

GENESEE GATEWAY LOCAL
DEVELOPMENT CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

DRAFT

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

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FINANCIAL SECTION

DRAFT

4 Associate Drive
Oneonta, New York 13820
Phone: (607) 432-8700
Fax: (607) 432-5122



Deborah L. Mostert, CPA
Anthony T. Manzanero, CPA
Mary E. Manzanero, CPA
David E. Brownell, CPA
Jason L. Waite, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Genesee Gateway Local Development Corporation
Batavia, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying consolidated financial statements of Genesee Gateway Local Development Corporation (GGLDC), its wholly owned subsidiary Genesee Agri-Business, LLC (GABLLC) and their discretely presented component units, STAMP Sewer Works, Inc., and STAMP Water Works, Inc. as of and for the year ended December 31, 2024, and the related notes to the consolidated financial statements, which collectively comprise the GGLDC's basic financial statements, as listed in the table of contents.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the respective financial position of the GGLDC as of December 31, 2024, and the respective changes in financial position and cash flows 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GGLDC 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GGLDC'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.

MEMBERS: American Institute of Certified Public Accountants,
New York State Society of Certified Public Accountants, National Conference of CPA Practitioners

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 GGLDC'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; and
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about GGLDC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion & Analysis on pages 4 – 9 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, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the consolidated financial statements that collectively comprise GGLDC's basic financial statements. The accompanying supplementary information on Pages 25 through 28 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and the other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025; on our consideration of GGLDC'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 GGLDC'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 GGLDC's internal control over financial reporting and compliance.

Other Reporting Required by New York State Public Authorities law

In accordance with New York State Public Authorities Law, we have also issued our report dated March 27, 2025, on our consideration of GGLDC's compliance with Section 2925 of New York State Public Authorities Law. The purpose of that report is to determine whether GGLDC obtained and managed its investments in compliance with its own policies and relevant sections of the New York State Public Authorities Law.

Oneonta, New York
March 27, 2025

Mostert, Manzano & Scott, LLP

Genesee Gateway Local Development Corporation Management's Discussion and Analysis Year Ended December 31, 2024

This section of the Genesee Gateway Local Development Corporation's (GGLDC) annual financial report presents our discussion and analysis of the GGLDC's financial performance during the fiscal year that ended on December 31, 2024 and should be read in conjunction with the financial statements and accompanying notes.

Overview of the Financial Statements

This annual financial report is made of two parts: first, management's discussion and analysis and secondly, the basic financial statements. The GGLDC is a 501(c)3 non-profit organization whose mission is to assist local economic development efforts by making real estate development investments to bolster shovel-ready tech and industrial park development and to provide tax and other related financial assistance to commercially viable projects in Genesee County thereby enabling the continued development of a sustainable long-term economy.

GGLDC follows enterprise fund reporting. These statements are presented in a manner similar to a private business, such as a property management company. While detailed sub-fund information is not presented, separate accounts are maintained for each fund to control and manage transactions for specific purposes and to demonstrate that the GGLDC is meeting its contractual obligations.

The financial reporting entity includes organizations, functions, and activities over which appointed officials exercise oversight responsibility.

- The Genesee Agri-Business, LLC (GABLLC) has been included in the reporting entity. The GABLLC is a single member LLC whose only member is the GGLDC. The GABLLC exists to support growth of the local agricultural economy including the development, management and sale of parcels within the Genesee Valley Agribusiness Park (GVAB) located in the Town of Batavia. The GVAB is a shovel ready park dedicated to agricultural and food processing companies. This park is home to Upstate Niagara Cooperative's food processing facility, a food processing support company, Marktec Products, Inc., and a dairy processing plant, HP Hood.
- The STAMP Water Works, Inc. and STAMP Sewer Works, Inc. were formed under Transportation Corporations Law of the State of New York to provide onsite water and sewer services to tenants at WNY STAMP (Science and Technology Advanced Manufacturing Park). The GGLDC is the sole shareholder of both entities. Both the STAMP Water Works, Inc. and STAMP Sewer Works, Inc. have been included in the GGLDC's financial statements as discretely presented component units.

Affiliated Entities

The Genesee County Industrial Development Agency D/B/A Genesee County Economic Development Center (GCEDC), was established by the Genesee County Legislature in 1970 under New York State's General Municipal Law. The GCEDC is a component unit of Genesee County (the County). The GCEDC's mission is to facilitate local economic growth and development which fosters investment and job creation for the benefit of our residents and children. We do this by offering financial assistance, real estate solutions, workforce development programming and placemaking options in order to build back local and regional manufacturing and by supporting the continued growth and success of our local businesses all across Genesee County.

Financial Analysis of the Corporation

	2024	2023	Higher/ (Lower) Prior Year	% Increase (Decrease)
Cash & Cash Equivalents	\$ 7,360,157	\$ 6,317,302	\$ 1,042,855	17%
Total Current Assets	\$ 7,935,682	\$ 7,462,381	\$ 473,301	6%
Land Held for Development & Sale	\$ 3,308,087	\$ 3,521,964	\$ (213,877)	(6%)
Capital Assets, Net	\$ 4,587,979	\$ 4,752,955	\$ (164,976)	(3%)
Lease Receivable - Noncurrent	\$ 1,690,843	\$ 2,025,358	\$ (334,515)	(17%)
Loans Receivable - Noncurrent	\$ 563,167	\$ 777,143	\$ (213,976)	(28%)
Total Current Liabilities	\$ 459,174	\$ 437,294	\$ 21,880	5%
Total Noncurrent Liabilities	\$ 3,742,249	\$ 4,181,726	\$ (439,477)	(11%)
Total Net Position	\$ 12,227,870	\$ 11,713,355	\$ 514,515	4%
Operating Revenues	\$ 1,969,644	\$ 2,486,411	\$ (516,767)	(21%)
Operating Expenses	\$ 1,532,877	\$ 1,538,441	\$ (5,564)	(0.36%)
Net Operating Income	\$ 436,767	\$ 947,970	\$ (511,203)	(54%)

Total current assets increased by \$473,301 (6%) which is mostly attributable to:

- An increase in cash and cash equivalents.
 - The GGLDC received the second payment of approximately \$900K from Plug Power related to a Host Community Investment Agreement to support STAMP development and infrastructure improvements.
 - The GGLDC and GABLLC invested in short-term CDs beginning June 2023, generating significant interest income. Total interest income for 2024 was approximately \$140,000.
- Noncurrent loans receivable decreased. The Freightliner & Western Star Deferred Loan (\$224,500) was forgiven and written off as grant expense in accordance with the terms and conditions of the loan agreement.

Net capital assets decreased by \$164,976 (-3%) due to depreciation expense for the year.

