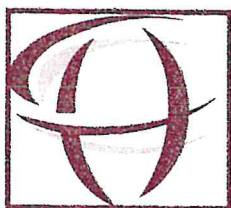


**COUNTY OF FRANKLIN
INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
REPORT ON
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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Employee Benefit Plan Audit Quality Center

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors
County of Franklin Industrial Development Agency
(A Component Unit of Franklin County, New York)
Malone, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Franklin Industrial Development Agency (the "Agency"), as of and for the year ended December 31, 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 respective financial position of the County of Franklin Industrial Development Agency, as of December 31, 2024, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Franklin Industrial Development 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 opinions.

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.



INDEPENDENT AUDITORS' REPORT – continued

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

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 County of Franklin Industrial Development 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 County of Franklin Industrial Development Agency's ability to continue as a going concern for a reasonable period of time.



INDEPENDENT AUDITORS' REPORT – continued

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 4–11, the schedule of Agency's proportionate share of the pension liability – New York State and Employees' Retirement System on page 26, and the schedule of employer contributions – New York State and Local Employees' Retirement System on page 27, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2025, on our consideration of the County of Franklin Industrial Development 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 County of Franklin Industrial Development Agency's internal control over financial reporting and compliance.

Crowley & Halloran, CPAs, P.C.

March 14, 2025

**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

The following is a discussion and analysis of the County of Franklin Industrial Development Agency's (Agency) financial performance for the year ended December 31, 2024. It is a summary of the Agency's financial activities based on currently known facts, decisions, or conditions. The Agency's financial statements and notes to the basic financial statements included in this report were prepared in accordance with GAAP (Generally Accepted Accounting Principles), applicable to governmental entities in the United States of America for General Fund types.

INTRODUCTION

Our discussion and analysis of the financial performance of the County of Franklin Industrial Development Agency (IDA) provides an overview of the Agency's financial activities for the year ended December 31, 2024. It should be read in conjunction with the Agency's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

In 2024, the IDA focused on implementation of four goals: economic development climate, entrepreneurial culture, downtown revitalization, and tourism. The IDA engaged in marketing, property management, and utilizing its incentives to achieve these goals.

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)

- The IDA continued its focus on implementing the goals and strategies of the Comprehensive Economic Development Strategy (CEDS) adopted in 2015 including improving the economic development climate and capacity of the county and developing an entrepreneurial culture. The IDA received funding in 2024 that it will use to update the CEDS in 2025.

MARKETING

- The CEO met with business owners, elected officials, organizations, and staff from local and state agencies to describe and promote the incentives and programs the IDA, EDC, and CDC offer. We also used our website, adirondackfrontier.com, and social media to promote our programs and success stories and to highlight Franklin County as a great place to live and work.
- In 2024, the Agency sold the factory (60,000 sq ft) it owns in the Town of Bombay to a local company that manufactures wall panels for residential construction. The agency also owns a warehouse (24,000 sq ft) in the Town of Bombay.
- The Agency owns an industrial park in Chateaugay and continues to look for opportunities to attract businesses to the park.
- In 2024 the IDA sold the remaining undeveloped land at the Tupper Lake Business Park. The sale led to the immediate development of five lots that will allow local businesses to relocate from small and/or incompatible locations in the Village of Tupper Lake and expand.

**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

IDA INCENTIVE PROJECTS

CFIDA Project Administration

CFIDA tracked and administered twelve (12) previously approved projects that received payment-in-lieu of taxes agreements, other tax incentives, or bond financing. Two (2) new projects were approved. Benefits for one project expired at the end of 2024.

Branch Commercial Development, LLC

In December, the IDA Board of Directors approved a sales tax exemption to assist Branch Commercial Development, LLC with the complete interior remodel of a Holiday Inn Express in the Town of Malone. The total project cost is \$2,915,000.

