

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024 WITH COMPARATIVE 2023 INFORMATION**

As management of the County of Cattaraugus Industrial Development Agency, a component unit of Cattaraugus County, we offer readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the year ended December 31, 2024.

**FINANCIAL HIGHLIGHTS**

The Agency's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$2,322,931 for the fiscal year reported. This compares to the previous year when assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,200,439.

Total net position comprises the following:

1. Net investment in capital assets of \$246,550 includes property and equipment, net of accumulated depreciation.
2. Unrestricted net position of \$2,076,380 represents the portion available to maintain the Agency's continuing obligations to citizens and creditors.

Agency revenue for the year ended 2024 totaled \$708,630 of which \$632,968 was from charges for services provided by the Agency and \$75,662 was earned from investments.

In 2024, the Agency induced fourteen direct projects for a net investment of just under \$168,123,924 in total private sector project costs.

In 2024, although the Agency reported a gross revenue decrease from previous years there was an increase in net position. In addition, the Agency has roughly \$44,000,000 of approved projects that are ready to close when the project applicants are ready to do so, thus giving the Agency a healthy backlog of approved projects that will generate fee income when they close.

Since January 1, 2012 the County of Cattaraugus IDA & Cattaraugus County Capital Resource Corporation have conducted 113 Board Meetings, which in turn has induced 153 "direct" projects. In addition, the CCIDA/CCCRC has acted as an Advisor on 24 additional projects within Cattaraugus County.

With the help of the Cattaraugus County Legislature, the Agency formed the Capital Resource Corporation (CRC) to assist 501 (c) (3) entities within Cattaraugus County. In 2024 CCCRC accepted an Industrial Revenue Bond application from Edelweiss Dairy, LLC. which is proposing a significant expansion of their dairy operations of nearly \$34,000,000.

For the year ended December 31, 2024, the Agency's expenses totaled \$586,138. This includes the administrative expense of the CRC. The Agency's largest expense was for contractual expenses, such as rent, utilities, and professional services, which accounted for 54% percent of the Agency's total expense. Personal services and related employee benefits accounted for 46% percent of all expenses. The Agency also reported no depreciation expense in 2024.

The CCIDA continues to make great effort and strides to transform itself in a very positive way to its business community. The CCIDA has supported projects to further assist small business-related projects (i.e. **The Sports Locker**) and once again proved the merit of establishing its Adaptive Reuse Program, via the support of the vital and key project of the **Olean Centre Mall**. The Agency's *Tourism Policy* also came into play in regards to development projects in Ellicottville, related to several key upgrades at **Holiday Valley and The Lincoln Boutique Motel in 2024, even after a very challenging winter season**. Manufacturing investments (North Park Innovations) proved yet to be another strong indicator that our County is moving in the right direction.

In 2024, the CCIDA has continued to modify, change and implement programs and policies to help keep the businesses that are located in the area more competitive in this global market that we live and operate in.

It is to be noted that what is outlined below could not *and* would not have been possible without the direction, guidance and most of all the support, from the **CCIDA Board Members, Staff & the Counsel**. Many thanks as well to all members of the **County of Cattaraugus Legislature** for their input, thoughts and support, as it's been invaluable to us and our business community here in the County. We are forever grateful for all of the help and Leadership from the entire Cattaraugus County Legislature. Without our Legislature's support and Leadership, some of these projects simply would not have come to fruition.

Many thanks also go to the members of the **Cattaraugus County Economic Development Team**, their assistance and help is always greatly appreciated.

**2024 CCIDA INDUCED PROJECTS (Private Sector Investment in Cattaraugus County):**

1. Route Two Nineteen, LLC \$1,850,000
2. Indus Hotels Inc. \$1,748,989
3. Turbo Machining LLC \$1,019,000
4. Great Lakes Cheese Modification \$97,000,000
5. Win-Sum Ski Corp. \$304,000
6. Kless Boys Development, LLC \$6,500,000
7. Olean Town Centre LLC \$40,229,315
8. Win-Sum Ski Corp. \$2,459,120
9. MJ Painting Contractor Corp. \$1,733,500
10. North Park LLC/North Park Innovation Group, Inc. \$770,000
11. QSKI, LLC \$2,000,000
12. Olean Manor Inc. \$9,810,000
13. The Sports Locker, Inc. \$200,000
14. Jamestown Macadam, Inc. \$2,500,000