The following table summarizes GGLDC's results of operations for the fiscal years ended December 31, 2024, and 2023 and changes between the years:

	2024	2023	% Increase / (Decrease)
OPERATING REVENUES			
Grant Income	\$ 1,120,228	\$ 1,617,660	(31%)
Loss on Land Held for Development and Sale	\$ (54,423)	\$ -	N/A
Fees	\$ 12,274	\$ 15,308	(20%)
Interest Income on Loans	\$ 42,566	\$ 36,316	17%
Interest Income on Leases	\$ 86,119	\$ 105,078	(18%)
Other Income	\$ 31,778	\$ 20,915	52%
Rent / Lease Revenue	\$ 731,102	\$ 691,134	6%
Total Operating Revenues	<u>\$ 1,969,644</u>	<u>\$ 2,486,411</u>	(21%)
OPERATING EXPENSES			
General & Administrative	\$ 27,896	\$ 26,752	4%
Property Related Expenses	\$ 370,012	\$ 357,819	3%
Site Development	\$ 485,753	\$ -	N/A
Grant Expense	\$ 526,500	\$ 979,703	(46%)
Utilities	\$ 14,500	\$ 17,434	(17%)
Professional Fees	\$ 108,216	\$ 156,733	(31%)
Total Operating Expenses	<u>\$ 1,532,877</u>	<u>\$ 1,538,441</u>	(0.36%)
Net Operating Income	\$ 436,767	\$ 947,970	(54%)
NON-OPERATING REVENUES/(EXPENSES)			
Other Interest Income	\$ 219,726	\$ 173,939	26%
Interest Expense	\$ (141,978)	\$ (152,021)	(7%)
Total Non-Operating Revenues	<u>\$ 77,748</u>	<u>\$ 21,918</u>	255%
Change in Net Position	<u>\$ 514,515</u>	<u>\$ 969,888</u>	(47%)

Decrease in income from grants of \$497,432 (-31%):

- See Grant Income section for details of grant revenue recorded in 2024.

Loss on land held for development and sale of \$54,423 in 2024 is related to 23.3 acres of land sold to MedTech Landing at MedTech Park.

Increase in other income of \$10,863 (52%) is mostly attributable to the sale of the tractor used to maintain the property at MedTech Centre.

Site development expense in 2024 is related to payment made to the Town of Pembroke per a Sewer Supply Agreement in place supporting construction costs of the Corfu wastewater treatment facility expansion.

Grant Income

Grant income in support of corporate park and other development initiatives totaled \$1,120,228 in 2024. The various funding sources for the major grant revenue recognized during the year are described below:

- \$93,000 Annual Community Benefit Agreement payment committed by CNL Income Darien Lake to support infrastructure development in Western Genesee County. Payments occur over 20 years (2008-2027).

- \$125,000 Funding from five solar projects to support Workforce Development Initiatives and the overall Economic Development Program.
- \$900,228 Host Community Investment Agreement with Plug Power to support STAMP development and infrastructure improvements.
- \$2,000 A grant from ESL Federal Credit Union to benefit the Genesee County BEA for Young Dexter Steam Camp. GGLDC accepting sponsorship on the BEA's behalf.

Activities

The activities of the GGLDC are organized on the basis of nine divisions, each of which are internally considered a separate accounting entity. A brief overview of the separate divisions of the GGLDC follows:

The Operating Fund accounts for general administration of the GGLDC.

Gateway II Fund: Gateway II Corporate Park, located in the Town of Batavia, is a 57-acre site that is ideal for distribution, warehouse, light manufacturing, office and construction equipment industries needing quick access to the New York State Thruway. The shovel-ready park is home to Ashley Furniture's distribution center and Gateway GS, LLC that has three of five proposed spec buildings at the site, with two currently under construction. Ashley Furniture purchased an approximate 2-acre parcel and Mega Properties purchased the remaining vacant acreage at the park in 2021.

Buffalo East Fund: The Buffalo East Tech Park (BETP), located in the Town of Pembroke, is a 67-acre site located directly off Exit 48A of the New York State Thruway. Strategic advantages of the park include access to workforce from both the Buffalo and Rochester regions and low-cost hydro-power options for occupants. The GCEDC/GGLDC and the Town of Pembroke, in cooperation with the Village of Corfu, completed the expansion of the wastewater treatment facility's capacity by constructing a new 150,000 gpd treatment plant. Current tenants include Yancey's Fancy and Professional Turf Services. J & R Fancher Specialties, LLC purchased 17 acres in 2022 and has completed a mixed-use facility with first floor retail and a second floor of market-rate apartments.

Ag Park Fund: Genesee Valley Agribusiness Park, located in the Town of Batavia, is a 250-acre agri-business and food processing park focused on attracting food processing and related companies to the site. The park is currently home to HP Hood, Upstate Niagara and Marktec Industries. The park is fully shovel-ready. Several other companies are currently looking at the park for the potential construction/location of their production facilities.

MedTech Park Fund: MedTech Park, located in the Town of Batavia, is a 34-acre corporate park that is home to the Dr. Bruce A. Holm MedTech Centre and YSG Solar's 7-acre community solar farm. MedTech Landing has started construction on the remaining acreage for a market-rate apartment complex.

WNY STAMP Fund: WNY STAMP (Science and Technology Advanced Manufacturing Park) located in the Town of Alabama, is a 1,250-acre advanced manufacturing park located 5 miles north of I-90 Exit 48A.. The GGLDC currently owns 53 acres within the STAMP site. Most of the WNY STAMP site is owned by the GCEDC and development activities are currently being undertaken by the GCEDC.

MedTech Centre Fund: MedTech Centre, located in the Town of Batavia, is a 43,000 square foot building known as the Dr. Bruce A. Holm Upstate MedTech Centre and is located within the 34-acre MedTech Park near Genesee Community College (GCC). GCC's School of Nursing occupies the entire second floor. UMMC's Summit Physical and Occupational Therapy Center is located on the first floor of the building and serves residents of Genesee and surrounding counties. GCEDC and GGLDC offices are also located on the first floor. The remaining available space is available for lease. The GGLDC also has the Innovation Zone space that is available to companies in the community offering office space and video teleconferencing abilities at a low cost. It also creates a welcoming environment for young entrepreneurs to get together, share their ideas and cultivate new business opportunities.

Economic Development Loan Fund: This fund accounts for activity related to a subrecipient agreement between the GCEDC and Genesee County, along with a grant agreement between the GGLDC and Genesee County. GCEDC revolving loan funds have been directed to the GGLDC by Genesee County for the disbursement and administration of approved loans. The GGLDC is using the repayments on those County approved loans to provide additional loans to qualifying businesses.

Batavia Micropolitan Area Redevelopment Fund: This is a loan fund established to foster investments in business districts across the Batavia Micropolitan area which facilitates redevelopment of underutilized buildings and sites.

Capital Assets

The following table summarizes the changes in GGLDC capital assets between fiscal years 2024 and 2023:

Changes in Capital Assets between Fiscal Years 2024 and 2023

Financial Highlights

	2024	2023	Increase / (Decrease)
Furniture & Equipment	\$ 35,949	\$ 46,599	\$ (10,650)
Building and Improvements	\$ 7,281,718	\$ 7,248,620	\$ 33,098
Less Accumulated Depreciation	\$ (2,729,688)	\$ (2,542,264)	\$ (187,424)
Net Capital Assets	\$ 4,587,979	\$ 4,752,955	\$ (164,976)
Land Held for Development & Sale	\$ 3,308,087	\$ 3,521,964	\$ (213,877)

Contacting GGLDC's Financial Management

This financial report is designed to provide our clients and the public with a general overview of the GGLDC's finances and to demonstrate accountability for the resources at its disposal. If you have any questions about this report or need additional financial information, contact the Genesee Gateway Local Development Corporation, 99 MedTech Drive, Batavia, New York, 14020.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

