# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Years Ended December 31, 2012 and 2011

TABLE OF CONTENTS


| | Page No. |
|---|---|
| INDEPENDENT AUDITORS' REPORT | 1-2 |
| **REQUIRED SUPPLEMENTARY INFORMATION** | |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | 3-6 |
| **FINANCIAL STATEMENTS** | |
| Statements of Net Position | 7 |
| Statements of Revenues, Expenses and Changes in Net Position | 8 |
| Statements of Cash Flows | 9 |
| Notes to Financial Statements | 10-21 |
| **REQUIRED SUPPLEMENTARY INFORMATION Other Than Management's Discussion And Analysis** | |
| Schedule of Funding Progress for Other Postemployment Healthcare Costs | 22 |
| **OTHER SUPPLEMENTARY INFORMATION** | |
| Schedule of Bonds, Notes and Leases | 23-33 |
| **OTHER REPORTS** | |
| Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based Upon the Audit of Financial Statements Performed in Accordance With Government Auditing Standards | 34-35 |
| Independent Auditors' Report on Compliance with Agency Investment Policy | 36 |

CERTIFIED PUBLIC ACCOUNTANTS

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Nassau County Industrial Development Agency
Mineola, New York

## Report on Financial Statements

We have audited the accompanying financial statement of the business-type activities of the Nassau County Industrial Development Agency (the "Agency"), a component unit of Nassau County, New York, as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

## Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Agency, as of December 31, 2012 and 2011, and the respective changes in financial position, and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress for other postemployment healthcare costs on pages 3 through 6, and 22 be presented to supplement the basic financial statements. Such information, 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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the Agency taken as a whole. The accompanying schedule of bond, notes and leases is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of bond, notes and leases is the responsibility of management and has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2013, on our consideration of the Agency's internal control 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 and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance and should be considered in assessing the results of our audit.

Albright, Viggiano, Zurek + Co, P.C.

Hauppauge, New York
May 20, 2013

**REQUIRED SUPPLEMENTARY INFORMATION**
**Management's Discussion and Analysis**

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2012 and 2011

This section presents management's analysis of the Nassau County Industrial Development Agency's (the "Agency") financial conditions and activities for the years ended December 31, 2012 and 2011. Please read this information in conjunction with the financial statements.

## FINANCIAL HIGHLIGHTS

- The assets of the Agency exceeded its liabilities at the close of 2012 by $1,031,358 (net position).
- The Agency's total net position decreased by $1,233,519 (or 54%) in 2012.
- Unrestricted net position represents the portion available to maintain the Agency's continuing obligations. As of December 31, 2012, the unrestricted portion of net position for the Agency was $1,015,707.

## OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis ("MD&A") serves as an introduction to the basic financial statements and supplementary information. The MD&A represents management's examination and analysis of the Agency's financial condition and performance. Summary financial statement data, key financial and operational indicators used in the Agency's strategic plan, operating plan, bond covenants and other management tools were used for this analysis.

The financial statements report information about the Agency. The Agency applies full accrual accounting methods as used by similar business activities in the private sector. The statements offer short and long-term financial information.

The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, statement of cash flows and notes to the financial statements. The statements of net position include all of the Agency's assets and liabilities, and provide information about the nature and amount of investments.

The statements of revenues, expenses, and changes in net position presents the results of the Agency's activities over the course of the year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also provides information about whether the Agency has successfully recovered its costs through its user fees and other charges, profitability and credit worthiness.

The statements of cash flows present changes in cash and cash equivalents resulting from operating, financing and investing activities.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Agency's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2012 and 2011

## FINANCIAL ANALYSIS OF THE AGENCY

One of the most important objectives of the financial analysis is to determine if the Agency, as a whole, is better or worse off as a result of the year's activities. The statements of net position and the statements of revenues, expenses, and changes in net position provide useful information in this regard. The statements report the net position of the Agency and the changes in net position. The amount of net position, the difference between total assets and liabilities, is a significant measure of the financial health or financial position of the Agency. Over time, increases or decreases in the Agency's net position are one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation should be considered in evaluating the financial conditions of the Agency.

The following comparative condensed financial statements and other selected information serve as the financial data and indicators for management's monitoring and planning.

### Net Position

A summary of the Agency's condensed statements of net position at December 31st is presented as follows:

| | 2012 | 2011 | 2010 |
|---|---|---|---|
| **Assets** | | | |
| Current Assets | $ 1,599,838 | $ 2,469,287 | $ 2,456,059 |
| Capital Assets | 15,651 | 18,051 | 19,935 |
| Total Assets | 1,615,489 | 2,487,338 | 2,475,994 |
| **Liabilities** | | | |
| Current Liabilities | 280,914 | 74,336 | 124,240 |
| Non-Current Liabilities | 303,217 | 148,125 | 38,554 |
| Total Liabilities | 584,131 | 222,461 | 162,794 |
| **Net Position** | | | |
| Net investment in capital assets | 15,651 | 18,051 | 19,935 |
| Unrestricted | 1,015,707 | 2,246,826 | 2,293,265 |
| Total Net Position | $ 1,031,358 | $ 2,264,877 | $ 2,313,200 |

Total assets as of December 31, 2012 were $1,615,489 which exceeded liabilities by $1,031,358 (net position.) Net position is comprised of the net investment in capital assets of $15,651 and unrestricted net position in the amount of $1,015,707, which is available to support operations. Total liabilities increased by $361,670 at December 31, 2012 compared to 2011, due to the other post-employment accrual and increase in accrued expenses. The net position decreased by $1,233,519 for the current period.

Total assets as of December 31, 2011 were $2,487,338 which exceeded liabilities by $2,264,877 (net position.) Net position is comprised of the net investment in capital assets of $18,051 and unrestricted net position in the amount of $2,246,826, which is available to support operations. Total liabilities increased by $59,667 during the year ended December 31, 2011 primarily due to the other postemployment accrual. The net position decreased by $48,323 for the 2011 year.

## FINANCIAL ANALYSIS OF THE AGENCY (continued)

### Operating Results

The Agency's condensed statements of revenues, expenses and changes in net position at December 31st are presented as follows:

| | 2012 | 2011 | 2010 |
|---|---|---|---|
| **Operating Revenues** | | | |
| Fee and Service Income | $ 754,526 | $ 1,174,854 | $ 301,567 |
| Other Income | 6,259 | 191,721 | 2,814 |
| Total Operating Revenues | 760,785 | 1,366,575 | 304,381 |
| **Operating Expenses** | | | |
| Salaries and Fringe Benefits | 814,344 | 648,585 | 657,206 |
| Contractual Goods and Services | 1,180,104 | 770,071 | 912,001 |
| Depreciation | 5,025 | 5,647 | 3,912 |
| Total Operating Expenses | 1,999,473 | 1,424,303 | 1,573,119 |
| **Non-Operating Income** | 5,169 | 9,405 | 16,059 |
| Change in Net Position | (1,233,519) | (48,323) | (1,252,679) |
| **Net Position at Beginning of Year** | 2,264,877 | 2,313,200 | 3,565,879 |
| Net Position at End of Year | $ 1,031,358 | $ 2,264,877 | $ 2,313,200 |

The Agency's revenues decreased $605,790 from $1,366,575 in 2011 to $760,785 in 2012, a decrease of 44%. This is due to a decrease in Agency closing fees collected due to delays caused by hurricane Sandy and uncertainty with the projected new tax rates. The Agency's expenses increased from $1,424,303 in 2011 to $1,999,473 in 2012, an increase of $575,170. This is primarily due to increases in economic development/marketing, and payroll and related benefits costs.

The Agency's revenues increased $1,062,194 in 2011 over the prior year, an increase of 349%. This is due to an increase in Agency projects as compared to 2010. The Agency's expenses decreased $148,816 during 2011, a decrease of 9.5%. This is primarily due to decreases in economic development/marketing and payroll costs.

## ECONOMIC FACTORS AND NEXT YEAR'S PLAN

Nassau County is one of the nation's largest and most prosperous counties. Since 1979, Nassau County IDA has:

- Delivered more than $2.0 billion in funding
- Created and retained over 68,000 jobs
- Helped over 100 companies build, expand or relocate

## ECONOMIC FACTORS AND NEXT YEAR'S PLAN (continued)

The unemployment rate in Nassau County has continued to be somewhat lower than national and state of New York averages. At December 31, 2012, the United States unemployment rate was 7.6%, the New York State unemployment rate was 8.2% and the County of Nassau had an unemployment rate of 7.0%.

The Agency plans to continue and expand its assistance to the businesses located in the County of Nassau through:

- Federally tax-exempt and taxable revenue bonds
- Local property tax abatement and exemptions
- Sales tax exemptions for construction materials and equipment
- Mortgage recording tax exemptions

## CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our readers with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Nassau County industrial Development Agency at 1550 Franklin Avenue, Mineola, NY 11551.

