

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

Consolidated Financial Statements,
Supplementary Information and
Independent Auditors' Report
December 31, 2025 and 2024

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT
AGENCY - LOCAL DEVELOPMENT CORPORATION
(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
Local Development Corporation:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of the St. Lawrence County Industrial Development Agency - Local Development Corporation (SLCIDA-LDC), 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 consolidated financial statements, which collectively comprise SLCIDA-LDC's basic financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our 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 Consolidated Financial Statements section of our report. We are required to be independent of SLCIDA-LDC 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.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SLCIDA-LDC's ability to continue as a going concern for twelve months beyond the consolidated financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 SLCIDA-LDC'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SLCIDA-LDC'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 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 SLCIDA-LDC'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 SLCIDA-LDC'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 SLCIDA-LDC's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
March 26, 2026

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT
AGENCY - LOCAL DEVELOPMENT CORPORATION
(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 - Local Development Corporation (SLCIDA-LDC) financial performance provides an overview of SLCIDA-LDC's financial activities for the years ended December 31, 2025 and 2024, with 2023 presented for comparative purposes. The consolidated financial statements of the SLCIDA-LDC include the activities of the Greater Massena Economic Development Fund and the St. Lawrence River Valley Redevelopment Agency. Accordingly, the financial analysis section of our discussion and analysis also includes the significant activities of those entities. Please read it in conjunction with SLCIDA-LDC's consolidated financial statements.

HIGHLIGHTS

Financial Highlights

- Total assets for the year ended December 31, 2025 increased by \$33,851. Total assets for the year ended December 31, 2024 increased by \$176,269. Cash and investment balances increased due to the combination of earnings on investments and collections of interest on outstanding mortgages and notes receivables.
- Total liabilities and deferred inflows of resources for the year ended December 31, 2025 decreased by \$42,886 due to revenue recognition requirements related to lease transactions. Total liabilities and deferred inflows of resources for the year ended December 31, 2024 increased by \$90,280 primarily due to SLCIDA-LDC entering into a lease with a Fockler Industries, LLC.

USING THIS ANNUAL REPORT

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

OVERVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

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

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

The consolidated statements of net position presents information on all of SLCIDA-LDC'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 SLCIDA-LDC is improving or deteriorating.

The consolidated 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 SLCIDA-LDC's operations over the year and can be used to determine whether SLCIDA-LDC has successfully recovered all of its costs. It provides the user with basic financial information about profitability and creditworthiness.

The consolidated statements of cash flows provides information about SLCIDA-LDC's cash receipts and cash payments during the year. The consolidated 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 consolidated statements is to tell the user where SLCIDA-LDC'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 Consolidated Financial Statements - The notes to consolidated financial statements provide additional information that is essential to a full understanding of the data provided in the consolidated financial statements.

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government agency's financial position. In the case of SLCIDA-LDC, total net position was \$15,898,905 and \$15,822,168 at December 31, 2025 and 2024, respectively.

SLCIDA-LDC's financial position is the product of several financial transactions including the net results of activities, payments received on outstanding loans, and the depreciation of capital assets.

The following tables present a summary of SLCIDA-LDC's consolidated statements of net position at December 31, 2025, 2024 and 2023.

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

Management's Discussion and Analysis, Continued

Condensed Consolidated Statements of Net Position

| | <u>2025</u> | <u>2024</u> | <u>Change</u> | <u>Percentage Change</u> |
|--|----------------------|-------------------|------------------|------------------------------|
| Assets: | | | | |
| Current assets | \$ 1,311,836 | 1,688,707 | (376,871) | -22.3% |
| Other assets | 14,413,110 | 13,984,581 | 428,529 | 3.1% |
| Capital assets, net | <u>248,907</u> | <u>266,714</u> | <u>(17,807)</u> | -6.7% |
| Total assets | <u>15,973,853</u> | <u>15,940,002</u> | <u>33,851</u> | 0.2% |
| Liabilities | <u>14,147</u> | <u>23,865</u> | <u>(9,718)</u> | -40.7% |
| Deferred inflows of resources - lease related | <u>60,801</u> | <u>93,969</u> | <u>(33,168)</u> | -35.3% |
| Net position: | | | | |
| Net investment in capital assets | 248,907 | 266,714 | (17,807) | -6.7% |
| Restricted | 14,955,610 | 14,620,798 | 334,812 | 2.3% |
| Unrestricted | <u>694,388</u> | <u>934,656</u> | <u>(240,268)</u> | -25.7% |
| Total net position | <u>\$ 15,898,905</u> | <u>15,822,168</u> | <u>76,737</u> | 0.5% |
| | | | | |
| | <u>2024</u> | <u>2023</u> | <u>Change</u> | <u>Percentage Change</u> |
| Assets: | | | | |
| Current assets | \$ 1,688,707 | 1,556,211 | 132,496 | 8.5% |
| Other assets | 13,984,581 | 13,923,001 | 61,580 | 0.4% |
| Capital assets, net | <u>266,714</u> | <u>284,521</u> | <u>(17,807)</u> | -6.3% |
| Total assets | <u>15,940,002</u> | <u>15,763,733</u> | <u>176,269</u> | 1.1% |
| Liabilities | <u>23,865</u> | <u>27,554</u> | <u>(3,689)</u> | -13.4% |
| Deferred inflows of resources - lease related | <u>93,969</u> | <u>-</u> | <u>93,969</u> | 100.0% |
| Net position: | | | | |
| Net investment in capital assets | 266,714 | 284,521 | (17,807) | -6.3% |
| Restricted | 14,620,798 | 15,015,415 | (394,617) | -2.6% |
| Unrestricted | <u>934,656</u> | <u>436,243</u> | <u>498,413</u> | 114.3% |
| Total net position | <u>\$ 15,822,168</u> | <u>15,736,179</u> | <u>85,989</u> | 0.5% |