Glengarry Farms, LLC

The IDA Board of Directors closed on benefits for Burke Solar, LLC. Burke Solar, LLC, will construct and operate a 5 megawatt AC community distributed solar array in the Town of Burke on approximately 20 acres of land. The total project cost is \$9,296,978.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

BACKGROUND INFORMATION

In 1969, New York State adopted the Industrial Development Agency Act. The Act defines Industrial Development Agency's (IDAs) and sets forth their organization and powers. IDAs are independent public benefit corporations. They are created to promote, develop, encourage and assist industrial, manufacturing, warehousing, commercial, research and recreational facilities to advance job opportunities, health, and economic welfare of the people of the State of New York. Each IDA is a non-profit government at the request of one or more municipalities. IDAs carry out their mandate by creating projects that offer financial incentives to attract, retain and expand businesses within their jurisdiction. To achieve these goals, an IDA can buy, sell and lease property and issue debt. Businesses wishing to obtain financial assistance typically apply to an IDA. The assistance granted to these businesses generally includes the issuance of a low interest Industrial Development Revenue Bond, and exemptions from real property tax, mortgage recording tax, and sales and use tax. The bonds issued are not obligations of the municipality or the State. As part of the transaction, the IDA generally takes title to the project's real property. In doing so, the IDA is not required to pay taxes or assessments on any property it acquires or that is under its jurisdiction, control, or supervision. Usually, this benefit is, in effect passed through to the assisted business. A portion of the local real property tax exemption is usually recaptured in the form of Payments in Lieu of Taxes (PILOTS).

The assisted business typically agrees to make PILOTS, which generally are significantly less than the real property taxes which are abated. In many cases, the financing of an IDA sponsored project takes the form of a lease-purchase agreement with the business. The IDA sells its bonds and used the proceeds to acquire or construct the project for the business. Upon completion, the project is leased to the business for a term equal to the term of the IDAs bond issue. The annual payment from the business are then set at an amount sufficient to pay the annual principal and interest on the IDA bonds. Since IDAs are considered governmental agencies, property acquired by them or under their control has tax-exempt status. The business usually has the option to purchase the project for a nominal fee at the end of the financing term.

IDAs may also provide financial assistance through "straight-lease" transactions. Under such arrangements, the IDA generally would take title to property of a project occupant, thereby entitling the property to tax exemptions, with no additional financial assistance provided through the proceeds of the IDA bonds.

**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

The Board of the Agency is comprised of seven members appointed by the legislature of Franklin County, New York. IDA decisions affect the school districts and other local governments in the area in which the IDA operates. The IDA tax exemption policies are often a concern of these taxing jurisdictions, particularly school districts. The major taxing jurisdictions which are affected by IDA decisions may not be represented in the IDA membership and, therefore, may have little input into IDA decisions which affect their tax bases and revenues streams. Accordingly, provisions of the General Municipal Law require each IDA to establish a uniform tax exemption policy with input from affected tax jurisdictions to provide guidelines for claiming real property tax, mortgage recording tax, and sales tax exemptions. The IDA must also establish a procedure from its uniform tax exemption policy and provide written notification of the reasons for the deviation to affected taxing jurisdictions.

In 1993, legislation was passed altering the powers of IDAs. The main focus of the legislation addressed the issue of making IDAs more accountable by requiring them to:

- Submit a written payment in lieu of tax agreements, including payment allocation, to taxing jurisdictions;
- File real property tax exemptions with county chief executive officers and school districts;
- Submit data on outstanding projects annually to the New York State Comptroller's Office;
- Hold a public hearing for all projects in excess of \$100,000; and
- Adhere to the same conflict of interest and code of ethics as municipalities.

In 2015, legislation was passed reforming General Municipal Law (GML), to increase accountability and improve the efficiencies and transparency of the operations of IDAs by mandating the adoption of standardized procedures. The Reform Act requires each IDA to adopt the following:

- A standard application form;
- A resolution specifying the criteria by which an IDA will evaluate projects;
- A standard project agreement;
- A recapture policy; and
- A policy by which the IDA annually assesses the progress of outstanding projects.

In 2016, the Agency adopted the uniform criteria and requirements of the 2015 legislation.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements, which are composed of the basic financial statements, the notes to the financial statements and other supplemental information as described below. The financial statements of the agency report information about the Agency using accounting methods similar to those used by private sector companies.

Prior year data is provided in this management's discussion and analysis for comparison.

These statements offer short and long-term financial information about its activities. Responsibility for the completeness and fairness of the information contained rests with the IDAs management. The Agency's annual report consists of three parts: management's discussion & analysis, the basic financial statements, and notes to the basic financial statements.