CONSOLIDATED STATEMENT OF NET POSITION
DECEMBER 31, 2024

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	Primary Government	Component Units
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 7,360,157	\$ 54,229
Accounts receivable	16,636	287
Prepaid items	2,899	-
Lease receivable - current portion	334,516	-
Loans receivable - current portion	221,474	-
Total current assets	<u>7,935,682</u>	<u>54,516</u>
Noncurrent assets:		
Lease receivable - noncurrent portion	1,690,843	-
Loans receivable - noncurrent portion (net of \$170,238 allowance for bad debts)	563,167	-
Land held for development and sale	3,308,087	-
Capital assets, net	4,587,979	-
Equity investment - STAMP Sewer & Water, Inc.	275,000	-
Total noncurrent assets	<u>10,425,076</u>	<u>-</u>
Total assets	<u>18,360,758</u>	<u>54,516</u>
LIABILITIES:		
Current liabilities:		
Accounts payable	4,626	61,542
Customer deposit	40,000	2,000
Security deposits payable	108,680	-
Unearned revenue	44,018	-
Bond payable - current portion	161,534	-
Loan payable - current portion	100,316	-
Total current liabilities	<u>459,174</u>	<u>63,542</u>
Noncurrent liabilities:		
Bond payable - noncurrent portion	2,002,830	-
Loan payable - noncurrent portion	1,739,419	-
Total noncurrent liabilities	<u>3,742,249</u>	<u>-</u>
Total liabilities	<u>4,201,423</u>	<u>63,542</u>
Deferred Inflow of Resources:		
Deferred inflow - leases	1,931,465	-
Total deferred inflow of resources	<u>1,931,465</u>	<u>-</u>
NET POSITION:		
Net investment in capital assets	583,880	-
Shareholder's equity - STAMP Sewer, Inc	-	250,000
Shareholder's equity - STAMP Water, Inc	-	25,000
Restricted	289,632	-
Unrestricted	11,354,358	(284,026)
Total net position	<u>\$ 12,227,870</u>	<u>\$ (9,026)</u>

See accompanying notes to the consolidated financial statements.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

CONSOLIDATED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

	Primary Government	Component Units
draft		
OPERATING REVENUES:		
Fees	\$ 12,274	\$ -
Grant income	1,120,228	-
Interest income on loans	42,566	-
Interest income on leases	86,119	-
Lease revenue	550,961	-
Rental income	180,141	-
Other income	31,778	2,698
Loss on sale of land held for development and sale	(54,423)	-
Total operating revenues	<u>1,969,644</u>	<u>2,698</u>
OPERATING EXPENSES:		
Depreciation	198,074	-
Fees and permits	135	50
Grant expense	526,500	-
Insurance	66,007	-
Miscellaneous	26,516	-
Professional fees	108,216	104,323
Site development	485,753	-
Site maintenance	92,571	-
Source of supply	-	2,596
Special district fees	13,360	-
Supplies	1,245	-
Utilities	14,500	-
Total operating expenses	<u>1,532,877</u>	<u>106,969</u>
Operating income (loss)	<u>436,767</u>	<u>(104,271)</u>
NONOPERATING REVENUES (EXPENSES):		
Interest expense	(141,978)	-
Other interest income	219,726	1,690
Total nonoperating revenues	<u>77,748</u>	<u>1,690</u>
Change in net position	514,515	(102,581)
Net position - beginning	<u>11,713,355</u>	<u>93,555</u>
Net position - ending	<u>\$ 12,227,870</u>	<u>\$ (9,026)</u>

See accompanying notes to the consolidated financial statements.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

	Primary Government	Component Units
CASH FLOWS FROM OPERATING ACTIVITIES:		
Connection fees	\$ -	\$ 537
Fees	16,474	-
Grant income	1,120,228	-
Interest income on loans	43,265	-
Interest income on leases	86,119	-
Lease revenue	550,961	-
Rental income	217,165	-
Other income	51,137	-
Proceeds from sale of land, net of related expenses	159,454	-
Water sales	-	2,956
Repayment of loans	573,581	-
Customer deposits returned	-	(2,000)
Fees and permits	(135)	(50)
Grant expense	(530,500)	-
Insurance	(65,571)	-
Miscellaneous expense	(26,517)	-
Professional fees	(110,102)	(112,186)
Security deposit returned	(1,264)	-
Site development	(485,753)	-
Site maintenance	(94,338)	-
Source of supply	-	(2,596)
Special district fees	(13,360)	-
Supplies	(1,245)	-
Utilities	(14,500)	-
Net cash provided (used) by operating activities	<u>1,475,099</u>	<u>(113,339)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Principal payments on bonds and loans	(424,577)	-
Interest paid on bonds and loans	(141,978)	-
Purchase/improvements of capital assets	(79,598)	-
Deferred inflow of lease payments	(14,063)	-
Net cash used by capital and related financing activities	<u>(660,216)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	227,972	1,690
Net cash provided by investing activities	<u>227,972</u>	<u>1,690</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	1,042,855	(111,649)
Cash, cash equivalents and restricted cash - beginning of year	<u>6,317,302</u>	<u>165,878</u>
Cash, cash equivalents and restricted cash - end of year	<u>\$ 7,360,157</u>	<u>\$ 54,229</u>

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GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024 (CONTINUED)

	<u>Primary Government</u>	<u>Component Units</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 436,767	\$ (104,271)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	198,074	-
(Increase) Decrease in accounts receivable	(1,116)	1,574
Decrease in prepaid items	436	-
Decrease in loans receivable	573,581	-
Decrease in land held for development and sale	213,877	-
(Decrease) in accounts payable	(7,501)	(8,642)
(Decrease) in security deposits	(1,264)	-
Increase (Decrease) in customer deposits	20,000	(2,000)
Increase in unearned revenue	42,245	-
Total adjustments	<u>1,038,332</u>	<u>(9,068)</u>
Net cash provided (used) by operating activities, page 11	<u>\$ 1,475,099</u>	<u>\$ (113,339)</u>

See accompanying notes to the consolidated financial statements.

GENESSEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The basic financial statements of the Genesee Gateway Local Development Corporation (the GGLDC) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the GGLDC's accounting policies are described below.

A. REPORTING ENTITY

The GGLDC was created in 2004 with a focus on economic development opportunities related to real estate and corporate park development. The corporation is a public instrumentality formed exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The Genesee County Industrial Development Agency D/B/A Genesee County Economic Development Center (GCEDC) is the sole member of the corporation.

The financial reporting entity includes organizations, functions, and activities over which appointed officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing agency, designation of management, ability to significantly influence operations, and accountability for fiscal matters. Genesee Agri-Business, LLC has been included in the reporting entity as a blended component unit. The GGLDC is the sole shareholder of both the STAMP Sewer Works, Inc. and the STAMP Water Works, Inc. Based on the assessment of management both corporations have been included in the GGLDC as discretely presented component units. The financial statements of the discretely presented component units can be obtained from the office of the GGLDC located at 99 MedTech Drive, Batavia, NY 14020.

The financial reporting entity consists of (a) the primary entity which is the GGLDC, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary entity is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The decision to include a potential unit in the GGLDC's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability, in accordance with U.S. GAAP. Management has determined that the GGLDC is not a component unit of the GCEDC in accordance with U.S. GAAP.

B. BASIS OF PRESENTATION

The GGLDC's basic financial statements consist of three statements that provide information about the GGLDC's activities. The first statement is the consolidated statement of net position which lists all of the GGLDC's assets and liabilities, with the difference reported as net position. The second statement is the consolidated statement of revenues, expenses and changes in net position which details how the GGLDC's net position changed during the current year based on the reporting of the revenues and expenses recognized by the GGLDC. The third statement is the consolidated statement of cash flows which reports the activities that provide or use the cash and cash equivalents of the GGLDC.