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

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

Condensed Consolidated Statements of Revenue, Expenses and Changes in Net Position

| | <u>2025</u> | <u>2024</u> | <u>Change</u> | <u>Percentage Change</u> |
|-----------------------------------|----------------------|-------------------|-----------------|------------------------------|
| Revenue: | | | | |
| Interest income | \$ 130,366 | 162,077 | (31,711) | -19.6% |
| Rental income | 48,535 | 70,290 | (21,755) | -31.0% |
| Investment income | 314,989 | 162,312 | 152,677 | 94.1% |
| Other income | <u>2,392</u> | <u>20,975</u> | <u>(18,583)</u> | -88.6% |
| Total revenue | <u>496,282</u> | <u>415,654</u> | <u>80,628</u> | 19.4% |
| Expenses: | | | | |
| Auditing fees | 28,375 | 18,075 | 10,300 | 57.0% |
| Advertising and marketing | 28,856 | 18,330 | 10,526 | 57.4% |
| Contractual | 30,000 | 30,000 | - | 0.0% |
| Community development | 121,509 | 113,168 | 8,341 | 7.4% |
| Salaries and related benefits | 100,654 | 80,467 | 20,187 | 25.1% |
| Other expenses | <u>110,151</u> | <u>69,625</u> | <u>40,526</u> | 58.2% |
| Total expenses | <u>419,545</u> | <u>329,665</u> | <u>89,880</u> | 27.3% |
| Change in net position | 76,737 | 85,989 | (9,252) | -10.8% |
| Net position at beginning of year | <u>15,822,168</u> | <u>15,736,179</u> | <u>85,989</u> | 0.5% |
| Net position at end of year | <u>\$ 15,898,905</u> | <u>15,822,168</u> | <u>76,737</u> | 0.5% |

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT
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 Management's Discussion and Analysis, Continued

| | <u>2024</u> | <u>2023</u> | <u>Change</u> | <u>Percentage Change</u> |
|-----------------------------------|----------------------|-------------------|-----------------|------------------------------|
| Revenue: | | | | |
| Interest income | \$ 162,077 | 142,973 | 19,104 | 13.4% |
| Rental income | 70,290 | 59,090 | 11,200 | 19.0% |
| Investment income | 162,312 | 136,372 | 25,940 | 19.0% |
| Other income | <u>20,975</u> | <u>34,210</u> | <u>(13,235)</u> | -38.7% |
| Total revenue | <u>415,654</u> | <u>372,645</u> | <u>43,009</u> | 11.5% |
| Expenses: | | | | |
| Auditing fees | 18,075 | 17,662 | 413 | 2.3% |
| Advertising and marketing | 18,330 | 21,516 | (3,186) | -14.8% |
| Contractual | 30,000 | 30,000 | - | 0.0% |
| Community development | 113,168 | 89,999 | 23,169 | 25.7% |
| Salaries and related benefits | 80,467 | 86,762 | (6,295) | -7.3% |
| Other expenses | <u>69,625</u> | <u>63,332</u> | <u>6,293</u> | 9.9% |
| Total expenses | <u>329,665</u> | <u>309,271</u> | <u>20,394</u> | 6.6% |
| Change in net position | 85,989 | 63,374 | 22,615 | 35.7% |
| Net position at beginning of year | <u>15,736,179</u> | <u>15,672,805</u> | <u>63,374</u> | 0.4% |
| Net position at end of year | <u>\$ 15,822,168</u> | <u>15,736,179</u> | <u>85,989</u> | 0.5% |

Total assets increased \$33,851 and \$176,269 in 2025 and 2024, respectively, due to the collecting of interest on outstanding mortgages and notes receivables, and strategic investment of funding in certificates of deposits and the investment income generated. SLCIDA-LDC has been able to take advantage of higher interest rate environments.

Total liabilities remained consistent at \$14,147 and \$23,865 at December 31, 2025 and 2024, respectively.

Deferred inflows of resources decreased \$33,168 in 2025 due to the revenue recognition requirements related to the lease between SLCIDA-LDC and Fockler Industries, LLC. SLCIDA-LDC entered into this lease agreement in the year ended December 31, 2024, and resulted in an increase in the deferred inflows of resources by \$93,969.

Net position increased \$76,737 and \$85,959 in 2025 and 2024, respectively, due to the results of operations as described below.

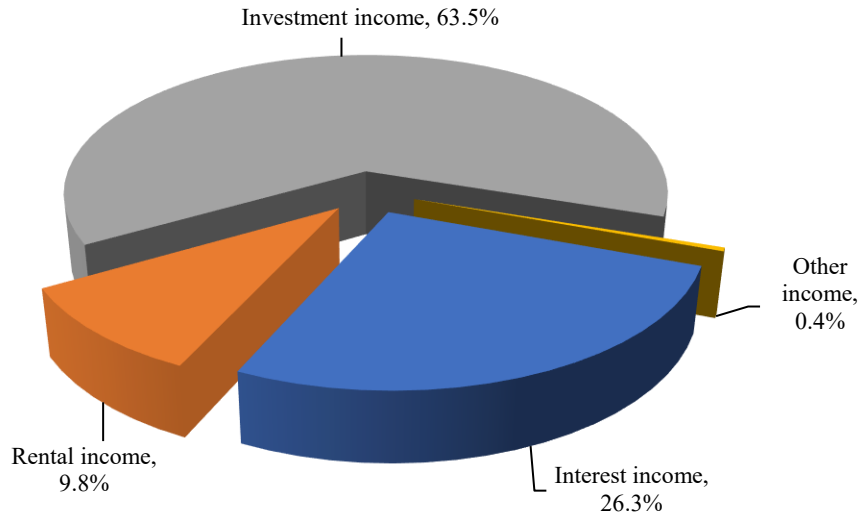
ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT
 AGENCY - LOCAL DEVELOPMENT CORPORATION
 (A Discretely Presented Component Unit of St. Lawrence County, New York)

