

**COUNTY OF MONROE
INDUSTRIAL DEVELOPMENT AGENCY**

**A Discretely Presented Component Unit
of the County of Monroe**

ROCHESTER, NEW YORK

BASIC FINANCIAL STATEMENTS

For Years Ended December 31, 2025 and 2024



**BUSINESS
ADVISORS
AND CPAS**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
County of Monroe Industrial
Development Agency
A Discretely Presented Component Unit of the County of Monroe
Rochester, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the County of Monroe Industrial Development Agency (COMIDA), A Discretely Presented Component Unit of the County of Monroe, Rochester, New York as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise COMIDA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of COMIDA as of December 31, 2025 and 2024, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

The County of Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the COMIDA'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 COMIDA'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 COMIDA's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of COMIDA's proportionate share of the net pension liability, and schedule of COMIDA's contributions on pages 4–7 and 27–28 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 April 28, 2026 on our consideration of COMIDA'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 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 COMIDA's internal control over financial reporting and compliance.

Mengel, Metzger, Barw & Co. LLP

Fairport, New York
April 28, 2026

**County of Monroe Industrial Development Agency
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York**

Management's Discussion and Analysis (MD&A)

December 31, 2025

INTRODUCTION

Our discussion and analysis of the County of Monroe Industrial Development Agency (COMIDA), A Discretely Presented Component Unit of the County of Monroe, Rochester, New York 's financial performance provides an overview of COMIDA's financial activities for the year ended December 31, 2025. It should be read in conjunction with the basic financial statements to enhance understanding of COMIDA's financial performance, which immediately follows this section.

FINANCIAL HIGHLIGHTS

- COMIDA's net position was \$17,368,084 at the end of 2025 as compared to \$18,998,413 at the end of 2024.
- COMIDA's total operating revenues were \$1,429,103 in 2025 as compared to \$5,108,402 in 2024.
- COMIDA's total operating expenses were \$4,041,801 in 2025 as compared to \$4,889,723 in 2024.
- COMIDA's total nonoperating revenues were \$6,062,235 in 2025 as compared to \$2,825,464 in 2024.
- COMIDA's change in net position was (\$1,630,329) in 2025 as compared to \$1,017,447 in 2024.

OVERVIEW OF FINANCIAL STATEMENTS

The statement of net position and the statement of revenue, expenses, and changes in net position report information about COMIDA as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report COMIDA's net position and changes in net position from one year to the next. COMIDA's net position, the difference between assets and liabilities, are one way to measure COMIDA's financial position or health. Over time, increases or decreases in COMIDA's net position is one indicator of whether its financial health is improving or deteriorating. Consideration should also be given to other factors, such as non-restricted current assets, and changes in COMIDA's fee income and expenses to assess the overall health of COMIDA.

NOTES TO FINANCIAL STATEMENTS

The financial statements also include notes that explain the information in the financial statements. They are essential to a full understanding of the data provided in the financial statements.

SUMMARY AND ANALYSIS OF OPERATIONS AND CHANGES IN NET POSITION

The analysis below summarizes the statement of net position and changes in net position of COMIDA for the years ended December 31, 2025, 2024, and 2023.

Net Position

<u>ASSETS</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Current Assets	\$ 21,938,554	\$ 19,833,862	\$ 12,877,765
Noncurrent Assets	5,713,214	4,903,223	5,906,138
Capital Assets	12,683	8,184	-
Total Assets	\$ 27,664,451	\$ 24,745,269	\$ 18,783,903
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	\$ 150,041	\$ 195,009	\$ 260,511
<u>LIABILITIES</u>			
Current Liabilities	\$ 10,192,402	\$ 5,631,938	\$ 727,521
Noncurrent Liabilities	231,455	189,116	303,487
Total Liabilities	\$ 10,423,857	\$ 5,821,054	\$ 1,031,008
<u>DEFERRED INFLOWS OF RESOURCES</u>	\$ 22,551	\$ 120,811	\$ 32,440
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 12,683	\$ 8,184	\$ -
Unrestricted-Operating	17,355,401	18,990,229	17,980,966
Total Net Position	\$ 17,368,084	\$ 18,998,413	\$ 17,980,966

During 2025, current assets increased by \$2,104,692 because of a reallocation of excess cash and cash equivalents to Treasury investments during the year.

During 2025, current liabilities increased by \$4,560,464 because of undistributed funding received during the year relating to the New York State Empire Development Corporation's FAST NY Shovel-Ready (FAST NY) Grant Program. These represent future obligations of the organization.

During 2024, current assets increased by \$6,956,097 because of a reallocation of excess cash and cash equivalents to Treasury investments during the year, as well as the undistributed funding received during the year relating to the New York State Empire Development Corporation's FAST NY Shovel-Ready (FAST NY) Grant Program.

During 2024, current liabilities increased by \$4,904,417 because of the undistributed funding received during the year relating to the FAST NY Grant Program, which is included in unearned revenue.

