

**ONEIDA COUNTY INDUSTRIAL DEVELOPMENT
AGENCY**

**Financial Statements as of
December 31, 2025 and 2024
Together with
Independent Auditor's Report**

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITOR'S REPORT

March 24, 2026

To the Board of Directors of the
Oneida County Industrial Development Agency:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Oneida County Industrial Development Agency (the Agency), as of and for the years ended December 31, 2025 and 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of December 31, 2025 and 2024, and the change in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

171 Sully's Trail
Pittsford, NY 14534
p (585) 381-1000
f (585) 381-3131

www.bonadio.com

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INDEPENDENT AUDITOR'S REPORT

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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.

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INDEPENDENT AUDITOR'S REPORT

(Continued)

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 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.

Other Information

Management is responsible for the other information included in the basic financial statements. The other information comprises the supplemental schedule of revenue bonds and other bonds (conduit debt obligations), but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2026 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) DECEMBER 31, 2025 AND 2024

The following Management's Discussion and Analysis (MD&A) provides a comprehensive overview of the Oneida County Industrial Development Agency (the Agency) financial position as of December 31, 2025 and 2024 and its changes in financial position for the years then ended, showing 2023 for comparison. This MD&A should be read in conjunction with the financial statements and related footnotes of the Agency, which directly follow the MD&A.

General Information

The Agency was created on October 28, 1970, by the Oneida County Board of Legislators under the provisions of Chapter 372 of the 1970 Laws of New York State for the purpose of encouraging economic growth in Oneida County. The Agency's mission is to assist in the enhancement and diversity of the economy of Oneida County by acting in support of projects in the County that create and/or retain jobs and promote private sector investment utilizing the statutory powers of the Agency, as set forth under the provisions of the laws.

Overview of Financial Statements

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States as prescribed by the Governmental Accounting Standards Board (GASB). The financial statement presentation consists of the following basic financial statements:

- Statement of Net Position
- Statement of Revenue, Expenses and Change in Net Position
- Statement of Cash Flows

The Statement of Net Position and the Statement of Revenue, Expenses and Change in Net Position are prepared using the economic resource measurement focus and the accrual basis of accounting. Revenues, expenses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, assets and liabilities resulting from non-exchange transactions are recognized when the amounts to be received are measurable and collection is probable. These policies are more fully described in the accompanying notes to the basic financial statements.

Financial Highlights

- The Agency's total net position was \$546,373, \$779,645, and \$748,965 at December 31, 2025, 2024, and 2023, respectively. The Agency's net position decreased by \$233,272 from 2024 to 2025 and increased by \$30,680 from 2023 to 2024.
- Total current assets were \$4,116,995, \$4,809,679, and \$1,204,085 at December 31, 2025, 2024, and 2023, respectively. In all three years, they were comprised of cash and cash equivalents, accounts receivable, investments and prepaid expenses. The significant rise in current assets was in 2024 and is due to a \$14 million grant from New York State Urban Development for site development at the Marcy Nanocenter. The grant will fund necessary improvements to become a supply chain campus, including site preparation, excavation, earthwork, and utility infrastructure. Economic Development Growth Enterprises Corporation (EDGE) is managing the project on behalf of OCIDA. As of December 31, 2025, the Agency has recognized \$1,885,055 of the grant, leaving a balance of \$2,114,945 in unearned revenue.

Financial Highlights (Continued)

- Total current liabilities were \$3,570,622, \$4,030,034, and \$455,120 at December 31, 2025, 2024, and 2023, respectively. In all three years, they were comprised of accounts payable and accrued liabilities, PILOT funds held, and unearned revenue specifically Chobani's administrative fee received before project closing and the New York State grant project as referenced above.
- Normal operating revenues, primarily from administrative and agency fees as well as lease payments, were \$187,933 for the year ended December 31, 2025. This represents a decrease of \$166,280 from the prior year. The higher revenue in 2024 was due to a greater number of larger projects. Operating revenues for the year ended December 31, 2024, totaled \$354,213, while those for the year ended December 31, 2023, totaled \$166,123.