Management's Discussion and Analysis, Continued

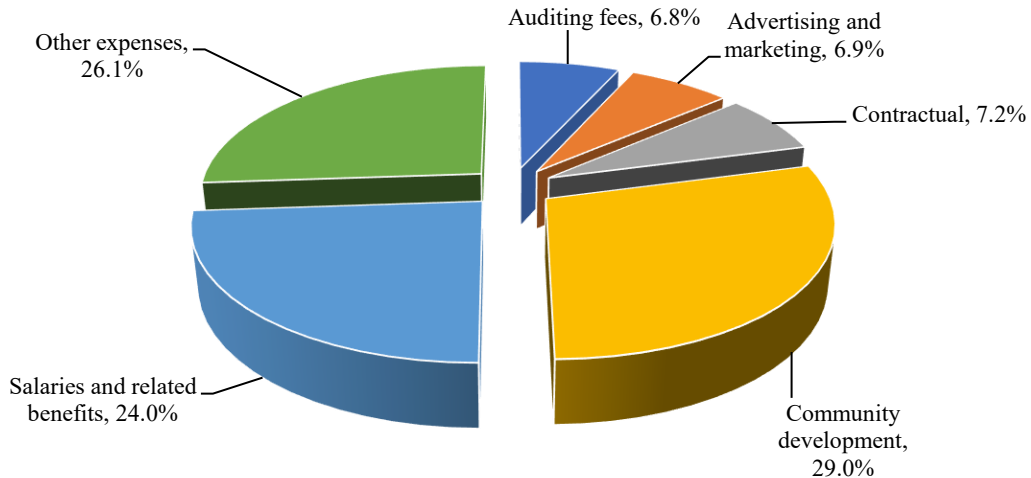
Total revenue increased \$80,628 and \$43,009 in 2025 and 2024, respectively, primarily due to an increase in investment income resulting from higher average balances of cash and equivalents and investments, and SLCIDA-LDC being able to take advantage of the higher interest rate environment.

Total expenses increased \$89,880 and \$20,394 in 2025 and 2024, respectively. The major increases in 2025 are related to salaries and related benefits and an increase in the allowance for uncollectible accounts. The major increase in 2024 is related to community development grant expenses.

2025 Revenue by Source

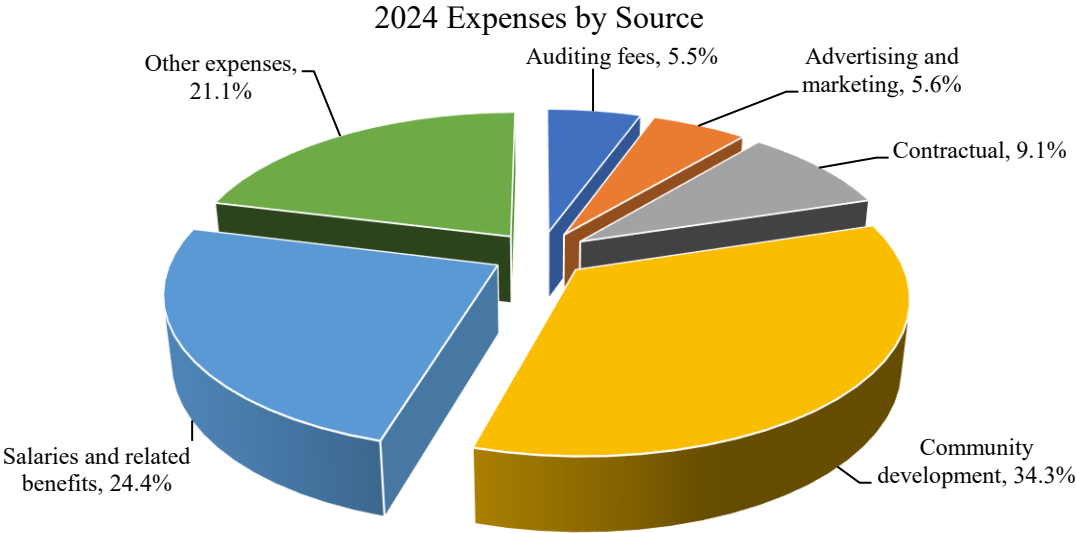
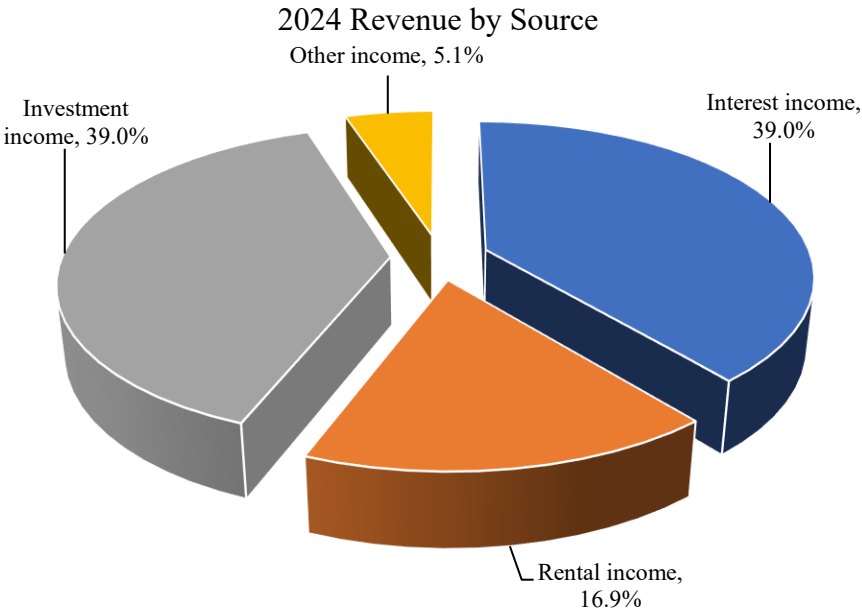


2025 Expenses by Source



ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT
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Management's Discussion and Analysis, Continued



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

Changes in SLCIDA-LDC'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> |
|-----------------------------|-------------------|------------------|-----------------|------------------------------|
| Building and improvements - | | | | |
| Massena lot 19 | \$ 450,232 | 450,232 | - | 0.0% |
| Accumulated depreciation | <u>(201,325)</u> | <u>(183,518)</u> | <u>(17,807)</u> | 9.7% |
| | <u>\$ 248,907</u> | <u>266,714</u> | <u>(17,807)</u> | -6.7% |
| | | | | |
| <u>Capital Assets, net</u> | <u>2024</u> | <u>2023</u> | <u>Change</u> | <u>Percentage Change</u> |
| Building and improvements - | | | | |
| Massena lot 19 | \$ 450,232 | 450,232 | - | 0.0% |
| Accumulated depreciation | <u>(183,518)</u> | <u>(165,711)</u> | <u>(17,807)</u> | 10.7% |
| | <u>\$ 266,714</u> | <u>284,521</u> | <u>(17,807)</u> | -6.3% |

CASH AND INVESTMENT POLICY

SLCIDA-LDC 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 SLCIDA-LDC to designate depositories. In accordance with this Article, five (5) banks are designated as depositories for SLCIDA-LDC funds. Rates are competitively procured for each deposit, with no more than 60% of its total investments in any one institution.