**\*Total IDA Inducements/Project (Investment) Amounts:** **\$168,123,924**

**2024 Year in Review Highlights**

**Revolution Rail Bike:**

Prior to 2024, great efforts were made by the Village of Cattaraugus and Village Leaders to lure Revolution Rail Bike Company to the Village of Cattaraugus, through the great partnership between the Cattaraugus County Legislature and the IDA, an agreement was forged to commit roughly \$300,000 to rehab a 3 mile

stretch of rail that starts in the Village of Cattaraugus and travels through the beautiful gorges of the Village that heads westward. Revolution Rail transforms historic railways into scenic rail biking pathways, inviting people of all ages and abilities closer to nature, history, and each other. RevRail consciously creates a setting that allows our guests to "take a break" from the stressors and complexities of modern life. We believe this project will be a definite game changer for the Village and County as a whole. Work commenced in the late summer of 2024 and a proposed opening date will be in May 2025. RevRail is a major tourism engine that hopes to bring in 50,000 riders to the County. In December of 2024 the IDA and RevRail executed a seven (7) License agreement to operate on the IDA owned tracks.

**NY Forward Grant Application:**

In addition to the work on RevRail, the IDA also supported the significant efforts and work with assisting the Village of Cattaraugus on the submitted NY Forward Grant application. The Village hopes to hear something on this in early 2025. If awarded, this would only sustain and propel the very investments that have been made into the Village over the past 2 years.

**2024-Another very busy Year for the IDA:**

2024 proved to be another very busy year with once again a wide variety of projects, demonstrating the IDA's ability to be nimble and available to help and assist the private sector. Since 2020 even through the challenges of the Covid-19 Pandemic, the IDA has induced and assisted projects that equate to nearly \$1 Billion dollars in direct investment in the County. That number also represents over 770 new jobs to the County.

The IDA has been working very aggressively with our partners, teammates and officials to try and recruit new businesses and organic growth investments as well. It is starting to pay off. Furthermore, IDA hopes to lure two (2) new manufacturing businesses to the County by 2025, on projects that they worked on in earnest in 2024.

The Cattaraugus County Economic Development Team administered by OBDC (Bob Forness) was notified that our Team won a \$1,000,000 grant. The "Entrepreneurship-Led Economic Development Strategy in Cattaraugus County" will be the main focus of the group in its project selection. The grant breaks out to \$250,000/year over the next 4 years. Our Team will nominate projects that will be discussed on the impacts and returns to the economic landscape of the County.

This will be an excellent opportunity to help fund various local projects, determined by our Team, which the IDA is an active and participating member of.

The IDA also spent a great deal of time researching ways to better maximize their investments with their existing CD's and the associated rates and terms. Since 2023 was a record income year for the Agency, we wanted to ensure the highest return on the Agency's funds. Cattaraugus County Bank proved to be an excellent partner and through their assistance the IDA was able to take advantage of a program that CCB recently instituted for all of their high balance account holders which resulted in the Agency receiving \$75,000 in interest payments in 2024.

**Newly Created Policies/Procedures & Economic Development Initiatives to further assist Economic Growth throughout Cattaraugus County:**

- The Executive director was added to the **WNY Regional Council Work Group for Advanced Manufacturing**. Multiple meetings have been conducted to date with a plan to assist our manufacturing base in WNY.
- **Outreach to Municipalities & Stakeholders:** The CCIDA works hard to meet with as many local

municipalities and taxing jurisdictions as a whole, as possible each year.

The Agency continues to strive to be in touch and contact with our 32 Towns, 9 Villages, 2 Cities, and 13 School Districts as much as possible to make them aware of the CCIDA's programs, policies and PILOTS, and how that may affect them. In 2025, the CCIDA will continue to build off of this and continue to reach out.