# FINANCIAL STATEMENTS

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
STATEMENTS OF NET POSITION
December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets:** | | |
| Cash and cash equivalents | $ 1,370,764 | $ 2,330,338 |
| Accounts receivable | 101,976 | 17,500 |
| Prepaid expenses | 38,750 | 20,000 |
| Due from affiliate | 88,348 | 101,449 |
| Total Current Assets | 1,599,838 | 2,469,287 |
| **Property and Equipment, net** | 15,651 | 18,051 |
| **Total Assets** | 1,615,489 | 2,487,338 |
| **LIABILITIES** | | |
| **Current Liabilities:** | | |
| Accounts payable and accrued expenses | 274,948 | 74,336 |
| Current portion of non-current liabilities | | |
| Compensated absences | 5,966 | 0 |
| Total Current Liabilities | 280,914 | 74,336 |
| **Non-Current Liabilities:** | | |
| Compensated absences | 113,348 | 59,838 |
| Other postemployment benefits | 189,869 | 88,287 |
| Total Non-Current Liabilities | 303,217 | 148,125 |
| **Total Liabilities** | 584,131 | 222,461 |
| **NET POSITION** | | |
| Net investment in capital assets | 15,651 | 18,051 |
| Unrestricted | 1,015,707 | 2,246,826 |
| **Total Net Position** | $ 1,031,358 | $ 2,264,877 |

See notes to the financial statements.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Years Ended December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| **OPERATING REVENUES:** | | |
| Fee and Service Income | $ 754,526 | $ 1,174,854 |
| Other income | 6,259 | 191,721 |
| Total Operating Revenues | 760,785 | 1,366,575 |
| **OPERATING EXPENSES:** | | |
| Salaries and Fringe Benefits | 814,344 | 648,585 |
| Professional Services | 205,798 | 162,579 |
| Administrative Expense | 64,598 | 99,754 |
| Rent Expense | 24,000 | 24,000 |
| Conference and Travel | 17,001 | 3,212 |
| Office Supplies & Equipment | 9,580 | 4,763 |
| Dues and Subscriptions | 1,269 | 519 |
| Depreciation | 5,025 | 5,647 |
| Economic Development/Marketing | 751,906 | 394,869 |
| Event and Tourism Marketing | 105,952 | 80,375 |
| Total Operating Expenses | 1,999,473 | 1,424,303 |
| Net Operating Loss | (1,238,688) | (57,728) |
| **NON-OPERATING REVENUES:** | | |
| Interest income | 5,169 | 9,405 |
| Total Non-Operating Revenues | 5,169 | 9,405 |
| Change in Net Position | (1,233,519) | (48,323) |
| **Net Position at Beginning of Year** | 2,264,877 | 2,313,200 |
| Net Position at End of Year | $ 1,031,358 | $ 2,264,877 |

See notes to the financial statements.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers | $ 689,410 | $ 1,249,725 |
| Cash payments for contractual services | (998,242) | (836,822) |
| Cash payments for personal services and benefits | (653,286) | (540,167) |
| Net Cash Used by Operating Activities | (962,118) | (127,264) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Acquisition of assets | (2,625) | (3,763) |
| Interest on investments | 5,169 | 9,405 |
| Net Cash Provided by Investing Activities | 2,544 | 5,642 |
| Net Decrease in Cash | (959,574) | (121,622) |
| Cash and Cash Equivalents, at Beginning of Year | 2,330,338 | 2,451,960 |
| Cash and Cash Equivalents, at End of Year | $ 1,370,764 | $ 2,330,338 |
| **RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:** | | |
| Net operating loss | $ (1,238,688) | $ (57,728) |
| Adjustments to reconcile operating loss to net cash used by operating activities: | | |
| Depreciation expense | 5,025 | 5,647 |
| (Increase) decrease in assets: | | |
| Accounts receivable | (84,476) | (17,500) |
| Due from related party | 13,101 | (97,350) |
| Prepaid expenses | (18,750) | (20,000) |
| Increase (decrease) in liabilities: | | |
| Accounts payable and accrued expenses | 200,612 | (46,751) |
| Deferred revenues | - | (2,000) |
| Compensated absences | 59,476 | 36,000 |
| Other postemployment benefits | 101,582 | 72,418 |
| Net Cash Used by Operating Activities | $ (962,118) | $ (127,264) |

See notes to the financial statements.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

## Note 1 – Summary of Significant Accounting Policies

### Organization

The Nassau County Industrial Development Agency (the "Agency") was created as a New York State public benefit corporation. The Agency was established on August 6, 1976 by Code Section 922, which became Chapter 674 of the Laws of 1975 (the Enabling Act). The purpose of the Agency is to arrange long-term, low-interest financing for private firms and companies for the purpose of promoting, attracting, encouraging and developing commerce and industry in the County of Nassau, New York.

The purpose of the Agency is to promote economic development and job creation in Nassau's communities by issuing taxable and tax-free revenue bonds that provide financial assistance to businesses using only non-taxpayer dollars. The Agency provides companies with the following incentives:

- Federally tax-exempt and taxable revenue bonds
- Local property tax abatement and exemptions
- Sales tax exemptions for construction materials and equipment
- Mortgage recording tax exemptions

### Reporting Entity

The financial reporting entity includes all functions and activities over which the appointed officials exercise responsibility. No other governmental organization has been included or excluded from the reporting entity. Nassau County appoints the governing board of the Agency which results in interdependency with the County. Accordingly, the Agency has been determined to be a component unit of Nassau County.

### Basis of Accounting

The Agency uses the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. The financial statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States, as prescribed by the Governmental Accounting Standards Board ("GASB"). GASB is the primary standard-setting body for establishing governmental accounting and financial reporting principles.

The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows.

### Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, cash equivalents are defined as short-term highly liquid investments including certificates of deposit. The Statement of Cash Flows presented uses the direct method.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

**Note 1 – Summary of Significant Accounting Policies** (continued)

Accounts Receivable

Receivables include amounts due from businesses for annual project fees and for legal fees incurred by the project payable by the respective business. Receivables are recorded and revenues are recognized as earned or as specific expenditures are incurred. All receivables are deemed collectible; therefore no allowance account has been established.

Prepaids

Prepaids represents advances in rent payments to Nassau County that will benefit a future period.

Due From Affiliate

Due from affiliate represents amounts due from Nassau County Local Economic Assistance Corporation for office space and administrative services provided by the Agency.

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives as follows:

| | |
|---|---|
| Furniture and fixtures | 5-7 years |
| Computer equipment | 3-5 years |
| Machinery and equipment | 5-7 years |

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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(s) and so will not be recognized as an outflow of resources (expense) until then. The Agency did not have any items qualifying for reporting in the category.

In addition to liabilities, the statement of financial 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency did not have any items qualifying for reporting in this category.

Compensated Absences

Agency employees earn vacation and sick leave in varying amounts. In the event of separation from service (except termination for cause), employees are paid for accumulated unused vacation and sick leave subject to certain limitations. The liability for these compensated absences is recorded as current and noncurrent obligations in the statements of net assets.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

**Note 1 – Summary of Significant Accounting Policies** (continued)

Other Postemployment Benefits

In addition to providing pension benefits, the Agency, per its contract with employees, will pay the full premium costs for the medical insurance coverage (currently provided by Empire Plan Plus Enhancements of the New York State Government Employees Health Insurance Program) for an employee of the Agency at retirement, provided the employee has reached the age of 55 and has at least ten years of public service with the State of New York and/or Municipal Subdivision of which at least five years is with the Agency or the County of Nassau.

The Agency recognizes the cost of providing benefits by recording its share of insurance premiums as an expense in the year paid. The liability for these other postemployment benefits payable is recorded as a long-term liability in the statements of net assets.

Equity Classifications

In the financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets — Consists of capital assets including, restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position — Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position — All other net assets that do not meet the definition of "restricted" or "net investment in capital assets."

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

Revenue Recognition

The Agency's primary source of operating revenue is from bond issuance and straight lease fees, which are computed as a percentage of the total project. Fees are recorded as income, when earned, at the time of closing on the sale of bonds and straight lease agreements.

Advertising

The Agency follows the policy of charging the costs of advertising to expense as incurred. Advertising expense for the years ended December 31, 2012 and 2011 was approximately $858,000 and $475,000 respectively.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

**Note 1 – Summary of Significant Accounting Policies** (continued)

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the accrued expenses and other liabilities, depreciable lives of buildings, amortization of bond issuance costs, and contingencies. Actual results could differ from those estimates.

Reclassifications

Reclassifications are made to the prior year's financial statements whenever necessary to conform to current year's presentation. Such reclassifications have had no effect on income as previously reported.

New Pronouncements

The Agency has adopted all of the current statements of the GASB that are applicable.