CONTACTING SLCIDA-LDC'S FINANCIAL MANAGEMENT

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

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

| | <u>2025</u> | <u>2024</u> |
|--|----------------------|-------------------|
| Assets: | | |
| Current assets: | | |
| Cash and equivalents - unrestricted | \$ 690,391 | 933,435 |
| Accounts receivable | - | 14,073 |
| Accrued interest receivable | - | 7,426 |
| Due from affiliate | - | 4,523 |
| Mortgages and notes receivables, current portion | 564,386 | 674,265 |
| Lease receivable, current portion | 33,322 | 32,338 |
| Finance sale receivable, current portion | <u>23,737</u> | <u>22,647</u> |
| Total current assets | <u>1,311,836</u> | <u>1,688,707</u> |
| Noncurrent assets: | | |
| Cash and equivalents - restricted | 6,321,121 | 8,862,585 |
| Investments - restricted | 4,732,767 | 2,600,000 |
| Mortgages and notes receivable, net of current portion and allowance for uncollectible accounts of \$215,000 in 2025 and \$170,000 in 2024 | 3,092,593 | 2,197,998 |
| Lease receivable, net of current portion | 28,541 | 61,863 |
| Finance sale receivable, net of current portion | 238,088 | 262,135 |
| Capital assets, net | <u>248,907</u> | <u>266,714</u> |
| Total noncurrent assets | <u>14,662,017</u> | <u>14,251,295</u> |
| Total assets | <u>15,973,853</u> | <u>15,940,002</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | 14,147 | 20,564 |
| Security deposit payable | <u>-</u> | <u>3,301</u> |
| Total liabilities | <u>14,147</u> | <u>23,865</u> |
| Deferred inflows of resources - lease related | <u>60,801</u> | <u>93,969</u> |
| Net position: | | |
| Net investment in capital assets | 248,907 | 266,714 |
| Restricted | 14,955,610 | 14,620,798 |
| Unrestricted | <u>694,388</u> | <u>934,656</u> |
| Total net position | <u>\$ 15,898,905</u> | <u>15,822,168</u> |

See accompanying notes to consolidated financial statements.

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

| | <u>2025</u> | <u>2024</u> |
|-----------------------------------|----------------------|-------------------|
| Operating revenue: | | |
| Interest income - banks | \$ 8,227 | 7,680 |
| Interest income - loans/leases | 122,139 | 154,397 |
| Rental income | 48,535 | 70,290 |
| Application fees | 1,500 | 1,325 |
| Late payment fees | 892 | 818 |
| Insurance refunds | - | 7,453 |
| Investment income | 314,989 | 162,312 |
| Bad debt recovery | - | 11,379 |
| Total operating revenue | <u>496,282</u> | <u>415,654</u> |
| Operating expenses: | | |
| Auditing fees | 28,375 | 18,075 |
| Administration fees | 7,200 | 7,200 |
| Advertising and marketing | 28,856 | 18,330 |
| Bad debt expense | 45,000 | - |
| Bank charges | 300 | 300 |
| Contractual | 30,000 | 30,000 |
| Community development | 121,509 | 113,168 |
| Depreciation | 17,807 | 17,807 |
| Employee benefits | 2,598 | 370 |
| Insurance | 7,282 | 8,026 |
| Legal expense | 7,627 | 6,959 |
| Maintenance | 3,264 | 2,598 |
| Meeting expense | 166 | - |
| Mileage and travel | - | 424 |
| Miscellaneous expense | 565 | 557 |
| Office supplies | 482 | 4,896 |
| Payroll processing fees | 2,907 | 2,577 |
| Payroll taxes | 10,713 | 9,154 |
| Property taxes | 6,186 | 3,608 |
| Salaries | 91,870 | 76,489 |
| Underwriting/credit reports | 1,570 | 1,918 |
| Utilities | 5,268 | 7,209 |
| Total operating expenses | <u>419,545</u> | <u>329,665</u> |
| Change in net position | 76,737 | 85,989 |
| Net position at beginning of year | <u>15,822,168</u> | <u>15,736,179</u> |
| Net position at end of year | <u>\$ 15,898,905</u> | <u>15,822,168</u> |

See accompanying notes to consolidated financial statements.

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

| | <u>2025</u> | <u>2024</u> |
|--|---------------------|------------------|
| Cash flows from operating activities: | | |
| Cash received from: | | |
| Interest | \$ 137,792 | 178,769 |
| Building rents | 47,705 | 70,058 |
| Mortgages and notes | 1,083,176 | 1,206,007 |
| Others | 20,988 | 9,748 |
| Cash paid to: | | |
| Employees and related benefits | (105,181) | (86,013) |
| Community development projects | (121,509) | (113,168) |
| Mortgages and notes | (1,912,892) | (343,000) |
| Goods and services | <u>(139,766)</u> | <u>(116,366)</u> |
| Net cash provided by (used in) operating activities | <u>(989,687)</u> | <u>806,035</u> |
| Cash flows from investing activities: | | |
| Purchase of investments | (1,817,788) | (315,028) |
| Payments received on capital lease | <u>22,957</u> | <u>20,410</u> |
| Net cash used in investing activities | <u>(1,794,831)</u> | <u>(294,618)</u> |
| Net change in cash and equivalents | (2,784,518) | 511,417 |
| Cash and equivalents at beginning of year | <u>9,796,020</u> | <u>9,284,603</u> |
| Cash and equivalents at end of year | <u>\$ 7,011,502</u> | <u>9,796,020</u> |
| Supplemental schedule of cash flows information - reconciliation of cash and equivalents: | | |
| Unrestricted | 690,391 | 933,435 |
| Restricted | <u>6,321,121</u> | <u>8,862,585</u> |
| Total cash and equivalents | <u>\$ 7,011,512</u> | <u>9,796,020</u> |

(Continued)

See accompanying notes to consolidated financial statements.