Changes in Net Position

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Revenues:			
Fee Income	\$ 892,819	\$ 4,677,616	\$ 5,913,875
APEX Income	536,284	430,786	464,689
Grant Revenue	5,079,866	2,026,696	-
Interest Income	796,270	798,768	425,046
Gain on disposal of land held for sale	186,099	-	-
Total Revenues	\$ 7,491,338	\$ 7,933,866	\$ 6,803,610
Expenses:			
Program & Community Development	\$ 2,629,557	\$ 3,455,310	\$ 2,674,113
Salaries	540,375	511,714	384,898
Professional Services	245,293	442,569	506,055
Payroll Taxes & Employee Benefits	193,371	200,954	202,309
Rent	58,875	58,875	58,875
Travel, Meetings & Entertainment	12,508	13,266	10,491
Office Supplies & Postage	14,975	15,387	24,738
Advertising & Promotion	12,460	15,338	12,363
Dues & Subscriptions	53,419	23,089	24,991
Staff Development	78,968	24,896	19,315
Depreciation	-	360	-
Grant Expense	5,079,866	2,026,696	-
Other	202,000	127,965	3,443
Total Expenses	\$ 9,121,667	\$ 6,916,419	\$ 3,921,591
Change in Net Position	\$ (1,630,329)	\$ 1,017,447	\$ 2,882,019
Net Position - Beginning of Year	18,998,413	17,980,966	15,098,947
Net Position - End of Year	\$ 17,368,084	\$ 18,998,413	\$ 17,980,966

During 2025, total revenue decreased by \$442,528 primarily due to grant revenue recognized in conjunction with the FAST NY Grant Program plus gain related to the disposal of land held for sale. This was offset by much lower fee income received during 2025.

During 2025, total expenses increased by \$2,205,248 primarily due to grant expense recognized in conjunction with the FAST NY Grant Program. This was offset by slightly lower funds disbursed under the Workforce Development Modernization Plan and related program expenses.

During 2024, total revenue increased by \$1,130,256 primarily due to grant revenue recognized in conjunction with the FAST NY Grant Program, as well as increased interest income resulting from a higher allocation into Treasury investments. This was offset by slightly lower fee income received during 2024.

During 2024, total expenses increased by \$2,994,828 primarily due to growth of the Workforce Development Modernization Plan and related program expense, as well as grant expense recognized in conjunction with the FAST NY Grant Program.

Future Factors

COMIDA relies extensively upon project fees and bond fees to generate most of its annual revenue. As a result of uncertain economic conditions, COMIDA's ability to generate fees to support the operations may be impacted in the future.

Requests for Information

This financial report is designed to provide a general overview of the County of Monroe Industrial Development Agency's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

County of Monroe Industrial Development Agency
A Discretely Presented Component Unit
of the County of Monroe
City Place, Suite 1150
50 West Main Street
Rochester, New York 14614

COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York

STATEMENT OF NET POSITION

December 31, 2025 and 2024

<u>ASSETS:</u>	<u>2025</u>	<u>2024</u>
<u>Current Assets -</u>		
Cash and cash equivalents	\$ 10,042,417	\$ 10,243,959
APEX receivable	150,987	60,542
Prepaid expenses	27,202	20,989
Investment in US Treasury	11,717,948	9,508,372
Total Current Assets	\$ 21,938,554	\$ 19,833,862
<u>Noncurrent Assets -</u>		
Investment in US Treasury	\$ 5,713,214	\$ 4,278,223
Assets held for sale	-	625,000
Total Noncurrent Assets	\$ 5,713,214	\$ 4,903,223
<u>Capital Assets -</u>		
Equipment	\$ 52,485	\$ 45,276
Accumulated depreciation	(39,802)	(37,092)
Total Capital Assets	\$ 12,683	\$ 8,184
TOTAL ASSETS	\$ 27,664,451	\$ 24,745,269
<u>DEFERRED OUTFLOW OF RESOURCES:</u>	\$ 150,041	\$ 195,009
<u>LIABILITIES:</u>		
<u>Current Liabilities -</u>		
Accounts payable	\$ 170,071	\$ 352,232
Accrued expenses	532,815	185,490
Unearned revenue	9,439,083	5,045,095
Compensated Absences	50,433	49,121
Total Current Liabilities	\$ 10,192,402	\$ 5,631,938
<u>Noncurrent Liabilities -</u>		
Net pension liability	\$ 204,867	\$ 173,986
Compensated Absences	26,588	15,130
Total Noncurrent Liabilities	\$ 231,455	\$ 189,116
TOTAL LIABILITIES	\$ 10,423,857	\$ 5,821,054
<u>DEFERRED INFLOW OF RESOURCES:</u>	\$ 22,551	\$ 120,811
<u>NET POSITION:</u>		
Net investment in capital assets	\$ 12,683	\$ 8,184
Unrestricted - Operating	17,355,401	18,990,229
TOTAL NET POSITION	\$ 17,368,084	\$ 18,998,413

(The accompanying notes are an integral part of the financial statements)

**COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For Years Ended December 31, 2025 and 2024

<u>OPERATING REVENUES:</u>	<u>2025</u>	<u>2024</u>
Fee income	\$ 892,819	\$ 4,677,616
APEX income	536,284	430,786
TOTAL OPERATING REVENUES	<u>\$ 1,429,103</u>	<u>\$ 5,108,402</u>
<u>EXPENSES:</u>		
Program and Community Development Expenses -		
Community development	\$ 2,214,432	\$ 3,040,185
Program support	415,125	415,125
Total Program and Community Development Expenses	<u>\$ 2,629,557</u>	<u>\$ 3,455,310</u>
Operating Expenses -		
Salaries	\$ 540,375	\$ 511,714
Professional services	245,293	442,569
Payroll taxes and employee benefits	193,371	200,954
Rent	58,875	58,875
Travel, meetings and entertainment	12,508	13,266
Office supplies and postage	14,975	15,387
Advertising and promotion	12,460	15,338
Dues and subscriptions	53,419	23,089
Staff development	78,968	24,896
Other	202,000	128,325
Total Operating Expenses	<u>\$ 1,412,244</u>	<u>\$ 1,434,413</u>
TOTAL EXPENSES	<u>\$ 4,041,801</u>	<u>\$ 4,889,723</u>
OPERATING (LOSS) INCOME	<u>\$ (2,612,698)</u>	<u>\$ 218,679</u>
<u>NONOPERATING REVENUES (EXPENSES):</u>		
Grant expense	\$ (5,079,866)	\$ (2,026,696)
Grant revenue	5,079,866	2,026,696
Gain on disposal of land held for sale	186,099	-
Interest income	796,270	798,768
TOTAL NONOPERATING REVENUES	<u>\$ 982,369</u>	<u>\$ 798,768</u>
CHANGE IN NET POSITION	\$ (1,630,329)	\$ 1,017,447
NET POSITION - BEGINNING OF YEAR	<u>18,998,413</u>	<u>17,980,966</u>
NET POSITION - END OF YEAR	<u>\$ 17,368,084</u>	<u>\$ 18,998,413</u>

(The accompanying notes are an integral part of the financial statements)

COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York

STATEMENT OF CASH FLOWS

For Years Ended December 31, 2025 and 2024

<u>Cash Flows From Operating Activities:</u>	<u>2025</u>	<u>2024</u>
Cash received from customers	\$ 1,338,658	\$ 5,199,094
Cash paid to employees for services	(747,647)	(660,523)
Cash paid to suppliers for goods and services	(521,296)	(875,318)
Cash paid for program and community development	(2,629,557)	(3,455,310)
Net Cash (Used In) Provided By Operating Activities	<u>\$ (2,559,842)</u>	<u>\$ 207,943</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>		
Purchases of capital assets	\$ (7,209)	\$ (8,544)
Proceeds from disposal of land held for sale	811,099	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ 803,890</u>	<u>\$ (8,544)</u>
<u>Cash Flows From Non Capital Financing Activities:</u>		
Grant funds received	\$ 9,439,793	\$ 7,071,791
Grant funds disbursed	(5,037,086)	(2,026,696)
Net Cash Provided By Non-Capital Financing Activities	<u>\$ 4,402,707</u>	<u>\$ 5,045,095</u>
<u>Cash Flows From Investing Activities:</u>		
Interest income	\$ 388,913	\$ 203,345
Investments in US Treasuries	(3,237,210)	(841,740)
Net Cash (Used In) Investing Activities	<u>\$ (2,848,297)</u>	<u>\$ (638,395)</u>
Net (Decrease) Increase in Cash	\$ (201,542)	\$ 4,606,099
Cash and Cash Equivalents - Beginning of Year	10,243,959	5,637,860
Cash and Cash Equivalents - End of Year	<u>\$ 10,042,417</u>	<u>\$ 10,243,959</u>
<u>Reconciliation of Operating (Loss) Income to Net Cash (Used In) Provided By Operating Activities</u>		
Change in Net Position	<u>\$ (2,612,698)</u>	<u>\$ 218,679</u>
Adjustments to Reconcile Change in Net Position to		
<u>Net Cash (Used In) Provided By Operations:</u>		
Depreciation	\$ 2,711	\$ 360
Change in assets and liabilities -		
Deferred inflows and outflows of resources	(53,292)	153,873
APEX receivable	(90,445)	80,850
Accounts receivable	-	10,318
Prepaid expense	(6,213)	(1,088)
Accounts payable	(182,162)	208,949
Accrued expenses	347,325	(358,818)
Unearned revenue	(8,719)	(476)
Compensated absences	12,770	24,797
Net pension asset/ liability	30,881	(129,501)
Total Adjustments to Reconcile Change in Net Position to		
Net Cash (Used In) Provided By Operations	<u>\$ 52,856</u>	<u>\$ (10,736)</u>
Net Cash (Used In) Provided By Operating Activities	<u>\$ (2,559,842)</u>	<u>\$ 207,943</u>
<u>NON-CASH TRANSACTIONS:</u>		
Fair value adjustments on treasury investments	<u>\$ 251,435</u>	<u>\$ 479,633</u>

(The accompanying notes are an integral part of the financial statements)

COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

I. Summary of Significant Accounting Policies:

A. Basis of Accounting

The financial statements of the County of Monroe Industrial Development Agency (COMIDA), A Discretely Presented Component Unit of the County of Monroe, Rochester, New York, have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as set forth by Governmental Accounting Standards Board (GASB) for proprietary funds. The more significant of the government's accounting policies are described below.

