

ONONDAGA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

**(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE COUNTY OF ONONDAGA, NEW YORK)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

December 31, 2024 and 2023

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Onondaga County Industrial Development Agency
Syracuse, New York

Report on the Audit of the Financial Statements

We have audited the financial statements of the Onondaga County Industrial Development Agency (the Agency), a component unit of the County of Onondaga, New York (the County), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of December 31, 2024 and 2023, and the changes in its financial position and its 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 audit 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 Auditor's 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The Agency's management is responsible for the preparation and fair presentation of these 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 one year beyond the financial statement date.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The supplemental schedule of revenue bonds and other bonds

(conduit debt obligations), as required by New York State General Municipal Law §859 (1) (b), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedule of revenue bonds and other bonds (conduit debt obligations) 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. Such information has been subjected to the auditing procedures applied in the audit 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 auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule of revenue bonds and other bonds (conduit debt obligations) 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 6, 2025, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



Syracuse, New York
March 6, 2025

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Onondaga County Industrial Development Agency's (the Agency), a discretely presented component unit of Onondaga County, New York (the County), and the annual financial report presents our discussion and analysis of the Agency's financial performance during the year ended December 31, 2024. It should be read in conjunction with the Agency's financial statements and accompanying notes.

FINANCIAL STATEMENTS

The annual financial report of the Agency consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements and footnotes. The Agency is a self-supporting entity. The accounts are recorded in accordance with a proprietary fund type and consist of an enterprise fund. Proprietary fund type operating statements present increases and decreases in net position. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The Agency does not maintain separate fund accounts.

Condensed Comparative Financial Information

	December 31,		
	2024	2023	2022
Cash and cash equivalents	\$ 10,430,970	\$ 6,329,946	\$ 4,051,978
Receivables - agency fees	113,612	293,448	417,245
Receivables - White Pine pass through	306,566	2,027,442	209,113
Receivables - PILOT pass through	24,221	-	32,471
Capital assets	2,745,397	2,746,373	4,766,163
Investment in real property	30,756,703	30,756,703	29,508,083
Total assets	<u>44,377,469</u>	<u>42,153,912</u>	<u>38,985,053</u>
Current liabilities	2,051,793	2,304,600	624,164
Note payable to Onondaga County	31,174,716	29,902,708	25,888,840
Total liabilities	<u>33,226,509</u>	<u>32,207,308</u>	<u>26,513,004</u>
Net position:			
Net investment in capital assets	2,745,397	2,746,373	4,766,163
Unrestricted	8,405,563	7,200,231	7,705,886
Total net position	<u>\$ 11,150,960</u>	<u>\$ 9,946,604</u>	<u>\$ 12,472,049</u>

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

FINANCIAL STATEMENTS (continued)

The change in assets, liabilities and net position categories for the year ended December 31, 2024 compared to December 31, 2023 included the following:

- Total operating cash increased \$4,101,024 due to current operations, which included an increase of cash from Agency fees of \$842,903, grants of \$100,569, and interest on bank deposits of \$359,145, compared to cash inflows in 2023. The Agency spent \$691,657 in cash expenses which is a decrease of \$106,221 from 2023.
- Current liabilities decreased \$252,807, primarily due to the timing of professional fees related to the White Pine Commerce Park site (pass-through payable decrease of \$1,414,311), offset by increases of \$324,879 of an escrow for an Agency project and \$811,754 due to Onondaga County Office of Economic Development for costs of operation.
- The note payable to Onondaga County of \$31,174,716 represents the advances and accrued interest against a note agreement entered into with Onondaga County in 2021 (amended in 2022) which provides up to \$45,000,000 of available credit to assist the Agency in funding its program incentives, projects, asset development and work related improvements. The primary use of the advances are related to the White Pine Commerce Park.
- The Agency's total net position increased \$1,204,356. Operating revenues exceeded operating expenses by \$2,117,219 in the current year, a net increase of \$146,147 from the prior year. Operating expenditures totaling \$5,511,304, net of pass-through PILOT expenses, primarily consists of White Pine Commerce Park pass-through expenses totaling \$4,009,119, operation costs due to Onondaga County Office of Economic Development totaling \$811,754 and development costs totaling \$402,112 which increased \$136,151 compared to 2023. General and administrative expenses totaling \$222,885 primarily consist of ordinary business expenses of the Agency, such as rent, professional fees and other Agency related expenses.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Condensed Comparative Financial Information (continued)