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

| | <u>2025</u> | <u>2024</u> |
|---|---------------------|----------------|
| Reconciliation of change in net position to net cash provided by (used in) operating activities: | | |
| Change in net position | \$ 76,737 | 85,989 |
| Adjustments to reconcile change in net position to net cash provided by (used in) operating activities: | | |
| Investment income | (314,989) | (162,312) |
| Change in allowance for uncollectible accounts | 45,000 | (11,379) |
| Depreciation | 17,807 | 17,807 |
| Changes in: | | |
| Accounts receivable | 14,073 | (10,643) |
| Accrued interest receivable | 7,426 | 16,692 |
| Due from affiliate | 4,523 | 10,795 |
| Mortgages and notes receivable | (829,716) | 863,007 |
| Lease receivable | 32,338 | (94,201) |
| Accounts payable | (6,417) | (3,690) |
| Security deposit payable | (3,301) | 1 |
| Deferred inflows of resources - lease related | <u>(33,168)</u> | <u>93,969</u> |
| Net cash provided by (used in) operating activities | <u>\$ (989,687)</u> | <u>806,035</u> |

See accompanying notes to consolidated financial statements.

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

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(1) Summary of Significant Accounting Policies

(a) Nature of Organization

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

SLCIDA-LDC also administers the assets of Greater Massena Economic Development Fund (GMEDF), and St. Lawrence River Valley Redevelopment Agency (SLRVRA).

GMEDF was established in 1987 with a \$1,000,000 grant from the New York Power Authority (NYPA) to be used to provide loans to certain business enterprises for the establishment, maintenance, or expansion of plants, facilities or operations in the Town of Massena and the County. The New York Job Development Authority (JDA) initially agreed to assume administrative responsibility for GMEDF.

Accordingly, JDA held and invested all monies of GMEDF, paid its bills and administered economic development loans. GMEDF has no employees, and in accordance with the underlying agreement, JDA waived any reimbursement of administrative costs as its contribution to GMEDF's program.

GMEDF was a financial reporting component unit of JDA and, as such, its financial position and operating results were included in JDA's financial statements. JDA was a component unit of New York State (the State) and, as such, its financial statements were included in the State financial statements.

In October 2000, the role of Trustee of GMEDF was formally transferred by mutual agreement from JDA to SLCIDA, effective June 30, 2001. GMEDF was combined with the efforts and activities of SLCIDA-LDC. SLCIDA-LDC was formed under the Not-For-Profit Corporation Law of the State of New York as defined in subparagraph (a)(S) of Section 402 of the Law. For tax reporting purposes, the accounts of GMEDF were consolidated with those of SLCIDA-LDC for joint reporting as a consolidated entity.

SLRVRA is a joint action agency formed on June 2, 2010 to make use of certain NYPA assets for the purposes of economic development in the St. Lawrence Valley and surrounding communities. Under the 2010 agreement, NYPA made available for economic development purposes \$16,000,000 and 20 megawatts of electrical power generation from hydro-electric facilities situated on the St. Lawrence River. A parallel agreement, also dated June 2, 2010, between SLRVRA and SLCIDA-LDC provided the mechanism for the administration of these assets. SLRVRA has no employees.

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

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(a) Nature of Organization, Continued

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

In 2018, SLCIDA-LDC entered into an agreement with the Town of Brasher to manage a revolving loan fund to promote and encourage small business growth in the Town. A fund was set up with an initial allocation of \$100,000 from the Town of Brasher. A second allocation of \$30,000 was received in 2023. At this time, three loans have been made from the fund.

(b) Basis of Accounting

The consolidated financial statements of SLCIDA-LDC, which include GMEDF, and SLRVRA have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Significant intercompany transactions and balances have been eliminated during consolidation.

The consolidated SLCIDA-LDC is considered a component unit of the financial reporting entity of the County based upon criteria set forth by GASB Statement No. 14 - "The Financial Reporting Entity, as amended."

The consolidated financial statements for the year ended December 31, 2024 were previously presented in accordance with accounting principles prescribed by the Financial Accounting Standards Board. During 2025, management determined that the financial statements should be presented in accordance with accounting principles prescribed by GASB. The consolidated financial statement presentation for the year ended December 31, 2024 has been updated to reflect this change.

(c) Measurement Focus

The consolidated financial statements of SLCIDA-LDC 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.

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

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

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) 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.

SLCIDA-LDC's deposits and investment policies are governed by the State statutes. SLCIDA-LDC 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. SLCIDA-LDC is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by FDIC. SLCIDA-LDC 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.

SLCIDA-LDC 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 SLCIDA-LDC will incur losses in fair value caused by changing interest rates. SLCIDA-LDC 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, SLCIDA-LDC does not invest in any long-term investment obligations.

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

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Cash and Equivalents, Continued

Custodial credit risk is the risk that in the event of a bank failure, the Corporation'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 Corporation's name. As of December 31, 2025 and 2024, SLCIDA-LDC 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. SLCIDA-LDC does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State.

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

(e) Mortgages and Notes Receivable

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

(f) Use of Estimates

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

(g) Allowance for Uncollectable Accounts

SLCIDA-LDC issues mortgages and notes receivable to third parties to stimulate growth and development. At each consolidated statements of net position date, management evaluates each mortgage and note individually to consider the circumstances where amounts are considered at risk of being uncollectable.

SLCIDA-LDC will write-off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. There was one write-off for the year ended December 31, 2024 in the amount of \$2,221. There were no write-offs for the year ended December 31, 2025.

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

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(h) Lease Receivable

SLCIDA-LDC is a lessor for a lease of a building. As a result, SLCIDA-LDC recognizes a lease receivable and a deferred inflows of resources in the financial statements.

At the commencement of a lease, SLCIDA-LDC 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 lease. In which case, no deferred inflows of resources is recognized. Subsequently, the deferred inflow of resources is recognized as revenue on the straight-line basis over the life of the lease term.

Key estimates and judgements include how SLCIDA-LDC determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease-term, and (3) lease receipts. SLCIDA-LDC 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.

SLCIDA-LDC 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.

(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 consolidated financial statements are as follows:

| | <u>Capitalization Threshold</u> | <u>Depreciation Method</u> | <u>Estimated Useful Life</u> |
|-----------------------|-------------------------------------|--------------------------------|--------------------------------------|
| Buildings | \$ 5,000 | Straight line | 50 years |
| Building improvements | 2,500 | Straight line | 10 years |

(j) 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.