**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section presents Management's Discussion and Analysis (MD&A). It precedes the financial statements and its purpose is to put current financial performance in perspective relative to past performance and future expectations.

BASIC FINANCIAL STATEMENTS

The financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business. They consist of the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows.

The Statement of Net Position presents information on all the Agency's assets, deferred outflows, liabilities, and deferred inflows with the difference between the four reported as net position. Increases to assets/deferred outflows of resources without a corresponding increase to liabilities/deferred inflows of resources, resulting in increased net position, is indicative of an improved financial position. Over time, increases and decreases in net position will serve as a useful indicator of whether the financial position of the IDA is improving or deteriorating.

The Statement of Cash Flows provides information on the major sources and uses of cash during the year. The cash flow statement portrays net cash provided or used from operating, investing, capital, and non-capital financing activities.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to financial statements can be found in this report after the financial statements.

SUPPLEMENTAL INFORMATION

In addition to the basic financial statements and accompanying notes, this report presents supplemental schedules which are presented for purposes of additional analysis only.

FINANCIAL ANALYSIS OF COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets and deferred outflows exceeded liabilities and deferred inflows for the Agency by \$1,203,006 for a 1.0% decrease from the prior year.

A large portion of the Agency's net position reflects their investment in capital assets such as land, buildings & improvements and equipment.

The balance of unrestricted net position of \$997,614 may be used to meet the Agency's ongoing obligations to both citizens and vendors. At the end of the current fiscal year, the Agency is able to report a positive balance in unrestricted net position.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

Condensed Statement of Net Position

	Total IDA		Percentage Change
	2024	2023	
Current Assets	\$ 1,059,776	\$ 663,884	59.6%
Capital Assets	277,280	637,637	(56.5%)
Other Assets	-	-	-
Total Assets	1,337,056	1,301,521	2.7%
 Deferred Outflows of Resources	 105,755	 92,796	 14.0%
 Liabilities			
Current	\$ 53,433	\$ 62,767	(14.9%)
Other Current Liabilities	-	-	-
Noncurrent Liabilities	141,144	107,882	14.0%
Total Liabilities	194,577	170,649	14.2%
 Deferred Inflows of Resources	 45,228	 8,164	 454.0%
 Net Position			
Net Investment in Capital Assets	205,392	637,637	(67.8 %)
Unrestricted	997,614	577,867	72.6 %
Total Net Position	\$ 1,203,006	\$ 1,215,504	(1.0%)

Changes in Net Position

The Agency's fiscal year 2024 revenues totaled \$454,274 primarily from charges for services related to PILOTs of \$313,657, investment earnings of \$33,426, and the receipt of a grant from the Economic Development Corporation reflected in other public authority subsidies in the amount of \$50,040. Revenues in fiscal year 2023 totaled \$109,547 primarily due to a grant from the Empire Development Zone and charges for services, the remainder of revenue consisted of application fees, and other operating revenues.

**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FACTORS BEARING ON THE AGENCY'S FUTURE – PRIORITIES FOR 2025

- Manage the IDA, EDC and CDC to ensure they all operate in accordance with policy and comply with all the directives and regulations of the Authorities Budget Office (ABO).
- Undertake strategies to fulfill the CEDS goal of Improving the Economic Development Climate & Implementation Capacity in Franklin County.
- Undertake strategies to fulfill the CEDS goal of Promoting an Entrepreneurial Culture in Franklin County.
- Develop programs & initiatives to promote main street revitalization across Franklin County.
- Carry out mission to assist companies with their PILOT and straight-lease transaction requests.
- Update the IDA's Uniform Tax Exemption Policy.
- Approve appropriate benefits for the proposed Brookside Solar project in the towns of Burke and Chateaugay.