B. Financial Reporting Entity

1. Primary Government

On June 6, 1972, COMIDA, was established by a special act of the County Legislature under the New York State Industrial Development Act of 1969. COMIDA's purpose is to provide, develop, encourage, and assist existing and new businesses to acquire, construct, reconstruct, improve, maintain, equip, and furnish facilities in the County of Monroe and Rochester, New York area.

COMIDA is a discretely presented component unit of the County of Monroe, Rochester, New York (County of Monroe) and is a New York State not-for-profit public benefit corporation.

2. Related Entities

COMIDA is related through common managerial and operational personnel with Monroe County Industrial Development Corporation which is also involved in promoting economic development in the County of Monroe. COMIDA also works together with other organizations related to the County of Monroe to promote economic development.

C. Basis of Presentation

GASB requires the reporting of net position into three classifications defined as follows:

- 1. Net investment in capital assets** – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- 2. Restricted net position**- This component of net position consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. At December 31, 2025 and 2024, COMIDA does not have restricted net position.

(I.) (Continued)

3. **Unrestricted net position** – This component of net position consists of net position that does not meet the definition of “net investment in capital assets” or “restricted”.

When both restricted and unrestricted resources are available for use, it is COMIDA’s policy to use restricted resources first, and then unrestricted resources as needed.

D. Nature of Activities

COMIDA administers programs that assist local businesses in obtaining long-term financing for property and equipment. This is accomplished through two types of transactions, a lease-leaseback or issuance of an industrial development bond. COMIDA also funds various community development activities, which provide economic benefits for the County of Monroe.

1. **Lease-Leaseback**

In a lease-leaseback transaction, the lessee (local business) negotiates the terms and conditions of a financing arrangement with a bank or other commercial lender. COMIDA obtains title to, possession, and/or control of the property financed and enters into a lease agreement with the lessee for a term equal to the lesser of the term of the financing or the benefit period. The rent from the lease includes debt service payments to the lender and is paid directly by the lessee to the lender.

2. **Industrial Development Bonds**

The transaction for a bond issue is similar to a lease-leaseback except that COMIDA issues tax-exempt or taxable bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers back to the private-sector entity served by the bond issuance. COMIDA is not obligated in any manner for repayment of the bonds at any time. Accordingly, related property is not reported as assets, and the bonds are not reported as liabilities in the accompanying financial statements.

The terms of these transactions generally provide for reductions in property taxes paid by recipients of the financing in return for commitments to provide jobs and other economic benefits for the County of Monroe.

As of December 31, 2025, there were 19 series of Industrial Development Bonds outstanding with an approximate aggregate amount payable of approximately \$673 million.

E. Cash and Investments

Cash includes cash on hand, demand deposits, money market funds, and savings accounts.

Investments are reported at fair value based on quoted market prices. Investment income, including changes in the fair value of investments, is reported in operations.

F. Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. Generally accepted accounting principles require the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method. Amounts for which no payments have been received for several months are considered delinquent and when customary collection efforts are exhausted, the amount is written-off.

(I.) (Continued)

G. Capital Assets

Assets purchased or acquired with a useful life exceeding one year and an original cost in excess of \$2,500 are capitalized. Donated capital assets are recorded at fair value at the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs for repairs and maintenance are expensed as incurred. COMIDA depreciates assets on the straight-line basis over estimated useful lives ranging from 3 to 10 years.

H. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

I. Compensated Absences/Accrued Liabilities

Pursuant to resolutions of COMIDA's Board, COMIDA employees are entitled to accrue a limited number of days of unused sick and vacation time. Accrued sick and vacation time is based on the number of years of employment with COMIDA. An individual who leaves the employment of COMIDA may be paid for unused vacation time earned but not sick time. Unused vacation time is recorded as a liability when earned.

J. Revenue Recognition

Operating revenue consists of revenue from fees earned on transactions. For the various tax abatement programs, which provide tax incentives to businesses, the fees are: (i) .50% of total project costs for sales tax exemption and/or mortgage recording tax exemption; (ii) .75% of total project costs for real property tax abatement, sales tax exemption and mortgage recording tax exemption and (iii) 1.25% for taxable or tax-exempt bond issuances. Fee income is recorded as revenue when the transaction closes, regardless of when the related cash is received by COMIDA. For projects that receive the sales tax exemption in advance of closing, 25% of the total fee due is paid to COMIDA by the project applicant and is recognized as revenue when the sales tax exemption is issued. COMIDA defines non-operating revenue as interest earnings and other items not directly related to providing economic development directly to a beneficiary.

K. Program and Community Development Expenses

Program and community development expenses represent amounts committed to fund program and community development projects as determined by the Board. Program and community development expenses are recognized when paid; Board determinations, when made, are merely budgetary in nature and therefore are not enforceable. Actual payments are based on COMIDA operating results.

L. Income Taxes

COMIDA is a not-for-profit public benefit corporation and is exempt from income taxes under the Internal Revenue Code.

(I.) (Continued)

COMIDA is exempt from Federal reporting requirements under Internal Revenue Service Revenue Procedure 98-48, 1992 C.B. 418 as a governmental unit or affiliate of a governmental unit as described in the procedure.