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

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(j) Net Position, Continued

Net Investment in Capital Assets - consists of capital assets, net of accumulated depreciation and 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 SLRVRA or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position consists of the following:

- The amount of SLCIDA-LDC’s Revolving Loan Fund created by the County to stimulate the growth of private sector industrial employment in the County. The revolving loan fund provides: financial assistance to applicants that: (1) wish to expand or to build new facilities; (2) must modernize their physical plant or equipment and machinery; and (3) require working capital funding to retain or expand their operations.
- Activities related to a \$16,000,000 grant for SLRVRA from NYPA.
- The amount of GMEDF which was created by a \$1,000,000 grant from NYPA to be used to provide loans to certain business enterprises for the establishment, maintenance, or expansion of plants, facilities or operations in the Town of Massena and the County.
- The Microenterprise Loan Fund which was created by a United States Department of Housing and Urban Development (HUD) grant whose purpose is to provide loans to certain qualified small business entities.
- The Brasher Revolving Loan Fund which was created by a grant from the Town of Brasher for the purpose of providing loans to promote and encourage small business growth in the Town of Brasher.

At December 31, 2025 and 2024, restricted net position consisted of:

| | <u>2025</u> | <u>2024</u> |
|-----------------------------|----------------------|-------------------|
| Revolving loan fund | \$ 3,423,819 | 2,972,615 |
| SLRVRA | 8,401,405 | 8,611,413 |
| GMEDF | 2,735,928 | 2,638,621 |
| Microenterprise loan fund | 268,901 | 266,223 |
| Brasher revolving loan fund | <u>125,557</u> | <u>131,926</u> |
| Total | \$ <u>14,955,610</u> | <u>14,620,798</u> |

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

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(j) Net Position, Continued

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

(k) Recognition of Certain Grant Revenue and Expenditures

Occasionally SLCIDA-LDC (the grantee) applies for and receives grants from government agencies and other organizations. These grants are usually “reimbursement grants”, i.e., the monies from the grant are only paid to the grantee as reimbursements after the grantee has documented to the grantor that the grantee has achieved defined benchmarks, paid out required funds, and otherwise complied with all other required grant conditions. Projects in which such grants are involved often span several fiscal years and long delays in the reimbursement process are frequent. Consequently, in cases involving reimbursement grants, the grantee does not accrue expected grant revenue or receivables until it has complied with the conditions of the grant agreement(s) and submitted the necessary documentation that will trigger the payment process. Until such documentation has been submitted, and accepted, the grantor still has substantial discretion to deny or reduce payment. Accordingly, at year-end the grantee does not accrue any expenses or payables associated with items to be paid out for future grant reimbursement until the grantee is satisfied that it has complied with all grant reimbursement eligibility requirements. These items are usually paid out in the subsequent period and will be recorded as project expenses. As of December 31, 2025 and 2024, there were no active grants of this nature.

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

(l) Advertising and Marketing

SLCIDA-LDC expenses advertising costs as they are incurred. Advertising expense for the years ended December 31, 2025 and 2024 was \$28,856 and \$18,330, respectively.

(2) Investments

Investments as of December 31, 2025 and 2024 consist of Certificates of deposit (level 2) amounting to \$4,732,767 and \$2,600,000, respectively.

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

Notes to Consolidated Financial Statements, Continued

(3) Mortgages and Notes Receivable

Mortgages and notes receivables at December 31, 2025 and 2024 are as follows:

