

Albany County Industrial Development Agency
(A Component Unit of Albany County, New York)

Financial Statements
December 31, 2025 and 2024

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Independent Auditor's Report

Chair and Members of the Audit Committee
Albany County Industrial Development Agency

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Albany County Industrial Development Agency (Agency), a component unit of Albany County, 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 the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2025 and 2024, and the 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 audits 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that 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 the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2026, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

BST+Co.CPAs, LLP

Latham, New York
February 25, 2026



Albany County Industrial Development Agency
(A Component Unit of Albany County, New York)

Statements of Net Position

ASSETS	December 31,	
	2025	2024
CURRENT ASSETS		
Cash	\$ 3,084,263	\$ 4,438,969
Investments	1,499,919	-
Interest receivable	8,654	-
Prepaid expenses	4,617	2,022
	4,597,453	4,440,991
NONCURRENT ASSETS		
Capital assets, net	7,228	12,047
	\$ 4,604,681	\$ 4,453,038
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	\$ 2,119	\$ 5,031
Deferred revenue	7,500	-
	9,619	5,031
NET POSITION		
Unrestricted	4,595,062	4,448,007
	\$ 4,604,681	\$ 4,453,038

See accompanying Notes to Financial Statements.

Albany County Industrial Development Agency
(A Component Unit of Albany County, New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended December 31,	
	2025	2024
OPERATING REVENUE		
Charges for services	\$ 334,350	\$ 285,500
OPERATING EXPENSES		
Management fee	266,667	266,667
General administrative	47,260	81,569
Depreciation expense	4,819	2,409
	318,746	350,645
Operating income (loss)	15,604	(65,145)
NONOPERATING REVENUES		
Interest income	131,451	54,288
Change in net position	147,055	(10,857)
NET POSITION, <i>beginning of year</i>	4,448,007	4,458,864
NET POSITION, <i>end of year</i>	\$ 4,595,062	\$ 4,448,007

See accompanying Notes to Financial Statements.

Albany County Industrial Development Agency
(A Component Unit of Albany County, New York)

Statements of Cash Flows

	Years Ended December 31,	
	2025	2024
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Receipts from projects	\$ 341,850	\$ 285,500
Payments to vendors	(319,434)	(350,827)
	22,416	(65,327)
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
Interest income	122,797	54,288
Purchase of U.S. Treasury bills	(1,499,919)	-
	(1,377,122)	54,288
CASH FLOWS USED BY CAPITAL FINANCING ACTIVITIES		
Purchase of capital assets	-	(14,456)
	-	(14,456)
Net decrease in cash	(1,354,706)	(25,495)
CASH, beginning of year	4,438,969	4,464,464
CASH, end of year	\$ 3,084,263	\$ 4,438,969
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 15,604	\$ (65,145)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	4,819	2,409
Increase in prepaid expenses	(2,595)	(93)
Decrease in accounts payable	(2,912)	(2,498)
Increase in deferred revenue	7,500	-
	\$ 22,416	\$ (65,327)

See accompanying Notes to Financial Statements.

Albany County Industrial Development Agency
(A Component Unit of Albany County, New York)

Notes to Financial Statements
December 31, 2025 and 2024

Note 1. Organization and Summary of Significant Accounting Policies

a. Organization and Purpose

The Albany County Industrial Development Agency (Agency) was created in 1975 by the Board of Trustees of Albany County, New York (County) under the provisions of Article 18-A of the General Municipal Law of the State of New York and Chapter 178 of the Laws of 1975 of the State of New York for the purpose of encouraging economic growth in the County. The Agency, although established by the Board of Trustees of the County, is a separate entity and operates independently of the County.

The Agency's function is to authorize the issuance of industrial revenue bonds for industrial development projects, and to assist businesses in acquiring or constructing various facilities in order to provide job opportunities and increase economic welfare. In return for its efforts, the Agency receives application and closing fees related to business financing transactions, if any, and administrative fees, if any, related to assisting businesses in acquiring or constructing facilities.

b. Basis of Accounting and Financial Statement Presentation

The Agency's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting and financial reporting treatment applied to the Agency is determined by its measurement focus. The transactions of the Agency are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operations are included on the statements of net position. Net position consists of unrestricted assets and liabilities.

Revenues are recognized when earned, and expenses are recognized when incurred. The Agency distinguishes operating revenues and expenses from non-operating items. Operating revenues are determined based on the services provided by the Agency. Operating expenses include the costs associated with providing those services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

c. Estimates

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Tax Status

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

e. Cash and Investments

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State of New York, its municipalities, and school districts. The Agency's deposits were fully insured or collateralized at December 31, 2025 and 2024.

Albany County Industrial Development Agency
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Notes to Financial Statements
December 31, 2025 and 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

e. Cash and Investments (Continued)

The Agency's investment policies are governed by New York State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited at Federal Deposit Insurance Corporation insured commercial banks or trust companies located within the State of New York. The Agency is authorized to use demand accounts, money market accounts, and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State or its localities.

Investments include financial instruments with original maturities of more than three months and are recorded at amortized cost, which approximates fair value. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investments with original maturities of more than three months are not included in cash and cash equivalents in the statements of cash flows.

As of December 31, 2025, the fair value of the Agency's investment approximated the carrying value (amortized cost) and consisted of a U.S. Treasury Security that matures in less than one year.

