803)</u>	-7.84%
Total revenue	<u>4,471,445</u>	<u>2,457,165</u>	<u>2,014,280</u>	81.98%
Expenses:				
Program expenses	462,549	427,436	35,113	8.21%
Administrative operating expenses	1,033,556	882,681	150,875	17.09%
ARPA expenses	<u>1,267,723</u>	<u>1,375,526</u>	<u>(107,803)</u>	-7.84%
Total expenses	<u>2,763,828</u>	<u>2,685,643</u>	<u>78,185</u>	2.91%
Change in net position	<u>\$ 1,707,617</u>	<u>(228,478)</u>	<u>1,936,095</u>	847.39%

* Restated for prior period adjustment as described in note 20.

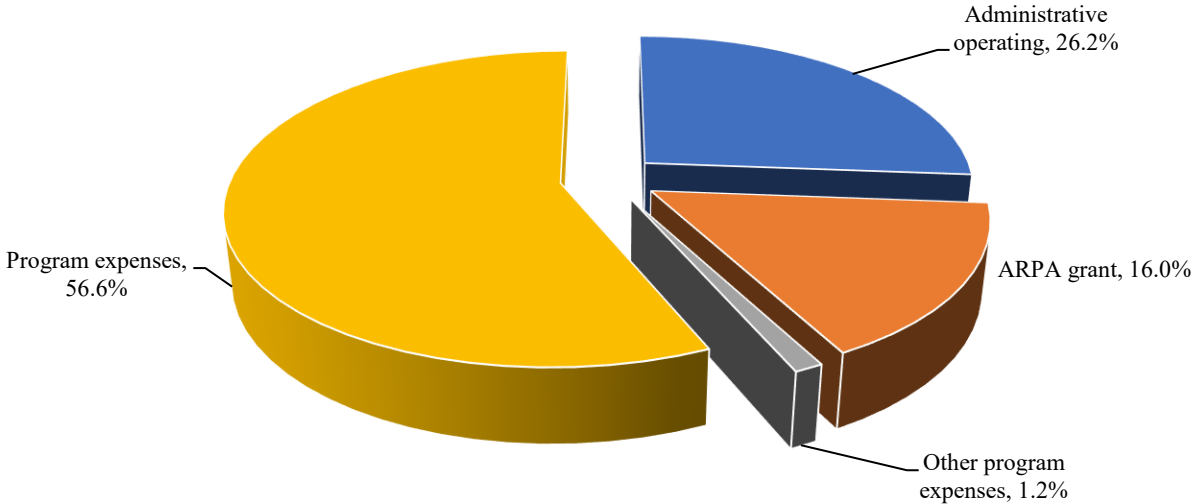
** Not restated for prior period adjustment.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Management's Discussion and Analysis, Continued

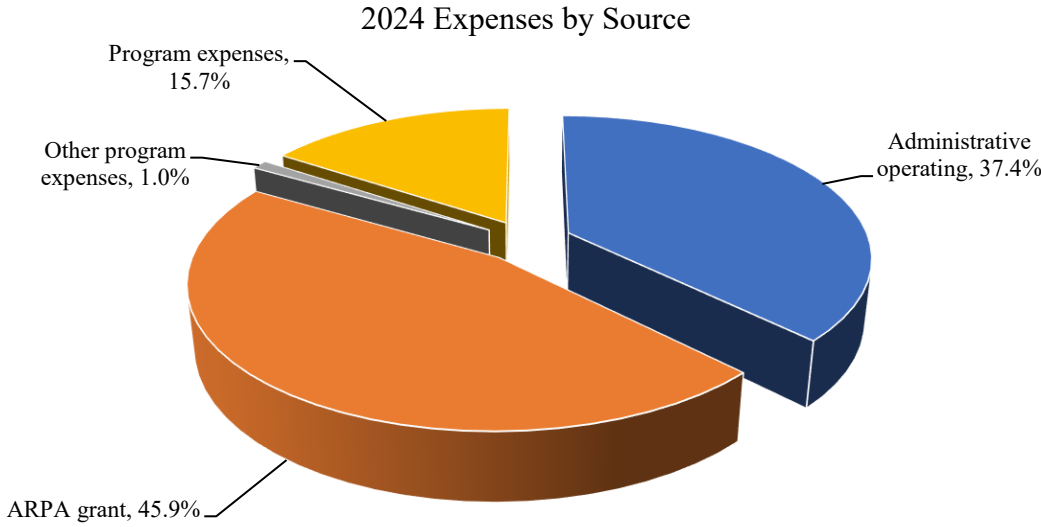
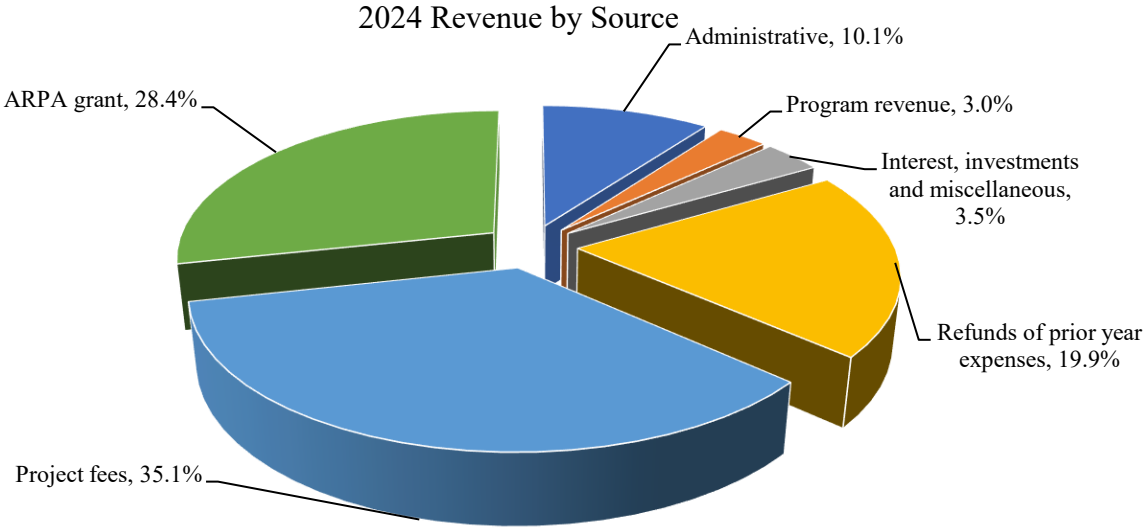
2025 Revenue by Source



2025 Expenses by Source



ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 (A Discretely Presented Component Unit of St. Lawrence County, New York)
 Management's Discussion and Analysis, Continued



ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis, Continued

Changes in the Agency's capital assets can be determined by reviewing the following for the years ended December 31, 2025, 2024 and 2023.

<u>Capital Assets, net</u>	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>Percentage Change</u>
Land	\$ 205,910	205,910	-	0.00%
Land improvements	246,574	246,574	-	0.00%
Buildings and improvements	2,188,092	2,215,627	(27,535)	-1.24%
Automobiles	59,581	31,928	27,653	86.61%
Equipment and furnishings	3,495	4,332	(837)	-19.32%
Right-to-use asset - building	764,714	-	764,714	100.00%
	<u>\$ 3,468,366</u>	<u>2,704,371</u>	<u>763,995</u>	28.25%

<u>Capital Assets, net</u>	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>Percentage Change</u>
Land	\$ 205,910	206,750	(840)	-0.41%
Land improvements	246,574	251,593	(5,019)	-1.99%
Buildings and improvements	2,215,627	2,349,172	(133,545)	-5.68%
Automobiles	31,928	23,390	8,538	36.50%
Equipment and furnishings	4,332	5,848	(1,516)	-25.92%
	<u>\$ 2,704,371</u>	<u>2,836,753</u>	<u>(132,382)</u>	-4.67%

Changes in the Agency's long-term debt can be determined by reviewing the following for the years ended December 31, 2025, 2024 and 2023.