The accounts of the GGLDC are organized on the basis of sub-funds or account groups. A separate sub-fund is used to account for each development project and an operating fund is used for all resources over which the board of directors has discretionary control to carry out the operations of the GGLDC. The following sub-funds are used: Operating fund, Gateway II fund, Buffalo East fund, Ag Park fund, Med Tech Park fund, WNY STAMP fund, Med Tech Centre fund, Economic Development Loan fund, and Batavia Micropolitan Area Redevelopment Loan fund.

C. CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

The consolidated financial statements include the accounts of the GGLDC and the Genesee Agri-Business, LLC as a blended component unit and STAMP Sewer Works, Inc. and STAMP Water Works, Inc. as discretely presented component units. All significant intercompany balances and transactions have been eliminated in the

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

accompanying consolidated financial statements. These consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The GGLDC's financial statements are prepared in conformity with accounting principles generally accepted in the United States as applied to government units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The financial statements of the GGLDC are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the GGLDC gives or receives value without directly receiving or giving equal value in exchange, include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

E. NET POSITION

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and related debt.
- b. Restricted - Consists of net positions with constraints on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted - All other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

F. INCOME TAXES

The GGLDC is exempt from federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been made on the accompanying financial statements.

G. CASH AND CASH EQUIVALENTS

The GGLDC's cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

H. ACCOUNTS RECEIVABLE

Accounts receivable are reported at their net realizable value. Generally accepted accounting principles require the establishment of an allowance for uncollectible accounts. No allowance for uncollectible accounts receivable has been provided since management believes that such allowance would not be necessary.

I. LOANS RECEIVABLE

Loans receivable are shown net of the allowance for bad debts in accordance with generally accepted accounting principles. Receivables for loans are reviewed periodically by management to update the provisions for uncollectible amounts. These provisions are estimated based on an analysis of the aging of the receivable and any other factors known by management.

J. DUE TO/FROM OTHER FUNDS

During the course of operations, numerous transactions occur between individual sub-funds that may result in amounts owed between sub-funds. Those related to goods and service type transactions are classified as "due to and from other funds". All balances are eliminated on the Combining Statement of Net Position.

K. LAND HELD FOR DEVELOPMENT AND SALE

Land held for development and sale is valued at cost.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

L. EQUITY INVESTMENT IN GENESEE AGRI-BUSINESS, LLC (GAB, LLC), STAMP SEWER WORKS, INC., AND STAMP WATER WORKS, INC.

The GGLDC utilizes the equity method of accounting for its investment in these respective entities which results in the Equity Investment balance being increased or decreased by any contributions made or distributions to the GGLDC.

M. UNEARNED REVENUE

The GGLDC reports unearned revenue on its statement of net position. Unearned revenue arises when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the GGLDC before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the GGLDC has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

N. 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. The cost of repairs, maintenance and minor replacements is expensed as incurred, whereas expenditures that materially extend property lives are capitalized. When depreciable property is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in income.

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 GGLDC are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Furniture and equipment	\$1,000	straight-line	5-7 years
Buildings and improvements	\$1,000	straight-line	30-40 years

O. STATEMENT OF CASH FLOWS

For the purposes of the consolidated statement of cash flows the GGLDC considers cash and cash equivalents to be all unrestricted and restricted cash accounts including demand accounts and short-term investments with original maturities of three months or less from the date of acquisition.

P. ACCOUNTING PRONOUNCEMENTS

The GGLDC has evaluated GASB Statement No. 100, Accounting Changes and Error Corrections, GASB Statement No. 101, Compensated Absences, and have determined that there is no significant impact for the year ended December 31, 2024, related to these Statements.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following are GASB Statements that have been issued recently and are currently being evaluated, by the GGLDC, for their potential impact in future years.

- Statement No. 102, *Certain Risk Disclosures*, which will be effective for the year ending December 31, 2025.
- Statement No. 103, *Financial Reporting Model Improvements*, which will be effective for the year ending December 31, 2026.
- Statement No. 104, *Disclosure and Classification of Certain Capital Assets*, which will be effective for the year ending December 31, 2026.

Q. USE OF 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, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2. DEPOSITS AND INVESTMENTS

The GGLDC's investment policies are governed by State statutes. In addition, the GGLDC has its own written investment policy. GGLDC monies must be deposited in Federal Deposit Insurance Corporation (FDIC)-insured commercial banks or trust companies located within the State. The GGLDC is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the United States Treasury and its agencies, repurchase agreements and obligations of the State and its localities.

Collateral is required for demand deposits and certificates of deposits 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 and obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

As of December 31, 2024, the GGLDC's and GAB, LLC's cash balances were fully collateralized or covered by FDIC insurance.

Investment and Deposit Policy

The GGLDC follows an investment and deposit policy, 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; 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 GGLDC's Treasurer.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The GGLDC's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

GENESSEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Credit Risk

The GGLDC’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 GGLDC’s investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of the State of New York and its localities.

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 GGLDC’s investment and deposit policy, all deposits of the GGLDC including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The GGLDC restricts the securities to the following eligible items: Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.

- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

NOTE 3. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported on the accompanying consolidated statement of net position that sum to the total of the same such amounts shown in the consolidated statement of cash flows.

	<u>Balance</u>	<u>Balance</u>
	<u>01/01/2024</u>	<u>12/31/2024</u>
Cash and cash equivalents	\$5,638,527	\$ 6,950,646
Cash – With donor restrictions	678,775	409,511
Total cash, cash equivalents and restricted cash	<u>\$6,317,302</u>	<u>\$ 7,360,157</u>

NOTE 4. LOANS RECEIVABLE

The GGLDC provides low interest loans to businesses located in Genesee County in order to encourage economic development. Loans receivable consisted of the following at December 31, 2024:

	<u>Operating Fund Terms</u>	<u>Current</u>	<u>Noncurrent</u>
Kanaley Painting*	Monthly payments for 5 years at 2.25% interest, matured April 2015. The GGLDC is currently working on collecting this loan.	\$ 9,260	\$ -
HP Hood, LLC	Annual payments for 5 years at 0% interest, maturing March 2027.	73,400	146,800
Upstate Niagara Cooperative, Inc	Annual payments for 5 years at 0% interest, maturing August 2027.	<u>73,400</u>	<u>146,800</u>
Subtotal – Operating Fund		<u>156,060</u>	<u>293,600</u>

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

		<u>Economic Development Loan Fund</u>	<u>Current</u>	<u>Noncurrent</u>
Liberti, Valvo & Associates, LLC (#2)	Monthly payments for 10 years at Prime Rate adjusted annually in January with a floor of 3%, maturing July 2030.		8,576	52,916
Fraser-Branche Property, LLC	Monthly payments for 10 years at Prime Rate adjusted annually in January with a floor of 3%, maturing June 2031.		12,217	93,817
LNK Holdings, Inc	Monthly payments for 10 years at Prime Rate adjusted annually in January with a floor of 3%, maturing January 2032.		<u>11,259</u>	<u>90,278</u>
Subtotal – Economic Development Loan Fund			<u>32,052</u>	<u>237,011</u>
		<u>Batavia Metropolitan Area Redevelopment Loan Fund</u>	<u>Current</u>	<u>Noncurrent</u>
Batavia Brewing Company, LLC	Payments of interest only for 12 months, thereafter monthly payments for 9 years at 3.4% interest, maturing January 2028.		17,719	38,905
JRR Fancher Property Holdings, LLC	Monthly payments for 10 years at Prime Rate, adjusted annually in January with a floor of 3%, maturing June 2033.		<u>15,643</u>	<u>163,889</u>
Subtotal – Batavia Metropolitan Area Redevelopment Loan Fund			<u>33,362</u>	<u>202,794</u>
Total Loans Receivable			<u>\$ 221,474</u>	<u>\$ 733,405</u>

*Loan acquired from Genesee County Chamber of Commerce in March 2019.