	December 31,		
	2024	2023	2022
Operating revenues	\$ 17,864,372	\$ 17,432,835	\$ 12,110,811
Operating expenses	15,747,153	15,461,763	10,615,883
Operating income	2,117,219	1,971,072	1,494,928
Other revenues (expenses)	(912,863)	(4,496,517)	(484,078)
Change in net position	1,204,356	(2,525,445)	1,010,850
Net position - beginning of year	9,946,604	12,472,049	11,461,199
Net position - end of year	<u>\$ 11,150,960</u>	<u>\$ 9,946,604</u>	<u>\$ 12,472,049</u>

Change in financial categories between the year ended December 31, 2024 and the year ended December 31, 2023 include the following:

- Operating Revenues increased \$431,537 in 2024 compared to an increase of \$5,322,024 in 2023. This was primarily due to the following: 1) Increase in overall Agency fees received of \$786,864 compared to 2023, 2) Increase in subsidies, grants and donations of \$100,569, 3) Increase in PILOT pass-through income of \$743,352 and 4) Decrease of pass-through income of \$1,260,673 compared to 2023 for services primarily related to White Pine Commerce Park that will be reimbursed by a Company that will utilize the Park.
- Operating Expenses increased \$285,390 in 2024 compared to an increase of \$4,845,880 in 2023. This was primarily due to the following: 1) Increase of operation costs due to Onondaga County Office of Economic Development of \$811,754, 2) Increase in PILOT pass-through expenses of \$743,352 and 3) Decrease of pass-through expenses of \$1,260,673 compared to 2023 for services primarily related to White Pine Commerce Park that will be reimbursed by a Company that will utilize the Park. In addition, development costs at the White Pine Commerce Park increased \$136,151 compared to 2023.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Analysis of Overall Financial Position and Results of Operations

The Agency is engaged in activities to support economic growth in Onondaga County, including job creation and retention, and increasing the net wealth of the County. The Agency does not receive any general appropriations from local, county or state government to support its operations. The Agency collects revenue for its operating purposes from the issuance of bonds and straight lease transactions and from interest on investments. In the year ended December 31, 2024, the Agency received \$3,529,730 from agency and other fees, an increase of \$842,903 from the prior year.

The Agency's staff services are provided by the Onondaga County Office of Economic Development. The Agency compensates the County for these services based on budgeted expenses. In 2024, the County charged the Agency \$811,754. The County did not charge the Agency for the expenses incurred in 2023.

Capital Assets and Investment in Real Property

As of December 31, 2024, the Agency's investment in capital assets was \$2,745,397, net of depreciation. The Agency's capital assets include White Pine Science and Technology Park (\$2,140,557) and other land (800 Hiawatha Blvd) and furniture and fixtures.

As of December 31, 2024, investment in real property of \$30,756,703 consists of land and related costs related to the White Pine Commerce Park.

Contacting the Agency's Financial Management

This financial report is designed to provide Onondaga County citizens and taxpayers, and the clients of the Agency, with a general overview of the Agency's finances. If you have questions about this report or need additional financial information, contact the Executive Director, Onondaga County Industrial Development Agency, 335 Montgomery Street, 2nd Floor, Syracuse, New York 13202.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Net Position

	December 31,	
	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents - unrestricted	\$ 10,430,970	\$ 6,329,946
Receivables - agency fees	113,612	293,448
Receivables - White Pine pass through	306,566	2,027,442
Receivables - PILOT pass through	24,221	-
Total current assets	<u>10,875,369</u>	<u>8,650,836</u>
Non-current assets		
Capital assets, net	2,745,397	2,746,373
Investment in real property	30,756,703	30,756,703
Total non-current assets	<u>33,502,100</u>	<u>33,503,076</u>
Total assets	<u>\$ 44,377,469</u>	<u>\$ 42,153,912</u>
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable	\$ 1,150	\$ 500
Due to Onondaga County Office of Economic Development	811,754	-
Payables - White Pine pass through	613,131	2,027,442
Payables - PILOT pass through	24,221	-
Escrows and deposits	601,537	276,658
Total current liabilities	<u>2,051,793</u>	<u>2,304,600</u>
Non-current liabilities		
Note payable to Onondaga County, including accrued interest	<u>31,174,716</u>	<u>29,902,708</u>
Total non-current liabilities	<u>31,174,716</u>	<u>29,902,708</u>
Total liabilities	<u>33,226,509</u>	<u>32,207,308</u>
Net investment in capital assets	2,745,397	2,746,373
Unrestricted Net Position	<u>8,405,563</u>	<u>7,200,231</u>
Total net position	<u>11,150,960</u>	<u>9,946,604</u>
	<u>\$ 44,377,469</u>	<u>\$ 42,153,912</u>