M. Use of Estimates

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

N. New Accounting Standards

COMIDA has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At December 31, 2025, COMIDA implemented the following new standards issued by GASB:

GASB has issued Statement 102, *Certain Risk Disclosures*.

O. Future Changes in Accounting Standards

GASB has issued Statement 103, *Financial Reporting Model Improvements*, which will be effective for fiscal years beginning after June 15, 2025.

GASB has issued Statement 104, *Disclosure of Certain Capital Assets*, which will be effective for fiscal years beginning after June 15, 2025.

GASB has issued Statement 105, *Subsequent Events*, which will be effective for fiscal years beginning after June 15, 2026.

COMIDA is currently studying these statements and plans on adoption as required.

II. Deposits with Financial Institutions and Investments:

A. Policies

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

COMIDA monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within and authorized to do business in New York State. Collateral is required for deposits and certificates of deposit not covered by FDIC insurance.

B. Interest Rate Risk

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

(II.) (Continued)

C. **Credit Risk**

COMIDA'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. COMIDA's investment and deposit policy authorizes the reporting entity to purchase the following types of investments.

1. Obligations of the United States of America;
2. Obligations where payment of principal and interest are guaranteed by the United States of America;
3. Obligations of the State of New York;
4. Special time deposit accounts;
5. Certificates of deposit

D. **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 COMIDA's investment and deposit policy, all deposits of COMIDA including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured in the following manner:

1. Pledge of eligible securities with an aggregate market value equal to the aggregate amount of deposits;
2. Eligible irrevocable letter of credit issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any;
3. Eligible surety bond payable to the government for an amount of at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

E. **Cash**

At December 31, 2025 and 2024, COMIDA's cash was covered by FDIC insurance, or by eligible securities held in COMIDA's name by a third-party custodial bank or by the bank's trust department. COMIDA's deposits consisted of the following at December 31:

	2025	
	Bank Balance	Carrying Amount
Demand deposits	\$ 9,925,997	\$ 10,039,519
Time deposits	2,898	2,898
Total	\$ 9,928,895	\$ 10,042,417
	2024	
	Bank Balance	Carrying Amount
Demand deposits	\$ 5,709,472	\$ 5,709,472
Time deposits	4,534,437	4,534,487
Total	\$ 10,243,909	\$ 10,243,959

(II.) (Continued)

These deposits were insured or collateralized as follows:

	<u>2025</u>	<u>2024</u>
FDIC insurance	\$ 500,000	\$ 500,000
Collateralized by third-party	9,428,895	9,743,909
Total	<u>\$ 9,928,895</u>	<u>\$ 10,243,909</u>

F. **Fair Value of Investments**

COMIDA's investments are recorded at fair value. Investments held at December 31 were as follows:

<u>2025</u>				
		<u>Investment Maturity</u>		
<u>Investments</u>	<u>Fair Value</u>	<u>Within 1 Year</u>	<u>In More Than 1 Year</u>	<u>Total</u>
US Treasury Notes	\$ 16,985,751	\$ 11,272,537	\$ 5,713,214	\$ 16,985,751
US Treasury Bill	445,411	445,411	-	445,411
	<u>\$ 17,431,162</u>	<u>\$ 11,717,948</u>	<u>\$ 5,713,214</u>	<u>\$ 17,431,162</u>

<u>2024</u>				
		<u>Investment Maturity</u>		
<u>Investments</u>	<u>Fair Value</u>	<u>Within 1 Year</u>	<u>In More Than 1 Year</u>	<u>Total</u>
US Treasury Notes	\$ 13,786,595	\$ 9,508,372	\$ 4,278,223	\$ 13,786,595
	<u>\$ 13,786,595</u>	<u>\$ 9,508,372</u>	<u>\$ 4,278,223</u>	<u>\$ 13,786,595</u>

United States Treasury obligations are considered level 1 investments. COMIDA categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to ensure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

III. Capital Assets:

Capital asset activity for the year ended December 31, 2025 was as follows:

<u>Type</u>	<u>Balance</u> <u>01/01/25</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/25</u>
<u>Capital assets being depreciated:</u>				
Office equipment	\$ 26,825	\$ -	\$ -	\$ 26,825
Furniture and fixtures	16,051	7,210	-	23,261
Leasehold Improvements	2,400	-	-	2,400
<i>Total capital assets being depreciated</i>	<u>\$ 45,276</u>	<u>\$ 7,210</u>	<u>\$ -</u>	<u>\$ 52,486</u>
<u>Less accumulated depreciation for:</u>				
Office equipment	\$ (26,825)	\$ -	\$ -	\$ (26,825)
Furniture and fixtures	(10,200)	(2,551)	-	(12,751)
Leasehold Improvements	(67)	(160)	-	(227)
<i>Total accumulated depreciation</i>	<u>\$ (37,092)</u>	<u>\$ (2,711)</u>	<u>\$ -</u>	<u>\$ (39,803)</u>
<i>Capital assets, net</i>	<u>\$ 8,184</u>	<u>\$ 4,499</u>	<u>\$ -</u>	<u>\$ 12,683</u>