<u>Long-Term Debt</u>	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>Percentage Change</u>
Loan payable	\$ 455,546	478,478	(22,932)	-4.79%
Lease liability	736,999	-	736,999	100.00%
Compensated absences	260,474	365,208	(104,734)	-28.68%
Net pension liability - proportionate share	216,350	200,879	15,471	7.70%
Total OPEB liability	<u>2,055,933</u>	<u>2,226,388</u>	<u>(170,455)</u>	-7.66%
	<u>\$ 3,725,302</u>	<u>3,270,953</u>	<u>454,349</u>	13.89%

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis, Continued

<u>Long-Term Debt</u>	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>Percentage Change</u>
Loan payable	\$ 478,478	500,939	(22,461)	-4.48%
Compensated absences	365,208	300,664	64,544	21.47%
Net pension liability - proportionate share	200,879	310,384	(109,505)	-35.28%
Total OPEB liability	<u>2,226,388</u>	<u>2,093,793</u>	<u>132,595</u>	6.33%
	<u>\$ 3,270,953</u>	<u>3,205,780</u>	<u>65,173</u>	2.03%

CASH AND INVESTMENT POLICY

The Agency finds it necessary to place funds in various deposit accounts or certificates of deposit. Article 18A, Section 858(14) of the State General Municipal Law authorizes the Agency to designate depositories. In accordance with this Article, five (5) banks are designated as depositories for Agency funds. Rates are competitively procured for each deposit, with no more than 60% of its total investments in any one institution.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Agency's Chief Executive Officer at 19 Commerce Lane, Suite 1, Canton, New York 13617.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Statements of Net Position
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u> (as restated)
<u>Assets</u>		
Current assets:		
Cash and equivalents - unrestricted	\$ 1,189,705	5,100,123
Cash and equivalents - special reserves	1,555,262	802,434
Cash - security deposits	-	9,062
Investments	2,589,215	202,434
Investments - special reserves	444,738	1,197,566
Accounts receivable	-	17,109
Accrued interest receivable	1,830	2,962
Grants receivable	-	16,840
Note receivable, current portion	37,111	36,693
Lease receivables, current portion	151,138	143,663
Finance sale receivable, current portion	38,796	73,943
Prepaid expenses	29,360	19,708
Total current assets	6,037,155	7,622,537
Noncurrent assets:		
Note receivable, net of current portion	709,346	746,604
Lease receivables, net of current portion	54,938	206,076
Finance sale receivable, net of current portion	401,413	497,340
Capital assets, net	3,468,366	2,704,371
Total noncurrent assets	4,634,063	4,154,391
Total assets	10,671,218	11,776,928
<u>Deferred Outflows of Resources</u>		
Pension	178,165	223,231
OPEB	487,475	650,018
Total deferred outflows of resources	665,640	873,249
<u>Liabilities</u>		
Current liabilities:		
Accounts payable and accrued expenses	28,019	12,420
Rental and refundable deposits	-	9,062
Deferred revenue and grant advances	144,492	274,442
Loan payable, current portion	22,901	22,979
Lease liability, current portion	59,205	-
Total current liabilities	254,617	318,903
Long-term liabilities:		
Compensated absences	260,474	365,208
Loan payable, net of current portion	432,645	455,499
Lease liability, net of current portion	677,794	-
Net pension liability - proportionate share - ERS	216,350	200,879
Total OPEB liability	2,055,933	2,226,388
Total long-term liabilities	3,643,196	3,247,974
Total liabilities	3,897,813	3,566,877
<u>Deferred Inflows of Resources</u>		
Leases	196,082	341,425
Pension	19,329	116,077
OPEB	873,025	828,189
Total deferred inflows of resources	1,088,436	1,285,691
<u>Net Position</u>		
Net investment in capital assets	2,275,821	2,225,893
Unrestricted - board designated	2,000,000	2,000,000
Unrestricted	2,074,788	3,571,716
Total net position	\$ 6,350,609	7,797,609

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Statements of Revenue, Expenses and Changes in Net Position
Years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u> (as restated)
Operating revenue:		
Program revenue:		
100 Paterson Street	\$ 119,612	123,289
Canton Industrial Building	71,207	13,161
Lease interest income	27,064	26,847
Bank interest income	3,503	6,344
Administration fees	407,200	450,199
Project fees	86,963	1,567,319
Refund of prior year expenses	-	890,580
Investment income	136,281	87,528
Miscellaneous income	26,934	38,455
Total operating revenue	<u>878,764</u>	<u>3,203,722</u>
Operating expenses:		
Program expenses:		
100 Paterson Street	189,860	156,975
Gouverneur industrial park	41	3,911
Canton Industrial Park	5,781	5,781
Canton Industrial Building	98,378	135,938
30 Buck Street	152,887	-
Massena School of Business	1,212,790	131,766
Benson Mines Rehabilitation	12,035	-
Other program expenses	36,009	28,178
Administrative operating expenses	774,233	1,033,556
Total operating expenses	<u>2,482,014</u>	<u>1,496,105</u>
Operating income (loss)	<u>(1,603,250)</u>	<u>1,707,617</u>
Nonoperating revenue (expense):		
Transfer from related entity	156,250	-
ARPA grant income	472,393	1,267,723
ARPA grant expense	(472,393)	(1,267,723)
Total nonoperating revenue (expense)	<u>156,250</u>	<u>-</u>
Change in net position	<u>(1,447,000)</u>	<u>1,707,617</u>
Net position at beginning of year, as previously stated	7,797,609	6,086,521
Prior period adjustment (note 20)	-	3,471
Net position at beginning of year, as restated	<u>7,797,609</u>	<u>6,089,992</u>
Net position at end of year	<u>\$ 6,350,609</u>	<u>7,797,609</u>

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Statements of Cash Flows
Years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u> <u>(as restated)</u>
Cash flows from operating activities:		
Cash received from others for services and grants	\$ 1,090,131	2,167,927
Cash paid for goods and services	(1,560,924)	(583,619)
Cash paid for employees and related benefits	<u>(787,979)</u>	<u>(773,136)</u>
Net cash provided by (used in) operating activities	<u>(1,258,772)</u>	<u>811,172</u>
Cash flows from investing activities:		
Proceeds (purchase) of investments	(1,497,672)	800,586
Payments received on leases	<u>196,110</u>	<u>138,855</u>
Net cash provided by (used in) investing activities	<u>(1,301,562)</u>	<u>939,441</u>
Cash flows from noncapital financing activities:		
Payments for grant expenses	(472,393)	(1,267,723)
Cash received in transfer from related entity	<u>156,250</u>	<u>-</u>
Net cash used in noncapital financing activities	<u>(316,143)</u>	<u>(1,267,723)</u>
Cash flows from capital and related financing activities:		
Purchase of property and equipment	(170,181)	(32,695)
Payments made on loan payable	(22,932)	(22,461)
Payments made for leases	<u>(88,000)</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(281,113)</u>	<u>(55,156)</u>
Net change in cash and equivalents	(3,157,590)	427,734
Cash and equivalents at beginning of year	<u>5,902,557</u>	<u>5,474,823</u>
Cash and equivalents at end of year	<u>\$ 2,744,967</u>	<u>5,902,557</u>
Supplemental schedule of cash flows information - classifications of cash and equivalents:		
Unrestricted	1,189,705	5,100,123
Special reserves	<u>1,555,262</u>	<u>802,434</u>
	<u>\$ 2,744,967</u>	<u>\$ 5,902,557</u>