The GGLDC estimated an allowance for bad debts in the Operating Fund of \$170,238, which is considered by management to be sufficient for any losses. Through evaluation of outstanding loan receivables in other funds, there is no additional allowance for doubtful accounts as of December 31, 2024.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****NOTE 5. CAPITAL ASSETS**

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

	Balance <u>01/01/2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2024</u>
Capital assets being depreciated				
Building and improvements	\$ 7,248,620	\$ 33,098	\$ -	\$ 7,281,718
Furniture and equipment	<u>46,599</u>	<u>-</u>	<u>10,650</u>	<u>35,949</u>
Total capital assets being depreciated	<u>7,295,219</u>	<u>33,098</u>	<u>10,650</u>	<u>7,317,667</u>
Less accumulated depreciation:				
Building and improvements	2,498,895	196,593	-	2,695,488
Furniture and equipment	<u>43,369</u>	<u>1,481</u>	<u>10,650</u>	<u>34,200</u>
Total accumulated depreciation	<u>2,542,264</u>	<u>198,074</u>	<u>10,650</u>	<u>2,729,688</u>
Total capital assets being depreciated, net	\$ <u>4,752,955</u>	\$ <u>(164,976)</u>	\$ <u>-</u>	\$ <u>4,587,979</u>

NOTE 6. LAND HELD FOR DEVELOPMENT AND SALE

Land held for development and sale activity for the year ended December 31, 2024 was as follows:

	Balance <u>01/01/2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2024</u>
GGLDC	\$ 2,182,234	\$ -	\$ 213,877	\$ 1,968,357
GAB, LLC	<u>1,339,730</u>	<u>-</u>	<u>-</u>	<u>1,339,730</u>
Total	\$ <u>3,521,964</u>	\$ <u>-</u>	\$ <u>213,877</u>	\$ <u>3,308,087</u>

NOTE 7. UNEARNED REVENUE

The GGLDC leases space in the Med Tech Centre building to the GCEDC, Genesee Community College and United Memorial Medical Center. At December 31, 2024, rent received in advance totaled \$40,459.

The GGLDC leases property to YSG Community Solar, LLC. At December 31, 2024, rent received in advance totaled \$1,061.

Interest received in advance related to GGLDC loans receivable totaled \$1,199 at December 31, 2024.

The GAB, LLC leases property to Firstlight Fiber, Inc. At December 31, 2024, rent received in advance totaled \$1,299.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8. LINE OF CREDIT

In February 2011, the GGLDC obtained a revolving line of credit from Five Star Bank for \$700,000. The line carries an interest rate equal to prime rate, with a floor of 4%. Collateral consists of a first lien position General Security Agreement on all business assets of the GGLDC and a second lien position General Security Agreement on all business assets of GCEDC, a related entity.

At December 31, 2024, there was no funds drawn against the line of credit.

NOTE 9. LOANS PAYABLE

Upon completion of construction of the MedTech Centre building in 2010, the GGLDC converted a construction loan into permanent financing. Permanent financing consists of a loan payable to the United States Department of Agriculture and two bonds payable to Five Star Bank (See Note 9). The debt is secured by the MedTech Centre building, along with any fixtures within.

The loan payable to the United States Department of Agriculture, with an original amount of \$3,000,000, is due in monthly installments of \$14,340 with an interest rate of 4%, maturing September 2040, or until paid in full. Net land sale proceeds of \$159,936 from a sale at Med Tech Park and Med Tech Centre were applied to this loan during 2024, shortening the term. At December 31, 2024, there was a balance of \$1,839,735. Current maturities of loans payable are as follows for the years ending December 31:

<u>Year ending December 31:</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 100,316	\$ 71,763
2026	104,404	67,676
2027	108,657	63,423
2028	113,084	58,996
2029	117,691	54,389
2030-2034	664,407	195,993
2035-2039	631,176	52,506
Total	<u>\$ 1,839,735</u>	<u>\$ 564,746</u>

NOTE 10. BONDS PAYABLE

In September 2010, the GGLDC closed on two bonds with Five Star Bank providing permanent financing related to construction of the MedTech Centre building.

The following is a summary of bonds with a corresponding maturity schedule:

<u>Description</u>	<u>Date Issued</u>	<u>Amount</u>	<u>Interest Rate*</u>	<u>Date of Final Maturity</u>	<u>Balance at 12/31/2024</u>
MedTech Centre – Taxable	09/10	\$1,078,095	3.16%	09/35	\$ 634,360
MedTech Centre – Tax Exempt	09/10	\$2,821,905	2.52%	09/35	<u>1,530,004</u>
					<u>\$ 2,164,364</u>
<u>Year ending December 31:</u>		<u>Principal</u>			<u>Interest</u>
2025		\$ 161,534			\$ 53,458
2026		181,827			52,711
2027		186,876			47,662
2028		191,944			42,594
2029		197,401			37,137
2030-2034		1,072,395			100,295
2035		172,387			1,959
Total		<u>\$ 2,164,364</u>			<u>\$ 335,816</u>

* In September 2020, interest rates on both bonds were adjusted.

GENESSEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11. RELATED PARTY TRANSACTIONS

The GGLDC has related party relationships with the Genesee County Industrial Development Agency D/B/A Genesee County Economic Development Center (GCEDC), the Genesee Agri-Business, LLC (GAB, LLC), STAMP Sewer Works, Inc. and STAMP Water Works, Inc.

The GAB, LLC was formed in December 2007 to engage in business that furthers the development of the Genesee Valley Agri-Business Park. The GGLDC is the sole member of the GAB, LLC.

The STAMP Sewer Works, Inc. and the STAMP Water Works, Inc. were formed in January 2021 to engage in the water and sewer operations at the STAMP site located in the Town of Alabama, New York. The GGLDC is the sole shareholder of both the STAMP Sewer Works, Inc. and the STAMP Water Works, Inc.

The GCEDC leases office space from the GGLDC. A lease agreement was entered into in July 2009 to occupy 3,100 square feet of office space at the Med Tech Centre building. The term of the lease is for 15 years commencing in June 2010, upon substantial completion of the building. This lease was amended in October 2015 to include an additional 1,400 square feet of space. As of January 2024, the monthly rent rate was \$1,648. At December 31, 2024, the GGLDC held a \$2,832 security deposit from the GCEDC as required by the lease agreement.

The GGLDC granted \$300,000 to the GCEDC in 2024 to support the continuing economic development program.

The GCEDC is a co-borrower on a \$3,000,000 loan to the GGLDC from the United States Department of Agriculture received on September 3, 2010. The loan has an interest rate of 4% and a term of 30 years. There was an outstanding balance of \$1,839,735 at December 31, 2024.

The GCEDC is a co-borrower on a \$700,000 line of credit that the GGLDC obtained from Five Star Bank in 2011. The line carries an interest rate equal to prime rate, with a floor of 4%. At December 31, 2024, there were no funds drawn against this line.