- Carrying the CCIDA's mission and message will continue to be a paramount endeavor. Whether it's presentations, Letters to The Editor, Public Hearings, etc. In addition, over the past year, the executive director has presented the Agency's message about its benefits at meetings put on by the *Buffalo Niagara Partnership*, the *IBN*, *NYSEDC* & *NYSCAR*, to name a few.
- **Board Member of the Can-Am Council:** The Can-Am Council is comprised of representatives from member companies engaged in cross border commerce and oversees an agenda focused on bi-national relationship-building, joint planning, border advocacy and business-to-business interaction.
- **The CCIDA continued as a Board Member with Invest Buffalo Niagara (IBN):** Founded in 1999, Invest Buffalo Niagara represents the eight counties of Western New York. It is the region's nonprofit, privately funded economic development organization focused on job creation. Its mission is to attract new employers to the Buffalo Niagara region through outreach to growing companies around the world to support business attraction, expansion and entrepreneurship. Invest Buffalo Niagara collaborates with local businesses, universities, nonprofit organizations and elected officials to deliver a unified response to regional economic development opportunities.
- **Continued "Project in Process" Update to Board Meetings:** The Agency will continue to implement a "Project in Process Update" at each Board meeting to keep the Board and public apprised of how a recent CCIDA induced project is fairing with its development and investment. Projects will continue to be charted, tracked and monitored.
  - Also, the CCIDA will continue to bring in more "industry" guests to meetings to update and present to the Board: Catt. County, STW, ESD, JCC, SBA, etc.
- **Continued Business Outreach & Marketing Campaigns:** Working with Partners at *Invest Buffalo Niagara*, *Buffalo Niagara Partnership*, *Empire State Development*, *various Commercial Realtors/Real Estate Developers (NYSCAR)*, and *NYSEDC*, the CCIDA is always looking for ways to increase "business attraction hit rate"; to facilitate and help businesses to locate to Cattaraugus County.
  - **Commercial Sites and land:** Working with Cushman and Wakefield to do a complete available site and land directory for the County. Hard copy and e-version to be created. *There is a new commercial site directory on the website.*
  - The CCIDA has sent in 7 "IBN Site Requests" over the past year to possible outside businesses looking to locate in WNY, trying to lure the perspective business to Cattaraugus County.
- **Continued outreach and informational presentations to Municipalities:** Over the past few years, the CCIDA continued to meet with various impacted taxing jurisdictions to review and discuss the CCIDA's benefits and programs; more specifically how PILOT's "work" and what they truly are. The executive director feels this is a very necessary topic for the CCIDA to be proactive in educating the impacted taxing jurisdictions about the CCIDA and its programs, and how it affects each impacted taxing jurisdiction when the CCIDA is party to a project.

Carrying the mission and message will continue to be a paramount endeavor. Whether it's presentations, Letters to The Editor, Public Hearings, etc.

In addition, over the past year the executive director has presented the Agency's message about our

benefits at meetings put on by the *Buffalo Niagara Partnership, the IBN, NYSEDC & NYSCAR*, to name a few.

- **Continued Business Outreach & Marketing Campaigns:** Working with our Partners at *Invest Buffalo Niagara, Buffalo Niagara Partnership, Empire State Development, various Commercial Realtors/Real Estate Developers (NYSCAR), NYSEDC along with Mr. Greg Sehr (Upstate Consultants, LLC), the CCIDA* is always looking for ways to increase "business attraction hit rate"; to facilitate and help businesses to locate to Cattaraugus County.
  - The CCIDA will be assisting endeavors that focus on "Cattaraugus County ExPats", who have moved away, in hopes of luring some people back to the County. We will keep this active and will continually update daily/weekly on various highlights, pictures, news stories, etc. Some of which has already started with OBDC "Come Home, Stay Home".
  - **Commercial Sites and land:** Working with Cushman and Wakefield to do a complete available site and land directory for the County. Hard copy and e-version to be created. (*Work has begun on this already on 2 key sites within the County*).
  - The Executive Director took part in many business networking events and engagements in the WNY Region, focused on economic development.
  - The CCIDA is looking to put on a networking event and meeting with various businesses to highlight the many benefits of opening up a business within the County.
- **Continued CCIDA "Outreach" within County/Region:** Over the past few years, the Executive Director has continued to "spread our message" regarding the various programs and benefits that the CCIDA has regarding economic development projects. He most recently presented to a group of County wide Assessors regarding CCIDA issued PILOT's, in a role of educating on how CCIDA issued PILOT's work and function. Carrying the mission and message will continue to be a paramount endeavor. Whether it's presentations, Letters to The Editor, Public Hearings, etc.,

In addition, over the past year the Executive Director has presented the Agency's message about the CCIDA's benefits at meetings put on by the *Buffalo Niagara Partnership, IBN, NYSEDC & NYSCAR*, to name a few.

- ❖ Since 2013 the County of Cattaraugus IDA has helped and assisted with the following employment numbers: (*\*as reported at the time of the Annual Audit & PARIS Reports by Company*).
  - 974- New Jobs Created
  - 4,884- Jobs Retained

#### **Further Economic Development Enhancements-Strategies for the CCIDA**

- **Workforce Development Initiatives:** The CCIDA will continue to work with continuing education partners (i.e. BOCES, WIB, JCC, SBU, etc.) to continue to connect the private sector and academia to improve workforce numbers within the County. **This effort can also be collaborated with the Northland Training Center in Buffalo, along with JCC's Manufacturing Tech Center.**
- **CCIDA - Buffalo Niagara Partnership "Canada-US Outreach":** With recent market growth of Canadian companies moving into Western New York to have an American presence, the Executive Director has already begun discussions with BNP in how to capture some of this economic development boom and bring some of it to Cattaraugus County. There is already a captive audience due to the many Canadian visitors who visit Cattaraugus County and the ski resorts. There will be significant resources and time dedicated to this endeavor in trying to lure and attract new companies, new investments and new jobs to the County.