Effective with the financial report for the year ended December 31, 2012, the Agency has adopted GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." The Statement incorporates into the GASB authoritative literature FASB and AICPA pronouncements, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Effective with the financial report for the year ended December 31, 2012, the Agency has adopted GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." This statement provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The balance sheet is renamed the statement of net position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

Subsequent Events

Management has evaluated subsequent events through May 20, 2013 which is the date the financial statements were available to be issued.

**Note 2 – Cash and Cash Equivalents**

Cash and cash equivalents consist of funds deposited in demand accounts and certificates of deposit with maturities of less than three months.

**Note 2 – Cash and Cash Equivalents** (continued)

The Agency's investments are governed by a formal investment policy. The Agency's monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Agency is authorized to use certificates of deposit, and money market deposit accounts. Permissible investments include certificates of deposits, obligations of the United States, obligations of the State of New York, repurchase agreements, and obligations of agencies of the federal government where principal and interest are guaranteed by the United States.

Collateral is required for demand deposits and time deposits accounts at 100% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral include obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. The Agency's collateral agreements are based on the Agency's available balance.

Custodial Credit Risk – Deposits / Investments – Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government may be unable to recover deposits, or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exists when, in the event of the failure of the counterparty, a government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Deposits are required to be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

- Uncollateralized,
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Agency's name.

At December 31, 2012, the Agency's cash and cash equivalents were insured by the Federal Depository Insurance Corporation or collateralized by securities held in the pledging bank's trust department in the Agency's name.

**Note 3 – Revenues**

The Agency collects one time administration fees from the issuance of taxable bonds, tax exempt bonds and straight-lease transactions as follows:

- Taxable Bond Issues and Straight-Lease Transactions - Six-tenths of one percent (.6%) for the first twenty million dollars ($20,000,000) of total project costs and, if applicable, two-tenths of one percent (.2%) for any additional amounts in excess of twenty million dollars ($20,000,000) of total project costs.
- Tax-Exempt Bond Issues - Six-tenths of one percent (.6%) of total project costs.
- General Counsel Fee – One-tenth of one percent (.1%) of total project costs, with a minimum fee of $2,000.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

**Note 3 – Revenues** (continued)

The Agency collects other fees as follows:

- All Transactions - Two thousand five hundred dollars ($2,500) closing compliance fee payable at closing and one thousand dollars ($1,000) per year (or part thereof) administrative fee, as described below. The annual service fee is subject to periodic review and may be adjusted from time to time at the discretion of the Agency.

- The following amounts are payable to the Agency at the time the application is submitted: (i) a $1,000 non-refundable application fee; (ii) a $3,500 expense deposit for the Agency's Bond Counsel fees and expenses; (iii) a $2,500 expense deposit for the cost/benefit analysis with respect to the project contemplated by the application; and (iv) a $500 expense deposit for the real property tax valuation analysis, if applicable, with respect to the project contemplated by the application.

- The Agency charges a non-refundable annual fee of $1,000 per applicant during the term of the bonds or straight lease. The fee covers the cost of annual reporting and monitoring of several transactions including the outstanding bonds.

- The Agency charges a fee if participating organization do not meet the requirements established during the application process for items like job creation. These amounts vary and are determined prior to any closings.

- The fees listed are subject to periodic review and may be adjusted from time to time with the authority of the Board.

Following is a detail of the fee and servicing income received for the year end December 31:

| | 2012 | 2011 |
|---|---|---|
| Closing Fee Income | $ 328,115 | $ 996,354 |
| Consent Fee Income | 108,575 | 4,500 |
| Annual Fee Income | 82,836 | 83,000 |
| Servicing Income | 235,000 | 91,000 |
| Total Fee and Service Income | $ 754,526 | $ 1,174,854 |

**Note 4 – Accounts Receivable**

As of December 31, 2012 and 2011, the Agency's receivables were $101,976 and $17,500, respectively. Amounts included in accounts receivable are costs the Agency paid on behalf of open projects which will be reimbursed by the project applicant.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

## Note 5 – Capital Assets

| | Balance 1/1/2012 | Additions | Deletions | Balance 12/31/2012 |
|---|---|---|---|---|
| Depreciable capital assets: | | | | |
| Furniture and fixtures | $ 68,434 | | | $ 68,434 |
| Computer equipment | 16,309 | $ 2,625 | | 18,934 |
| Machinery and equipment | 9,185 | | | 9,185 |
| Total depreciable capital assets | $ 93,929 | $ 2,625 | $ -0- | 96,554 |
| Less accumulated depreciation: | | | | |
| Furniture and fixtures | $ 55,252 | $ 2,465 | | 57,717 |
| Computer equipment | 11,440 | 2,560 | | 14,000 |
| Machinery and equipment | 9,185 | | | 9,185 |
| Total accumulated depreciation | $ 75,877 | $ 5,025 | $ -0- | 80,902 |
| Total net depreciable capital assets | | | | 15,652 |
| Total net capital assets | | | | $ 15,652 |

The Agency evaluates capital assets for prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Agency's policy is to record an impairment loss in the period when the Agency determines that the carrying amount of the asset will not be recoverable. At December 31, 2012, the Agency has not recorded any such impairment losses. Depreciation expense totaled $5,025 for the year ending December 31, 2012.

## Note 6 – Conduit Debt Obligations, Industrial Revenue Bonds and Note Transactions

The Agency at times has issued Industrial Revenue 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 to the private-sector entity served by the bond issuance. Neither the Agency, the County, nor any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2012 and 2011, there were 93 and 101, series of Revenue Bonds and Notes outstanding, with an aggregate principal amount payable of $584,219,565 and $772,499,018, respectively.

## Note 7 – Related Party Transactions

The Agency is a component unit of Nassau County (the "County"). Office and storage space is provided to the Agency by the County. On January 1, 2011 the Agency entered into a revocable, exclusive license and cooperation agreement with the County, to use approximately 1,046 square feet of office space and approximately 740 square feet of basement storage space in Mineola, New York. The term of the license commenced effectively on November 1, 2010 and will terminate at such time as either party gives the other at least sixty days' notice of revocation in writing. The fee for the license is $2,000 per month. Rent expense totaled $24,000 for the year ended December 31, 2012 and 2011.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

**Note 7 – Related Party Transactions** (continued)

The Agency entered into a Sublicense and cooperation agreement with Nassau County Local Economic Assistance Corporation (the "Corporation"), to use office space and basement storage space in Mineola, New York, as well as to provide administrative services for the Corporation. The term of the sublicense commenced on January 1, 2011 and will terminate at such time as either party gives the other at least thirty days' notice of revocation in writing. The fee for the sublicense is $500 per month. Rental income totaled $6,000 for the year ended December 31, 2012 and 2011 and is included as other income. Administrative charges totaled $235,000 and $91,000 for the year ended December 31, 2012 and 2011 and is included as servicing income.

**Note 8 – Retirement System**

Plan Description

The District participates in the New York State and Local Employees' Retirement System ("NYSERS"), which is a cost-sharing multiple-employer defined benefit pension plan, and the Public Employees' Group Life Insurance Plan. NYSERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as a sole trustee and administrative head of NYSERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the NYSERS and for the custody and control of their funds. NYSERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be found on the website of the Office of the New York State Comptroller or obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, NY 12244.

Funding Policy

Plan members who joined NYSERS before July 27, 1976 are not required to make contributions. Those joining on or after July 27, 1976 and before January 1, 2010 with less than ten years of membership are required to contribute 3% of their annual salary. Those joining on or after January 1, 2010 and before April 1, 2012 are required to contribute 3% of their salary for NYSERS members throughout active membership. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, depending upon their salary, throughout active membership. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Agency is required to contribute at an actuarially determined rate. The required contribution for the current and prior years was:

| | Required Contribution | Total Payment |
|---|---|---|
| 2012 | $ 57,885 | $ 57,885 |
| 2011 | $ 10,878 | $ 10,878 |
| 2010 | $ 63,067 | $ 63,067 |

The Agency's contribution to the System was equal to 100 percent of the contributions required for the year.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

## Note 9 – Long-term Debt

A summary of changes in long-term liabilities for the year ended December 31, 2012 is as follows:

| | Balance 1/1/12 | Increases | Balance 12/31/12 | Non-current Liabilities due within one year | Non-current Liabilities |
|---|---|---|---|---|---|
| Compensated absences | $ 59,838 | $ 59,476 | $ 119,314 | $ 5,966 | $ 113,348 |
| Other postemployment benefits | 88,287 | 101,582 | 189,869 | | 189,869 |
| Total long term liabilities | $ 148,125 | $ 161,058 | $ 309,183 | $ 5,966 | $ 303,217 |

## Note 10 – Postemployment Benefits (Obligations for Health Insurance)

In the basic financial statements, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended December 31, 2010, the Agency recognizes the cost of postemployment healthcare in the year when the employee services are received, and provides information useful in assessing potential demands on the Agency's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2010 liability.