The Agency addresses custodial credit risk by holding investment securities in trustee/custodian accounts under its own name. Interest rate risk is managed by holding investment securities to maturity.

f. Capital Assets

Capital assets are stated at historical cost. Expenditures for additions, renewals, and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Upon the retirement or disposal of assets, the costs and accumulated depreciation are eliminated from the accounts, and the resulting gain or loss is included in revenue. The Agency capitalizes all expenditures for property and equipment in excess of \$1,000.

A summary of the Agency's changes in capital assets is as follows:

	December 31, 2024	Additions	Disposals	December 31, 2025
Capital assets				
Furniture and equipment	\$ 10,118	\$ -	\$ -	\$ 10,118
Intangible assets - website	14,457	-	-	14,457
	<u>24,575</u>	<u>-</u>	<u>-</u>	<u>24,575</u>
Accumulated depreciation				
Furniture and equipment	10,118	-	-	10,118
Intangible assets - website	2,410	4,819	-	7,229
	<u>12,528</u>	<u>4,819</u>	<u>-</u>	<u>17,347</u>
Total capital assets, net	<u>\$ 12,047</u>	<u>\$ (4,819)</u>	<u>\$ -</u>	<u>\$ 7,228</u>

Albany County Industrial Development Agency
(A Component Unit of Albany County, New York)

Notes to Financial Statements
December 31, 2025 and 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

f. Capital Assets (Continued)

	December 31, 2023	Additions	Disposals	December 31, 2024
Capital assets				
Furniture and equipment	\$ 10,118	\$ -	\$ -	\$ 10,118
Intangible assets - website	-	14,457	-	14,457
	<u>10,118</u>	<u>14,457</u>	<u>-</u>	<u>24,575</u>
Accumulated depreciation				
Furniture and equipment	10,118	-	-	10,118
Intangible assets - website	-	2,410	-	2,410
	<u>10,118</u>	<u>2,410</u>	<u>-</u>	<u>12,528</u>
Total capital assets, net	<u>\$ -</u>	<u>\$ 12,047</u>	<u>\$ -</u>	<u>\$ 12,047</u>

g. Industrial Development Revenue Bonds

The Agency may issue Industrial Development Revenue Bonds. The bonds are special obligations of the Agency payable solely from revenue derived from the leasing, sale, or other disposition of a project. As explained more fully in Note 2, there is no liability to the Agency; therefore, the obligations are not accounted for in the accounts of the Agency.

h. Employee Benefit Plans

In 2023, the Agency outsourced its day-to-day operations to the Advance Albany County Alliance Local Development Corporation (AACA). Any employee benefit obligations were transferred to the County. The Agency has no employees.

i. Subsequent Events

The Agency has evaluated subsequent events for potential recognition or disclosure through February 25, 2026, the date the financial statements were available to be issued.

Albany County Industrial Development Agency
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Notes to Financial Statements
December 31, 2025 and 2024

Note 2. Industrial Development Revenues Bonds and Notes

The bonds and notes are not obligations of New York State or the County and are not general obligations of the Agency. The Agency does not record the assets or liabilities resulting from completed bond and note issues in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon the issuance of bonds and notes. Revenue bonds outstanding at December 31, 2025 and 2024 were as follows:

Project Description	Year Ended December 31, 2025						
	Principal Amount of Issue	Interest Rate	Original Issue Date	Outstanding December 31, 2024	Principal Payments 2025	Outstanding December 31, 2025	Final Maturity Date
Albany Academy Series 2007A	\$ 6,000,000	3.09%	6/28/2007	\$ 3,343,139	\$ 227,370	\$ 3,115,769	8/1/2032
Albany Academy Series 2007B	300,000	3.09%	6/29/2007	167,199	11,371	155,828	8/1/2032
	<u>\$ 6,300,000</u>			<u>\$ 3,510,338</u>	<u>\$ 238,741</u>	<u>\$ 3,271,597</u>	

Note 3. Transactions With Related Organization

The Agency has entered into an agreement with the AACA to provide professional economic development management and administrative support services to the Agency. The terms of the agreement commenced on June 30, 2023 and continue until December 31, 2025, with an extension approved through December 31, 2027. In consideration of the terms and conditions of the agreement, the Agency has agreed to pay the AACA \$266,667 annually in equal monthly installments. The agreement may be terminated by either party for any reason upon thirty (30) days' prior written notice.

Note 4. Accounting Pronouncements Issued But Not Yet Implemented

GASB Statement No. 103, *Financial Reporting Model Improvements*. This statement improves key components of the financial reporting model, including a reiteration of the Management's Discussion and Analysis requirements, description and presentation requirements for unusual or infrequent items, definitions of nonoperating revenues and expenses, major component unit presentation requirements, and the requirement that budgetary comparison information be presented as required supplementary information versus a statement. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. It also establishes disclosure requirements for capital assets held for sale, including disclosures relating to debt for which the capital assets held for sale are pledged as collateral. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

The Agency's management is not yet able to estimate the extent of the potential impact of these statements on the Agency's financial statements.



**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 Auditor's Report

Chair and Members of the Audit Committee
Albany County Industrial Development Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Albany County Industrial Development Agency (Agency), a component unit of Albany County, New York, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated February 25, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

BST & Co. CPAs, LLP

Latham, New York
February 25, 2026

