

Wyoming County Industrial Development Agency

Payments in Lieu of Taxes

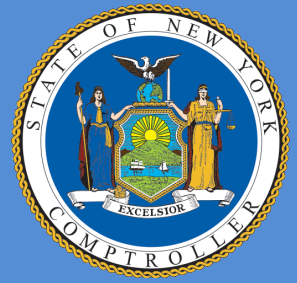
2024M-148 | November 2025

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Audit Results

Wyoming County Industrial Development Agency



Audit Objective

Did the Wyoming County Industrial Development Agency (WCIDA) officials ensure the payments in lieu of taxes (PILOT) they calculated were accurate and in compliance with the PILOT agreements?

Audit Period

January 1, 2023 – November 19, 2024

Understanding the Audit Area

Industrial Development Agencies (IDAs) are established to provide financial assistance to businesses to encourage various types of economic development projects.

WCIDA is governed by a seven-member Board of Directors (Board) appointed by the Wyoming County Board of Supervisors. The Board is responsible for reviewing and approving prospective project applications, including anticipated PILOT payments, and the general oversight of WCIDA's financial and operational affairs. The Executive Director is the chief executive officer and is responsible for WCIDA's day-to-day management. The Director of Operations (Director) oversees WCIDA's business operations including the review of PILOT billings.

For 2023, WCIDA reported 36 active PILOT agreements, with PILOT billings totaling \$1.7 million.

Audit Summary

WCIDA officials ensured PILOTs they calculated were accurate and in compliance with the PILOT agreements.

During the audit period, WCIDA officials calculated PILOT billings for nine wind and solar energy projects, totaling \$971,547. We reviewed the PILOT billings for five of these agreements totaling \$280,693 and determined they were accurate and in compliance with the PILOT agreements. Therefore, this report does not contain recommendations. WCIDA officials agreed with our findings.

We conducted this audit pursuant to Article X, Section 5 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. Our methodology and standards are included in Appendix C.

PILOT Billings: Findings

WCIDA officials are responsible for negotiating and approving the terms of each PILOT agreement and each agreement should include, among other requirements, the PILOT due to each affected tax jurisdiction (ATJ) or a formula by which the amount due can be calculated. The billing and collecting of PILOTs can be performed by either WCIDA officials or ATJ officials.

During the period of January 1, 2023 through December 31, 2023, WCIDA had 36 agreements that required PILOT payments. WCIDA officials calculated and billed the PILOTs for nine¹ of the 36 agreements and ATJs calculated and billed PILOTs for the remaining 27 agreements. This audit focuses solely on five of the nine agreements that WCIDA officials prepared the PILOT billings for.

More details on the criteria used in this report, as well as resources we make available to local officials that can help officials improve operations (Figure 1), are included in Appendix A.

Finding 1 – PILOT bills prepared by WCIDA officials were accurate and in compliance with agreement terms.

During the period of January 1, 2023 through December 31, 2023, WCIDA officials were responsible for calculating and billing the PILOTs for nine wind and solar energy agreements. We reviewed the PILOT billings for five of these agreements totaling \$280,693. The PILOT billings were generally based on megawatts of energy production by solar panels and wind turbines.

We reviewed the PILOT billings for these five agreements and determined that WCIDA officials calculated the billings in accordance with the PILOT agreements. As a result, this audit does not have audit recommendations.

¹ One company had four separate PILOT agreements during our audit period.

Appendix A: Profile, Criteria and Resources

Profile

WCIDA was created in 1974 to further economic development in Wyoming County. WCIDA is governed by a seven-member Board, which is responsible for reviewing and approving prospective project applications and the general oversight of WCIDA's financial and operational affairs. The Executive Director is the chief executive officer and is responsible for WCIDA's day-to-day management. The Director oversees WCIDA's business operations including the review of PILOT billings.

PILOTs are payments equal to all or part of the amount of real property taxes which would have been levied by or on behalf of an ATJ if the IDA project was not tax-exempt by reason of the IDA's involvement. An ATJ is a local government or school district in which the IDA project is located which will not receive tax payments that would be otherwise due, except for the tax-exempt status of the IDA project.²

WCIDA officials calculate and bill the PILOTs for wind and solar energy projects. WCIDA officials also collect PILOT payments and disburse the funds to the ATJs for these agreements.

Criteria – PILOT Billings

Properly prepared PILOT billings are accurately calculated based on the terms of the PILOT agreements negotiated by WCIDA and the businesses receiving the benefits. An IDA board is responsible for monitoring and evaluating the performance of businesses receiving financial assistance and determining whether the goals established in the project applications are being met and that PILOT payments are occurring.

WCIDA officials are responsible for negotiating and approving the terms of each PILOT agreement and each agreement should include, among other requirements, the PILOT due to each ATJ or a formula by which the amount due can be calculated.³ The billing and collecting of PILOTs can be performed by either WCIDA officials or ATJ officials.

According to the Director and Executive Director, they prepare the PILOT billings for the five wind and solar energy agreements. WCIDA officials also collect these PILOT payments and disburse the funds to the ATJs.