The GGLDC is a guarantor on four loans totaling \$5,196,487 to the GCEDC from Empire State Development. The loans have a 0% interest rate with no principal payment due for the first five years. At the end of the fifth year, Empire State Development could make a determination as to whether to (1) require a full principal balloon payment; (2) waive the obligation to repay the loans; or (3) extend the loans for another five year term with payment terms to be determined. These loans have been extended with a new maturity date of May 2026.

NOTE 12. DARIEN LAKE PROJECT

In consideration of significant economic incentives and community support provided by Genesee County to the owners/operators of Darien Lake theme park, in February 2008, Darien Lake committed to funding a Community Benefit Agreement ("CBA") totaling \$1,832,000 over twenty years to the GGLDC in support of infrastructure development and deployment for the public benefit. The CBA commenced October 1, 2008. A \$93,000 payment was received in 2024. Payments of \$93,000 will be received annually from 2025 through 2027.

NOTE 13. EQUITY INVESTMENT

The GGLDC owns 100% interest in the GAB, LLC. The GGLDC's equity investment in the GAB, LLC as of December 31, 2024 is \$2,562,240.

The GGLDC is the sole shareholder of both the STAMP Sewer Works, Inc. and the STAMP Water Works, Inc. The GGLDC made an equity investment for the year in these entities in the amount of \$250,000 and \$25,000, respectively.

GENESSEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14. NET POSITION

Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted:

Net investment in capital assets – This category groups all capital assets into one component of net assets. Accumulated depreciation and debt used to fund capital asset purchases reduce the balance in this category. The following presents a reconciliation of capital assets (net of accumulated depreciation), to net investment in capital assets:

Capital assets, net of accumulated depreciation	\$ 4,587,979
Loans payable	(1,839,735)
Bonds payable	<u>(2,164,364)</u>
Net investment in capital assets	<u>\$ 583,880</u>

Restricted net position – assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

- *Restricted for Med Tech Centre* – represents funds required to be set aside for replacement/repair fund by an outside regulatory agency.
- *Restricted for Buffalo East* – represents funds remaining of the payments received towards the CBA with Darien Lake.

Unrestricted net position – This category represents net position of the GGLDC not restricted for any project or other purpose.

NOTE 15 – LEASES

The GGLDC and GAB, LLC are lessors for leases of real estate. The GGLDC and GAB, LLC recognize a lease receivable and a deferred inflow of resources in the consolidated financial statements.

At the commencement of a lease, the GGLDC and GAB, LLC initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as a revenue over the life of the lease term.

Key estimates and judgements include how the GGLDC and GAB, LLC determine 1) the discount rate used to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts.

The GGLDC and GAB, LLC do not have a set Incremental Rate of Return (IRR) for their real estate leases. In lieu of an IRR, the GGLDC and GAB, LLC calculate an implicit borrowing rate (IBR) using rates from US Treasuries based on lease term.

The lease term includes the non-cancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The GGLDC and GAB, LLC monitor changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The total amount of inflows of resources, including lease revenue of \$537,015 and \$13,946 and interest revenue of \$84,529 and \$1,590, respectively, was recognized during the fiscal year.

The future lease receipts under lease agreements are as follows (in thousands):

Maturity Analysis Lease	GGLDC		GAB, LLC		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 320,056	\$ 66,726	\$ 14,460	\$ 1,387	\$ 334,516	\$ 68,113
2026	125,676	59,607	14,989	1,175	140,665	60,782
2027	131,134	53,409	15,530	957	146,664	54,366
2028	136,823	48,988	16,087	730	152,910	49,718
2029	142,749	43,333	16,658	495	159,407	43,828
2030 – 2034	811,722	122,957	17,244	252	828,966	123,209
2035 – 2039	150,671	16,632	-	-	150,671	16,632
2040 – 2044	81,402	8,237	-	-	81,402	8,237
2045 – 2046	30,158	859	-	-	30,158	859
Total	\$ 1,930,391	\$ 420,748	\$ 94,968	\$ 4,996	\$ 2,025,359	\$ 425,744

The total consolidated principal and interest at December 31, 2024 is \$2,451,103.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 27, 2024, which is the date the financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

SUPPLEMENTARY INFORMATION

DRAFT

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF NET POSITION
DECEMBER 31, 2024

draft

	Primary Government				Component Units		
	Genesee Gateway Local Development Corporation	Genesee Agri- Business LLC	Eliminations	Total	STAMP Sewer Works, Inc.	STAMP Water Works, Inc.	Total
ASSETS:							
Current assets:							
Cash and cash equivalents	\$ 4,477,020	\$ 2,883,137	\$ -	\$ 7,360,157	\$ 37,309	\$ 16,920	\$ 54,229
Accounts receivable	16,636	-	-	16,636	-	287	287
Prepaid items	2,899	-	-	2,899	-	-	-
Lease receivable - current portion	320,056	14,460	-	334,516	-	-	-
Loans receivable - current portion	221,474	-	-	221,474	-	-	-
Total current assets	<u>5,038,085</u>	<u>2,897,597</u>	<u>-</u>	<u>7,935,682</u>	<u>37,309</u>	<u>17,207</u>	<u>54,516</u>
Noncurrent assets:							
Lease receivable - noncurrent portion	1,610,335	80,508	-	1,690,843	-	-	-
Loans receivable- noncurrent portion (net of \$170,238 allowance for bad debts)	563,167	-	-	563,167	-	-	-
Land held for development and sale	1,968,357	1,339,730	-	3,308,087	-	-	-
Capital assets, net	4,587,979	-	-	4,587,979	-	-	-
Equity investment in GAB, LLC	2,562,240	-	(2,562,240)	-	-	-	-
Equity investment - STAMP Sewer & Water, Inc.	275,000	-	-	275,000	-	-	-
Total noncurrent assets	<u>11,567,078</u>	<u>1,420,238</u>	<u>(2,562,240)</u>	<u>10,425,076</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>16,605,163</u>	<u>4,317,835</u>	<u>(2,562,240)</u>	<u>18,360,758</u>	<u>37,309</u>	<u>17,207</u>	<u>54,516</u>
LIABILITIES:							
Current liabilities:							
Accounts payable	4,626	-	-	4,626	60,184	1,358	61,542
Customer deposit	-	40,000	-	40,000	-	2,000	2,000
Security deposits payable	108,680	-	-	108,680	-	-	-
Unearned revenue	42,719	1,299	-	44,018	-	-	-
Bond payable - current portion	161,534	-	-	161,534	-	-	-
Loan payable - current portion	100,316	-	-	100,316	-	-	-
Total current liabilities	<u>417,875</u>	<u>41,299</u>	<u>-</u>	<u>459,174</u>	<u>60,184</u>	<u>3,358</u>	<u>63,542</u>
Noncurrent liabilities:							
Bond payable - noncurrent portion	2,002,830	-	-	2,002,830	-	-	-
Loan payable - noncurrent portion	1,739,419	-	-	1,739,419	-	-	-
Total noncurrent liabilities	<u>3,742,249</u>	<u>-</u>	<u>-</u>	<u>3,742,249</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>4,160,124</u>	<u>41,299</u>	<u>-</u>	<u>4,201,423</u>	<u>60,184</u>	<u>3,358</u>	<u>63,542</u>
Deferred Inflow of Resources:							
Deferred inflow - leases	1,836,497	94,968	-	1,931,465	-	-	-
Total deferred inflow of resources	<u>1,836,497</u>	<u>94,968</u>	<u>-</u>	<u>1,931,465</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION:							
Net investment in capital assets	583,880	-	-	583,880	-	-	-
Shareholder's equity	-	-	-	-	250,000	25,000	275,000
Restricted	289,632	-	-	289,632	-	-	-
Unrestricted	9,735,030	4,181,568	(2,562,240)	11,354,358	(272,875)	(11,151)	(284,026)
Total net position	<u>\$ 10,608,542</u>	<u>\$ 4,181,568</u>	<u>\$ (2,562,240)</u>	<u>\$ 12,227,870</u>	<u>\$ (22,875)</u>	<u>\$ 13,849</u>	<u>\$ (9,026)</u>