Current Assets

Current assets at December 31, 2025 and 2024 were comprised of cash, accounts receivable, investments, and prepaid expenses. On December 31, 2023, the current assets were similar, with the exception of investments. In 2023, the Agency capitalized on the higher interest rate environment, resulting in investments that included a United States Treasury Bill and a Certificate of Deposit. In 2025, the Agency was able to invest in two additional Certificates since receiving a portion of the Chobani fee.

Current Liabilities

The Agency had current liabilities of \$3,570,622 at December 31, 2025, \$4,030,034 at December 31, 2024 and \$455,120 at December 31, 2023. The significant increase is due to the unearned revenue directly related to the Chobani administrative fee and the Nanocenter grant. As of January 1, 2025 the Agency has recognized \$1,885,055, leaving a balance of \$2,114,945 in unearned revenue.

Financial Analysis of The Agency's Financial Position and Results of Operations

Operating Revenues

Revenues consist of PILOT application and administrative fees, lease back rental payments, and investment interest income. Operating revenues, excluding grant revenues, totaled \$187,933 in 2025, compared with \$354,213 in 2024 and \$166,123 in 2023. The year over year decrease of \$166,280 in 2025 is attributable to fewer large projects closing during the year. Interest income increased slightly, totaling \$28,351 for 2025. Since the Agency initiated its investment program in 2023, interest earnings were \$28,351, \$26,007, and \$24,861 for 2025, 2024, and 2023, respectively. Corresponding returns on investment were 7.36%, 7.14%, and 4.14%.

Professional Fees

Professional fees in 2025, 2024 and 2023 include legal fees associated with corporate matters and activities of the organization.

Administrative Service Fees

Administrative service fees in 2025, 2024 and 2023 include staff service fees paid to EDGE for various administrative and accounting services.

Special Project Fees

Special project fees in 2025, 2024 and 2023 include amounts paid to EDGE for economic development initiatives.

Currently Known Facts, Decisions and Conditions

The Agency focuses on the attraction, retention, and expansion of new and current businesses to the County. The Agency's financial performance can vary from year-to-year based on the level of economic activity and the ability to offer some form of assistance to businesses that can validate their economic value to the community.

Currently Known Facts, Decisions and Conditions (Continued)

Activity of induced and closed projects in 2025 resulted in the retention of 289.5 FTE jobs and 1,112 jobs to be created, as well as an investment of \$1,254,398,643. The benefits granted to eligible projects include a combination of sales tax exemption, mortgage recording tax exemption, and PILOT benefits.

The 2025 projects include:

- All Seasonings
- Lodging Kit Company
- Stark Truss
- 126 Business Park LLC
- NY Rome Old Oneida Solar

The Agency continues to assist in incentivizing investment resulting in new jobs and economic activity. Efforts of the current and past years have established a solid foundation for continued job growth and economic gains for the region.

Contacting the Agency's Administration

This financial report is designed to provide readers with a general overview of the Agency's finances. If you have questions about this report or need additional information, contact the Agency's board at the Oneida County Industrial Development Agency, 584 Phoenix Drive, Rome, NY 13441.

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Statements of Net Position December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 843,510	\$ 340,571
Restricted cash	2,512,121	4,010,831
Investments	747,586	381,844
Accounts receivable	12,320	69,389
Prepaid expenses	<u>1,458</u>	<u>7,044</u>
Total current assets	<u>4,116,995</u>	<u>4,809,679</u>
CAPITAL ASSETS:		
Equipment	6,679	6,679
Accumulated depreciation	<u>(6,679)</u>	<u>(6,679)</u>
Capital assets, net	<u>-</u>	<u>-</u>
Total assets	<u>4,116,995</u>	<u>4,809,679</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	58,501	19,203
PILOT funds held	388,175	2,081
Unearned revenue	<u>3,123,946</u>	<u>4,008,750</u>
Total current liabilities	<u>3,570,622</u>	<u>4,030,034</u>
NET POSITION:		
Unrestricted	<u>546,373</u>	<u>779,645</u>
Total net position	<u>546,373</u>	<u>779,645</u>
Total liabilities and net position	<u>\$ 4,116,995</u>	<u>\$ 4,809,679</u>