(Continued)

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Statements of Cash Flows, Continued

	<u>2025</u>	<u>2024</u> <u>(as restated)</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (1,603,250)	1,707,617
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	196,863	159,218
Loss on disposal of property	-	5,859
Investment income	(136,281)	(87,528)
Refund of prior year expenses	-	(805,000)
ARPA expenses	472,393	1,267,723
Lease interest income	(27,064)	(26,847)
Lease interest expense	34,322	-
Changes in:		
Accounts receivable	17,109	18,923
Grants receivable	16,840	-
Lease receivables	143,663	(67,854)
Prepaid expenses	(9,652)	(18,896)
Deferred outflows of resources - pension	45,066	46,204
Deferred outflows of resources - OPEB	162,543	(8,065)
Accounts payable and accrued expenses	15,599	(179,717)
Deferred revenue and grant advances	(129,950)	(1,398,223)
Compensated absences	(104,734)	64,544
Net pension liability - proportionate share	15,471	(109,505)
Total OPEB liability	(170,455)	132,595
Deferred inflows of resources - leases	(145,343)	63,011
Deferred inflows of resources - pension	(96,748)	92,157
Deferred inflows of resources - OPEB	44,836	(45,044)
Net cash provided by (used in) operating activities	<u>\$ (1,258,772)</u>	<u>811,172</u>

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements

December 31, 2025 and 2024

(1) Summary of Significant Accounting Policies

(a) Nature of Organization

St. Lawrence County Industrial Development Agency (the Agency) is an industrial development agency duly established under Title 1, Article 18- A of the General Municipal Law of the State of New York (the State) and Chapter 358 of the Laws of 1971 of the State, and is a corporate governmental agency constituting a public benefit corporation of the State. The Agency is exempt from federal, state, and local income taxes.

(b) Basis of Accounting

The financial statements of the Agency have been prepared in conformity with generally accepted accounting principles (GAAP). Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Certain significant accounting principles and policies utilized by the Agency are described below.

(c) Reporting Entity

The Agency is considered a component unit of the financial reporting entity known as County of St. Lawrence, New York (the County) based upon criteria set forth by GASB Statement No. 14 - "The Financial Reporting Entity, as amended."

(d) Measurement Focus

The financial statements of the Agency are reported using the economic resource measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenue is recorded when earned and expenses are recorded at the time liabilities are incurred.

The Agency distinguishes operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with the Agency's principal ongoing operations. All other revenue and expenses not meeting these definitions are reported as nonoperating revenue and expenses.

(e) Cash and Equivalents

Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Agency's deposits and investment policies are governed by State statutes. The Agency has adopted its own written investment policy which provides for the deposit of funds in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. The Agency is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Cash and Equivalents, Continued

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by FDIC insurance. The Agency has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of the State or its political subdivisions.

The Agency follows the provisions of GASB Statement No. 72 - "Fair Value Measurement and Application," which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. The three levels of the fair value hierarchy are described below:

- Level 1 - inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets.
- Level 2 - inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data.
- Level 3 - inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Interest rate risk is the risk that the Agency will incur losses in fair value caused by changing interest rates. The Agency does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Agency does not invest in any long-term investment obligations.

Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. GASB Statement No. 40 - "Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3," directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Agency's name. As of December 31, 2025 and 2024, the Agency had no deposits exposed to custodial credit risk.

Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Agency does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Cash and Equivalents, Continued

Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Agency's investment policy limits the amount on deposit at each of its banking institutions.

(f) Allowance for Uncollectible Accounts

The Agency has elected not to establish an allowance for uncollectible accounts since all receivables are deemed collectible. An allowance will be established when an event occurs in the future that would necessitate a reserve.

(g) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(h) Lease Receivable

The Agency is a lessor of leases. As a result, the Agency recognizes lease receivables and a deferred inflows of resources in the financial statements.

At the commencement of a lease, the Agency initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date, unless the lease transfers ownership at the end of the agreement, in which case, no deferred inflows of resources is recognized. Subsequently, the deferred inflows of resources is recognized as revenue on the straight-line basis over the life of the lease term.

Key estimates and judgements include how the Agency determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease-term, and (3) lease receipts. The Agency uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes periods covered by the lease, including periods to extend or terminate the lease, if it is reasonably certain those options will be exercised. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Agency monitors changes in circumstances that would require remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amounts of the lease.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(i) 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>
Land Improvements	2,500	Straight line	3 years
Buildings	\$5,000	Straight line	40 years
Building Improvements	2,500	Straight line	10 years
Automobiles	2,500	Straight line	5 years
Office Furniture and Equipment	2,500	Straight line	7 years
Right-to-use assets	5,000	Straight line	27 years

(j) Deferred Revenue and Grant Advances

The Agency recognizes revenue when it is earned. The Agency will sometimes receive grant funds prior to the expenditure of grant expenses. This results in the recording of deferred revenue/grant advances until such expenditures are made.

(k) Vested Employee Benefits

Agency employees are granted vacation and sick time in varying amounts based primarily on length of service. There are limits on the amount of time that can be either accrued and/or used during any one fiscal year. Also, in the event of certain terminations, some earned benefits may be forfeited.

Personal time and other forms of leave are specified in the Agency’s Employee Handbook. Personal time must be utilized during a 12-month period that begins on the first day of the month the employee was hired. Personal time is non-cumulative from year to year. Any unused time at the end of the employee’s anniversary year will be subject to forfeiture. Sick and vacation leave is cumulative from year to year with maximum accruals based on years of service as outlined in the employee handbook. Upon retirement, resignation, or death, employees may receive a payment for accrued vacation and personal time based on the employee’s regular rate of pay. Consistent with GASB Statement No. 101 - “Compensated Absences,” an accrual for accumulated vacation leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the pay rates in effect at year end.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(l) Pension Accounting

Eligible Agency employees participate in the New York State and Local Employees' Retirement System. In addition to providing pension benefits, the Agency participates in a health insurance program through the County which provides medical insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Agency's employees may become eligible for these benefits if they reach normal retirement age while working for the Agency. Medical benefits are provided through a plan whose premiums are based on the benefits paid during the year. The Agency recognizes the cost of providing medical insurance by recording its share of insurance premiums as expenditures in the year paid.

(m) Postemployment Benefits Other Than Pensions (OPEB)

In addition to providing the retirement benefits described in the note above, the Agency provides postemployment health insurance coverage to its retired employees and their survivors. The payment of this benefit is not governed by any employment contract and is done at the discretion of the Agency's Board in accordance with GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions."

(n) Deferred Outflows/Inflows of Resources

Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Agency has two items that qualify for reporting which are related to pension and OPEB.

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has three items that qualify for reporting which are related to leases, pension and OPEB.