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Revenues, Expenses and Changes in Net Position

	Year Ended December 31,	
	2024	2023
Operating revenue:		
Agency and other fees	\$ 3,349,894	\$ 2,563,030
Pass-through income - White Pine	4,009,119	5,269,792
Pass-through income - PILOT	10,235,849	9,492,497
Rent income	25,417	19,767
Subsidies, grants, and donations	120,278	19,709
Other income	123,815	68,040
Total operating revenues	<u>17,864,372</u>	<u>17,432,835</u>
Operating expenses:		
General and administrative	222,885	251,285
Onondaga County Office of Economic Development	811,754	-
Development costs - White Pine	402,112	265,961
Pass-through expense - White Pine	4,009,119	5,269,792
Pass-through expense - PILOT	10,235,849	9,492,497
Depreciation expense	976	7,018
Professional fees	26,034	143,260
Other expenses	1,026	2,053
Seminars and meetings	37,398	29,897
Total operating expenses	<u>15,747,153</u>	<u>15,461,763</u>
Operating income	<u>2,117,219</u>	<u>1,971,072</u>
Non-operating income (expenses):		
Interest income	359,145	93,826
Interest expense	(1,272,008)	(1,334,395)
Loss on sale of property	-	(343,860)
Change in use of real property	-	(2,912,088)
Total non-operating income (expenses)	<u>(912,863)</u>	<u>(4,496,517)</u>
Change in net position	1,204,356	(2,525,445)
Net position - beginning of the year	<u>9,946,604</u>	<u>12,472,049</u>
Net position - end of year	<u><u>\$ 11,150,960</u></u>	<u><u>\$ 9,946,604</u></u>

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Cash Flows

	Years Ended December 31,	
	2024	2023
Cash flows from operating activities		
Cash received for agency and other fees	\$ 3,529,730	\$ 2,686,827
Cash received for White Pine Commerce Park Development	5,729,995	3,451,463
Cash received for PILOTs	10,211,628	9,524,968
Cash received for grants	120,278	19,709
Cash received for rent and other fees	149,232	87,807
Cash received for escrows, net	634,296	-
Cash paid for White Pine Commerce Park Development	(5,423,430)	(3,441,781)
Cash paid for PILOTs	(10,211,628)	(9,524,968)
Cash paid for economic development	(402,112)	(265,961)
Cash payments for professional services	(26,034)	(143,260)
Cash payments for general and administrative expenses	(222,235)	(260,985)
Cash payments from escrows	(309,417)	(105,404)
Cash payments for other operating expenses	(1,026)	(2,053)
Cash paid for seminars and meetings	(37,398)	(29,897)
Net cash flows provided by operating activities	<u>3,741,879</u>	<u>1,996,465</u>
Cash flows from capital and related financing activities		
Proceeds from note payable to Onondaga County	-	2,679,473
Proceeds from sale of property	-	187,676
Purchases of investments in real property	-	(2,679,472)
Net cash flows from capital and related financing activities	<u>-</u>	<u>187,677</u>
Cash flows from noncapital financing activities		
Net cash received for interest on notes outstanding	-	93,826
Net cash flows from noncapital financing activities	<u>-</u>	<u>93,826</u>
Cash flows from investing activities		
Proceeds from interest on bank deposits	359,145	-
Net cash flows from investing activities	<u>359,145</u>	<u>-</u>
Change in cash and cash equivalents	4,101,024	2,277,968
Cash and cash equivalents - beginning of year	6,329,946	4,051,978
Cash and cash equivalents - end of year	<u>\$ 10,430,970</u>	<u>\$ 6,329,946</u>

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Statements of Cash Flows (continued)

	Years Ended December 31,	
	2024	2023
Reconciliation of operating income to net cash flows from		
Operating activities:		
Operating income	\$ 2,117,219	\$ 1,971,072
Adjustment to reconcile operating income to net cash flow from operating activities:		
Depreciation	976	7,018
Changes in:		
Receivables - agency fees	179,836	123,797
Receivables - White Pine pass through	1,720,876	(1,818,329)
Receivables - PILOT pass through	(24,221)	32,471
Accounts payable	650	(9,700)
Due to Onondaga County Office of Economic Development	811,754	-
Payables - White Pine pass through	(1,414,311)	1,828,011
Payables - PILOT pass through	24,221	(32,471)
Escrows and Deposits	324,879	(105,404)
Net cash flows provided by operating activities	<u>\$ 3,741,879</u>	<u>\$ 1,996,465</u>

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

1. Organization

The New York State Industrial Development Agency Act of 1969 provided for the use of industrial revenue bond financing for the expansion and growth of industry in New York State. The Onondaga County Industrial Development Agency (the Agency) was created in accordance with the provisions of this Act in 1970 by a resolution passed by the County of Onondaga, New York (the County) Legislature.