- **Continue to refine and maximize our operations thus reducing expenses:** The goal is to look at ways to effectively minimize our expenses, without hampering the service level of operations, look for ways to reduce waste, postage expenses, copy costs, etc. and continue to look at ways to maximize technology e-mail, etc.

**Collaboration with the other Economic Development Departments-Teammates within Cattaraugus County:**

- (1.)** Over the past 12 years, a newly formed group called "**Cattaraugus County Economic Development Team**" was formed. This group is comprised with the CCBDC, Southern Tier West, Cattaraugus County, Olean Business Development Corp., Cattaraugus LDC, Cattaraugus County PTAC, WIB, CCIDA, NYSDOL, etc.
- (2.)** Meetings are every other Tuesday to discuss various projects, ideas, and ways of assisting each other for the overall betterment of Cattaraugus County. The CCIDA is fortunate to be a member of this group.
- (3.)** The "Team" website has also been upgraded and enhanced for business clients to go to, to act as a "**virtual one stop**" to help and assist their business needs here in Cattaraugus County. The website's address is as follows: <http://www.ccbizhelp.com/&www.investcattaraugus.com>

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The management's discussion and analysis introduces the Agency's basic financial statements. The basic financial statements include the governmentwide financial statements and the notes to the financial statements. The Agency also includes additional information to supplement the basic financial statements.

**Governmentwide Financial Statements**

The Agency's annual report includes two governmentwide financial statements. These statements provide both long-term and short-term information about the Agency's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these governmentwide statements is the statement of net position. This is the governmentwide statement of position presenting information that includes all of the Agency's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency as a whole is improving or deteriorating. In addition to the information provided in this report, an evaluation of the overall economic health of the Agency would extend to other nonfinancial factors, such as the overall economic climate in Cattaraugus County.

The second governmentwide statement is the statement of activities, which reports how the Agency's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Agency's distinct activities or functions on revenue earned by the Agency. Both of the governmentwide financial statements detail the Agency's business-type activities that are principally supported by application fees.

A fund is an accountability unit used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governmental units, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency

has only one type of fund, a proprietary fund. This fund generally reports services for which the Agency charges a fee.

**Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the governmentwide and fund financial statements. The notes to the financial statements are located directly after the basic financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Agency. Supplemental information follows the notes to the financial statements.

**FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE**

As of December 31, 2024, the County of Cattaraugus Industrial Development Agency had a net position of \$2,322,931. The following table provides a summary of the Agency's net position as of the years ended December 31, 2024 and 2023.

	Business-Type Activities		
	2024	2023	Variance
<b>Assets</b>			
Current and Restricted Assets	\$ 2,169,532	2,025,633	143,899
Capital Assets	246,550	246,550	-
Other Assets	42,042	56,157	(14,115)
Total Assets	2,458,124	2,328,340	129,784
 <b>Deferred Outflows of Resources</b>	90,350	79,305	11,045
 <b>Liabilities</b>			
Current Liabilities	8,882	7,760	1,122
Long-Term Liabilities	154,850	189,444	(34,594)
Total Liabilities	163,732	197,204	(33,472)
 <b>Deferred Inflows of Resources</b>	61,811	10,002	51,809
 <b>Net Position</b>			
Net Investment in Capital Assets	246,550	246,550	-
Unrestricted	2,076,381	1,953,889	122,492
Total Net Position	\$ 2,322,931	2,200,439	122,492

The Agency's total assets and deferred outflows of resources increased \$140,829 to \$2,548,474 at December 31, 2024. The Agency's net investment in capital assets did not change over the prior year.

Total liabilities and deferred inflows of resources increased by \$18,337 to \$225,543 at December 31, 2024.

The following table provides a summary of the Agency's changes in net position for the years ended 2024 and 2023.