(o) Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets - consists of capital assets, net of accumulated depreciation/amortization and increased or reduced by outstanding balances of bonds and other debt and related components that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position - consists of net position for which constraints are placed on asset use either through the enabling legislation adopted by the Agency or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted Net Position - consists of net position that does not meet the definition of the two preceding categories.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(p) Budgetary Procedures and Budgetary Accounting

The Agency administration prepares a proposed budget for operations annually for approval by the Board of Directors. Appropriations are adopted at the program line item level as established by the adoption of the budget which constitutes a limitation on expenditures which may be incurred. Appropriations lapse at the end of the fiscal year unless expended. Budgets are adopted annually on a basis consistent with GAAP.

(q) Subsequent Events

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

(r) Reclassifications

Reclassifications have been made to certain 2024 balances in order to conform to the 2025 presentation.

(2) Investments

Investments at December 31, 2025 and 2024 consist of Certificates of deposit (Level 2) amounting to \$3,033,953 and \$1,400,000, respectively.

(3) Note Receivable

The Agency entered into an agreement with a third party for the Agency to purchase certain equipment and subsequently provide financial assistance to the third party for the purchase of the equipment through the issuance of a note receivable. Information regarding the note receivable as of December 31, 2025 and 2024 is as follows:

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>	
					<u>2025</u>	<u>2024</u>
North American Forest Group, Inc.	5/17/2024	5/1/44	1.00%	\$ <u>805,000</u>	<u>746,457</u>	<u>783,297</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(3) Note Receivable, Continued

Future minimum lease payments are as follows:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 37,111	7,296	44,407
2027	37,484	6,923	44,407
2028	37,860	6,547	44,407
2029	38,241	6,166	44,407
2030	38,625	5,782	44,407
2031 - 2035	199,022	23,013	222,035
2036 - 2040	209,222	12,813	222,035
2041 - 2044	<u>148,892</u>	<u>2,622</u>	<u>151,514</u>
	\$ <u>746,457</u>	<u>71,162</u>	<u>817,619</u>

(4) Lease Receivables

The Agency leases out various buildings under operating lease agreements. Information regarding the lease arrangements is as follows:

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Monthly Payment</u>	<u>Original Amount</u>	<u>Balance</u>	
						<u>2025</u>	<u>2024</u>
Corning Enterprises	7/1/23	6/30/27	4.75%	\$7,250-7,333	318,188	127,192	206,628
St. Lawrence BOCES	11/1/24	2/28/27	4.75%	\$5,803	153,553	<u>78,884</u>	<u>143,111</u>
						\$ <u>206,076</u>	<u>349,739</u>

Future amortization of the lease receivables and deferred inflows of resources are as follows:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows of Resources</u>
2026	\$ 151,138	6,501	157,639	145,343
2027	<u>54,938</u>	<u>669</u>	<u>55,607</u>	<u>50,739</u>
	\$ <u>206,076</u>	<u>7,170</u>	<u>213,246</u>	<u>196,082</u>

Interest income related to the lease receivables amounted to \$13,476 and \$12,937 for the years ended December 31, 2025 and 2024, respectively, and is included in program revenue in the statements of revenue, expenses and changes in net position.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(5) Finance Sale

The Agency leases out buildings under lease-purchase agreements. As the lessor, the Agency provides financial assistance for the acquisition of Agency-owned properties to companies as part of economic development projects. Information regarding the finance sale receivables at December 31, 2025 and 2024 is as follows:

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>	
					<u>2025</u>	<u>2024</u>
New York Power Tools	07/01/17	06/30/27	3.000%	\$ 350,000	-	93,644
From the Heart Cabinetry	01/01/20	12/31/34	3.750%	645,140	<u>440,209</u>	<u>477,639</u>
					<u>\$ 440,209</u>	<u>571,283</u>

Future minimum lease payments are as follows:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 38,796	15,834	54,630
2027	40,277	14,353	54,630
2028	41,813	12,817	54,630
2029	43,408	11,222	54,630
2030	45,064	9,566	54,630
2031 - 2034	<u>230,851</u>	<u>20,403</u>	<u>251,254</u>
	<u>\$ 440,209</u>	<u>84,195</u>	<u>524,404</u>

(6) Capital Assets

Capital asset balances and activity for the years ended December 31, 2025 and 2024 is as follows:

	December 31, <u>2024</u>	<u>Additions</u>	<u>Retirements</u>	December 31, <u>2025</u>
Capital assets not being depreciated/ amortized:				
Land	\$ 205,910	-	-	205,910
Land improvements	<u>246,574</u>	-	-	<u>246,574</u>
Total capital assets not being depreciated/amortized	<u>452,484</u>	-	-	<u>452,484</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(6) Capital Assets, Continued

	December 31, <u>2024</u>	<u>Additions</u>	<u>Retirements</u>	December 31, <u>2025</u>
Capital assets being depreciated/ amortized:				
Building and improvements	\$ 3,046,983	130,585	-	3,177,568
Automobiles	39,910	39,596	-	79,506
Office equipment and furnishings	31,729	-	-	31,729
Right-to-use asset - building	<u> -</u>	<u>790,677</u>	<u> -</u>	<u>790,677</u>
Total capital assets being depreciated/amortized	<u>3,118,622</u>	<u>960,858</u>	<u> -</u>	<u>4,079,480</u>
Accumulated depreciation/amortization:				
Buildings and improvements	(831,355)	(158,123)	-	(989,478)
Automobiles	(7,982)	(11,942)	-	(19,924)
Office equipment and furnishings	(27,398)	(835)	-	(28,233)
Right-to-use asset - building	<u> -</u>	<u>(25,963)</u>	<u> -</u>	<u>(25,963)</u>
Total accumulated depreciation/ amortization	<u>(866,735)</u>	<u>(196,863)</u>	<u> -</u>	<u>(1,063,598)</u>
Total capital assets being depreciated/amortized, net	<u>2,251,887</u>	<u>763,995</u>	<u> -</u>	<u>3,015,882</u>
Total capital assets, net	<u>\$ 2,704,371</u>	<u>763,995</u>	<u> -</u>	<u>3,468,366</u>
	December 31, <u>2023</u>	<u>Additions</u>	<u>Retirements</u>	December 31, <u>2024</u>
Capital assets not being depreciated/ amortized:				
Land	\$ 206,750	-	(840)	205,910
Land improvements	251,593	-	(5,019)	246,574
Construction in progress	<u>783,922</u>	<u> -</u>	<u>(783,922)</u>	<u> -</u>
Total capital assets not being depreciated/ amortized:	<u>1,242,265</u>	<u> -</u>	<u>(789,781)</u>	<u>452,484</u>
Capital assets being depreciated/ amortized:				
Building and improvements	2,230,366	816,617	-	3,046,983
Automobiles	39,910	-	-	39,910
Office equipment and furnishings	<u>31,729</u>	<u> -</u>	<u> -</u>	<u>31,729</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(6) Capital Assets, Continued

	December 31, <u>2023</u>	<u>Additions</u>	<u>Retirements</u>	December 31, <u>2024</u>
Total capital assets being depreciated/amortized	\$ <u>2,302,005</u>	<u>816,617</u>	-	<u>3,118,622</u>
Accumulated depreciation/amortized:				
Buildings and improvements	(680,954)	(150,401)	-	(831,355)
Automobiles	-	(7,982)	-	(7,982)
Office equipment and furnishings	<u>(26,563)</u>	<u>(835)</u>	-	<u>(27,398)</u>
Total accumulated depreciation/amortized	<u>(707,517)</u>	<u>(159,218)</u>	-	<u>(866,735)</u>
Total capital assets being depreciated/amortized, net	<u>1,594,488</u>	<u>657,399</u>	-	<u>2,251,887</u>
Total capital assets, net	\$ <u>2,836,753</u>	<u>657,399</u>	<u>(789,781)</u>	<u>2,704,371</u>