**CONTACTING THE COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY'S
FINANCIAL MANAGEMENT**

The financial report is designed to provide a general overview of the County of Franklin Industrial Development Agency's finances to citizens, customers, and creditors. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Agency's Chief Executive Officer at 360 West Main Street, Malone, New York 12953.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	2024
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 92,572
Treasury Bills	940,131
Receivable - Current Portion	6,443
Prepaid Expenses	20,630
Total Current Assets	1,059,776
Other Assets:	
Property, Plant, and Equipment	
Construction in Progress	29,700
Buildings	224,727
Furniture and Equipment	5,567
	259,994
Less Accumulated Depreciation	(140,674)
	119,320
Land	87,089
Net Property, Plant, and Equipment	206,409
Right-of-Use Asset - Operating Lease	80,231
Less Accumulated Amortization	(9,360)
	70,871
Net Right-of-Use Asset	70,871
Total Noncurrent Assets	277,280
Total Assets	1,337,056
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows	105,755
Total Deferred Outflows of Resources	105,755
LIABILITIES	
Current Liabilities:	
Accounts Payable	4,577
Accrued Liabilities	3,725
Deposits Held	30,638
Current Portion of Operating Lease Liability	14,493
Total Current Liabilities	53,433
Noncurrent Liabilities:	
Pension Liability	83,749
Long-term Portion of Lease Liability	57,395
Total Noncurrent Liabilities	141,144
Total Liabilities	194,577
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources	45,228
Total Deferred Inflows of Resources	45,228
NET POSITION	
Unrestricted	997,614
Net Investment in Capital Assets	205,392
Total Net Position	\$ 1,203,006

The accompanying notes are an integral part of these financial statements.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(A Component Unit of Franklin County, New York)
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024
Operating Revenues:	
Charges for Services	\$ 313,657
Rental and Financing Income	-
Other Operating Revenues	3,171
Gain (Loss) on Asset Disposal	53,980
Total Operating Revenues	370,808
 Operating Expenses:	
Salaries and Wages	231,439
Other Employee Benefits	124,303
Professional Service Contracts	26,194
Supplies and Materials	47,741
Pilot Payments	-
Depreciation and Amortization	25,132
Other Operating Expenses	11,963
Total Operating Expenses	466,772
Operating Income (Loss):	(95,964)
 Non-operating Revenues (Expenses):	
Interest Income	33,426
Subsidies and Grants	50,040
Total Non-operating Revenues (Expenses)	83,466
Change in Net Position	(12,498)
 Net Position - Beginning of Year	 1,215,504
Net Position - End of Year	\$ 1,203,006

The accompanying notes are an integral part of these financial statements.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County, New York)
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024
Cash Flows from Operating Activities	
Cash Received from Providing Services	\$ 291,023
Cash Received from Grantors	-
Payments to Suppliers	(87,593)
Payments for Salaries and Benefits	(352,279)
Net Cash (Used) by Operating Activities	(148,849)
 Cash Flows from Noncapital Financing Activities	
Principal Payments of Debt	(8,343)
Reimbursement of Expenses	50,040
Net Cash Provided by Noncapital Financing activities	41,697
 Cash Flows from Investing Activities	
Interest Received on Deposits and Cash Equivalents	33,426
Asset Disposals	485,186
Purchases of Capital Assets	(15,750)
Net Cash (Used) by Investing Activities	502,862
Net Increase (Decrease) in Cash and Cash Equivalents	395,710
Cash and Cash Equivalents - Beginning of Year	636,993
Cash and Cash Equivalents - End of Year	\$ 1,032,703
 Reconciliation of Operating Income to	
Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ (95,964)
Adjustments to Reconcile Operating Income to Net Cash	
Provided (Used) by Operating Activities:	
Depreciation and Amortization	25,132
(Gain)/Loss on Sale of Assets	(53,980)
Change in Deferred Outflow on ERS Pension	(12,959)
Change in Deferred Inflow on ERS Pension	37,064
Changes in Operating Assets - (Increase) Decrease	
Accounts and Grants Receivable	(6,443)
Prepaid Expenses	6,261
Changes in Operating Liabilities - Increase (Decrease)	
Changes in Deposits	(19,362)
Change in Pension Liability ERS	(24,133)
Accounts Payable and Accrued Liabilities	(4,465)
Net Cash Provided (Used) by Operating Activities	\$ (148,849)

The accompanying notes are an integral part of these financial statements.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The County of Franklin Industrial Development Agency (Agency) is a public benefit corporation that was created in 1970 by the Franklin County Board of Legislators under the provisions of Article 18A of the General Municipal Law to encourage economic growth and prosperity in Franklin County, New York. The Agency is exempt from federal, state, and local income taxes. The Agency, although established by Franklin County, New York, is a separate entity and operated independently of Franklin County.