The Agency is a special-purpose government, a financing authority, which is a separate legal entity, governed by a board consisting of seven board members. The Agency was formed to promote and develop the economic growth of the County and to assist in attracting industry to the County through bond and sale/leaseback financing programs and other activities. The Agency created under this Act is a corporate governmental agency constituting a public benefit corporation.

The County Legislature appoints the entire governing board and there is a potential for the County to impose its will on the Agency, and as such, the Agency is considered a discretely presented component unit of the County based on the criteria set forth by the Governmental Accounting Standards Board (GASB).

2. Summary of Significant Accounting Policies

Measurement Focus and Basis of Accounting

The Agency operates as an enterprise fund. Enterprise funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) and deferred inflows and outflows associated with their activities are reported. Fund equity is classified as net position.

The Agency utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or an economic asset is used.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income Tax Status

The Agency is a governmental corporation, exempt from federal and state income taxes. New York State Public Authorities Law, Title 10, Section 2975-A established a cost recovery of central governmental services to various public authorities. On November 1 of each year, the Director of the Division of Budget determines the assessment amount owed under this section by each industrial development agency in New York State.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts.

Accounts Receivable

Accounts receivable are stated at their outstanding balances. The Agency considers all accounts receivable to be fully collectible. If collection becomes doubtful, the Agency will either set up an allowance for doubtful accounts or if deemed completely uncollectible, the accounts will be charged against income in the current period. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Management did not believe an allowance for doubtful accounts was necessary at December 31, 2024 and 2023.

Capital Assets

Capital asset purchases are recorded at historical cost or fair market value at the date of acquisition. The Agency's policy is to capitalize all additions greater than \$5,000. Depreciation expense is recorded on a straight-line basis over the assets' estimated useful life of 5 to 39 years.

Pollution Remediation Obligations

Pollution remediation obligation are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities. Obligations to clean up spills of hazardous wastes or hazardous substances and obligations to remove contamination such as asbestos are pollution remediation obligations. Pollution remediation activities may include the following: (1) pre-cleanup activities, such as site assessments and site investigations, (2) cleanup activities, (3) government oversight and enforcement-related activities and (4) operation and maintenance of the remedy, including post remediation monitoring. Pollution remediation outlays including outlays for property, plant and equipment are expensed when a liability is incurred. The Agency will capitalize certain pollution remediation outlays for properties for which it anticipates a future sale. The Agency will only capitalize amounts that would result in the carrying amount of the property to not exceed its estimated fair value upon completion of the remediation. The Agency currently has a parcel of land with known pollution and is currently performing various remediation activities. The carrying amount of this parcel of land is \$604,840 as of December 31, 2024 and 2023.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Investment in Real Property

The Agency considers investment in real property to be real property that is acquired and held primarily for the purpose of income or profit and has a present service capacity based solely on its ability to generate cash or be sold to generate cash. Investment in real property purchases are recorded at cost, including (1) the contract/purchase price; (2) the costs of closing the transaction and obtaining title, including commissions, options, legal fees, title search, insurance, and past due taxes; (3) the costs of surveys; and (4) the cost of preparing the property for its intended use. The Agency expenses capitalized costs incurred and to be incurred that exceed the estimated value of any revised development when it is substantially complete and ready for its intended use.

At December 31, 2024 and 2023, investment in real property consists of land related to the White Pine Commerce Park purchased with the intention to expand the Park to approximately 1,300 acres to meet the larger geographic footprint necessary to support future development. The investment in real property balance of \$30,756,703 at December 31, 2024 and 2023 represents the total purchase price of the land.

Operating Revenues and Non-Operating Revenues

The Statements of Revenues, Expenses, and Changes in Net Position distinguishes between operating and non-operating revenues. Operating revenues, such as fee and rental income, result from exchange transactions associated with the principal activities of the Agency. Exchange transactions are those in which each party to the transaction receives or gives up essentially equal values. Non-operating revenues arise from exchange transactions not associated with the Agency's principal activities and from all non-exchange transactions.