Depreciation and amortization expense was charged to activities as follows:

	<u>2025</u>	<u>2024</u>
100 Patterson Street	\$ 81,662	81,662
Canton Industrial Building	67,208	63,839
30 Buck street	34,276	-
Canton Industrial Park	<u>4,900</u>	<u>4,900</u>
Total program depreciation and amortization	188,046	150,401
Administrative operating	<u>8,817</u>	<u>8,817</u>
Total depreciation and amortization expense	\$ <u>196,863</u>	<u>159,218</u>

(7) Loan Payable

St. Lawrence County Industrial Development Agency - Local Development Corporation (SLCIDA-LDC) (Canton Industrial Building): On December 4, 2014, the Agency closed a \$1,400,000 loan from the SLCIDA-LDC consisting of \$700,000 from the River Valley Redevelopment Agency loan fund and \$700,000 from SLCIDA-LDC revolving loan fund to finance some of the construction costs of the Canton Industrial Building. The Agency mortgaged the property to SLCIDA-LDC as security for the loan. The River Valley Redevelopment Agency portion of the loan had a 7-year repayment with a 20-year amortization with an interest rate of 1%, and was paid off in 2021. The remaining portion of the loan has a 30-year amortization with an interest rate of 0.5% of 1.0%.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements, Continued

(7) Loan Payable, Continued

Long-term liabilities at December 31, 2025 and 2024 consisted of the following:

<u>Holder</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>	
					<u>2025</u>	<u>2024</u>
SLCIDA-LDC - Canton						
Industrial Building	12/04/14	11/01/44	0.50%	\$ <u>700,000</u>	<u>455,546</u>	<u>478,478</u>

Future maturities on the loan payable are projected as follows:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 22,901	2,225	25,126
2027	23,016	2,110	25,126
2028	23,131	1,995	25,126
2029	23,247	1,879	25,126
2030	23,363	1,763	25,126
2031 - 2035	118,585	7,045	125,630
2036 - 2040	121,587	4,043	125,630
2041 - 2044	<u>99,716</u>	<u>1,022</u>	<u>100,738</u>
	\$ <u>455,546</u>	<u>22,082</u>	<u>477,628</u>

(8) Lease Liability

The Agency entered into an agreement with the St. Lawrence County Property Development Corporation to lease a facility located at 30 Buck Street, Canton, New York, for \$8,000 per month, until December 31, 2026, at which time payments will decrease to \$4,000 per month, commencing February 1, 2025 through December 31, 2052. Interest is calculated at 4.77%. As of December 31, 2025, the lease liability was \$736,999 and the related right-to-use asset, net was \$764,714.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements, Continued

(8) Lease Liability, Continued

The following is the amortization schedule for the lease liability:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 59,205	36,795	96,000
2027	11,912	36,088	48,000
2028	12,653	35,347	48,000
2029	13,431	34,569	48,000
2030	14,246	33,754	48,000
2031-2035	84,926	155,074	240,000
2036-2040	112,178	127,822	240,000
2041-2045	146,753	93,247	240,000
2046-2050	190,620	49,380	240,000
2051-2052	<u>91,075</u>	<u>4,925</u>	<u>96,000</u>
Total	\$ <u>736,999</u>	<u>607,001</u>	<u>1,344,000</u>

(9) Pension Plan

(a) Plan Description

The Agency participates in the New York State and Local Employees' Retirement System (ERS or the System). This is a cost-sharing multiple-employer defined benefit retirement system. The System provides retirement benefits, as well as, death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Agency also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. GLIP amounts are apportioned to and included in ERS. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.ny.gov/retirement/resources/financial-statements-and-supplementary-information.

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(a) Plan Description, Continued

The system is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3% to 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

(b) Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2025 and 2024, the Agency reported the following for its proportionate share of the System. The total pension liability used to calculate the net pension system was determined by an actuarial valuation. The Agency's proportion of the net pension system is based on a projection of the Agency's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS in reports provided to the Agency.

Measurement date	3/31/2025	3/31/2024
Valuation date	4/1/2024	4/1/2023
Net pension liability	\$216,350	200,879
Agency's portion of the System's net pension liability	0.0012618%	0.0013643%
Change in proportion since the prior measurement date	(0.0001025)	(0.0000831)

For the years ended December 31, 2025 and 2024, the Agency recognized pension expense of \$51,644 and \$87,818, respectively. At December 31, 2025 and 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(b) Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

	<u>2025</u>		<u>2024</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 53,700	2,533	64,703	5,477
Change of assumptions	9,073	-	75,948	-
Net difference between projected and actual earnings on pension plan investments	16,974	-	-	98,128
Changes in proportion and differences between employer contribution and proportionate share of contributions	30,230	16,796	23,575	12,472
Employer contributions subsequent to the measurement date	<u>68,188</u>	<u>-</u>	<u>59,005</u>	<u>-</u>
	<u>\$ 178,165</u>	<u>19,329</u>	<u>223,231</u>	<u>116,077</u>

Agency contributions subsequent to the measurement date will be recognized as a change of the net pension system in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending</u>	
2026	\$ 43,757
2027	59,621
2028	(16,173)
2029	<u>3,443</u>
	<u>\$ 90,648</u>

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(c) Actuarial Assumptions

The total pension liability at March 31, 2025 and 2024 determined by using an actuarial valuations as of April 1, 2024 and 2023, respectively, with updated procedures to roll forward the total pension liability to March 31, 2025 and 2024, respectively. The actuarial valuation used the following actuarial assumptions:

	<u>2025</u>	<u>2024</u>
Inflation	2.9%	2.9%
Salary increases	4.3%	4.4%
Investment rate of return (net of investment expense, including inflation)	5.9%	5.9%
Cost-of-living adjustments	1.5%	1.5%

Demographic assumptions used in the April 1, 2024 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2021. Demographic assumptions are primarily based on System experience over the period April 1, 2015 - March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(c) Actuarial Assumptions, Continued

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 and 2024 are summarized in the following table:

Asset type:	2025		2024	
	Target allocation	Long-term expected real rate of return*	Target allocation	Long-term expected real rate of return*
Domestic equity	25%	3.54%	32%	4.00%
International equity	14%	6.57%	15%	6.65%
Private equity	15%	7.25%	10%	7.25%
Real estate	12%	4.95%	9%	4.60%
Opportunistic/ARS portfolio	3%	5.25%	3%	5.25%
Credit	4%	5.40%	4%	5.40%
Real assets	4%	5.55%	3%	5.79%
Fixed income	22%	2.00%	23%	1.50%
Cash	1%	0.25%	1%	0.25%
	100%		100%	

*The real rate of return is net of the long-term inflation assumption of 2.90%.

(d) Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(e) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the proportionate share of the net pension asset (liability) of the Agency calculated using the current-period discount rate assumption of 5.9%, as well as what the Agency's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption:

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements, Continued

(9) Pension Plan, Continued

(e) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption, Continued

	2025		
	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Agency's proportionate share of the net pension asset (liability)	\$ (626,144)	(216,350)	<u>125,828</u>
	2024		
	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Agency's proportionate share of the net pension asset (liability)	\$ (631,584)	(200,879)	<u>158,849</u>

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers participating in the System as of March 31, 2025 and 2024, were as follows (amounts in millions):

	2025	2024
Employers' total pension liability	\$ (247,600)	(240,697)
Fiduciary plan net position	<u>230,454</u>	<u>225,973</u>
Employers' net pension liability	\$ (17,146)	<u>(14,724)</u>
Ratio of fiduciary net position to the employers' total pension liability	93.08%	93.88%

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of December 31st represent the projected employer contribution for the period of April 1st through December 31st based on paid ERS wages multiplied by the employer's contribution rate, by tier. Retirement contributions for the years ended December 31, 2025 and 2024 amounted to \$87,896 and \$78,673, respectively.