The Board of the Agency is comprised of seven members appointed by the legislature of Franklin County, New York.

The Agency is financially accountable to the County and has been identified as a component unit of the County of Franklin, New York. In accordance with the criteria enumerated in Governmental Accounting Standards Board Statement No. 61, the Agency's financial statements have been discretely presented in the County of Franklin's financial statements.

A summary of the significant accounting policies consistently applied in the preparation of accompanying financial statements follows.

ACCOUNTING METHOD

The Agency's financial statements are prepared using the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) for proprietary funds, which are similar to those of private business enterprises. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements.

The Agency's basic financial statements are presented in conformance with the provisions of GASBS No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments"

GASBS No. 34 establishes standards for external financial reporting for all state and local governmental entities, which includes a statement of net position, statement of revenues, expenses, and changes in net position into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** – consists of net capital assets (cost less accumulated depreciation/amortization) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.
- **Restricted net position** – reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** – reports the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the Agency.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment are recorded at cost if purchased or constructed; or at fair market value on the date of gift, if donated. Depreciation is recognized on the straight-line basis over the estimated useful life of the assets. Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. When equipment is retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation and any resultant gain or loss is credited or charged to operations.

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 2,500	straight-line	40 years
Building improvements	\$ 2,500	straight-line	15-40 years
Vehicles, furniture and equipment	\$ 2,500	straight-line	5-15 years

CASH AND INVESTMENTS

Cash and cash equivalents consist of cash and investments which mature no more than three months after the date purchased.

The Agency's investments policies are governed by state statutes. Agency monies are required to be deposited in FDIC insured commercial banks or trust companies located within the state. The Agency is authorized to use demand accounts and certificates of deposit.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

The Agency is required by local law to collateralize any of its cash deposits which are in excess of the Federal Deposit Insurance Corporation limit. At December 31, 2024 all cash deposits were fully collateralized in the Agency's name.

All of the Agency's investments are either registered in the Agency's name or held in trust by a third-party custodian in the Agency's name.

BAD DEBTS

Bad debts are recognized by the Agency in the year they are determined worthless. The Agency did not write off any receivables during the year ended December 31, 2024.

COMPENSATED ABSENCES

The Agency allows employees to accumulate annual leave according to employment agreements. This amount is included as an accrued liability in the statement of net position. Compensated absences were \$3,725 at December 31, 2024.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

REVENUE RECOGNITION

The Agency's primary sources of operating revenues are from application fees, administration fees, and compliance fees. Administrative fees are computed as a percentage of the total project. Fees are recorded as income when earned at the time of the project closing.

PAYMENT IN LIEU OF TAXES (PILOT)

The Agency enters into and administers PILOT agreements for various unrelated business entities located in Franklin County. Under the terms of the PILOT agreements, title to property owned by the unrelated business entity is transferred to the Agency for a certain period of time. During the period in which the Agency holds title, the business entity pays a PILOT to the Agency based on a calculation defined by the specific agreement. The PILOTs allow the companies to make payments that are less than the property taxes that would be paid on the related property's assessed value. Once the PILOT is received, the Agency, the Agency remits the PILOT to the respective taxing authorities. Certain requirements, as defined by each agreement, are to be met by the company to be able to maintain its PILOT. These requirements, as stated in the PILOT agreement, can be comprised of reaching and maintaining certain employment goals and paying its PILOT in a timely fashion. At the completion of the PILOT, title to the property is transferred back to the third-party business owner, and the property goes back on the tax rolls. PILOT receipts and PILOT payments are accounted for as pass-through transactions and are not included in the revenues or expenses of the Agency. The Agency is responsible for collecting and remitting the funds. However, the taxing authorities bear the risk of loss if the PILOT payments are not paid to the Agency by the respective companies. Total pass-through PILOT payments were approximately \$486,144 for the year ended December 31, 2024.

As part of the program, the Agency generates fees for administering the PILOT agreement. These fees are reported as charges for services in the statement of revenues, expenses, and changes in net position.