The accompanying notes are an integral part of these statements

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Statements of Revenues, Expenses, and Change in Net Position For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
OPERATING REVENUES:		
Administrative and agency fees	\$ 187,933	\$ 354,213
Grant revenue	<u>1,885,055</u>	<u>-</u>
Total operating revenues	<u>2,072,988</u>	<u>354,213</u>
OPERATING EXPENSES:		
Grant expense	1,885,055	-
Administrative services fees	290,925	285,220
Professional fees	32,906	17,950
Insurance	4,567	4,421
Economic development services - OCLDC	75,000	-
Special project	25,000	25,000
Other	<u>21,158</u>	<u>16,949</u>
Total operating expenses	<u>2,334,611</u>	<u>349,540</u>
Operating income (loss)	<u>(261,623)</u>	<u>4,673</u>
NON-OPERATING REVENUE:		
Interest income	<u>28,351</u>	<u>26,007</u>
Total non-operating revenue	<u>28,351</u>	<u>26,007</u>
CHANGE IN NET POSITION	(233,272)	30,680
NET POSITION - beginning of year	<u>779,645</u>	<u>748,965</u>
NET POSITION - end of year	<u>\$ 546,373</u>	<u>\$ 779,645</u>

The accompanying notes are an integral part of these statements

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Cash received from administrative and agency fees	\$ 245,002	\$ 285,574
Cash received from grants	-	4,000,000
Cash paid for grant-related projects	(1,885,055)	-
Cash received for advance fee payments	1,000,000	-
Cash paid for administrative fees	(263,342)	(432,096)
Cash paid for professional services	(21,191)	(15,650)
Cash paid for economic development services	(75,000)	-
Cash paid for special projects	(25,000)	(25,000)
Cash paid for other expenses	(20,138)	(21,984)
Cash received (paid) for PILOTS	386,094	(283,260)
Cash received from project commitment fees	<u>250</u>	<u>2,750</u>
Net cash flow from operating activities	<u>(658,380)</u>	<u>3,510,334</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest income	28,351	26,008
Purchases/sales of investments	<u>(365,742)</u>	<u>(17,557)</u>
Net cash flow from investing activities	<u>(337,391)</u>	<u>8,451</u>
Net change in cash and cash equivalents	(995,771)	3,518,785
Cash and cash equivalents - beginning of year	<u>4,351,402</u>	<u>832,617</u>
Cash and cash equivalents - end of year	<u>\$ 3,355,631</u>	<u>\$ 4,351,402</u>
Cash	\$ 843,510	\$ 340,571
Cash - restricted	<u>2,512,121</u>	<u>4,010,831</u>
Total cash	<u>\$ 3,355,631</u>	<u>\$ 4,351,402</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOW FROM OPERATING ACTIVITIES:		
Operating income (loss)	\$ (261,623)	\$ 4,673
Adjustments to reconcile operating income (loss) to net cash flow from operating activities -		
Changes in assets and liabilities:		
Accounts receivable	57,069	(68,639)
Prepaid expenses	5,586	(613)
Accounts payable and accrued liabilities	39,298	(144,577)
PILOTS funds held	386,094	(283,260)
Unearned revenue	<u>(884,804)</u>	<u>4,002,750</u>
Net cash flow from operating activities	<u>\$ (658,380)</u>	<u>\$ 3,510,334</u>

The accompanying notes are an integral part of these statements

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

1. ORGANIZATION

The Oneida County Industrial Development Agency (the Agency) was created on October 28, 1970, by the Oneida County Board of Legislators under the provisions of Chapter 372 of the 1970 Laws of New York State for the purpose of encouraging economic growth in Oneida County. The Agency's primary functions are to grant PILOT (payment in-lieu-of tax) benefits, sales tax exemption, and mortgage recording tax exemption to local businesses who have made investments. Also, the Agency may act as intermediary between bonding companies and local businesses for the purpose of issuing industrial revenue bonds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Agency operates as a proprietary fund. Proprietary 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 accordance 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, and such differences may be significant.

Cash and Restricted Cash

Cash consists primarily of demand deposits. Certain amounts of cash are classified as restricted because their use is restricted by a grant agreement (See Note 9). Additionally, amounts are classified as restricted as they are PILOT payments yet to be distributed.

Accounts Receivable

Accounts receivable are recorded and revenues are recognized as earned or as specific expenditures are incurred. All accounts receivable are deemed collectible; therefore, no allowance account has been established.