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Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions (OPEB)

(a) Plan Description

The Agency’s defined benefit OPEB plan, the St. Lawrence County Health Care Plan, provides OPEB for all permanent full-time employees of the Agency. The St. Lawrence County Health Care Plan is a single-employer defined benefit OPEB plan administered by St. Lawrence County. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the St. Lawrence County Board. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

The St. Lawrence County Health Care Plan provides healthcare benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The benefit terms provide for payment of 90 percent of the health insurance premiums for non-Medicare-eligible individual retirees.

At the December 31, 2025 and 2024 reporting dates, the following employees were covered by the benefit terms:

	<u>2025</u>	<u>2024</u>
Retirees and survivors	1	1
Active employees	<u>6</u>	<u>6</u>
Total	<u>7</u>	<u>7</u>

(b) Total OPEB Liability

The Agency’s total OPEB liability at December 31, 2025 was \$2,055,933 and was measured as of January 1, 2025, and was determined by an actuarial valuation as of January 1, 2024. The Agency’s total OPEB liability at December 31, 2024 was \$2,226,388, and was measured as of January 1, 2024, and was determined by an actuarial valuation as of January 1, 2024.

The total OPEB liability in the January 1, 2024 and 2023 actuarial valuations, were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>2025</u>	<u>2024</u>
Rate of inflation	2.60%	2.60%
Salary increases	3.00%	3.00%
Discount rate	4.08%	3.26%
Healthcare cost trend rates	6.50% for 2025; reducing to 4.04% for 2024	6.50% for 2024; reducing to 4.04% for 2024

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Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions (OPEB), Continued

(b) Total OPEB Liability, Continued

Mortality rates were based on the Pub-2010 Mortality Table for employees' sex distinct, job category-specific, headcount weighted, and adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

The discount rate was based on the Bond Buyer Weekly 20-Bond Go Index.

(c) Changes in the Net OPEB Liability

	<u>2025</u>	<u>2024</u>
Total OPEB liability at beginning of year	\$ <u>2,226,388</u>	<u>2,093,793</u>
Changes for the year:		
Service cost	64,287	58,897
Interest	74,170	79,481
Differences between expected and actual experience	-	(150,011)
Changes in assumptions or other inputs	(277,849)	176,427
Benefit payments	<u>(31,063)</u>	<u>(32,199)</u>
Net changes	<u>(170,455)</u>	<u>132,595</u>
Total OPEB liability at end of year	\$ <u>2,055,933</u>	<u>2,226,388</u>

(d) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Agency at December 31, 2025 and 2024, as well as what the Agency's total OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (3.08%) or one-percentage point higher (5.08%) than the current discount rate:

	2025		
	1% Decrease (3.08%)	Current Rate (4.08%)	1% Increase (5.08%)
Total OPEB liability	\$ <u>2,401,454</u>	<u>2,055,933</u>	<u>1,774,662</u>
	2024		
	1% Decrease (2.26%)	Current Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	\$ <u>2,629,709</u>	<u>2,226,388</u>	<u>1,901,024</u>

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Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions (OPEB), Continued

(e) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Agency at December 31, 2025 and 2024, as well as what the Agency's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage point lower or one-percentage point higher than the current healthcare cost trend rates:

	2025		
	1% <u>Decrease</u>	Current Trend <u>Rates</u>	1% <u>Increase</u>
Total OPEB liability	\$ <u>1,728,677</u>	<u>2,055,933</u>	<u>2,466,305</u>
	2024		
	1% <u>Decrease</u>	Current Trend <u>Rates</u>	1% <u>Increase</u>
Total OPEB liability	\$ <u>1,863,426</u>	<u>2,226,388</u>	<u>2,684,821</u>

(f) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2025 and 2024, the Agency recognized OPEB expense of \$72,670 and \$110,549, respectively. At December 31, 2025 and 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2025		2024	
	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 157,143	175,911	216,046	259,331
Change of assumptions or other inputs	294,586	697,114	402,909	568,858
Contributions subsequent to the measurement date	<u>35,746</u>	<u>-</u>	<u>31,063</u>	<u>-</u>
	\$ <u>487,475</u>	<u>873,025</u>	<u>650,018</u>	<u>828,189</u>

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Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions (OPEB), Continued

(f) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB at December 31, 2025 will be recognized in OPEB expenses as follows:

<u>Year ending</u>	
2026	\$ (59,051)
2027	(33,839)
2028	(56,799)
2029	(107,663)
2030	(107,663)
Thereafter	<u>(56,281)</u>
	\$ <u>(421,296)</u>

(11) Industrial Revenue Bond Issues

At the date of these financial statements, the Agency had participated in excess of fifty-three bond issues in the total original issue amount in excess of \$785,530,700. These issues were made at various times between February 1973 and December 31, 2025. These issues are not reflected in the financial statements since they are considered to be special obligations of the Agency having no claim on the general assets or general funds of the Agency.

(12) St. Lawrence County IDA Local Development Corporation

On April 29, 1986, the Agency created a Local Development Corporation known as SLCIDA-LDC. The County assigned all of the loan repayments from certain County Community Development Block Grant (CDBG) Projects to the Agency for the purpose of establishing a county-wide revolving loan fund. Upon the formation of SLCIDA-LDC, the Agency assigned all of its rights in the CDBG assignment to SLCIDA-LDC for collection and administration.

(13) Massena Lot 17 and Massena Lot 20 Buildings

In 2005, the Agency acquired the Massena Lots 17 and 20 buildings as part of a loan settlement agreement with Michele Audio Corporation of America.

In 2009, the Agency entered into a 15-year lease/purchase agreement with OP-Tech Environmental Services, Inc. for the Lot 20 industrial building at the lease/purchase price of \$540,000.

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Notes to Financial Statements, Continued

(13) Massena Lot 17 and Massena Lot 20 Buildings, Continued

In 2014, after Media Accessories.Com, Inc. defaulted on its lease/purchase agreement for the Agency's Lot 17 building in the Massena Industrial Park, the Agency terminated its contract with the company and resumed full ownership of the property. In July 2017, the Agency entered into a 10-year lease/purchase agreement with NY Power Tools, Inc. for the Lot 17 industrial building at the lease/purchase price of \$350,000.

(14) Canton Industrial Park

By Resolution No. IDA-12-12-49 dated December 11, 2012, the Agency assigned a value of \$166,250 to the land that constitutes the Canton Industrial Park (CIP) which had been donated to the Agency by the County in 2011. In 2012, the Agency applied for and was awarded funds through New York State's Regional Economic Development program to build out the infrastructure of the CIP. In April 2013, the Agency executed an Incentive Proposal issued by Empire State Development (ESD) under which ESD committed to grant up to \$470,000 to the Agency for site preparation, including roads, water, and sewer in the CIP. In late 2013, the Agency began to make such improvements; they were substantially completed in 2014. In 2016, the Agency received a final grant award of \$470,000 from ESD.