INDUSTRIAL REVENUE BOND AND NOTE TRANSACTIONS

Certain industrial development revenue bonds and notes issued by the Agency are secured by property, which is leased to companies and retired by lease payments. The bonds and notes are not obligations of the Agency or the State. The Agency does not record the assets or liabilities resulting from completed bond and note issues in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FRANKLIN COUNTY ECONOMIC DEVELOPMENT CORPORATION

The Franklin County Industrial Development Agency created a Local Development Corporation known as the Franklin County Local Development Corporation (the “Corporation”). In 2021 the name of the Franklin County Local Development Corporation was changed to Franklin County Economic Development Corporation (the “Corporation”). The County of Franklin Industrial Development Agency assigned all the loan repayments from the County Community Development Block Grant (CDBG) Projects to the Corporation for the purpose of establishing a county wide revolving loan fund. Upon the formation of the Corporation, the Agency assigned all of its rights in the CDBG program to the Corporation for collection and administration.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, investments, accounts receivable, accrued interest, accounts payable, and current portion of long-term debt and bonds payable approximated fair market value because of the short maturity of those instruments.

The carrying values of the Agency's long-term debt and bonds payable approximate market value as terms of the debt reflect current market rates and terms.

TAX-EXEMPT STATUS

The Agency is exempt from federal, state, and local income taxes.

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires the Agency to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of Net Position will sometimes report a separate section for deferred outflows and inflows of resources. The separate financial statement element, deferred outflows of resources, represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Outflows and Inflows of resources were:

Deferred Outflow of Resources	\$	105,755
Deferred Inflows of Resources		(45,228)
		\$ 60,527

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 - RELATED PARTIES

The County of Franklin Industrial Development Agency (the “IDA”) is a public benefit corporation that was created in 1970 by the Franklin County Board of Legislators under the provisions of Article 18A of the General Municipal Law to encourage economic growth and prosperity in Franklin County, New York. The Franklin County Economic Development Corporation (the “EDC”) formerly called the Franklin County Local Development Corporation (the “LDC”), was started in 1989 to develop and cultivate a strong economic environment, which supports business and nurtures growth and new investment in the County. The Franklin County Civic Development Corporation (the “CDC”) is a corporation established in 2010 to meet the civic bonding needs of colleges, medical and research facilities, libraries, and other not-for-profit corporations to assist with financing needs. The respective Boards of the IDA, EDC, and CDC are substantially the same and activities are closely related.

NOTE 3 - CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2024 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 145,033	\$ -	\$ (57,944)	\$ 87,089
Construction In Progress	<u>47,856</u>	<u>15,750</u>	<u>(33,906)</u>	<u>29,700</u>
Total cost non-depreciable assets	<u>192,889</u>	<u>15,750</u>	<u>(91,850)</u>	<u>116,789</u>
Capital assets that are depreciated:				
Buildings and Improvements	1,021,441	-	(796,714)	224,727
Furniture & Equipment	<u>13,259</u>	<u>-</u>	<u>(7,692)</u>	<u>5,567</u>
Total cost depreciable assets	<u>1,034,700</u>	<u>-</u>	<u>(804,406)</u>	<u>230,294</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(577,408)	(15,295)	457,358	(135,345)
Furniture & Equipment	<u>(12,544)</u>	<u>(477)</u>	<u>7,692</u>	<u>(5,329)</u>
Total accumulated depreciation	<u>(589,952)</u>	<u>(15,772)</u>	<u>465,050</u>	<u>(140,674)</u>
Net capital assets	<u>\$ 637,637</u>	<u>\$ (22)</u>	<u>\$ (431,206)</u>	<u>\$ 206,409</u>
Right-of-Use Lease Asset	\$ -	\$ 80,231	\$ -	\$ 80,231
Accumulated Amortization	<u>-</u>	<u>(9,360)</u>	<u>-</u>	<u>(9,360)</u>
Total Right-of-Use	<u>\$ -</u>	<u>\$ 70,871</u>	<u>\$ -</u>	<u>\$ 70,871</u>

During the year ended December 31, 2024, the Agency sold a factory in the Town of Bombay and undeveloped land in the Tupper Lake Business Property, realizing a gain of \$53,980. The Agency also disposed of fully depreciated office equipment in the amount of \$7,692.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - RETIREMENT PLAN