Revenue Recognition

Agency and other fee revenue are recognized by the Agency at the date of closing when the related bonds are issued. Interest income is recorded when earned.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

Net Position

GASB requires the classification of net position into three components. These classifications are displayed in three components below:

- a. Net investment in capital assets - capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - net position with constraints placed on their use either by (1) external groups such as creditors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - all other assets that do not meet the definition of net investment in capital assets or restricted net position.

It is the Agency's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

3. Tax Abatement Programs

The Industrial Development Agency Act (the "Act") of New York State sets forth the powers that the Agency can carry out. In accordance with the Act, the Agency was created to stimulate economic development, growth, and general prosperity for the people of Onondaga County by using incentives, rights, and powers in an efficient and cooperative manner. Qualified Agency projects are eligible for sales, mortgage, and real property tax exemptions. The Agency may also assist a projects' financing by issuing taxable and tax exempt bonds and by providing information on complementary financing such as fixed asset and working capital lending programs.

The Agency has instituted a Uniform Tax Exemption Policy ("UTEP") (last revised 9/15/20) which provides guidelines for the granting of real property, mortgage recording, and sales and use tax exemptions. To be eligible for financial assistance, the recipient of the financial assistance must abide by the requirements of this policy and complete an application process as instituted by the Agency.

In accordance with New York State General Municipal Law, the Agency has instituted a Recapture Policy (last revised 9/15/20) which allows for the recapture of financial incentive assistance provided to recipients for failure to comply with such Recapture Policy. New York State requires a mandatory recapture of the New York State portion of sales and use taxes for recipients for which the recipient was a) not entitled to; b) in excess of the amounts authorized by the Agency; c) for property or services not authorized by the Agency; and/or d) for a recipient that has failed to comply with material term or condition to use of the property or services in the manner required by any of the project documents between the recipient and the Agency.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

3. Tax Abatement Programs (continued)

With respect to all other financial assistance provided to the recipient, the Agency shall have the right to suspend, discontinue, recapture or terminate financial assistance to any recipient to the extent that: a) for projects that utilized local sales and use tax exemptions, the project was not entitled to such exemptions, such exemptions were in excess of the amounts authorized by the Agency, and/or such exemptions were for property or services not authorized by the Agency; b) the recipient, upon completion of their project, fails to reach and maintain at least 75% of its employment requirements for job creation and/or retention; c) the total investment actually made with respect to the project at the project's completion date is less than 75% of its investment requirement; d) the recipient fails to provide annually to the Agency certain information to confirm that the project is achieving the investment, job retention, job creation, and other objectives of the project; or e) there otherwise occurs any event of default under any project document or material violation of the terms and conditions of any project document.

The Agency has not made any commitments as part of the agreements other than to reduce taxes. The Agency has chosen to disclose information about its tax abatement agreements individually. The Agency has listed all of its projects that were approved for the periods ended December 31, 2024 and 2023:

Project	December 31, 2024			
	Abatement			Total
	Mortgage	Sales	PILOT	
TTM Technologies, Inc.	\$ 825,000	\$ 4,500,000	\$ 10,612,385	\$ 15,937,385
Clinton's Ditch Co-Operative Company, Inc.	229,213	3,262,936	381,609	3,873,758
Old Thompson Road, LLC	83,100	640,000	830,698	1,553,798
Homegrown2, LLC	105,000	765,920	884,812	1,755,732
	<u>\$ 1,242,313</u>	<u>\$ 9,168,856</u>	<u>\$ 12,709,504</u>	<u>\$ 23,120,673</u>

Project	December 31, 2023			
	Abatement			Total
	Mortgage	Sales	PILOT	
Wallace Supply, LLC d/b/a JSWG Supply, LLC	\$ 24,000	\$ 182,000	\$ 161,989	\$ 367,989
QP2 Properties, LLC	166,418	1,347,857	-	1,514,275
Syracuse Haulers Waste Removal, Inc.	10,804	205,167	124,163	340,134
CVE US EI4 North, LLC	31,725	188,000	-	219,725
CVE US EI5 Manlius East, LLC	111,375	660,000	-	771,375
CVE US EI6 Manlius West, LLC	99,394	589,000	-	688,394
	<u>\$ 443,716</u>	<u>\$ 3,172,024</u>	<u>\$ 286,152</u>	<u>\$ 3,901,892</u>

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

4. Deposits with Financial Institutions and Investments

The Agency follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conform with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Executive Director.

Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within and authorized to do business in New York State (the State). Collateral is required for deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are those identified in New York State General Municipal Law, Section 10 and outlined in the New York State Comptroller's Financial Management Guide.

Interest Rate

Risk Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Agency's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Agency's investments and deposit policy authorizes the Agency to purchase the following types of investments:

- Obligations of the United States of America;
- Obligations where payment of principal and interest are guaranteed by the United States of America;
- Obligations of New York State;
- Special time deposit account; and
- Certificates of deposit.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Agency's investment and deposit policy, all deposits of the Agency including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements

4. Deposits with Financial Institutions and Investments (continued)

The Agency restricts the securities to the following eligible items:

- Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation;
- Obligations partially insured or guaranteed by an agency of the United States of America;
- Obligations issued or fully insured or guaranteed by the State of New York;
- Obligations issued by a municipal corporation, school district or district corporation of New York State;
- Obligations issued by states (other than New York State) of the United States of America rated in one of the two highest rating categories by at least one Nationally Recognized Statistical Rating Organization (NRSRO).

The Agency maintained cash balances of \$10,429,328 and \$6,365,448 in cash and cash equivalents at December 31, 2024 and 2023, respectively, with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank for interest bearing and non-interest bearing accounts. The remaining balance was collateralized by a third party in accordance with New York State General Municipal Law, Section 10 and the Agency's policies.

5. Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non depreciable land:				
White Pine Science and Technology Park	\$ 2,140,557	\$ -	\$ -	\$ 2,140,557
800 Hiawatha	604,840	-	-	604,840
Subtotal	<u>2,745,397</u>	<u>-</u>	<u>-</u>	<u>2,745,397</u>
Depreciable:				
Furniture and Fixtures	6,018	-	-	6,018
Subtotal	<u>6,018</u>	<u>-</u>	<u>-</u>	<u>6,018</u>
Total capital assets	<u>2,751,415</u>	<u>-</u>	<u>-</u>	<u>2,751,415</u>
Accumulated depreciation:				
Furniture and Fixtures	5,042	976	-	6,018
Total	<u>5,042</u>	<u>976</u>	<u>-</u>	<u>6,018</u>
Net capital assets	<u>\$ 2,746,373</u>	<u>\$ (976)</u>	<u>\$ -</u>	<u>\$ 2,745,397</u>

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

5. Capital Assets (continued)

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Non depreciable land:				
White Pine Commerce Park	\$ 3,621,793	\$ -	\$ (3,621,793)	\$ -
White Pine Science and Technology Park	-	2,140,557	-	2,140,557
435 North Salina	17,084	-	(17,084)	-
800 Hiawatha	604,840	-	-	604,840
Subtotal	<u>4,243,717</u>	<u>2,140,557</u>	<u>(3,638,877)</u>	<u>2,745,397</u>
Depreciable:				
Buildings	634,422	-	(634,422)	-
Furniture and Fixtures	6,018	-	-	6,018
Subtotal	<u>640,440</u>	<u>-</u>	<u>(634,422)</u>	<u>6,018</u>
Total capital assets	<u>4,884,157</u>	<u>2,140,557</u>	<u>(4,273,299)</u>	<u>2,751,415</u>
Accumulated depreciation:				
Buildings	113,870	6,100	(119,970)	-
Furniture and Fixtures	4,124	918	-	5,042
Total	<u>117,994</u>	<u>7,018</u>	<u>(119,970)</u>	<u>5,042</u>
Net capital assets	<u>\$ 4,766,163</u>	<u>\$ 2,133,539</u>	<u>\$ (4,153,329)</u>	<u>\$ 2,746,373</u>

The Agency owns the White Pine Commerce Park, which is a business park located in the Town of Clay, northern Onondaga County. The Agency is developing the business park to be a build-ready site suitable for an array of local and global market sectors. Land acquisition related to the White Pine Commerce Park is included in investment in real property. As discussed in Note 2, the Agency expenses capitalized costs incurred and to be incurred that exceed the estimated value of any revised development when it is substantially complete and ready for its intended use.