(15) St. Lawrence County IDA Civic Development Corporation

On January 7, 2010, a resolution was passed by the Agency that authorized staff to pursue the creation of a local development corporation to assist 501(c)(3) organizations in financing much-needed construction and expansion projects. The expiration of Civic Facilities Bond legislation had severely inhibited the ability of local industrial development agencies to assist 501(c)(3) organizations in financing much-needed construction and expansion projects. On April 13, 2010, the St. Lawrence County Industrial Development Agency Civic Development Corporation (SLCIDA-CDC) was created for this purpose.

(16) Newton Falls Secondary Line

On December 23, 1991, the Agency took title to the County portion of the 46.25 mile Newton Falls Secondary Line (the Railroad). In May of 2012, the Agency and the Mohawk Adirondack & Northern (MA&N) executed an operating agreement under which the Agency's ownership of the Railroad was confirmed and which structured the Agency's lease of the Railroad to MA&N and set conditions under which MA&N might take future ownership of the Railroad.

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Notes to Financial Statements, Continued

(16) Newton Falls Secondary Line, Continued

On October 25, 2012, the Agency executed an Incentive Proposal issued by ESD (originally dated March 7, 2012, and revised on September 7, 2012) under which ESD committed to grant up to \$9,972,000 to the Agency to rehabilitate the entire Railroad. The Incentive Proposal split the grant into two phases - Phase 1 amounting up to \$1,300,000 to be used for pre-construction costs that would enable the Agency to clear the line, appraise the repairs required, and prepare specifications and bid documents; Phase 2 amounting up to \$8,672,000 to be used for the actual rehabilitation work.

Beginning after October 25, 2012, the Agency began incurring expenses for the Phase 1 pre-construction costs and by December 31, 2015, the pre-construction phase was complete with cumulative costs totaling \$1,316,129. On February 7, 2014, the Urban Development Corporation, acting on behalf of ESD, sent the Agency an executed Grant Disbursement Agreement which structured the Phase 1 grant process and authorized the Agency to request reimbursement for pre-construction expenses dating back to October 25, 2012.

Total reimbursements received by the Agency pursuant to the Phase 1 Grant Disbursement Agreement totaled \$1,300,000. Phase 2 of the project was completed in 2020. Phase 3 was completed in 2022 and phase 4 will begin in 2025. Through December 31, 2025, cumulative rehabilitation costs totaled \$10,513,450 while grant reimbursement totaled \$10,625,592. The remaining grant reimbursement of \$112,142 will be carried forward for use in future years for work on the project and is recorded as grant advances at the end of 2025.

(17) 100 Paterson Street Building-Newell

The Agency entered into a Memorandum of Agreement dated November 1, 2017, with the City of Ogdensburg (the City) to provide bridge funding for the redevelopment of property known as the Newell Building located at 100 Paterson Street in the City. Under the Agreement, the Agency will provide up to \$1,000,000 in bridge financing. The City has obtained a Restore NY grant award for the project and upon receipt reimbursed the Agency. Subsequent to executing the agreement, the City obtained a second grant award for the project from a new source in the amount of \$300,000 and the Agency provided additional bridge financing in that amount similar to the terms set forth in the original agreement. At the conclusion of the rehabilitation the City transferred good and marketable title to the property to the St. Lawrence County Property Development Corporation (SLCPDC), a related party to the Agency.

In May of 2022, the SLCPDC authorized the lease of Real Property located at the former Newell Manufacturing Property at 100 Paterson Street, Ogdensburg to the Agency, allowing the Agency to manage the property, make necessary improvements, and negotiate lease and PILOT agreements with potential tenants or buyers. An Industrial Property Lease Agreement with the SLCPDC was signed with the Agency, and commenced on January 1, 2023.

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Notes to Financial Statements, Continued

(18) Recognition of Certain Grant Revenue and Expenditures

Occasionally the Agency (as grantee) applies for and receives grants from government agencies and other organizations. These grants are usually “reimbursement grants”, i.e., the monies from the grants 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 Agency 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, as of December 31, 2025 the Agency does not accrue any revenues/expenses or receivables/payables associated with items to be paid out for future grant reimbursement unless the Agency 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. There were no such reimbursement grants active as of December 31, 2025.

From time to time, the Agency will act as a “grantor” in a “pass through” capacity only where it applies for grants on behalf of other entities and then in turn acts as the official “grantor”. Since these grants are also reimbursement grants, the Agency has adopted the same policy as stated above when acting as a “pass through grantor”. As of December 31, 2025, there were no active grants of this nature.

The St. Lawrence County Board of Legislators approved accepting the American Rescue Plan Act (ARPA) funds which will be administered by the Agency. The St. Lawrence County Board of Legislators allocated \$2.9 million of ARPA funds to be distributed through the Agency to organizations impacted by the COVID-19 pandemic. The IDA distributed ARPA funds to organizations for the years ended December 31, 2025 and 2024 of \$472,393 and \$1,267,723, respectively.

(19) Related Party Transactions

The Agency is related to the following entities through:

- SLCIDA-CDC - Common Board Membership and Officers
- SLCIDA-LDC - Common Board Membership, Officers and program administrative agreements

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)

Notes to Financial Statements, Continued

(19) Related Party Transactions, Continued

SLCIDA-CDC is authorized to remit one-half of the bond fees received by SLCIDA-CDC to the Agency. There are no restrictions on these payments and payments are made in accordance with enabling legislation and in accordance with resolution CDC-10-10-17, passed on October 10, 2010. This resolution adopted a policy which authorized the transfer to the Agency of 50% of any and all project/bond fees SLCIDA-CDC receives. During the year ended December 31, 2025, SLCIDA-CDC transferred \$156,250 from a project/ bond closing. There were no transfers made during the year ended December 31, 2024.

SLCIDA-LDC has loaned funds to the Agency. Information on these loans can be found in Note 7 of these financial statements.

Administrative fees paid by SLCIDA-LDC to the Agency totaled \$7,200 for the years ended December 31, 2025 and 2024.

(20) Prior Period Adjustment

The Agency restated its net position for certain lease transactions. The December 31, 2024 balances were restated as follows:

	As Previously <u>Stated</u>	<u>Change</u>	As <u>Restated</u>
Lease receivables, current portion	\$ <u> -</u>	<u>143,663</u>	<u>143,663</u>
Lease receivables, net of current portion	<u> -</u>	<u>206,076</u>	<u>206,076</u>
Deferred inflows of resources - leases	<u> -</u>	<u>341,425</u>	<u>341,425</u>
Program revenue - 100 Patterson Street	<u>119,000</u>	<u>4,289</u>	<u>123,289</u>
Program revenue - Canton Industrial Building	<u>12,607</u>	<u>554</u>	<u>13,161</u>
Net position at beginning of year	\$ <u>6,086,521</u>	<u>3,471</u>	<u>6,089,992</u>

(21) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

Statement No. 104 - Disclosure of Certain Capital Assets. Effective for fiscal years beginning after June 15, 2025.