Plan Description

The Agency, as a single employer defined Other Postemployment Benefits plan, per its contract with employees, will pay the full premium costs for the medical insurance coverage (currently provided by Empire Plan Plus Enhancements of the New York State Government Employees Health Insurance Program) for an employee of the Agency at retirement, provided the employee has reached the age of 55 and has at least ten years of public service with the State of New York and/or Municipal Subdivision of which at least five years is with the Agency or the County of Nassau. These contracts may be renegotiated at various times in the future. The retiree is also eligible for Medicare reimbursement. Upon death of an eligible employee with ten years of service, the Agency will pay the cost to continue coverage for the unremarried spouse and dependents of the employee.

The number of participants as of January 1, 2012, the effective date of the OPEB valuation, is as follows:

| | |
|---|---|
| Active employees | 3 |

There have been no significant changes in the number of employees or the type of coverage since that date.

Funding Policy

The Agency currently pays for other postemployment benefits on a pay-as-you-go basis. GASB No. 45 does not require that the unfunded liability actually be funded, only that the unfunded accrued liability is accounted for and in compliance in meeting its Annual Required Contribution (ARC). However, if the liability is funded, assets must be transferred to a qualifying irrevocable trust or equivalent arrangement for the exclusive benefit of plan members and must be protected from creditors. At this time, there is no New York State statute providing local governments with the requisite authority for establishing an other postemployment benefits trust. Therefore, these financial statements are presented on a pay-as-you-go basis until a funding mechanism is authorized for municipalities by New York State statute.

**Note 10 – Postemployment Benefits (Obligations for Health Insurance)** (continued)

Annual Other Postemployment Benefit Cost and Net Obligation

The Agency's annual other postemployment benefits (OPEB) cost (expenses) is calculated based on the annual required contribution of the employer (ARC). The Agency has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB No. 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Agency's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Agency's net OPEB obligation to the Retiree Health Plan:

| | 2012 | 2011 |
|---|---|---|
| Normal cost as of beginning of year pro-rated to end of year | $ 90,182 | $ 66,477 |
| Amortization of unfunded actuarial liability (UAAL) over 30 years pro-rated to end of year | 7,472 | 3,151 |
| Total normal cost and amortization payment | 97,654 | 69,628 |
| Interest to end of year | 3,906 | 2,785 |
| Total annual required contribution (ARC) | 101,560 | 72,413 |
| Interest on Net OPEB Obligation | 3,531 | 635 |
| Adjustments to ARC | (3,509) | (630) |
| OPEB Cost | 101,582 | 72,418 |
| Contributions made | -0- | -0- |
| Change in net OPEB obligation | 101,582 | 72,418 |
| Net OPEB obligation – beginning of year | 88,287 | 15,869 |
| Net OPEB obligation – end of year | $ 189,869 | $ 88,287 |

The Agency's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended December 31, 2012 and the preceding two years are as follows:

| Year Ended | Annual OPEB Cost | Contribution | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|---|---|---|---|---|
| 12/31/12 | $ 101,582 | $ -0- | 0.00% | $ 189,869 |
| 12/31/11 | 72,418 | -0- | 0.00% | 88,287 |
| 12/31/10 | 15,869 | -0- | 0.00% | 15,869 |

**Note 10 – Postemployment Benefits (Obligations for Health Insurance)** (continued)

Funded Status and Funding Progress

The schedule of funding progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The funded status of the plan as of January 1, 2012 is as follows:

| Actuarial Accrued Liability (AAL) | Actuarial Value of Plan Assets | Unfunded Actuarial Accrued Liability (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| $ 195,545 | $ -0- | $ 195,545 | 0.00% | $ 271,928 | 71.91% |

Actuarial Methods and Assumptions

The valuation of postemployment health benefits involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of sharing costs between the employer and plan members to that point. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the January 1, 2012 actuarial valuation, the liabilities were computed using the projected unit credit with linear proration to decrement cost method. The actuarial assumptions utilized a 4.00% discount rate and a 3.00% payroll growth rate. The valuation assumes an initial 10.00% healthcare cost trend for the year ended 2012 and reduced increments to a rate of 5.0% after ten years.

**Note 11 – Litigation**

The Agency is subject to litigation in the ordinary conduct of its affairs. Management does not believe, however, that such litigation, individually or in the aggregate, is likely to have a material adverse effect on the financial condition of the Agency.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2012 and 2011

**Note 12 – Liquidated Damages**

The Agency is empowered by its enabling act to grant various benefits in connection with qualifying projects it agrees to help finance, including granting exemptions from the imposition of sales and use taxes on purchases of materials and equipment for use in connection with a project. However, it is the policy of the Agency to grant benefits with respect to a qualifying project only in return for a commitment from the business receiving the Agency benefits to operate and maintain the project for a minimum of five to thirty years. Failure to do so results in financial penalties being imposed on the business in the form of a required "recapture payment," the severity of which is dependent upon the length of time the project is, in fact, operated and maintained pursuant to the applicable project financing documentation. As of December 31, 2012 and 2011, the Agency imposed and collected fees of -0- and $124,023, respectively.

**Note 13 – New Pronouncements**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 61, "The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34". This statement amends the requirements of GASB Statement No. 14, "The Financial Reporting Entity" and GASB Statement No. 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments" to better meet user needs and to address reporting entity issues that have arisen since the issuance of those statements. The requirements of this statement become effective for the Agency for the year ended December 31, 2013.

The GASB has issued Statement No. 65, "Items Previously Reported as Assets and Liabilities." This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The requirements of this statement become effective for the Agency for the year ended December 31, 2013.

The Agency is currently evaluating the impact of the above pronouncements.

**REQUIRED SUPPLEMENTARY INFORMATION**
**Other Than Management's Discussion And Analysis**

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT HEALTHCARE COSTS
December 31, 2012

| Actuarial Valuation Date As of | Actuarial Accrued Liability (AAL) | Actuarial Value of Assets | Unfunded Actuarial Accrued Liability (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|---|---|---|---|---|---|---|
| January 1, 2012 | $ 195,545 | $ -0- | $ 195,545 | 0.00% | $ 271,928 | 71.91% |
| January 1, 2011 | 82,450 | -0- | 82,450 | 0.00% | 261,928 | 31.48% |
| September 24, 2010 | 77,222 | -0- | 77,222 | 0.00% | 196,928 | 39.21% |

# OTHER SUPPLEMENTARY INFORMATION

# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
## SCHEDULE OF BONDS, NOTES AND LEASES
## For the year ended December 31, 2012

| Project Code | Bond or Note Project Name | Total Project Amount | Applicant Name & Address | Total Exemptions | Date of Issue | Interest Rate | Year Financial Assistance is Planned to End | Federal Tax Status of Bonds | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|---|---|---|---|---|
| 2803 04 03A | 57 Seaview Properties(1) | 12,260,000 | 57 Seaview Properties<br>2 Harbor Park Drive<br>Port Washington, NY | $ 205,073 | 10/28/2004 | Variable | 2014 | Taxable | 20 | 163 |
| 2803 03 07A/B | Adults & Children w/ Learning Dis.(1) | 4,331,000 | Adults & Children w/ Learning Dis.<br>807 South Oyster Bay<br>Bethpage, NY | -0- | 9/18/2003 | 6.00% | 2022 | Tax Exempt | -0- | -0- |
| 2803 02 03A/B | Adults & Children w/ Learning Dis.(1) | 280,000 | Adults & Children w/ Learning Dis.<br>807 South Oyster Bay<br>Bethpage, NY | -0- | 6/27/2002 | 7.13% | 2017 | Tax Exempt | -0- | -0- |
| 2803 00 01A | Adults & Children w/ Learning Dis.(1) | 485,000 | Adults & Children w/ Learning Dis.<br>807 South Oyster Bay<br>Bethpage, NY | -0- | 6/14/2000 | 7.50% | 2015 | Tax Exempt | 6 | 97 |
| 2807 03 12A/B | Advantage Planning(1) | 2,227,000 | Advantage Planning<br>189 Wheatley Road<br>Glen Head, NY | -0- | 9/18/2003 | 7.00% | 2028 | Tax Exempt | 8 | -0- |
| 2803 01 08A | American Red Cross(1) | 1,387,000 | American Red Cross<br>195 Willis Avenue<br>Mineola, NY | -0- | 11/13/2001 | Variable | 2031 | Tax Exempt | 1 | 14 |
| 2803 07 11A | Amsterdam(1) | 11,850,000 | Amsterdam<br>300 East Overlook<br>Port Washington, NY | -0- | 12/20/2007 | 5.88% | 2043 | Tax Exempt | 139 | -0- |
| 2803 07 11A | Amsterdam(1) | 28,165,000 | Amsterdam<br>300 East Overlook<br>Port Washington, NY | -0- | 12/20/2007 | 6.50% | 2043 | Tax Exempt | 139 | -0- |
| 2803 07 11A | Amsterdam(1) | 127,880,000 | Amsterdam<br>300 East Overlook<br>Port Washington, NY | -0- | 12/20/2007 | 6.70% | 2043 | Tax Exempt | 139 | -0- |
| 2803 07 11A | Amsterdam(1) | 8,500,000 | Amsterdam<br>300 East Overlook<br>Port Washington, NY | -0- | 12/20/2007 | 5.50% | 2043 | Tax Exempt | 139 | -0- |
| 2803 07 11A | Amsterdam(1) | 95,100,000 | Amsterdam<br>300 East Overlook<br>Port Washington, NY | -0- | 12/20/2007 | Variable | 2043 | Tax Exempt | 139 | -0- |
| 2803 07 11A | Amsterdam(1) | 24,900,000 | Amsterdam<br>300 East Overlook<br>Port Washington, NY | -0- | 12/20/2007 | Variable | 2043 | Tax Exempt | 139 | -0- |
| 2803 07 13A | Ass. Children w/ Down Syndrome(1) | 1,256,000 | Ass. Children w/ Down Syndrome<br>4 Fern Place<br>Plainview, NY | -0- | 12/19/2007 | 5.95% | 2022 | Tax Exempt | 12 | -0- |
| 2803 01 03 A/B 2 | Ass. Children w/ Down Syndrome(1) | 637,000 | Ass. Children w/ Down Syndrome<br>3511 Jerusalem Avenue<br>Wantagh, NY | -0- | 11/13/2001 | 7.00% | 2016 | Tax Exempt | -0- | -0- |
| 2803 05 01 A/B | Ass. Children w/ Down Syndrome(1) | 741,000 | Ass. Children w/ Down Syndrome<br>4 Fern Place<br>Plainview, NY | -0- | 1/21/2005 | 6.00% | 2019 | Tax Exempt | -0- | -0- |
| 2803 03 07 A/B | Ass. Children w/ Down Syndrome(1) | 688,000 | Ass. Children w/ Down Syndrome<br>4 Fern Place<br>Plainview, NY | -0- | 9/18/2003 | 6.13% | 2018 | Tax Exempt | -0- | -0- |
| 2803 00 01AA | Ass. Children w/ Down Syndrome(1) | 1,535,000 | Ass. Children w/ Down Syndrome<br>4 Fern Place<br>Plainview, NY | -0- | 6/14/2000 | 7.50% | 2015 | Tax Exempt | 55 | -0- |
| 2803 06 08 | Brush Hollow | 3,000,000 | Brush Hollow Inn LLC<br>30 Cuttermill Road<br>Great Neck, NY | 1,038,363 | 6/14/2006 | Variable | 2029 | Taxable | 35 | -0- |