6. Agency-Induced Financings

The total amount of industrial development, civic facility and pollution control financing issued through the Agency outstanding as of December 31, 2024 amounted to approximately \$41,210,583. These financing obligations are not obligations of the Agency as the Agency acts a conduit for the obligations. The Agency does not have the obligation to repay the principal and interest of such obligations, as such, the obligations are not reflected as long-term obligations of the Agency.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Notes to Financial Statements

7. Due to Onondaga County

The Agency will reimburse the County for a portion of the cost of operation of the Onondaga County Office of Economic Development. In exchange for this funding, the staff of the office provides operational and project implementation support services for the Agency. During 2024, the Agency incurred \$811,754 of operational costs, wholly due to the County as of December 31, 2024. There were no funds committed by the Agency during 2023 or outstanding support service expenses due at December 31, 2023.

8. Property Leases and Bonds Payable

In accordance with its corporate purpose, the Agency has issued bonds to promote and develop various businesses within the County. The Agency holds legal title to the properties, under which such bonds were issued in order for business to acquire or renovate various facilities. The Agency's primary function is to arrange financing between borrowing companies and bondholders (conduit debt). For providing this service, the Agency receives administration fees from the borrowing companies. Total bonds outstanding were \$41,210,583 and \$64,797,397 at December 31, 2024 and 2023, respectively, which represent non-recourse debt of the Agency. The Agency does not have the obligation to repay the principal and interest of such obligations, as such, the obligations are not reflected as long-term obligations of the Agency.

9. Payments in Lieu of Taxes Agreements (PILOT)

The Agency has entered into PILOT agreements with various companies whereas the company will make annual payments in lieu of taxes to the Agency and the Agency will remit the annual payments to the appropriate tax jurisdictions. The Agency records a liability for any amounts paid by companies to the Agency but not distributed to the tax jurisdictions as of yearend. A total of \$10,211,628 and \$9,524,968 of PILOT payments passed through the Agency for the years ended 2024 and 2023, respectively. PILOT payments due to other governments totaled \$24,221 at December 31, 2024. At December 31, 2023, there were no PILOT payments outstanding.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Notes to Financial Statements

10. Note Payable to Onondaga County

On October 7, 2021 the Agency entered into an Optional Advance Limited Recourse Demand Promissory Grid Note (the Note) with Onondaga County (the County). The County made available \$20,000,000 to assist the Agency in funding its program incentives, projects, asset development, and work related improvements. The Note bears interest at an annual rate of the greater of 0.91% per annum or the applicable federal rate, capitalized on an annual basis. The unpaid principal balance and accrued interest is payable in full on demand, which is to be a minimum of five years from the commencement of the Note, absent the occurrence and continuance of an event of default. Prepayments must be made in the amount of excess application fees generated and received by the Agency, and are to be applied first to any unpaid interest.

On October 27, 2022, the Note was amended whereby the total available was increased to \$45,000,000. The Note requires the Agency to comply with certain federal regulations as the monies from Onondaga County were from the American Rescue Plan Act ("ARPA"). The Agency is deemed a contractor as evidenced by the Note, therefore the Note is not classified as a subaward under 2 CFR §200.1.

During 2024, the Agency incurred \$1,272,008 of interest and did not receive advances on the Note. The Agency received advances of \$2,679,473 and incurred \$1,334,395 of interest during 2023. The annual mid-term applicable federal rates for December 2024 and 2023 was 4.53% and 5.03%, respectively. No excess application fees were received, therefore no payments were required. The entire principal received and interest incurred as of December 31, 2024 and 2023 are recorded as non-current liabilities on the statement of net position as the earliest demand date available to the County is October 2026.

The unpaid Note principal and accrued interest as of December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Note principal	\$ 28,079,657	\$ 28,079,657
Accrued interest	<u>3,095,059</u>	<u>1,823,051</u>
Total	<u>\$ 31,174,716</u>	<u>\$ 29,902,708</u>

11. Concentration of Credit Risk

Financial instruments that potentially subject the Agency to credit risk consist principally of receivables.