² New York State General Municipal Law (GML) Section 854(16), (17)

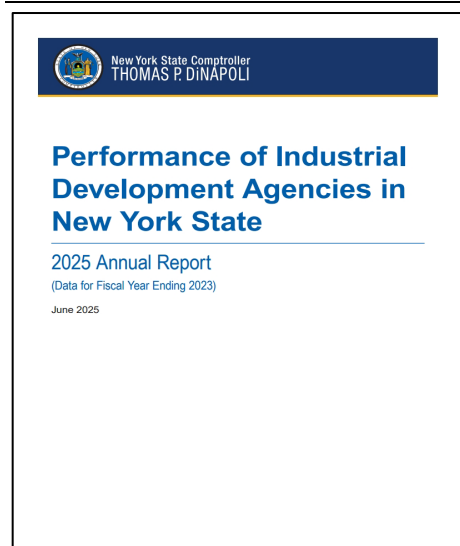
³ GML Section 858(15)

Additional PILOT Billing Resource

Figure 1: OSC Publication

OSC Local Government publication available on our website to help officials.

Performance of Industrial Development Agencies in New York State: 2024 Annual Report



<https://www.osc.ny.gov/files/local-government/publications/pdf/ida-performance-report-2025.pdf>

In addition, our website can be used to search for audits, resources, publications and training for officials: <https://www.osc.ny.gov/local-government>.

Appendix B: Response From IDA Officials



October 14, 2025

Office of the New York State Comptroller
Buffalo Regional Office
295 Main Street, Suite 1032
Buffalo, New York 14203-2510
Attn: Melissa A. Myers, Chief of Municipal Audits

Re: OSC Audit: Payment in Lieu of Taxes
Report of Examination 2024M-148

Dear Ms. Myers:

The Wyoming County Industrial Development Agency ("WCIDA") is in receipt of the above-referenced preliminary audit report prepared by the Office of the New York State Comptroller ("OSC"). This report was reviewed with OSC staff during the audit exit conference held on September 24th.

We are pleased with the results of the audit, which determined that the WCIDA calculated PILOT billings for audited projects properly in accordance with the respective PILOT agreements for those projects. The determination that no audit recommendations are necessary is reflective of the continued commitment of the WCIDA staff and its Board of Directors to conduct operations in compliance with all applicable requirements governing industrial development agencies.

We also want to express our appreciation for the professionalism exhibited by the OSC auditor throughout the course of the audit. The process was constructive and thorough and was conducted without interruption of WCIDA staff or operations.

Thank you, and please contact me if there are any questions regarding this letter.

Sincerely,

James Pierce
Executive Director

cc: Wyoming County IDA Board

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Appendix C: Audit Methodology and Standards

We obtained an understanding of internal controls that we deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of our work on internal controls, as well as the work performed in our audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We interviewed WCIDA officials and reviewed policies and procedures to gain an understanding of the PILOT billing process.
- We reviewed the reported PILOT agreements from WCIDA's 2023 annual report, the 2023 Public Authorities Reporting Information System report, and project folders maintained at WCIDA and identified 36 agreements requiring \$1.7 million in PILOT payments during the period of January 1, 2023 through December 31, 2023. We selected for review five wind and solar energy PILOT agreements with billings totaling \$280,693 for which WCIDA officials were responsible for calculating the billings.
- We reviewed the five wind and solar energy PILOT agreements and year-end reports provided to WCIDA including PILOT billings paid to determine whether the PILOT billings had been properly prepared based on the PILOT agreements.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

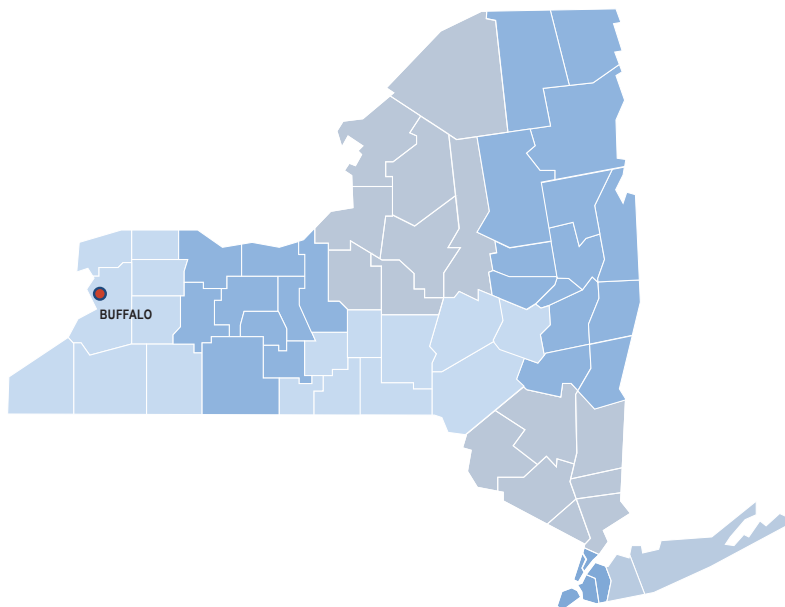
Contact

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