See independent auditors' report.

# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## SCHEDULE OF BONDS, NOTES AND LEASES

## For the year ended December 31, 2012

| Project Code | Bond or Note Project Name | Total Project Amount | Applicant Name & Address | Total Exemptions | Date of Issue | Interest Rate | Year Financial Assistance is Planned to End | Federal Tax Status of Bonds | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|---|---|---|---|---|
| 2803 97 05A | Cablevision | 47,250,000 | Cablevision<br>1111 Stewart Avenue<br>Bethpage, NY | 976,885 | 12/5/1997 | 8.83% | 2018 | Taxable | -0- | 1265 |
| 2803 06 05 A | Center for Rapid Recovery(1) | 915,000 | Center for Rapid Recovery<br>312 Greenwich Street<br>Hempstead, NY | -0- | 6/30/2006 | 6.00% | 2021 | Tax Exempt | -0- | -0- |
| 2803 06 05 A | Center for Rapid Recovery(1) | 31,000 | Center for Rapid Recovery<br>312 Greenwich Street<br>Hempstead, NY | -0- | 6/30/2006 | 7.75% | 2021 | Tax Exempt | -0- | -0- |
| 2803 01 03 A/B | Center for Rapid Recovery(1) | 725,000 | Center for Rapid Recovery<br>312 Greenwich Street<br>Hempstead, NY | -0- | 11/13/2001 | 7.00% | 2016 | Tax Exempt | 5 | 40 |
| 2803 00 06A/B | Central Nassau Guid.& Couns.(1) | 2,970,000 | Central Nassau Guid.& Couns.<br>950 South Oyster Bay Road<br>Hicksville, NY | -0- | 6/14/2000 | 7.50% | 2030 | Tax Exempt | -0- | -0- |
| 2803 02 10E2 | Chartwell North Hills (formerly EBS) | 4,775,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 1/15/2004 | 8% | 2045 | Taxable | 63 | -0- |
| 2803 02 10F2 | Chartwell North Hills (formerly EBS) | 4,775,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 1/15/2004 | 8% | 2045 | Taxable | 63 | -0- |
| 2803 02 10B2 | Chartwell North Hills (formerly EBS) | 3,340,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 4/15/2003 | 7.80% | 2045 | Taxable | 63 | -0- |
| 2803 03 10C1 | Chartwell North Hills (formerly EBS) | 210,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 7/15/2003 | 7.00% | 2045 | Taxable | 63 | -0- |
| 2803 02 10C2 | Chartwell North Hills (formerly EBS) | 4,290,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 7/15/2003 | 7.81% | 2045 | Taxable | 63 | -0- |
| 2803 03 10B1 | Chartwell North Hills S (formerly EBS) | 160,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 4/15/2003 | 7.00% | 2045 | Taxable | 63 | -0- |
| 2803 03 10E1 | Chartwell North Hills Series E1 (formerly EBS) | 225,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 1/15/2004 | 7.00% | 2045 | Taxable | 63 | -0- |
| 2803 04 10F1 | Chartwell North Hills Series F1 (formerly EBS) | 225,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 4/15/2004 | 7.00% | 2045 | Taxable | 63 | -0- |
| 2803 02 10 A | Chartwell North Hills(SeriesB,C,D,E,F) year ¾ (formerly EBS) | 345,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 12/20/2002 | 7.00% | 2045 | Taxable | 63 | -0- |
| 2803 02 10A2 | Chartwell North Hills(SeriesB,C,D,E,F) year ¾ (formerly EBS) | 7,155,000 | CSH North Hills LP<br>99 South Service Road<br>North Hills, NY | 596,993 | 12/20/2002 | 7.80% | 2045 | Taxable | 63 | -0- |
| 2803 99 08A | Chartwell a/k/a Westbury Sr. Living | 25,000,000 | CSH Westbury LP<br>117 Post Avenue<br>Westbury, NY | 956,620 | 12/23/1999 | 8% | 2031 | Taxable | 54 | -0- |
| 2803 06 02 | Cold Spring Harbor Lab(1) | 55,000,000 | Cold Spring Harbor Lab<br>1 Bungtown Road<br>Cold Spring Harbor, NY | -0- | 6/27/2006 | Variable | 2042 | Tax Exempt | -0- | -0- |
| 2803 99 01A | Cold Spring Harbor Lab(1) | 42,200,000 | Cold Spring Harbor Lab<br>1 Bungtown Road<br>Cold Spring Harbor, NY | -0- | 4/1/1999 | Variable | 2034 | Tax Exempt | 240 | 800 |

# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
## SCHEDULE OF BONDS, NOTES AND LEASES
## For the year ended December 31, 2012