PLAN DESCRIPTION

The Agency participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Agency also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 3.5% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2024	\$	37,451
2023	\$	26,832
2022	\$	17,825

The employer contribution rates for the plan's year ending in 2024 are as follows:

Tier/Plan	Rate
4 A15	17.8%

At December 31, 2024, the Agency reported a liability of \$83,749 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - RETIREMENT PLAN (continued)

At December 31, 2024, the Agency's proportion was 0.0005688 percent, which is a 0.0000657 percent increase from the prior year's proportion 0.0005031, measured as of March 31, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the Agency recognized pension expense of \$37,407. At December 31, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,975	\$ 2,284
Changes of Assumptions	31,664	-
Net difference between projected and actual earnings on pension plan investments	-	40,911
Changes in proportion and differences between contributions and proportionate share of contributions	9,665	2,033
Contributions subsequent to the measurement date	<u>37,451</u>	<u>-</u>
Total	<u>\$ 105,755</u>	<u>\$ 45,228</u>

The Agency had \$37,451 in accrued contributions subsequent to the measurement date that are considered deferred outflows of resources that would be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2025	(14,366)
2026	18,001
2027	26,295
2028	(6,854)
2029	-
Thereafter	-

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - RETIREMENT PLAN (continued)

Actuarial Assumptions

The total pension liability (asset) at March 31, 2024 was determined by using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward the total pension liability to March 31, 2024. The actuarial valuation used the following actuarial assumptions:

Significant actuarial assumptions used in the April 1, 2023 valuation were as follows:

Investment rate of return	5.9%	compounded annually, net of investment expenses including inflation
Actuarial cost method	Entry age normal	
Salary scale	4.4%	indexed by service
Cost of living adjustments	1.5%	annually
Inflation rate	2.9%	

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on MP-2021.

The actuarial assumptions used in the April 1, 2022 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2024 are summarized below.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - RETIREMENT PLAN (continued)
Actuarial Assumptions (continued)

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic Equity	32%	4.00%
International Equity	15	6.65
Private Equity	10	7.25
Real Estate	9	4.60
Opportunistic/ARS Portfolio	3	5.25
Credit	4	5.40
Real Asset	3	5.79
Fixed Assets	23	1.50
Cash	1	0.25
	<u>100%</u>	

*Real rates of return are net of a long-term inflation assumption of 2.9%

Discount Rate

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

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

The following presents the Agency's proportionate share of the net pension (asset) calculated using the discount rate of 5.9 percent, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.9 percent) or 1-percentage-point higher (6.9 percent) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Agency's proportionate share of the net pension liability (Asset)	\$ 263,315	\$ 83,479	\$ (66,226)

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - RETIREMENT PLAN (continued)

Pension plan fiduciary net position

The components of the collective net pension liability of ERS and the Agency as of March 31, 2024 measurement date were as follows:

	ERS	Agency
Total pension liability	\$ 240,696,851,000	\$ 1,369,083
ERS fiduciary net position	<u>(225,972,801,000)</u>	<u>(1,285,334)</u>
Employers' net pension liability (asset)	<u>\$ 14,724,050,000</u>	<u>\$ 83,749</u>
ERS fiduciary net position as a		
Percentage of total pension liability (asset)	<u>93.88%</u>	

Employer contribution to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31st. The Agency made an advanced contribution to ERS in December 2024 to take advantage of an offered discount. The contribution covered the ERS retirement year April 1, 2024 to March 31, 2025 and was based on paid ERS wages multiplied by the employers' contribution rate, by tier. As a result the Agency had a prepaid retirement contribution of \$9,363 as of December 31, 2024.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

Grants

The Agency has received grants which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowance and a request for a return of funds.

Study

The Agency has received a total of \$253,808 from New York State Department of Environmental Conservation (NYDEC) regarding its Brownfield Study at the Bombay facility. Upon the future sale or disposal of the site New York State will be required to be repaid after the agency recoups its 10% of costs. The Agency is working through the NYDEC to reduce or waive the repayment requirement.

Deposits Held

The Agency received a deposit of \$50,000 in July 2024 from AES Distributed Energy to cover the legal costs associated with the Brookside Solar Project. At December 31, 2024, \$30,638 is reflected as a liability.

COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
(A Component Unit of Franklin County New York)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 - LEASES

In March 2024, the Agency entered into a rental agreement for 1,431 square feet of commercial space with Citizens Advocates, Inc, a New York Not-for-profit corporation at 360 West Main Street, Malone, New York. The lease term commenced with occupancy in June 2024 for a five-year term. The total amount of the lease assets and the related accumulated amortization are as follows:

Total Intangible Right-of-Use Lease Assets	\$ 80,231
Less: Accumulated Amortization	<u>(9,360)</u>
Carrying Value of Lease Assets	<u>\$ 70,781</u>

The following is a summary of the maturity of long-term lease indebtedness:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ended December 31,			
2025	\$ 14,493	\$ 2,882	\$ 17,375
2026	15,501	2,222	17,723
2027	16,561	1,517	18,078
2028	17,673	765	18,438
2029	<u>7,660</u>	<u>85</u>	<u>7,745</u>
	<u>\$ 71,888</u>	<u>\$ 7,471</u>	<u>\$ 79,359</u>

NOTE 7 – OTHER LEASES

The Agency leases space to tenants under various operating leases on a month to month basis. The leases are cancelable with a stipulation the tenant provides at least thirty (30) days written notice.

NOTE 8 - SUBSEQUENT EVENTS

The Agency has evaluated events and transactions that occurred between December 31, 2024 and March 14, 2025, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF AGENCY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
NEW YORK STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

New York State and Local Employees' Retirement System (ERS)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u> *
Agency's proportion of the net pension liability (asset)	0.0005688 %	0.0005031 %	0.0005289 %	0.0005350 %	0.0005726 %	0.0005187 %	0.0001849 %	0.0003402 %	0.0003563 %	0.000362 %
Agency's proportionate share of the net pension liability (asset)	\$ 83,749	\$ 107,882	\$ (43,232)	\$ 533	\$ 151,632	\$ 36,750	\$ 5,968	\$ 31,964	\$ 57,180	\$ 12,230
Agency's covered-employee payroll	\$ 211,909	\$ 181,375	\$ 138,100	\$ 135,634	\$ 132,348	\$ 126,435	\$ 109,273	\$ 111,919	\$ 123,646	\$ 119,487
Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	39.52%	59.48%	-31.30%	0.39%	114.57%	29.07%	5.46%	28.56%	46.24%	10.24%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

* Note - amounts presented for each fiscal year were determined as of the March 31st measurement date as of the prior fiscal year

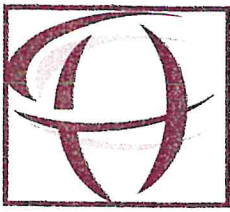
**COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF EMPLOYER CONTRIBUTIONS -
NEW YORK STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

New York State and Local Employees' Retirement System (ERS)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u> *
Contractually required contribution	\$ 37,451	\$ 26,832	\$ 17,825	\$ 24,483	\$ 21,134	\$ 19,809	\$ 17,119	\$ 17,757	\$ 19,616	\$ 23,474
Contributions in relation to the contractually required contribution	37,451	26,832	17,825	24,483	21,134	19,809	17,119	17,757	19,616	23,474
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Agency's covered employee payroll	\$ 211,909	\$ 181,375	\$ 138,100	\$ 135,634	\$ 132,348	\$ 126,435	\$ 109,273	\$ 111,919	\$ 123,646	\$ 119,487
Contributions as a percentage of covered employee payroll	17.67%	14.79%	12.91%	18.05%	15.97%	15.67%	15.67%	15.87%	15.86%	19.65%

* Note - amounts presented for each fiscal year were determined as of the March 31st measurement date as of the prior fiscal year

See paragraph on supplementary schedules included in auditors' report.



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

To the Board of Directors
County of Franklin Industrial Development Agency
(A Component Unit of Franklin County, New York)
Malone, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the County of Franklin Industrial Development Agency, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County of Franklin Industrial Development Agency's basic financial statements, and have issued our report thereon dated, March 14, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Franklin Industrial Development 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Franklin Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Franklin Industrial Development Agency's internal control.

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



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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Franklin Industrial Development 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.

Crowley & Halloran, CPAs, P.C.

March 14, 2025