| Description | Loan Fund | Date | Maturity Date | Original Rate | Balance Amount | Balance | |
|--|-----------|----------|---------------|---------------|----------------|--------------------|------------------|
| | | | | | | 2025 | 2024 |
| AmTech | IDALDC | 7/24/19 | 7/1/29 | 3.750% | \$ 200,000 | 86,615 | 106,989 |
| Ansen | SLRVRA | 3/4/16 | 3/1/26 | 2.625% | 241,954 | 5,046 | 32,222 |
| Atlantic Testing Lab. | SLRVRA | 4/14/21 | 4/1/28 | 2.625% | 344,500 | - | 167,806 |
| Atlantic Testing Lab. | SLRVRA | 7/31/23 | 8/1/30 | 5.125% | 322,000 | - | 265,932 |
| Canexsys | IDALDC | 9/15/17 | 9/1/24 | 3.125% | 150,000 | - | 17,912 |
| Canexsys | SLRVRA | 9/15/17 | 9/1/24 | 3.125% | 150,000 | - | 17,912 |
| Canexsys | GMEDF | 9/15/17 | 9/1/24 | 3.125% | 150,000 | - | 17,912 |
| Canexsys | IDALDC | 10/21/22 | 1/1/30 | 4.125% | 130,000 | 95,092 | 109,101 |
| Canexsys | SLRVRA | 10/21/22 | 1/1/30 | 4.125% | 130,000 | 95,092 | 109,101 |
| Clifton Fine Hospital | GMEDF | 5/12/11 | 6/1/26 | 2.625% | 150,000 | 7,463 | 19,203 |
| Curran Renewable Energy | SLRVRA | 3/16/16 | 3/1/23 | 3.500% | 1,356,278 | - | 80,407 |
| Curran Renewable Energy | IDALDC | 12/31/12 | 12/31/27 | 2.650% | 100,000 | 19,226 | 26,268 |
| Empire State Mines, LLC | IDALDC | 5/16/25 | 9/1/35 | 4.750% | 750,000 | 736,115 | - |
| Empire State Mines, LLC | SLRVRA | 5/16/25 | 9/1/35 | 4.750% | 750,000 | 736,115 | - |
| Eshelmans | MICRO | 5/6/22 | 11/1/27 | 4.000% | 6,500 | 1,646 | 3,279 |
| GR Brozzo, LLC | IDALDC | 2/21/23 | 3/1/30 | 4.750% | 50,000 | 32,359 | 39,061 |
| Hackett's - formerly Wisebuys | IDALDC | 12/24/03 | 7/1/11 | 3.000% | 235,000 | 29,067 | 33,662 |
| High Peaks Winery | GMEDF | 4/30/14 | 5/1/29 | 3.750% | 36,500 | 11,438 | 13,985 |
| High Peaks Winery | SLRVRA | 4/30/14 | 5/1/29 | 3.750% | 36,500 | 11,449 | 13,996 |
| JAPES Pet | MICRO | 9/23/20 | 9/1/25 | 4.000% | 20,000 | 1,316 | 5,604 |
| Johnson Newspaper | IDALDC | 12/20/19 | 12/1/24 | 3.750% | 100,000 | 26,231 | 35,005 |
| L&T Craffs | MICRO | 5/20/24 | 7/1/29 | 4.000% | 8,000 | 6,179 | 7,616 |
| Lead Foot Trucking | MICRO | 8/24/23 | 9/1/28 | 4.000% | 16,000 | 13,023 | 12,881 |
| Legacy Crane, LLC | IDALDC | 8/21/25 | 9/1/32 | 4.750% | 200,000 | 194,245 | - |
| M&M Eggs | BRLF | 12/2/21 | 11/1/31 | 2.625% | 25,000 | 16,690 | 19,191 |
| M&M Heating & AC | MICRO | 11/3/22 | 11/1/27 | 4.000% | 20,000 | 8,522 | 12,719 |
| North American Forest Group | IDALDC | 9/28/18 | 3/31/19 | 3.500% | 400,000 | 247,515 | 272,787 |
| North American Forest Group | SLRVRA | 11/21/18 | 11/1/33 | 3.625% | 100,000 | 62,107 | 68,411 |
| North Country Dairy | SLRVRA | 2/1/19 | 2/1/26 | 3.375% | 800,000 | 43,129 | 148,369 |
| North Country Dairy | IDALDC | 2/1/19 | 2/1/26 | 3.375% | 200,000 | 5,411 | 37,092 |
| Northeastern Sign | SLRVRA | 1/29/24 | 1/1/31 | 5.250% | 110,000 | 83,497 | 98,692 |
| Pepsi-Cola Ogdensburg Bottlers | SLRVRA | 11/21/19 | 12/1/24 | 3.375% | 200,000 | - | 15,235 |
| PSP, Inc. | IDALDC | 6/8/22 | 6/1/27 | 2.750% | 87,191 | 31,906 | 49,450 |
| PSP, Inc. | SLRVRA | 6/8/22 | 6/1/27 | 2.750% | 87,192 | 34,868 | 49,450 |
| Riverside Iron, LLC | IDALDC | 3/18/22 | 3/1/32 | 2.625% | 125,000 | 81,731 | 92,651 |
| Riverside Iron, LLC | SLRVRA | 3/18/22 | 3/1/32 | 2.625% | 125,000 | 83,681 | 92,651 |
| SLCIDA CIB | IDALDC | 12/4/14 | 11/1/44 | 0.500% | 700,000 | 455,496 | 478,478 |
| St. Lawrence Suds, LLC | IDALDC | 1/25/23 | 2/1/28 | 4.750% | 50,000 | 23,162 | 33,067 |
| St. Lawrence Suds, LLC | IDALDC | 12/20/24 | 12/1/40 | 4.875% | 225,000 | 224,962 | 225,000 |
| Structural Wood Corp. | SLRVRA | 4/9/20 | 4/1/30 | 2.625% | 300,000 | 142,659 | 169,944 |
| Summit Shred Lab | IDALDC | 2/3/25 | 2/1/30 | 4.750% | 67,892 | 57,674 | - |
| Thompson Diesel Works, LLC | IDALDC | 4/8/25 | 4/1/22 | 4.750% | 75,000 | 63,992 | - |
| Tri-Town Kids | BRLF | 1/31/23 | 2/1/28 | 4.000% | 30,000 | 16,037 | 22,078 |
| Tri-Town Kids | MICRO | 1/31/23 | 2/1/28 | 4.000% | 20,000 | 11,371 | 15,044 |
| Villanave Construction Services, Inc. | BRLF | 1/23/26 | 8/1/30 | 4.750% | 35,000 | 32,917 | - |
| Villanave Construction Services, Inc. | IDALDC | 1/23/26 | 8/1/30 | 4.750% | 35,000 | 32,917 | - |
| Waddington Auto Parts | MICRO | 10/17/12 | 10/17/19 | 4.000% | 20,000 | 4,018 | 6,100 |
| Total mortgages and notes receivables | | | | | | 3,871,979 | 3,042,263 |
| Less current portion | | | | | | (564,386) | (674,265) |
| Less allowance for uncollectible accounts | | | | | | (215,000) | (170,000) |
| Total mortgages and notes receivables, net of current portion and allowance for uncollectible accounts | | | | | | <u>\$3,092,593</u> | <u>2,197,998</u> |

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

Notes to Consolidated Financial Statements, Continued

(3) Mortgages and Notes Receivable, Continued

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

| <u>Year ending</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|---------------------|-----------------|------------------|
| 2026 | \$ 564,386 | 137,727 | 702,113 |
| 2027 | 477,767 | 119,251 | 597,018 |
| 2028 | 446,963 | 100,603 | 547,566 |
| 2029 | 443,118 | 82,911 | 526,029 |
| 2030 | 385,540 | 65,701 | 451,241 |
| 2031 - 2035 | 1,239,190 | 146,708 | 1,385,898 |
| 2036 - 2040 | 215,344 | 16,126 | 231,470 |
| 2041 - 2044 | <u>99,671</u> | <u>1,022</u> | <u>100,693</u> |
| | <u>\$ 3,871,979</u> | <u>670,049</u> | <u>4,542,028</u> |

(4) Lease

SLCIDA-LDC entered into a lease with Fockler Industries, LLC for facility space at Lot 19 Massena Industrial Park. Future minimum payments due to SLCIDA-LDC under the lease and the related deferred inflows of resources were discounted to present value using an interest rate of 3%. The amortization of the lease receivable and related deferred inflows of interest is as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Deferred Inflows of Resources</u> |
|------|------------------|-----------------|---------------|--|
| 2026 | \$ 33,322 | 1,400 | 34,722 | 33,168 |
| 2027 | <u>28,541</u> | <u>394</u> | <u>28,935</u> | <u>27,633</u> |
| | <u>\$ 61,863</u> | <u>1,794</u> | <u>63,657</u> | <u>60,801</u> |

(5) Finance Sale

SLRVRA leases a building under a lease-purchase agreements. As the lessor, SLRVRA provides financial assistance for the acquisition of SLRVRA-owned properties for companies as part of economic development projects. The balance of the finance sale receivable 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> |
| AmTech Yams, Inc. | 7/24/19 | 12/31/34 | 3.750% | \$ <u>450,000</u> | <u>261,825</u> | <u>284,782</u> |