Statement No. 105 - Subsequent Events. Effective for fiscal years beginning after June 15, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Required Supplementary Information
Schedule of the Agency's Proportionate Share of the Net Pension Asset/Liability
Year ended December 31, 2025

NYSERS Pension Plan

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Agency's proportion of the net pension asset/liability	0.0012618%	0.0013643%	0.0014474%	0.0014908%	0.0012940%	0.0013925%	0.0014630%	0.0015412%	0.0015513%	0.0020224%
Agency's proportionate share of the net pension asset (liability)	\$ (216,350)	(200,879)	(310,384)	121,868	(1,288)	(368,736)	(103,661)	(49,741)	(145,764)	(324,593)
Agency's covered payroll	\$ 501,382	477,816	459,277	502,028	351,031	369,322	350,108	342,440	337,649	342,530
Agency's proportionate share of the net pension asset/liability as a percentage of its covered payroll	43.15%	42.04%	67.58%	24.28%	0.37%	99.84%	29.61%	14.53%	43.17%	94.76%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Required Supplementary Information
Schedule of the Agency's Pension Contributions
Year ended December 31, 2025

NYSERS Pension Plan

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 87,896	78,673	64,435	60,933	61,341	52,812	50,398	49,700	49,766	55,996
Contribution in relation to the contractually required contribution	<u>87,896</u>	<u>78,673</u>	<u>64,435</u>	<u>60,933</u>	<u>61,341</u>	<u>52,812</u>	<u>50,398</u>	<u>49,700</u>	<u>49,766</u>	<u>55,996</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Agency's covered payroll	\$501,382	447,816	459,277	502,028	351,031	369,322	350,108	342,440	337,649	342,530
Contribution as a percentage of covered payroll	17.53%	17.57%	14.03%	12.14%	17.47%	14.30%	14.39%	14.51%	14.74%	16.35%

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Required Supplementary Information
Schedule of Changes in the Agency's Total OPEB Liability and Related Ratios
Year ended December 31, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability								
Service cost	\$ 64,287	58,897	129,353	94,026	69,369	54,701	65,391	81,664
Interest	74,170	79,481	57,616	54,532	52,976	67,489	60,146	73,298
Changes in benefit terms	-	-	(151,883)	-	-	-	-	-
Changes of assumptions or other inputs	-	(150,011)	-	175,482	249,946	(144,943)	-	(387,465)
Differences between expected and actual experience	(277,849)	176,427	(593,845)	(106,121)	264,488	314,445	(197,857)	75,268
Benefit payments	<u>(31,063)</u>	<u>(32,199)</u>	<u>(29,993)</u>	<u>(27,207)</u>	<u>(17,963)</u>	<u>(20,087)</u>	<u>(18,638)</u>	<u>(15,633)</u>
Net change in total OPEB liability	(170,455)	132,595	(588,752)	190,712	618,816	271,605	(90,958)	(172,868)
Total OPEB liability - beginning	<u>2,226,388</u>	<u>2,093,793</u>	<u>2,682,545</u>	<u>2,491,833</u>	<u>1,873,017</u>	<u>1,601,412</u>	<u>1,692,370</u>	<u>1,865,238</u>
Total OPEB liability - ending	<u>\$2,055,933</u>	<u>2,226,388</u>	<u>2,093,793</u>	<u>2,682,545</u>	<u>2,491,833</u>	<u>1,873,017</u>	<u>1,601,412</u>	<u>1,692,370</u>
Covered payroll	\$ 519,975	505,410	448,312	N/A	369,322	336,768	354,822	333,900
Total OPEB liability as a percentage of covered payroll	395.39%	440.51%	467.04%	N/A	674.70%	556.17%	451.33%	506.85%

Notes to schedule:

Changes of assumptions or other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
4.08%	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%	3.44%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the Agency presents information for those years for which information is available.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, Paragraph 4.

OTHER SUPPLEMENTARY INFORMATION

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Other Supplementary Information
Schedules of Revenue and Expenses by Project
Years ended December 31, 2025 and 2024

	2025							2024				
	100 Paterson Street	Gouverneur Industrial Park	Canton Industrial Park	Canton Industrial Building	30 Buck Street	Massena School of Business	Benson Mines Rehabilitation	100 Paterson Street	Gouverneur Industrial Park	Canton Industrial Park	Canton Industrial Building	Massena School of Business
Operating revenue - program revenue	\$ 119,612	-	-	71,207	-	-	-	123,289	-	-	13,161	-
Operating expenses:												
Insurance	24,779	41	881	6,392	28,759	-	-	24,311	41	881	6,090	-
Depreciation and amortization	81,662	-	4,900	67,208	34,275	-	-	81,662	-	4,990	63,839	-
Interest	-	-	-	2,381	34,323	-	-	-	-	-	2,665	-
Maintenance	38,457	-	-	15,357	11,214	-	-	22,528	2,800	-	28,783	-
PILOT	13,902	-	-	-	9,459	-	-	8,993	-	-	30,977	-
Survey	-	-	-	-	-	-	-	-	1,070	-	-	-
Rehabilitation project	-	-	-	-	-	1,212,790	12,035	-	-	-	-	131,766
Miscellaneous	-	-	-	-	1,100	-	-	-	-	-	-	-
Utilities	31,060	-	-	7,040	33,757	-	-	19,481	-	-	3,584	-
Total operating expenses	189,860	41	5,781	98,378	152,887	1,212,790	12,035	156,975	3,911	5,871	135,938	131,766
Operating loss	\$ (70,248)	(41)	(5,781)	(27,171)	(152,887)	(1,212,790)	(12,035)	(33,686)	(3,911)	(5,871)	(122,777)	(131,766)

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of St. Lawrence County, New York)
Other Supplementary Information
Schedules of Administrative Operating Expenses
Years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Administrative operating expenses:		
Salaries and wages	\$ 502,881	584,520
Employee benefits	135,020	304,622
Payroll taxes	36,405	38,015
Accounting/audit	13,813	10,650
Bank service fees	-	195
Data processing services	13,080	11,846
Depreciation	8,817	8,817
Insurance	12,804	12,399
Legal fees	9,960	15,419
Meetings	2,102	3,453
Miscellaneous	134	9,947
Office supplies and postage	4,407	9,433
Payroll fees	4,698	3,136
Printing and copying	2,683	3,526
Professional associations	4,284	795
Rent and maintenance	7,354	3,562
Subscriptions and periodicals	754	720
Telephone	9,027	5,948
Utilities	4,297	5,387
Vehicle repairs and maintenance	1,713	1,166
	<u>774,233</u>	<u>1,033,556</u>
Total administrative operating expenses	<u>\$ 774,233</u>	<u>1,033,556</u>

**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 County Industrial Development 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 County Industrial Development Agency (the Agency), a discretely presented component unit of St. Lawrence County, New York, as of and for the year ended December 31, 2025, and the related notes to financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 26, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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 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.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 26, 2026

**INDEPENDENT AUDITORS' REPORT ON INVESTMENT COMPLIANCE
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE INVESTMENT GUIDELINES**

The Board of Directors
St. Lawrence County Industrial Development Agency:

Report on Investment Compliance

Opinion on Investment Compliance

We have audited the St. Lawrence County Industrial Development Agency's (the Agency), a discretely presented component unit of St. Lawrence County, New York, compliance with the types of compliance requirements identified as subject to audit in Section 2925(3)(f) of the New York State Public Authorities Law (the investment guidelines) that could have a direct and material effect on its investments for the year ended December 31, 2025.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its investments for the year ended December 31, 2025.

Basis for Opinion on Investment Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), 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 the investment guidelines. Our responsibilities under those standards and the investment guidelines are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 with the investment guidelines. Our audit does not provide a legal determination of the 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 the Agency's investments.

Auditors' 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 the 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 GAAS, Government Auditing Standards, and the investment guidelines 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 the Agency's compliance with the requirements of the investment guidelines as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the investment guidelines, we:

- 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 the 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 the 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 investment guidelines, but not for the purpose of expressing an opinion on the effectiveness of 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 the investment guidelines on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 investment guidelines 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 the investment guidelines 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses 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.

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 investment guidelines. Accordingly, this report is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 26, 2026