Investments

Investments include certificates of deposit and United States Treasury Bills invested at individual banks earning interest for a specified length of time.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets are recorded at acquisition cost and depreciated over the estimated useful lives of the respective assets using the straight-line method. Assets purchased or acquired with a cost of \$1,000 or greater and a useful life exceeding one year are capitalized. At December 31, 2025 and 2024, the Agency had capital assets with a cost of \$6,679 that were fully depreciated.

PILOT Funds Held

PILOT funds held are amounts received for PILOT payments by the Agency that have not been remitted to the respective government agency at December 31.

Unearned Revenue

Unearned revenue includes unspent grant funding received from New York State Urban Development for the Marcy Nanocenter project (“the Nanocenter”). At of December 31, 2025 and 2024, the Agency had \$2,114,946 and \$4,000,000 in unearned revenue related to this grant, respectively.

Unearned revenue also includes advance payments for administrative fees and client deposits on future project costs. At of December 31, 2025 and 2024, the agency had \$1,009,000 and \$8,750 in unearned revenue related to these amounts, respectively.

Operating Revenues and Non-Operating Revenues

The Statements of Revenues, Expenses, and Change in Net Position distinguishes between operating and non-operating revenues. Operating revenues, such as administrative and agency fees, grant income and miscellaneous 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.

Special Project Expenses

The Agency entered into an agreement with Economic Development Growth Enterprises Corporation (EDGE) for the support of economic development initiatives within Oneida County.

Economic Development Services – OCLDC

The Agency entered into an agreement with the Onedia County Local Development Corporation (OCLDC) to support economic development initiatives within Oneida County.

Net Position

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

- 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.
- 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position (Continued)

- a. 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.

Related Party

The Agency is related through common management and Board of Directors membership with the OCLDC, which also promotes economic development in the County. The Agency is also related through a staff services agreement with EDGE.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Policies

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.

The Agency 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. Permissible investments include special time deposit accounts, certificates of deposit and obligations of the United States or of federal agencies whose principal and interest payments are fully guaranteed by the federal government, or of New York State or in general obligations of the State's political subdivisions.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency's investment policy does not limit 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 investment and deposit policy authorizes the reporting entity 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 the State of New York;
- 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.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

Custodial Credit Risk (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 with a financial institution insured by the FDIC up to \$250,000, for demand and non-demand accounts. At December 31, 2025, the Agency's total bank deposits, including certificates of deposits, totaled \$4,213,554. Of this amount, \$1,245,367 was insured by the Federal Deposit Insurance Corporation (FDIC). An additional \$1,915,043 was collateralized by securities held by the bank in the Agency's name. The remaining balance of \$1,053,144 was neither insured nor collateralized. At December 31, 2024, the Agency's bank deposits, including certificates of deposits, totaled \$4,763,765. Of this amount, \$981,444 was covered by FDIC insurance. An additional \$3,759,195 was collateralized by securities held by the bank in the Agency's name. The remaining balance of \$23,126 was neither insured nor collateralized.

4. INVESTMENTS

Investment Policy

The Agency follows an investment policy which the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited conformance with federal, state and other legal requirements; provide sufficient liquidity of invested funds in order to meet obligations as they become due; and attainment of a market rate of return. Oversight of investment activity is the responsibility of the Finance Committee.

Investment Valuation

The Agency categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Agency did not have any investments that are measured using Level 2 or Level 3 inputs.

At December 31, 2025 and 2024 fair value measurements of the Agency's investments are comprised of United States Treasury Bills valued at \$284,702 and \$273,126, respectively.

At December 31, 2025 and 2024, the Corporation held certificates of deposits valued at \$462,884 and \$108,718, respectively, which are reported at amortized cost.

5. INDUSTRIAL DEVELOPMENT BONDS

The Agency issues tax-exempt or taxable bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the borrowing entity served by the bond issuance. The Agency is not obligated in any manner for repayment of the bonds. Accordingly, neither the related property nor the bonds are reported as assets or liabilities in the accompanying financial statements.

6. BOARD DESIGNATION

The Board of Directors has voted to restrict \$400,000 of net position for future economic development projects at both December 31, 2025 and 2024.