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

draft

	Primary Government				Component Units		
	Genesee Gateway Local Development Corporation	Genesee Agri- Business LLC	Eliminations	Total	STAMP Sewer Works, Inc.	STAMP Water Works, Inc.	Total
OPERATING REVENUES:							
Fees	\$ 3,030	\$ 9,244	\$ -	\$ 12,274	\$ -	\$ -	\$ -
Grant income	1,120,228	-	-	1,120,228	-	-	-
Interest income on loans	42,566	-	-	42,566	-	-	-
Interest income on leases	84,529	1,590	-	86,119	-	-	-
Lease revenue	537,015	13,946	-	550,961	-	-	-
Rental income	138,141	42,000	-	180,141	-	-	-
Other income	11,778	20,000	-	31,778	-	2,698	2,698
Loss on sale of land held for development and sale	(54,423)	-	-	(54,423)	-	-	-
Total operating revenues	<u>1,882,864</u>	<u>86,780</u>	<u>-</u>	<u>1,969,644</u>	<u>-</u>	<u>2,698</u>	<u>2,698</u>
OPERATING EXPENSES:							
Depreciation	198,074	-	-	198,074	-	-	-
Fees and permits	110	25	-	135	25	25	50
Grant expense	526,500	-	-	526,500	-	-	-
Insurance	66,007	-	-	66,007	-	-	-
Miscellaneous	26,516	-	-	26,516	-	-	-
Professional fees	108,216	-	-	108,216	98,023	6,300	104,323
Site development	485,753	-	-	485,753	-	-	-
Site maintenance	92,571	-	-	92,571	-	-	-
Source of supply	-	-	-	-	-	2,596	2,596
Special district fees	8,789	4,571	-	13,360	-	-	-
Supplies	1,245	-	-	1,245	-	-	-
Utilities	14,500	-	-	14,500	-	-	-
Total operating expenses	<u>1,528,281</u>	<u>4,596</u>	<u>-</u>	<u>1,532,877</u>	<u>98,048</u>	<u>8,921</u>	<u>106,969</u>
Operating income (loss)	<u>354,583</u>	<u>82,184</u>	<u>-</u>	<u>436,767</u>	<u>(98,048)</u>	<u>(6,223)</u>	<u>(104,271)</u>
NONOPERATING REVENUES (EXPENSES):							
Interest expense	(141,978)	-	-	(141,978)	-	-	-
Other interest income	139,980	79,746	-	219,726	1,144	546	1,690
Total nonoperating revenues (expenses)	<u>(1,998)</u>	<u>79,746</u>	<u>-</u>	<u>77,748</u>	<u>1,144</u>	<u>546</u>	<u>1,690</u>
Change in net position	352,585	161,930	-	514,515	(96,904)	(5,677)	(102,581)
Net position - beginning	10,255,957	4,019,638	(2,562,240)	11,713,355	74,029	19,526	93,555
Net position - ending	<u>\$ 10,608,542</u>	<u>\$ 4,181,568</u>	<u>\$ (2,562,240)</u>	<u>\$ 12,227,870</u>	<u>\$ (22,875)</u>	<u>\$ 13,849</u>	<u>\$ (9,026)</u>

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2024

draft

	Operating Fund	Gateway II Fund	Buffalo East Fund	Ag Park Fund	Med Tech Park Fund	WNY STAMP Fund	Med Tech Centre Fund	Economic Development Loan Fund	Batavia Micropolitan Area Redevelopment Loan Fund	Total
ASSETS:										
Current assets:										
Cash and cash equivalents	\$ 578,926	\$ -	\$ 95,029	\$ -	\$ -	\$ 1,733,925	\$ 1,097,835	\$ 615,063	\$ 356,242	\$ 4,477,020
Accounts receivable	-	16	-	-	-	-	16,620	-	-	16,636
Prepaid items	2,899	-	-	-	-	-	-	-	-	2,899
Due from (to) other funds	-	-	-	71,748	-	(71,748)	-	-	-	-
Lease receivable - current portion	-	-	-	-	7,268	-	312,788	-	-	320,056
Loans receivable - current portion	156,060	-	-	-	-	-	-	32,052	33,362	221,474
Total current assets	737,885	16	95,029	71,748	7,268	1,662,177	1,427,243	647,115	389,604	5,038,085
Noncurrent assets:										
Lease receivable - noncurrent portion	-	-	-	-	262,487	-	1,347,848	-	-	1,610,335
Loans receivable - noncurrent portion (net of \$170,238 allowance for bad debts)	123,362	-	-	-	-	-	-	237,011	202,794	563,167
Land held for development and sale	-	185,010	1,297,077	4,150	80,426	161,281	240,413	-	-	1,968,357
Capital assets, net:										
Furniture and equipment	-	-	-	3,742	-	-	32,207	-	-	35,949
Buildings and improvements	-	-	-	-	-	-	7,281,718	-	-	7,281,718
Less: accumulated depreciation	-	-	-	(3,207)	-	-	(2,726,481)	-	-	(2,729,688)
Total capital assets, net	-	-	-	535	-	-	4,587,444	-	-	4,587,979
Equity investment in GAB, LLC	-	-	-	2,562,240	-	-	-	-	-	2,562,240
Equity investment in STAMP Sewer, Inc.	-	-	-	-	-	250,000	-	-	-	250,000
Equity investment in STAMP Water, Inc.	-	-	-	-	-	25,000	-	-	-	25,000
Total noncurrent assets	123,362	185,010	1,297,077	2,566,925	342,913	436,281	6,175,705	237,011	202,794	11,567,078
Total assets	861,247	185,026	1,392,106	2,638,673	350,181	2,098,458	7,602,948	884,126	592,398	16,605,163
LIABILITIES:										
Current liabilities:										
Accounts payable	-	-	-	-	-	-	4,626	-	-	4,626
Security deposits payable	-	-	-	-	-	-	108,680	-	-	108,680
Unearned revenue	-	-	-	-	1,061	-	40,459	1,199	-	42,719
Bond payable - current portion	-	-	-	-	-	-	161,534	-	-	161,534
Loan payable - current portion	-	-	-	-	-	-	100,316	-	-	100,316
Total current liabilities	-	-	-	-	1,061	-	415,615	1,199	-	417,875
Noncurrent Liabilities										
Bond payable - noncurrent portion	-	-	-	-	-	-	2,002,830	-	-	2,002,830
Loan payable - noncurrent portion	-	-	-	-	-	-	1,739,419	-	-	1,739,419
Total noncurrent liabilities	-	-	-	-	-	-	3,742,249	-	-	3,742,249
Total liabilities	-	-	-	-	1,061	-	4,157,864	1,199	-	4,160,124
Deferred Inflow of Resources:										
Deferred inflow - leases	-	-	-	-	269,755	-	1,566,742	-	-	1,836,497
Total deferred inflow of resources	-	-	-	-	269,755	-	1,566,742	-	-	1,836,497
NET POSITION:										
Net investment in capital assets	-	-	-	535	-	-	583,345	-	-	583,880
Restricted	-	-	95,029	-	-	-	194,603	-	-	289,632
Unrestricted	861,247	185,026	1,297,077	2,638,138	79,365	2,098,458	1,100,394	882,927	592,398	9,735,030
Total net position	\$ 861,247	\$ 185,026	\$ 1,392,106	\$ 2,638,673	\$ 79,365	\$ 2,098,458	\$ 1,878,342	\$ 882,927	\$ 592,398	\$ 10,608,542

GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION

SUPPLEMENTARY INFORMATION
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2024

draft

	Operating Fund	Gateway II Fund	Buffalo East Fund	Ag Park Fund	Med Tech Park Fund	WNY STAMP Fund	Med Tech Centre Fund	Economic Development Loan Fund	Batavia Micropolitan Area Redevelopment Loan Fund	Total
OPERATING REVENUES:										
Fees	\$ -	\$ -	\$ 3,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,030
Grant income	127,000	-	93,000	-	-	900,228	-	-	-	1,120,228
Interest income on loans	183	-	-	-	-	-	-	24,276	18,107	42,566
Interest income on leases	-	-	-	-	5,671	-	78,858	-	-	84,529
Lease revenue	-	-	-	-	6,876	-	530,139	-	-	537,015
Rental income	-	822	-	-	-	-	137,319	-	-	138,141
Other income	-	-	-	-	-	-	11,778	-	-	11,778
Gain (loss) on sale of land held for development and sale	-	-	-	-	10,812	-	(65,235)	-	-	(54,423)
Total operating revenues	<u>127,183</u>	<u>822</u>	<u>96,030</u>	<u>-</u>	<u>23,359</u>	<u>900,228</u>	<u>692,859</u>	<u>24,276</u>	<u>18,107</u>	<u>1,882,864</u>
OPERATING EXPENSES:										
Depreciation	-	-	-	535	-	-	197,539	-	-	198,074
Fees and permits	-	-	-	100	-	-	10	-	-	110
Grant expense	526,500	-	-	-	-	-	-	-	-	526,500
Insurance	38,657	562	1,043	1,551	-	29	24,165	-	-	66,007
Miscellaneous	26,516	-	-	-	-	-	-	-	-	26,516
Professional fees	16,100	-	-	-	-	-	92,116	-	-	108,216
Site development	-	-	485,753	-	-	-	-	-	-	485,753
Site maintenance	-	-	-	13,430	-	-	79,141	-	-	92,571
Special district fees	-	218	470	-	1,014	377	6,710	-	-	8,789
Supplies	-	-	-	-	-	-	1,245	-	-	1,245
Utilities	-	-	-	-	-	-	14,500	-	-	14,500
Total operating expenses	<u>607,773</u>	<u>780</u>	<u>487,266</u>	<u>15,616</u>	<u>1,014</u>	<u>406</u>	<u>415,426</u>	<u>-</u>	<u>-</u>	<u>1,528,281</u>
Operating income (loss)	(480,590)	42	(391,236)	(15,616)	22,345	899,822	277,433	24,276	18,107	354,583
NONOPERATING REVENUES (EXPENSES):										
Interfund revenues	44,744	780	1,513	15,182	1,391	406	144,929	-	-	208,945
Interfund expenses	(44,272)	(806)	(3,030)	(2,300)	(158,537)	-	-	-	-	(208,945)
Interest expense	-	-	-	-	-	-	(141,978)	-	-	(141,978)
Other interest income	22,402	-	3,322	-	-	44,420	31,452	24,499	13,885	139,980
Total nonoperating revenues (expenses)	<u>22,874</u>	<u>(26)</u>	<u>1,805</u>	<u>12,882</u>	<u>(157,146)</u>	<u>44,826</u>	<u>34,403</u>	<u>24,499</u>	<u>13,885</u>	<u>(1,998)</u>
Change in net position	(457,716)	16	(389,431)	(2,734)	(134,801)	944,648	311,836	48,775	31,992	352,585
Net position - beginning	1,318,963	185,010	1,781,537	2,641,407	214,166	1,153,810	1,566,506	834,152	560,406	10,255,957
Net position - ending	<u>\$ 861,247</u>	<u>\$ 185,026</u>	<u>\$ 1,392,106</u>	<u>\$ 2,638,673</u>	<u>\$ 79,365</u>	<u>\$ 2,098,458</u>	<u>\$ 1,878,342</u>	<u>\$ 882,927</u>	<u>\$ 592,398</u>	<u>\$ 10,608,542</u>

INTERNAL CONTROL AND COMPLIANCE

DRAFT

4 Associate Drive
Oneonta, New York 13820
Phone: (607) 432-8700
Fax: (607) 432-5122
www.mmscpas.com



MOSTERT, MANZANERO & SCOTT, LLP
Certified Public Accountants

Deborah L. Mostert, CPA
Anthony T. Manzanero, CPA
Mary E. Manzanero, CPA
David E. Brownell, CPA
Jason L. Waite, CPA

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
Genesee Gateway Local Development Corporation
Batavia, 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 consolidated financial statements of Genesee Gateway Local Development Corporation ("GGLDC"), its wholly owned subsidiary, Genesee Agri-Business, LLC ("GAB, LLC") and their discretely presented component units, Stamp Sewer Works, Inc. and Stamp Water Works, Inc. as of and for the year ended December 31, 2024, and the related notes to the consolidated financial statements, which collectively comprise GGLDC's basic financial statements, and have issued our report thereon dated March 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered GGLDC'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of GGLDC's internal control. Accordingly, we do not express an opinion on the effectiveness of GGLDC'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 consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether GGLDC's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 GGLDC'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.

Mistert, Manzanero & Scott, LLP

Oneonta, New York
March 27, 2025

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4 Associate Drive
Oneonta, New York 13820
Phone: (607) 432-8700
Fax: (607) 432-5122
www.mmscpas.com



MOSTERT, MANZANERO & SCOTT, LLP
Certified Public Accountants

Deborah L. Mostert, CPA
Anthony T. Manzanero, CPA
Mary E. Manzanero, CPA
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH INVESTMENT GUIDELINES FOR PUBLIC AUTHORITIES**

To the Board of Directors
Genesee Gateway Local Development Corporation
Batavia, New York

We have examined the Genesee Gateway Local Development Corporation's (GGLDC) compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law (collectively, the "Investment Guidelines") for the year ended December 31, 2024. Management of GGLDC is responsible for the GGLDC's compliance with the specified requirements. Our responsibility is to express an opinion on GGLDC's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether GGLDC complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether GGLDC complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination of GGLDC's compliance with specified requirements.

In our opinion, GGLDC complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2024.

This report is intended solely for the information and use of the Board of Directors, management and others within GGLDC and the New York State Authorities Budget Office, and is not intended to be and should not be used by anyone other than these specified parties.

Mostert, Manzanero & Scott, LLP

Oneonta, New York
March 27, 2025

MEMBERS: American Institute of Certified Public Accountants, New York State Society of Certified Public Accountants

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