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

<u>Type</u>	<u>Balance</u> <u>01/01/24</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/24</u>
<u>Capital assets being depreciated:</u>				
Office equipment	\$ 26,825	\$ -	\$ -	\$ 26,825
Furniture and fixtures	9,908	6,143	-	16,051
Leasehold Improvements	-	2,400	-	2,400
<i>Total capital assets being depreciated</i>	<u>\$ 36,733</u>	<u>\$ 8,543</u>	<u>\$ -</u>	<u>\$ 45,276</u>
<u>Less accumulated depreciation for:</u>				
Office equipment	\$ (26,825)	\$ -	\$ -	\$ (26,825)
Furniture and fixtures	(9,908)	(292)	-	(10,200)
Leasehold Improvements	-	(67)	-	(67)
<i>Total accumulated depreciation</i>	<u>\$ (36,733)</u>	<u>\$ (359)</u>	<u>\$ -</u>	<u>\$ (37,092)</u>
<i>Capital assets, net</i>	<u>\$ -</u>	<u>\$ 8,184</u>	<u>\$ -</u>	<u>\$ 8,184</u>

IV. Assets Held for Resale:

On January 30, 2015 COMIDA purchased 130.29 acres of land from Monroe County for \$1,369,000. The purchase amount was the appraised value of the land at September 29, 2014 as a result of a third party appraisal. COMIDA purchased this land with the intent to redevelop the property to maximize its positive attributes in order to sell the property. During 2025, COMIDA sold it's remaining 52.02 acres of land valued at \$625,000 for a sale price of \$912,227.

V. **Long-Term Debt:**

Long-term debt activity for the year ended December 31 was as follows:

	<u>1/1/2025</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2025</u>	<u>Current Portion</u>	<u>Noncurrent Portion</u>
Compensated Absences	\$ 64,251	\$ 12,770 *	\$ -	\$ 77,021	\$ 50,433	\$ 26,588
Unfunded Pension	173,986	30,881	-	204,867	-	204,867
Total Long-Term Debt	\$ 238,237	\$ 43,651	\$ -	\$ 281,888	\$ 50,433	\$ 231,455

	<u>1/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2024</u>	<u>Current Portion</u>	<u>Noncurrent Portion</u>
Compensated Absences	\$ 39,454	\$ 24,797 *	\$ -	\$ 64,251	\$ 49,121	\$ 15,130
Unfunded Pension	303,487	-	129,501	173,986	-	173,986
Total Long-Term Debt	\$ 342,941	\$ 24,797	\$ 129,501	\$ 238,237	\$ 49,121	\$ 189,116

* The change in compensated absences liability is presented as a net change.

VI. **General Information and Pension Plans:**

A. **General Information About Pension Plan**

1. **Plan Description**

COMIDA participates in the New York State Local Employees' Retirement System (ERS). This is a cost sharing multiple employer defined benefit retirement system. 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 fiduciary 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. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. 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. COMIDA 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 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, New York 12244.

2. **Benefits Provided**

The System provides retirement benefits as well as death and disability benefits.

Tier 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

(VI.) (Continued)

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tier 3, 4, 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4, and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of wages earned in the three highest consecutive years. For Tier 3, 4, and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age of Tier 6 is 63 and ERS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with five or more years of service can retire as early as 55 with reduced benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

(VI.) (Continued)

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS and PFRS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5, and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

3. 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 (ERS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years 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' financial year ending March 31. Contributions for the two preceding years were equal to 100 percent of the contributions required, and were as follows:

(VI.) (Continued)

Prepayment	
<u>Due Date</u>	<u>ERS</u>
12/15/2025	\$ 75,095
12/15/2024	\$ 56,135
12/15/2023	\$ 46,088

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At December 31, 2025, COMIDA reported a liability of \$204,867 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. COMIDA's proportion of the net pension liability was based on a projection of COMIDA's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2025, COMIDA's proportion was 0.0011949% for ERS.

For the year ended December 31, 2025 COMIDA recognized pension expense of \$47,943. At December 31, 2025, COMIDA 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	\$ 50,849	\$ 2,399
Changes of assumptions	8,592	-
Net difference between projected and actual earnings on pension plan investments	16,073	-
Changes in proportion and differences between COMIDA's contributions and proportionate share of contributions	18,206	20,152
Subtotal	\$ 93,720	\$ 22,551
COMIDA's contributions subsequent to the measurement date	56,321	-
Grand Total	\$ 150,041	\$ 22,551

(VI.) (Continued)

For the year ended **December 31, 2024** COMIDA recognized pension expense of \$77,954. At **December 31, 2024**, COMIDA 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	\$ 56,041	\$ 4,744
Changes of assumptions	65,780	-
Net difference between projected and actual earnings on pension plan investments	-	84,991
Changes in proportion and differences between COMIDA's contributions and proportionate share of contributions	31,087	31,076
Subtotal	\$ 152,908	\$ 120,811
COMIDA's contributions subsequent to the measurement date	42,101	-
Grand Total	\$ 195,009	\$ 120,811