12. Subsequent Events

In preparing the financial statements, management of the Agency has evaluated events and transactions for potential recognition or disclosure through March 6, 2025, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further disclosure.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)
For the Year Ended December 31, 2024

Project Number	Description of Financing	Closing Date	Interest at issuance	Current Interest Rate	Bonds Outstanding at January 1, 2024	Incurred During 2024	Paid During 2024	Bonds Outstanding at December 31, 2024	Term Ending Date
3101-06-10-C	OCIDA Pollution Control Revenue Bonds (Anheuser-Busch Project) 2006 Series B	July 21, 2006	4.95%		\$ 2,200,000	\$ -	\$ -	\$ 2,200,000	7/1/2036
3101-95-01A	OCIDA Civic Facility Revenue Bonds (Discovery Center of Science and Technology Project) Series 1995	July 1, 1995	4.00%		2,124,115	-	112,244	2,011,871	7/1/2025
3101-07-16A	OCIDA Variable Rate Demand Industrial Development Revenue Bonds (G.A. Braun, Inc. Project) Series 2007	December 20, 2007	2.27%	4.17%	4,390,000	-	320,000	4,070,000	6/1/2034
3101-15-08B	OCIDA Multi-Modal Revenue Bonds (G.A. Braun, Inc. Project) Series 2015A	December 15, 2015	2.03%	5.46%	2,847,000	-	-	2,847,000	12/1/2041
3101-15-08B	OCIDA Multi-Modal Revenue Bonds (G.A. Braun, Inc. Project) Series 2015B (Taxable)	December 15, 2015	2.97%	7.74%	934,077	-	308,697	625,380	12/1/2026
3101-15-04A	OCIDA Tax-exempt Multi-Modal Revenue Bonds (Syracuse Label Co., Inc. Project) Series 2015 (reissued)	November 16, 2016	1.92%	6.2876%	3,992,347	-	408,873	3,583,474	12/1/2041
3101-02-08A	OCIDA Multi-Modal Variable Rate Civic Facility Revenue Bonds (YMCA of Greater Syracuse, Inc. Project) Series 2003A	November 9, 2003			1,280,000	-	620,000	660,000	11/1/2025
3101-17-04B	OCIDA Tax-exempt Revenue Bonds (Old Thompson Road, LLC Project) Series 2017A/B	December 1, 2017		5.42%	8,872,858	-	208,601	8,664,257	12/1/2042
				Subtotal	\$ 26,640,397	\$ -	\$ 1,978,415	24,661,982	

The accompanying notes are an integral part of these financial statements

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(A Discretely Presented Component Unit of the County of Onondaga, New York)

Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)
For the Year Ended December 31, 2024

Project Number	Description of Financing	Closing Date	Interest at issuance	Current Interest Rate	Bonds Outstanding at January 1, 2024	Incurred During 2024	Paid During 2024	Bonds Outstanding at December 31, 2024	Term Ending Date
3101-04-11A	OCIDA Civic Facility Revenue Bonds (Manlius Library Project) Series 2005	April 28, 2005	4.00%	4.5%-4.625%	\$ 585,000	\$ -	\$ 195,000	390,000	12/15/2029
3101-07-13A	OCIDA Civic Facility Revenue Bonds (Marcellus Free Library Project) Series 2007	June 29, 2007	4.00%	4.6%	680,000	-	160,000	520,000	4/1/2027
3101-03-07A	OCIDA Civic Facility Revenue Bonds (Minoa Free Library Project) Series 2004A	February 1, 2004	5.00%	5.25-5.375%	500,000	-	35,000	465,000	2/1/2034
3101-07-21A	OCIDA Civic Facility Revenue Bonds (Onondaga Free Library Project) Series 2008	March 1, 2008	4.00%	0.80-4.00%	1,855,000	-	115,000	1,740,000	3/1/2037
3101-02-01A	OCIDA Civic Facility Revenue Bonds (Salina Free Library Project) Series 2002A	December 1, 2002	5.20%		185,000		60,000	125,000	12/1/2026
3101-05-15B	OCIDA Variable Rate Demand Civic Facility Revenue Bonds (Syracuse Research Corporation Project) Series 2005	December 14, 2005	7.70%	3.72%	7,155,000		805,000	6,350,000	12/1/2031
3101-06-11B	OCIDA Variable Rate Demand Civic Facility Revenue Bonds (Syracuse Home Association Project) Series 2007	June 21, 2007	4.00%	3.64%	7,110,000	-	360,000	6,750,000	6/30/2027
3101-19-07A	OCIDA Multifamily Housing Revenue Bonds (Baldwinsville Senior Housing Preservation, LLC Project), Series 2022	May 18, 2022	4.00%	4.00%	20,087,000	-	20,087,000	-	12/1/2024
Subtotal					\$ 38,157,000	\$ -	\$ 21,817,000	\$ 16,340,000	
Carryforward subtotal - previous page					26,640,397	-	1,978,415	24,661,982	
Grand Total					\$ 64,797,397	\$ -	\$ 23,795,415	\$ 41,001,982	

The accompanying notes are an integral part of these financial statements