| Project Code | Bond or Note Project Name | Total Project Amount | Applicant Name & Address | Total Exemptions | Date of Issue | Interest Rate | Year Financial Assistance is Planned to End | Federal Tax Status of Bonds | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|---|---|---|---|---|
| 2803 07 13B | Comm. Svcs. For Mentally Ret.(1) | 8,135,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 12/19/2007 | 5.95% | 2022 | Tax Exempt | -0- | -0- |
| 2803 00 01AB | Comm. Svcs./Mentally Retarded(1) | 2,405,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 6/14/2000 | 7.50% | 2015 | Tax Exempt | -0- | -0- |
| 2803 06 07 A/B | Comm. Svcs./Mentally Retarded(1) | 8,950,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 6/30/2006 | 6.00% | 2021 | Tax Exempt | -0- | -0- |
| 2803 06 07 A/B | Comm. Svcs./Mentally Retarded(1) | 308,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 6/30/2006 | 7.75% | 2021 | Tax Exempt | -0- | -0- |
| 2803 05 17A/B | Comm. Svcs./Mentally Retarded(1) | 2,560,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 5/13/2005 | 4.58% | 2015 | Tax Exempt | -0- | -0- |
| 2803 05 17A/B | Comm. Svcs./Mentally Retarded(1) | 65,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 5/13/2005 | 5.50% | 2015 | Tax Exempt | -0- | -0- |
| 2803 01 03A/B3 | Comm. Svcs./Mentally Retarded(1) | 7,311,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 11/13/2001 | 7.00% | 2016 | Tax Exempt | -0- | -0- |
| 2803 02 04A/B | Comm. Svcs./Mentally Retarded(1) | 4,147,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 6/27/2002 | 7.13% | 2017 | Tax Exempt | -0- | -0- |
| 2307 03 10A/B | Comm. Svcs./Mentally Retarded(1) | 1,076,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 9/18/2003 | 6.13% | 2018 | Tax Exempt | -0- | -0- |
| 2803 05 08 A/B | Comm. Svcs./Mentally Retarded(1) | 2,560,000 | Comm. Svcs. For Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 1/21/2005 | 6.00% | 2015 | Tax Exempt | -0- | -0- |
| 2803 06 04A/B | Community Mainstreaming Assoc.(1) | 890,000 | Community Mainstreaming Assoc.<br>99 Quentin Roosevelt Blvd.<br>Garden City, NY | -0- | 6/30/2006 | 6.00% | 2011 | Tax Exempt | -0- | -0- |
| 2307 03 11 A/B | Community Mainstreaming Assoc.(1) | 966,000 | Community Mainstreaming Assoc.<br>99 Quentin Roosevelt Blvd.<br>Garden City, NY | -0- | 9/18/2003 | 6.13% | 2018 | Tax Exempt | -0- | -0- |
| 2803 01 03A/B2 | Community Mainstreaming Assoc.(1) | 949,000 | Community Mainstreaming Assoc.<br>99 Quentin Roosevelt Blvd.<br>Garden City, NY | -0- | 11/13/2001 | 7.00% | 2016 | Tax Exempt | 4 | 5 |
| 2803 05 05A/B | Dev. Disabilities Inst.(1) | 163,000 | Dev. Disabilities Inst.<br>99 Hollywood Drive<br>Smithtown, NY | -0- | 1/21/2005 | 6.00% | 2019 | Tax Exempt | 3 | -0- |
| 2803 05 07A/B | Epilepsy Foundation(1) | 922,000 | Epilepsy Foundation<br>506 Stewart Avenue<br>Garden City, NY | -0- | 1/21/2005 | 6.00% | 2019 | Tax Exempt | -0- | -0- |
| 2307 03 09 A/B | Epilepsy Foundation(1) | 724,000 | Epilepsy Foundation<br>506 Stewart Avenue<br>Garden City, NY | -0- | 9/18/2003 | 6.13% | 2018 | Tax Exempt | -0- | -0- |
| 2803 07 13C | Epilepsy Foundation(1) | 1,029,000 | Epilepsy Foundation<br>506 Stewart Avenue<br>Garden City, NY | -0- | 12/19/2007 | 5.95% | 2022 | Tax Exempt | 15 | -0- |
| 2803 01 03A/B4 | Family Residence & Ess. Ent.(1) | 156,000 | Family Residence & Ess. Ent.<br>191 Sweet Hollow Rd.<br>Old Bethpage, NY | -0- | 11/13/2001 | 7.00% | 2016 | Tax Exempt | -0- | -0- |
| 2803 00 01A/B | Family Residence & Ess. Ent.(1) | 7,010,000 | Family Residence & Ess. Ent.<br>191 Sweet Hollow Rd.<br>Old Bethpage, NY | -0- | 6/14/2000 | 7.50% | 2015 | Tax Exempt | -0- | 40 |

See independent auditors' report.

# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
## SCHEDULE OF BONDS, NOTES AND LEASES
## For the year ended December 31, 2012

| Project Code | Bond or Note Project Name | Total Project Amount | Applicant Name & Address | Total Exemptions | Date of Issue | Interest Rate | Year Financial Assistance is Planned to End | Federal Tax Status of Bonds | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|---|---|---|---|---|
| 2803 02 05A/B | Family Residence & Ess. Ent.(1) | 7,040,000 | Family Residence & Ess. Ent.<br>191 Sweet Hollow Rd.<br>Old Bethpage, NY | -0- | 6/27/2002 | 7.73% | 2032 | Tax Exempt | -0- | -0- |
| 2803 02 06A/B | Harmony Heights(1) | 1,969,000 | Harmony Heights<br>60 Walnut Avenue<br>East Norwich, NY | -0- | 6/27/2002 | 7.00% | 2017 | Tax Exempt | -0- | 8 |
| 2803 01 03A/B5 | Hellen Keller Svcs. For the Blind(1) | 664,000 | Hellen Keller Svcs. For the Blind<br>1 Helen Keller Way<br>Hempstead, NY | -0- | 11/13/2001 | 7.00% | 2016 | Tax Exempt | 10 | -0- |
| 2803 07 13D | Hispanic Counseling Center(1) | 2,254,000 | Hispanic Counseling Center Inc.<br>344 Fulton Avenue<br>Hempstead, NY | -0- | 12/19/2007 | 6.48% | 2037 | Tax Exempt | 8 | -0- |
| 2803 03 05A | Hispanic Counseling Center Inc.(1) | 2,775,000 | Hispanic Counseling Center<br>336-338 Fulton Avenue<br>Hempstead, NY | -0- | 7/23/2003 | 7.63% | 2033 | Tax Exempt | 1.5 | 36 |
| 2803 93 04A | Hofstra University(1) | 24,500,000 | Hofstra University<br>100 Fulton Avenue<br>Hempstead, NY | -0- | 7/22/1998 | 0.00% | 2028 | Tax Exempt | -0- | -0- |
| 2803 98 0A | Hofstra University(1) | 107,407,128 | Hofstra University<br>100 Fulton Avenue<br>Hempstead, NY | -0- | 7/1/1998 | 4.75% | 2028 | Tax Exempt | -0- | -0- |
| 2307 03 07A/B | Homes Anew(1) | 548,000 | Homes Anew<br>191 Sweet Hollow Road<br>Old Bethpage, NY | -0- | 9/18/2003 | 6.13% | 2018 | Tax Exempt | -0- | 1 |
| 2803 07 05A | Johnson & Hoffman LLC and Manley Holdings Inc. | 6,500,000 | Johnson & Hoffman LLC and Manley Holdings Inc.<br>40 Voice Road<br>Carle Place, NY | 42,979 | 8/10/2007 | Variable | 2032 | Taxable | -0- | 79 |
| 2803 03 06A | Keyspan-Glenwood Landing Energy Center | 53,275,000 | Keyspan-Glenwood Landing Energy Center<br>1 Metro Tech Center<br>Brooklyn, NY | -0- | 11/26/2003 | 5.25% | 2027 | Taxable | 5 | -0- |
| 2803 04 02A | Liberty Clinton/Hempstead Prop. | 13,500,000 | Liberty Clinton/Hempstead Prop.<br>400 Fulton Avenue<br>Hempstead, NY | 482,070 | 9/2/2004 | Variable | 2034 | Taxable | 5 | -0- |
| 2803 05 09 10A/B | LIFES Worc Inc.(1) | 586,000 | "Life's WORC, Inc"<br>1501 Franklin Avenue<br>Garden City, NY | -0- | 12/19/2007 | 7.08% | 2031 | Tax Exempt | -0- | -0- |
| 2803 07 13F | Lifes WORC, Inc(1) | 1,097,000 | "Life's WORC, Inc"<br>1501 Franklin Avenue<br>Garden City, NY | -0- | 12/19/2007 | 5.95% | 2022 | Tax Exempt | 11 | -0- |
| 2803 00 01AC | Little Village House(1) | 325,000 | Little Village House<br>750 Hicksville Road<br>Seaford, NY | -0- | 6/30/2006 | 7.50% | 2015 | Tax Exempt | -0- | -0- |
| 2803 06 06 A/B | Little Village House(1) | 805,000 | Little Village House<br>750 Hicksville Road<br>Seaford, NY | -0- | 6/30/2006 | 6.00% | 2021 | Tax Exempt | -0- | -0- |
| 2803 06 06 A/B | Little Village House(1) | 28,000 | Little Village House<br>750 Hicksville Road<br>Seaford, NY | -0- | 6/30/2006 | 7.75% | 2021 | Tax Exempt | -0- | -0- |
| 2803 02 01A | Little Village School(1) | 700,000 | Little Village House<br>750 Hicksville Road<br>Seaford, NY | -0- | 1/10/2002 | 7.50% | 2031 | Tax Exempt | -0- | 179 |
| 2803 05 09A | Mill River | 14,725,000 | Mill River<br>40 Main Street<br>Rockville Centre, NY | 607,731 | 12/21/2005 | 5.50% | 2022 | Taxable | -0- | 6 |

See independent auditors' report.

# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
## SCHEDULE OF BONDS, NOTES AND LEASES
## For the year ended December 31, 2012

| Project Code | Bond or Note Project Name | Total Project Amount | Applicant Name & Address | Total Exemptions | Date of Issue | Interest Rate | Year Financial Assistance is Planned to End | Federal Tax Status of Bonds | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|---|---|---|---|---|
| 2307 03 08 A&B | Nassau Comm. Mentally Ret.(1) | 644,000 | Nassau Comm. Mentally Ret.<br>189 Wheatley Road<br>Glen Head, NY | -0- | 9/18/2003 | 6.13% | 2018 | Tax Exempt | -0- | -0- |
| 2803 05 13A | North Shore Hebrew(1) | 26,460,000 | North Shore Hebrew<br>400 North Service Road<br>Great Neck, NY | -0- | 12/22/2005 | Variable | 2036 | Tax Exempt | 20 | 50 |
| 2803 01 A-D | North Shore University Hospital(1) | 4,055,000 | North Shore University Hospital<br>927 Brush Hollow Road<br>Westbury, NY | -0- | 10/24/2001 | 5.8-6.25% | 2021 | Tax Exempt | 9 | 5188 |
| 2803 01 A-D | North Shore University Hospital(1) | 14,190,000 | North Shore University Hospital<br>927 Brush Hollow Road<br>Westbury, NY | -0- | 10/24/2001 | 5.87% | 2021 | Tax Exempt | 9 | 5188 |
| 2803 01 A-D | North Shore University Hospital(1) | 7,865,000 | North Shore University Hospital<br>927 Brush Hollow Road<br>Westbury, NY | -0- | 10/24/2001 | 5.63% | 2021 | Tax Exempt | 9 | 5188 |
| 2803 01 A-D | North Shore University Hospital(1) | 20,000,000 | North Shore University Hospital<br>927 Brush Hollow Road<br>Westbury, NY | -0- | 10/24/2001 | 4-6% | 2021 | Tax Exempt | 9 | 5188 |
| 2803 99 04A | Northshore Child & Family(1) | 2,865,000 | Northshore Child & Family<br>480 Old Westbury Road<br>Roslyn Heights, NY | -0- | 5/1/1999 | 5.75-6.75% | 2024 | Tax Exempt | -0- | 40 |
| 2803 00 05A | NY Inst. Of Technology(1) | 20,550,000 | NY Inst. Of Technology<br>Northern Blvd.<br>Old Westbury, NY | -0- | 8/29/2000 | 5-5.25% | 2030 | Tax Exempt | -0- | 788 |
| 2803 05 12A | NY Water/Aqua NY | 12,590,000 | NY Water/Aqua NY<br>60 Brooklyn Avenue<br>Merrick, NY | -0- | 12/1/2005 | 5.00% | 2035 | Taxable | -0- | 50 |
| 2803 03 04A | OLSL Roslyn/Forest City Daly/Bryant Landing | 65,000,000 | OLSL Roslyn/Forest City Daly<br>/Bryant Landing<br>100 Landing Road<br>Roslyn, NY | 1,298,684 | 12/29/2003 | 6.75% | 2033 | Taxable | 40 | -0- |
| 2803 07 13G | P.L.U.S. Group Home Inc.(1) | 70,000 | P.L.U.S. Group Home Inc.<br>1228 Wantagh Avenue<br>Wantagh, NY | -0- | 12/19/2007 | 7.08% | 2022 | Tax Exempt | -0- | 21 |
| 2803 07 13G | P.L.U.S. Group Home Inc.(1) | 2,015,000 | P.L.U.S. Group Home Inc.<br>1228 Wantagh Avenue<br>Wantagh, NY | -0- | 12/19/2007 | 6.15% | 2022 | Tax Exempt | -0- | 21 |
| 2803 06 03 | Plainview Fire Department(1) | 6,395,000 | Plainview Fire Department<br>958 Round Swamp Road<br>Plainview, NY | -0- | 6/28/2006 | 6.41% | 2021 | Tax Exempt | 3 | 13 |
| 2803 07 12A | Rockville Centre Housing Auth.&Omni Housing Dev | 17,000,000 | Rockville Centre Housing Auth.<br>&Omni Housing Dev.<br>160 North Centre Avenue<br>Rockville Centre, NY | 521,381 | 10/18/2007 | Variable | 2040 | Taxable | 9 | 9 |
| 2803 99 05A | Rubies Costume Company | 3,730,000 | Rubies Costume Company<br>601 Cantiague Rock Road<br>Westbury, NY | 1,000 | 6/17/1999 | Variable | 2019 | Taxable | 45 | -0- |
| 2803 08 06A | Spinney Hill Homes | 13,614,902 | NHHA Spinney Hll Homes<br>35A Pond Hill Road<br>Great Neck, NY | 400,000 | 12/19/2008 | Variable | 2041 | Tax Exempt | -0- | -0- |
| 2803 98 09A | St. Marys Child & Fam. Svc.(1) | 3,100,000 | St. Mary's Child & Fam. Svc.<br>525 Convent Road<br>Syosset, NY | -0- | 12/18/1998 | Variable | 2018 | Tax Exempt | 15 | 200 |
| 2803 08 00 | The Green Vale School(1) | 5,000,000 | The Green Vale School<br>250 Valentines Lane<br>Glen Head, NY | -0- | 1/30/2008 | 3.55% | 2013 | Tax Exempt | 3 | 137 |

See independent auditors' report.

# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
## SCHEDULE OF BONDS, NOTES AND LEASES
## For the year ended December 31, 2012

| Project Code | Bond or Note Project Name | Total Project Amount | Applicant Name & Address | Total Exemptions | Date of Issue | Interest Rate | Year Financial Assistance is Planned to End | Federal Tax Status of Bonds | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|---|---|---|---|---|
| 2803 99 07 A/B | United Cerebral Palsy(1) | 7,160,000 | United Cerebral Palsy<br>380 Washington Avenue<br>Roosevelt, NY | -0- | 12/22/1999 | 6.00% | 2014 | Tax Exempt | -0- | -0- |
| 2803 07 13E | United Veterans(1) | 876,000 | United Veterans<br>1715 Union Boulevard<br>Bay Shore, NY | -0- | 12/19/2007 | 6.48% | 2037 | Tax Exempt | -0- | -0- |
| 2803 06 01 C/D | Young Adult Institute(1) | 2,520,000 | Young Adult Institute<br>460 West 34th Street<br>New York, NY | -0- | 6/15/2006 | Variable | 2020 | Tax Exempt | -0- | -0- |
| 2803 01 09A | Young Adult Institute(1) | 21,318,000 | Young Adult Institute<br>460 West 34th Street<br>New York, NY | -0- | 12/18/2001 | Variable | 2016 | Tax Exempt | 55 | -0- |
| 2803 06 01 A/B | Young Adult Institute(1) | 1,130,000 | Young Adult Institute<br>460 West 34th Street<br>New York, NY | -0- | 3/1/2006 | 4.80% | 2019 | Tax Exempt | -0- | -0- |
| 280310 04A | REP 85 South Service Road LLC | 5,000,000 | REP 85 South Service Road<br>85 South Service Road<br>Plainview, NY | 281 | 12/20/2010 | Variable | 2013 | Tax Exempt | -0- | 28 |

(1) Not for Profit Corporations

Note: All information presented is the most current, as of 2011.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
SCHEDULE OF BONDS, NOTES AND LEASES
For the year ended December 31, 2012

| Project Code | Lease Project Name | Applicant Name & Address | Estimated Amount of Tax Exemptions | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|
| 2803 11 04S | 2200 Northern Steel LLC | 2200 Northern Steel LLC<br>700 Hicksville Road<br>Bethpage, NY | 293,206 | 249 | 487 |
| 2803 11 09A | 615 South Street, LLC | 615 South Street, LLC<br>615 South Street<br>Garden City, NY | 137,025 | 228 | 65 |
| 2803 10 03A | Aceto Corporation | Aceto Corporation<br>1 Hollow Lane<br>New Hyde Park, NY | 83,139 | -0- | 80 |
| 2803 05 11A | Acupath(1) | Acupath<br>6 Lowell Avenue<br>New Hyde Park, NY | 60,616 | 16 | 30 |
| 2803 09 02A | Adams Court(1) | Adams Court Development Fund Corporation<br>1551 Franklin Avenue<br>Mineola, NY | 575,000 | 1 | -0- |
| 2803 07 03A | Administrators for the Professions Inc.(1) | Administrators for the Professionals, Inc.<br>111 East Shore Road<br>Manhasset, NY | 26,413 | 267 | -0- |
| 2803 02 07A | Antech | Antech<br>1111 Marcus Avenue<br>New Hyde Park, NY | -0- | 28 | 216 |
| 2803 05 17 | Avanti | Alexander Infusion LLC<br>130-17 23rd Avenue<br>College Point, NY | 107,196 | 7 | 50 |
| 2803 11 08A | AVR | Carl Place Associates LLC<br>One Executive Blvd.<br>Yonkers, NY | 173,213 | 60 | -0- |
| 2803 06 10 | B&R Machine and Tool | B&R Machine and Tool<br>50 Urban Avenue<br>Westbury, NY | -0- | 32 | 65 |
| 2803 09 03A | Bedell Terrace | Bedell Terrace Apartments, LP<br>885 Second Avenue<br>New York, NY | 609,273 | 6 | -0- |