COMIDA reported \$56,321 as deferred outflows of resources related to pensions resulting from COMIDA contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year</u>	<u>Amount</u>
2026	\$ 40,762
2027	49,414
2028	(21,241)
2029	2,234
Total	\$ 71,169

1. Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

(VI.) (Continued)

	<u>2025</u>	<u>2024</u>
Measurement date	March 31, 2025	March 31, 2024
Actuarial valuation date	April 1, 2024	April 1, 2023
Interest rate	5.90%	5.90%
Salary scale	4.30%	4.40%
Decrement tables	April 1, 2015- March 31, 2020 System's Experience	April 1, 2011- March 31, 2015 System's Experience
Inflation rate	2.90%	2.90%
COLA's	1.50%	1.50%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

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 each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

	<u>Long Term Expected Rate of Return</u>			
	<u>ERS</u>	<u>ERS</u>	<u>2025</u>	<u>2024</u>
Measurement date	March 31, 2025	March 31, 2024	<u>Target Allocation</u>	<u>Target Allocation</u>
<u>Asset Type -</u>				
Domestic equity	3.54%	4.00%	25.00%	32.00%
International equity	6.57%	6.65%	14.00%	15.00%
Private equity	7.25%	7.25%	15.00%	10.00%
Real estate	4.95%	4.60%	12.00%	9.00%
Opportunistic portfolios	5.25%	5.25%	3.00%	3.00%
Real assets	5.55%	5.79%	4.00%	3.00%
Cash	0.25%	0.25%	1.00%	1.00%
Fixed income	2.00%	1.50%	22.00%	23.00%
Credit	5.40%	5.40%	4.00%	4.00%

The real rate of return is net of the long-term inflation assumption of 2.9% for 2025 and 2.9% for 2024.

(VI.) (Continued)

2. **Discount Rate**

The discount rate used to calculate the total pension liability 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 Systems' 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.

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

The following presents COMIDA's proportionate share of the net pension liability calculated using the discount rate of 5.90%, as well as what COMIDA's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.90%) or 1-percentage point higher (6.90%) than the current rate for 2025:

	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ (592,912)	\$ (204,867)	\$ 119,150

The following presents COMIDA's proportionate share of the net pension liability calculated using the discount rate of 5.90%, as well as what COMIDA's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.90%) or 1-percentage point higher (6.90%) than the current rate for 2024:

	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ (547,030)	\$ (173,986)	\$ 137,583

(VI.) (Continued)

4. **Pension Plan Fiduciary Net Position**

The components of the current year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows for December 31:

	<u>2025</u>	<u>2024</u>
	<u>(In Millions)</u>	<u>(In Millions)</u>
	<u>ERS</u>	<u>ERS</u>
Measurement date	March 31, 2025	March 31, 2024
Employers' total pension liability	\$ (247,600)	\$ (240,697)
Plan net position	230,454	225,973
Employers' net pension asset/(liability)	<u>\$ (17,146)</u>	<u>\$ (14,724)</u>
Ratio of plan net position to the employers' total pension asset/(liability)	93.08%	93.88%

VII. **Section 457 Deferred Compensation Plan**

Employees of COMIDA may elect to participate in the NYS Public Employees Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan is available to all employees and permits the employee to defer a portion of their salary until future years, usually after retirement. At December 31, 2025 and 2024 and 2024 the value of the Plan was \$290,997 and \$275,290, respectively.

VIII. **Monroe County Finger Lakes APEX Accelerator**

Under its Monroe County Finger Lakes APEX Accelerator, COMIDA, as the host agency for APEX, receives grants from the United States Department of Defense, and Monroe County. For the years ended December 31, 2025 and 2024, respectively, COMIDA recognized APEX income of \$536,284 and \$430,786 and corresponding expenses recorded in accordance with their natural classifications in the accompanying statement of revenues, expenses, and changes in net position.

IX. **Commitments**

A. **Community Development**

In 2009, COMIDA entered into an agreement with Greater Rochester Enterprise, Inc. to promote local and economic development efforts. COMIDA contributed \$105,000 and \$50,000 to this organization in 2025 and 2024. COMIDA expects to contribute \$110,000 in 2026.

In 2021, COMIDA signed an agreement with Monroe Community College to fund the MPower Program from October 2021 through September 2024, committing to \$1.5M. The MPower Program was created to provide educational and training opportunities aligned with current and future job openings in high demand industries and provide County employers access to employee training and a pool of newly skilled workers seeking a career. In 2024 COMIDA contributed \$617,566. COMIDA entered into a new agreement to fund MPower from October 2024 through December 2025, committing to \$750,000. In 2025 COMIDA contributed \$619,593. COMIDA entered into an agreement to fund MPower from January 2026 through December 2026 and expects to contribute \$500,000 in 2026.

(IX.) (Continued)

In 2022, COMIDA entered into an initial agreement with YAMTEP, Inc. to provide workforce development services through its manufacturing training program. In 2025 and 2024, COMIDA contributed \$325,000 and \$420,000 respectively. In 2025, COMIDA entered into a new agreement extending the project until December 2026. COMIDA expects to contribute \$300,000 in 2026.

B. Management Services – Related Party

Annually, COMIDA enters into an agreement with the County of Monroe for program support and rent provided to COMIDA. The agreement required a payment in the amount of \$474,000 and \$474,000 for 2025 and 2024, respectively. COMIDA expects to pay \$490,000 for these services in 2026.