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

Notes to Consolidated Financial Statements, Continued

(5) Finance Sale, Continued

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

| <u>Year ending</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|-------------------|-----------------|----------------|
| 2026 | \$ 23,737 | 9,424 | 33,161 |
| 2027 | 24,642 | 8,519 | 33,161 |
| 2028 | 25,582 | 7,579 | 33,161 |
| 2029 | 26,558 | 6,603 | 33,161 |
| 2030 | 27,571 | 5,590 | 33,161 |
| 2031- 2034 | <u>133,735</u> | <u>11,540</u> | <u>145,275</u> |
| | <u>\$ 261,825</u> | <u>49,255</u> | <u>311,080</u> |

(6) Capital Assets

Capital assets balances and activity as of and for the years ended December 31, 2025 and 2024 are as follows:

| | <u>Balance at 12/31/2024</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance at 12/31/2025</u> |
|---|----------------------------------|------------------|------------------|----------------------------------|
| Capital assets being depreciated - building and improvements - Massena lot 19 | \$ 450,232 | - | - | 450,232 |
| Accumulated depreciation | (183,518) | (17,807) | - | (201,325) |
| Capital assets, net | <u>\$ 266,714</u> | <u>(17,807)</u> | <u>-</u> | <u>248,907</u> |
| | <u>Balance at 12/31/2023</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance at 12/31/2024</u> |
| Capital assets being depreciated - building and improvements - Massena lot 19 | \$ 450,232 | - | - | 450,232 |
| Accumulated depreciation | (165,711) | (17,807) | - | (183,518) |
| Capital assets, net | <u>\$ 284,521</u> | <u>(17,807)</u> | <u>-</u> | <u>266,714</u> |

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

Notes to Consolidated Financial Statements, Continued

(7) Community Development Environmental Improvement Projects

SLRVRA made grant awards during the years 2011 through 2025 as part of its Community Development Environmental Improvement Program (CDEIP), as authorized by the June 2, 2010 contracts. The original grant award amounts and expenditures as of December 31, 2025 are as follows:

| <u>Date of Award</u> | <u>Grant Award</u> | <u>Expended</u> | | | <u>Total Expended</u> | <u>Balance of Grant Remaining</u> |
|----------------------|---------------------|----------------------|----------------|----------------|-----------------------|-----------------------------------|
| | | <u>Prior to 2024</u> | <u>2024</u> | <u>2025</u> | | |
| 2011 | \$ 522,553 | 522,553 | - | - | 522,553 | - |
| 2012 | 556,694 | 556,694 | - | - | 556,694 | - |
| 2013 | 390,382 | 390,382 | - | - | 390,382 | - |
| 2014 | 415,152 | 415,152 | - | - | 415,152 | - |
| 2015 | 349,146 | 316,417 | - | 32,729 | 349,146 | - |
| 2016 | 349,099 | 341,851 | - | - | 341,851 | 7,248 |
| 2017 | 323,735 | 310,308 | - | - | 310,308 | 13,427 |
| 2018 | 99,235 | 98,264 | - | 392 | 98,656 | 579 |
| 2019 | 100,000 | 100,000 | - | - | 100,000 | - |
| 2020 | 98,378 | 77,798 | - | - | 77,798 | 20,580 |
| 2021 | 145,231 | 83,322 | 20,000 | - | 103,322 | 41,909 |
| 2022 | 95,100 | 85,233 | 5,116 | - | 90,349 | 4,751 |
| 2023 | 100,000 | 1,378 | 64,195 | 10,085 | 75,658 | 24,342 |
| 2024 | 100,000 | - | 23,857 | 34,268 | 58,125 | 41,875 |
| 2025 | 100,000 | - | - | 44,035 | 44,035 | 55,965 |
| Total | \$ 3,744,705 | 3,299,352 | 113,168 | 121,509 | 3,534,029 | 210,676 |

(8) Related Party Transactions

SLCIDA-LDC is related to the following entities:

- SLCIDA - Common Board Membership, Officers, and Program Administrative Agreements
- St. Lawrence County Industrial Development Agency-Civic Development Corporation (SLCIDA-CDC) - Common Board Membership, Officers, and Management Agreements
- St. Lawrence County Property Development Corporation (SLCPDC) - Common Board Membership, Officers, Management Agreements, and Intercompany Receivables

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

Notes to Consolidated Financial Statements, Continued

(8) Related Party Transactions, Continued

Administrative fees paid to SLCIDA by SLCIDA-LDC totaled \$7,200 for both 2025 and 2024.

SLCIDA-CDC paid SLCIDA-LDC \$14,167 and \$14,534 for reimbursement of salaries for the years ended December 31, 2025 and 2024, respectively.

SLCPDC paid SLCIDA-LDC \$14,167 and \$14,534 for reimbursement of salaries for the years ended December 31, 2025 and 2024, respectively.

Salary reimbursements from SLCPDC and SLCIDA-CDC were due to SLCIDA-LDC in the amount of \$4,523 for 2024. There were no salary reimbursements due at December 31, 2025.

SLCIDA - Canton Industrial Building Loan: On December 4, 2014 SLCIDA closed a \$1,400,000 loan from SLCIDA- LDC consisting of \$700,000 from SLRVRA loan fund and \$700,000 from SLCIDA- LDC revolving loan fund to finance some of the construction costs of the Canton industrial building. SLCIDA mortgaged the property to SLCIDA-LDC as security for the loan. SLRVRA 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 ½ of 1%. The balance due on the note receivable at December 31, 2025 and 2024 was \$455,496 and \$478,478, respectively.

(9) 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.

**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
Local Development Corporation:

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 consolidated financial statements of the St. Lawrence County Industrial Development Agency - Local Development Corporation (SLCIDA-LDC), 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 consolidated financial statements, which collectively comprise SLCIDA-LDC'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 consolidated financial statements, we considered SLCIDA-LDC'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of SLCIDA-LDC's internal control. Accordingly, we do not express an opinion on the effectiveness of SLCIDA-LDC'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 consolidated 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 SLCIDA-LDC's consolidated 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 consolidated 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 SLCIDA-LDC's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering SLCIDA-LDC'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
Local Development Corporation:

Report on Investment Compliance

Opinion on Investment Compliance

We have audited the St. Lawrence County Industrial Development Agency - Local Development Corporation (SLCIDA-LDC), 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, SLCIDA-LDC 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 SLCIDA-LDC 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 SLCIDA-LDC'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 SLCIDA-LDC'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 SLCIDA-LDC'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 SLCIDA-LDC'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 SLCIDA-LDC'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 SLCIDA-LDC'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 SLCIDA-LDC'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