7. PILOT INCREMENT FINANCING (PIF)

The Agency has utilized PILOT Increment Financing (PIF) which puts in place an agreement among taxing jurisdictions and other parties allocating the PILOT (Payment in Lieu of Taxes) payments first to the taxing jurisdictions and to then fund other costs such as debt service or other allowable costs per the term of the agreements. The Agency records a liability for any amounts paid by companies to the Agency but not distributed as of year-end. A total of \$6,390,480 and \$5,856,487 of PILOT payments passed through the Agency for the years ended 2025 and 2024, respectively. Total PILOT payments to be distributed to the taxing jurisdictions was \$388,175 and \$2,081, respectively, at December 31, 2025 and 2024.

8. RELATED PARTIES

The Agency has a shared Board of Directors and management with Oneida County Local Development Corporation (OCLDC). In 2025 the Agency entered into an agreement with OCLDC and agreed to contribute \$75,000 a year over the next two years. The Agency made a payment of \$75,000 during 2025 to the Oneida County Local Development Corporation.

The Agency has a staff services agreement with EDGE where EDGE provides personnel and support staff who maintain an expertise in various matters relating to economic development. The total amount provided to EDGE was \$290,925 and \$285,220 in 2025 and 2024, respectively.

9. MVEDGE FAST NY GRANT

The Agency received a grant from New York State Urban Development in 2024 in the amount of \$14,000,000, to support site development efforts for the Nanocenter. The Nanocenter is a premier, 434-acre greenfield campus developed for semiconductor and advanced technology manufacturing facilities. The site development work funded through this grant will provide physical improvements that are necessary for the 147 acres of the site to be developed for high-tech end users and as a supply chain campus. Funds will be used for site readiness, including site preparation, excavation and trucking, earthwork, and utility infrastructure work as well as the relocation of electrical infrastructure to provide for the extension of utilities to create a clear and ready site. The total project cost is \$18,088,736. The project is being managed by EDGE on behalf of the Agency and is being funded through FAST NY (New York Work's Economic Development Fund 2022-23) and a match from the grantee. For the year ended December 31, 2025 the Agency earned \$1,885,055 in grant revenue related to this agreement.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 24, 2026, the date that the financial statements were available to be issued.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

March 24, 2026

To the Board of Directors of
Oneida County Industrial Development Agency:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Oneida County Industrial Development Agency (the Agency), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 24, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

171 Sully's Trail
Pittsford, NY 14534
p (585) 381-1000
f (585) 381-3131

www.bonadio.com

(Continued)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**Supplemental Schedules of Revenue Bonds and Other Bonds (Conduit Debt Obligations) - (Unaudited)
For the Years Ended December 31, 2025 and 2024**

								<u>Principal of the Issue</u>	
Project Number	Description of Financing	Closing Date	Interest at Issuance	Bonds Outstanding at January 1, 2025	Incurred During 2025	Developer Paid During 2025	Bonds Outstanding at December 31, 2025	Term Ending Date	
3001-99-07A	Champion Homes	June 1, 1999	3.75%	\$ 6,820,000	\$ -	\$ -	\$ 6,820,000	June 1, 2029	
3001-04-02A	MVCC	December 1, 2004	4.051%	4,350,000	-	310,000	4,040,000	December 1, 2036	
				<u>\$ 11,170,000</u>	<u>\$ -</u>	<u>\$ 310,000</u>	<u>\$ 10,860,000</u>		

								<u>Principal of the Issue</u>	
Project Number	Description of Financing	Closing Date	Interest at Issuance	Bonds Outstanding at January 1, 2024	Incurred During 2024	Developer Paid During 2024	Bonds Outstanding at December 31, 2024	Term Ending Date	
3001-99-07A	Champion Homes	June 1, 1999	3.75%	\$ 6,820,000	\$ -	\$ -	\$ 6,820,000	June 1, 2029	
3001-04-02A	MVCC	December 1, 2004	4.051%	4,650,000	-	300,000	4,350,000	December 1, 2036	
				<u>\$ 11,470,000</u>	<u>\$ -</u>	<u>\$ 300,000</u>	<u>\$ 11,170,000</u>		