C. Pass Through Grant

COMIDA was awarded \$20 million through New York State Empire Development Corporation's FAST NY Shovel-Ready Grant Program. During the years ended December 31, 2025 and 2024, COMIDA received \$9,439,793 of grant funds and distributed \$5,037,086 to participating companies. COMIDA reports unearned revenue for grant funds received but not yet distributed at year end.

X. Related Parties

A. Monroe County – Comprehensive Plan

On January 1, 2022, COMIDA entered into a contract with Monroe County, which stated that COMIDA agrees to pay the County a sum of \$200,000 for costs and expenses to be incurred for the preparation of the Comprehensive Plan. This agreement was for the period June 1, 2021 through May 31, 2023. A contract amendment was signed, extending the period through December 31, 2026 and increasing the total sum to \$333,895. There were no contributions made by COMIDA in 2024 or 2025 for this project.

XI. Commitments and Contingencies:

A. Pending or Threatened Litigation

There is one claim filed against COMIDA for which no outcome can be concluded at this time.

**Required Supplemental Information
COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York**

**SCHEDULE OF COUNTY OF MONROE
INDUSTRIAL DEVELOPMENT AGENCY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (UNAUDITED)**

For Year Ended December 31, 2025

	NYSERS Pension Plan (In Thousands)									
	<u>2025</u>	<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>
Proportion of the net pension liability (assets)	0.1194900%	0.0011816%	0.0014153%	0.0011556%	0.0005590%	0.0006430%	0.0005631%	0.0003800%	0.0004900%	0.0005800%
Proportionate share of the net pension liability (assets)	\$ 205	\$ 174	\$ 303	\$ (94)	\$ 1	\$ 170	\$ 40	\$ 12	\$ 46	\$ 93
Covered-employee payroll	\$ 485	\$ 388	\$ 373	\$ 361	\$ 266	\$ 128	\$ 133	\$ 111	\$ 81	\$ 152
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	42.268%	44.845%	81.233%	(26.039%)	0.376%	132.813%	30.075%	10.81%	56.79%	61.18%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

(See Independent Auditors' Report)

**Required Supplemental Information
COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
A Discretely Presented Component Unit of the County of Monroe, Rochester, New York**

**SCHEDULE OF COUNTY OF MONROE
INDUSTRIAL DEVELOPMENT AGENCY CONTRIBUTIONS (UNAUDITED)**

For Year Ended December 31, 2025

	NYSERS Pension Plan (In Thousands)									
	<u>2025</u>	<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>
Contractually required contributions	\$ 75	\$ 56	\$ 46	\$ 37	\$ 39	\$ 20	\$ 21	\$ 17	\$ 13	\$ 24
Contributions in relation to the contractually required contribution	<u>(75)</u>	<u>(56)</u>	<u>(46)</u>	<u>(37)</u>	<u>(39)</u>	<u>(20)</u>	<u>(21)</u>	<u>(17)</u>	<u>(13)</u>	<u>(24)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 485	\$ 388	\$ 373	\$ 361	\$ 266	\$ 128	\$ 133	\$ 111	\$ 81	\$ 152
Contributions as a percentage of covered-employee payroll	15.46%	14.43%	12.33%	10.25%	14.66%	15.63%	15.79%	15.32%	16.05%	15.79%

(See Independent Auditors' Report)

**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***

Independent Auditors' Report

To the Board of Directors
County of Monroe Industrial
Development Agency
A Discretely Presented Component Unit of the
County of Monroe, Rochester, 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 Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York, (COMIDA) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County of Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York's basic financial statements, and have issued our report thereon dated April 28, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York's internal control over financial reporting to determine the 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 Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York'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 COMIDA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Monroe Industrial Development Agency, A Discretely Presented Component Unit of the County of Monroe, Rochester, New York'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 determination of financial statement amounts. 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 COMIDA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering COMIDA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mengel, Metzger, Barw & Co. LLP

Fairport, New York
April 28, 2026

Independent Auditors' Report

To the Board of Directors
County of Monroe Industrial
Development Agency
A Discretely Presented Component Unit of the County of Monroe
Rochester, New York

We have examined the Monroe County Industrial Development Agency (COMIDA)'s compliance with its own investment guidelines, the New York State Comptroller's Investment Guidelines, or Section 2925 of the New York State Public Authorities Law (collectively, investment guidelines) during the period January 1, 2025 to December 31, 2025. Management of COMIDA is responsible for COMIDA's compliance with the specified requirements. Our responsibility is to express an opinion on COMIDA'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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether COMIDA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether COMIDA complied with the specified requirements. The nature, timing, and extent of the procedures selected depending 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 on COMIDA's compliance with specified requirements.

In our opinion, the COMIDA complied, in all material respects, with its own investment guidelines, the New York State Comptroller's Investment Guidelines, or Section 2925 of the New York State Public Authorities Law (collectively, investment guidelines) during the period January 1, 2025 to December 31, 2025.

Mengel, Metzger, Barw & Co. LLP

Fairport, New York
April 28, 2026