	Business-Type Activities			
	2024	% of Totals	2023	% of Totals
<b>Revenues</b>				
Charges for Services	\$ 624,321	88.1%	963,486	95.3%
Other Income	8,647	1.2%	5,211	0.5%
Investment Earnings	75,662	10.7%	42,625	4.2%
Total Revenue	<u>\$ 708,630</u>	<u>100.0%</u>	<u>1,011,322</u>	<u>100.0%</u>
<b>Expenses</b>				
Personal Services	\$ 223,045	38.1%	197,054	33.4%
Contractual Expenses	262,434	44.8%	355,307	53.0%
Employee Benefits	86,545	14.8%	81,259	12.9%
Lease Amortization	14,115	2.3%	13,295	0.7%
Depreciation Expense	-	-	-	-
Total Expense	<u>586,139</u>	<u>100.0%</u>	<u>646,915</u>	<u>100.0%</u>
Change in Net Position	<u>\$ 122,491</u>		<u>364,407</u>	

The Agency's total net position increased \$122,491. The following summarizes results of operations for 2024:

Operating revenue for the year ended December 31, 2024, was \$632,968 which consisted of \$624,321 from Charges for Services. \$8,647 was from miscellaneous activity.

Net nonoperating revenue was \$75,662 which consisted of bank interest.

Operating expenses for the year ended December 31, 2024, were \$586,139. There were no nonoperating expenses incurred for the year then ended. There was a substantial decrease in project expenses in 2024 due to project costs, business developments fees and legal counsel fees, many of which are nonrecurring from the previous year.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The Agency's net investment in capital assets as of December 31, 2024, totaled \$246,550. This net investment in capital assets includes land, railroad and leasehold improvements, and equipment. The following table summarizes the change in the Agency's net investment in capital asset.

	2024	2023	Difference
Land	\$ 149,299	149,299	-
Improvements	929,373	929,373	-
Furniture and Equipment	38,424	38,424	-
Accumulated Depreciation	(870,546)	(870,546)	-
	<u>\$ 246,550</u>	<u>246,550</u>	<u>-</u>



## **Long-Term Liabilities**

The Agency had net pension liability outstanding of \$112,808 and \$133,287 at December 31, 2024 and 2023.

## **BACKGROUND AND MISSION**

The County of Cattaraugus Industrial Development Agency is a public benefit corporation created in 1971 to retain, promote, and assist private sector industrial and business development, thereby advancing job opportunities and economic welfare to the people of Cattaraugus County. The Agency is a self-funded entity.

The Agency serves as a partner with the other various economic development agencies within the County, for retaining and assisting not only those businesses that are already located in Cattaraugus County, but those that want to relocate here as well. Assistance is available for locating potential buildings or building sites for interested companies. Over the past three decades the Agency has assisted over 300+ companies with over \$2.64 billion in total projects. The Agency has assisted many nonprofit entities as well, including Olean General Hospital, Saint Bonaventure University, and the YMCA; each of which has added to the overall quality of life in Cattaraugus County. The Agency has also assisted companies such as Great Lakes Cheese Co., Ciomali-HY, NES Bearings, LLC and MJ Painting Contractor Corp. The Agency has also been very instrumental in the growth of the county's tourism industry by assisting in the financing of tourism destinations such as Holiday Valley, HoliMont and Revolution Rail.

The Agency helps companies take advantage of industrial revenue bonding by obtaining low-cost financing for eligible projects. Other benefits provided by the Agency include the abatement of an assortment of taxes to assist businesses as well as a variety of services to assist with the creation and retention of employment opportunities. The Agency has authorization over financing options and provides technical assistance to developers, industries, and other economic development organizations.

The mission of the Agency is to retain, promote, attract, and develop job and business opportunities; and to foster economically sound commerce and industry in the cities, towns, and villages, of Cattaraugus County.

It strives to assist and promote growing industry in the County by helping businesses to be competitive and profitable by offering:

- Financial assistance, business incentives, tax exemptions, and bond financing
- Improved utilization and development of local infrastructure
- Creation of investment, employment, and wealth, in the community
- Recruitment of new businesses

The Agency also assists qualified applicants in the implementation of a wide variety of projects, including but not limited to the following; manufacturing, industrial, warehousing, research, commercial, pollution control, recreation, tourism destination, education, cultural, railroad, continuing care, retirement, and certain nonprofit facilities.

For more information regarding the County of Cattaraugus Industrial Development Agency, please visit its website at [www.cattcoida.com](http://www.cattcoida.com) & [www.investcattaraugus.com](http://www.investcattaraugus.com)

## **CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director (Corey R. Wiktor) of the County of Cattaraugus Industrial Development Agency, 9 East Washington Street, P.O. Box 1749, Ellicottville, New York 14731. Telephone (716) 699-2005.