See independent auditors' report.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
SCHEDULE OF BONDS, NOTES AND LEASES
For the year ended December 31, 2012

| Project Code | Lease Project Name | Applicant Name & Address | Estimated Amount of Tax Exemptions | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|
| 2803 04 01A | Ben Elias | Ben Elias<br>100 Inip Drive<br>Inwood, NY | -0- | -0- | 250 |
| 2803 04 05A | BFS Realty | BFS Realty<br>26 Harbor Park Drive<br>Port Washington, NY | 46,309 | -0- | -0- |
| 2803 06 04A | Blue Cassel Site A | Blue Cassel Site A<br>193-04 Horace Harding Expressway<br>Fresh Meadows, NY | 120,317 | 1 | -0- |
| 2803 07 02A | Bostwick Laboratories Inc. | Bostwick Laboratories Inc.<br>4355 Innslake Drive<br>Glen Allen, VA | -0- | 23 | -0- |
| 2803 11 05A | BWD Group LLC | BWD Group LLC<br>45 Executive Drive<br>Plainview, NY | 260,262 | 50 | 147 |
| 2803 08 05A | Cox & Company, Inc. | "Cox & Co, Steel O LLC"<br>200 Varick Street<br>New York, NY | 594,174 | 20 | 190 |
| 2803 08 01A | Crest Good Manufacturing Co. | Crest/Good Mfg. Co. & Savoy Faucet Co. Inc.<br>PO Box 468<br>Syosset, NY | -0- | 3 | 18 |
| 2803 07 09A | Deautsche Lufthansa AG | Deautsche Lufthansa AG<br>1640 Hempstead Turnpike<br>East Meadow, NY | 10,846 | -0- | 222 |
| 2803 04 07 | Dreyfus | Dreyfus<br>200 Park Avenue<br>New York, NY | -0- | -0- | 412 |
| 2803 05 02A | Geismar LLC/Paint Applicator | Geismar LLC/ Paint Applicator<br>7 Harbor Park Drive<br>Port Washington, NY | 48,009 | 111 | -0- |
| 2803 05 23 | Granite/MONYII | "Granite Building 2, LLC"<br>1999 Marcus Avenue<br>New Hyde Park, NY | 965,262 | 5 | -0- |

See independent auditors' report.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
SCHEDULE OF BONDS, NOTES AND LEASES
For the year ended December 31, 2012

| Project Code | Lease Project Name | Applicant Name & Address | Estimated Amount of Tax Exemptions | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|
| 2803 09 01A | Harpark Associates | Harpark Assoc. & Harbor Footwear<br>55 Harbor Park Drive<br>Port Washington, NY | -0- | 10 | 90 |
| 2803 07 01A | Hornell Brewing Co., Inc. | "Ferlito, Vultaggio & Sons"<br>5 Dakota Drive<br>New Hyde Park, NY | 328,611 | 170 | -0- |
| 2803 08 03A | Kozy Shack Enterprises, Inc. | "Kozy Shack Enterprises, Inc."<br>83 Ludy Street<br>Hicksville, NY | 63,616 | 35 | 323 |
| 2803 10 02A | Life Time Fitness | Life Time Fitness<br>2902 Corparate Place<br>Chanhassen, NY | -0- | 153 | -0- |
| 2803 10 01A | Lowe Properties, LLC | Lowe Properties, LLC<br>130 West 10th Street<br>Huntington Station, NY | 16,818 | -0- | -0- |
| 2803 07 04A | Lunar Module Park, LLC | "Lunar Module Park, LLC"<br>750 Route 25A<br>Setauket, NY | 1,145,384 | 10 | -0- |
| 2803 07 14A | Meyers Farm | Stella Meyer & Peter Meyer III<br>131 Piquet Lane<br>Woodbury, NY | 66,225 | -0- | 3 |
| 2803 03 02A | MONY | MONY<br>1999 Marcus Avenue<br>New Hyde Park, NY | -0- | 4 | -0- |
| 2803 11 07A | Nassau Steel LLC | Nassau Steel LLC<br>700 Hicksville Road<br>Bethpage, NY | 53,817 | 95 | -0- |
| 2803 05 15 | Neptune(1) | Neptune<br>501 Kings Highway<br>Fairfield, CT | 10,485,583 | 2 | -0- |
| 2803 08 07A | Nestle Waters North America Inc. | Nestle Waters North America Inc.<br>777 W. Putnam Avenue<br>Greenwich, CT | 90,101 | 101 | -0- |

See independent auditors' report.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
SCHEDULE OF BONDS, NOTES AND LEASES
For the year ended December 31, 2012

| Project Code | Lease Project Name | Applicant Name & Address | Estimated Amount of Tax Exemptions | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|
| 2803 05 03A | P&L Development | P&L Development<br>240 Smith Street<br>Farmingdale, NY | -0- | 60 | 220 |
| 2803 08 02A | Pall Corporation | Pall Corporation<br>2200 Northern Blvd.<br>Greenvale, NY | (98,582) | -0- | 517 |
| 2803 02 03A | Perfume of America | Perfume of America<br>100 Commercial Street<br>Plainview, NY | 40,247 | 25 | -0- |
| 2803 11 03A | Pine Town Homes | Pine Town Homes LP<br>Pilot House<br>Boston, MA | -0- | -0- | 4 |
| 2803 11 06A | Plaza Landmark LLC | Nestle Waters North America Inc.<br>777 W. Putnam Avenue<br>Greenwich, CT | 547,405 | 186 | -0- |
| 2803 02 09A | Recognition System/Expansion Harbor | Recognition System/Expansion Harbor<br>30 Harbor Park Drive<br>Port Washington, NY | -0- | 70 | 70 |
| 2803 03 03A | Roadway Inn/333 South Service Rd. | Roadway Inn<br>30 Cuttermill Raod<br>Great Neck, NY | -0- | 27 | 18 |
| 2803 05 06A | Roslyn Gatehouse | Roslyn Gatehouse<br>1775 Broadway<br>New York, NY | -0- | 15 | -0- |
| 2803 04 05C | Sandata Technologies, Inc. | BFS Realty<br>26 Harbor Park Drive<br>Port Washington, NY | -0- | 46 | 95 |
| 2803 01 10A | Silver Manor(1) | Silver Manor<br>645 Yaphank Road<br>Medford, NY | 17,032 | -0- | -0- |
| 2803 07 10A | Sleepys Inc. | Sleepy's Inc.<br>175 Central Avenue South<br>Bethpage, NY | 767,894 | 90 | 401 |

See independent auditors' report.

**NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY**
SCHEDULE OF BONDS, NOTES AND LEASES
For the year ended December 31, 2012

| Project Code | Lease Project Name | Applicant Name & Address | Estimated Amount of Tax Exemptions | Original Estimate of Jobs to be Created | Original Estimate of Jobs to be Retained |
|---|---|---|---|---|---|
| 2803 06 11 | Southern Wines | Southern Wines<br>345 Underhill Blvd<br>Syosset, NY | 841,880 | 43 | 674 |
| 2803 11 01A | Steel O-II LLC | Steel O-II LLC<br>700 Hicksville Road<br>Bethpage, NY | 18,838 | 78 | 30 |
| 2803 06 02A | Stoneridge B & C | Stoneridge B & C<br>1 Cross Island Plaza<br>Rosedale, NY | -0- | -0- | -0- |
| 2803 07 06A | The NPD Group Inc. | The NPD Group Inc.<br>900 West Shore Road<br>Port Washington, NY | -0- | 100 | 441 |
| 2803 11 02A | Titan Realty Holdings LLC | Titan Realty Holdings<br>250 Northern Blvd<br>Great Neck, NY | 105,000 | 56 | 36 |
| 2803 11 10A | TRCP | TRCP Enterprises<br>2400 Northern Blvd<br>Greenvale, NY | 94,975 | 47 | 59 |
| 2803 04 04A | WE Transport | WE Transport<br>75 Commercial Street<br>Plainview, NY | 5,377 | 46 | 271 |

(1) Not for Profit Corporations

Note: All information presented is the most current, as of 2011.

# OTHER REPORTS

AVZ
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED UPON THE AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Nassau County Industrial Development Agency
Mineola, NY

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 statement of the business-type activities of the Nassau County Industrial Development Agency (the "Agency"), a component unit of Nassau County, New York, as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated May 20, 2013.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 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 Agency'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 the limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of 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 the Agency's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Albert, Viggiano, Zureck & Co., P.C.

Hauppauge, New York
May 20, 2013

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH AGENCY INVESTMENT POLICY

To the Board of Directors
Nassau County Industrial Development Agency
Mineola, New York

We have examined Nassau County Industrial Development Agency's (the "Agency"), a component unit of the Nassau County, New York, compliance with the Agency's investment policy during the period January 1, 2012 through December 31, 2012. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the period January 1, 2012 through December 31, 2012.

This report is intended solely for the information and use of the Board, audit committee, management of the Agency, Nassau County, Authority Budget Office, and the New York State Comptroller's Office and is not intended to be and should not be used by anyone other than these specified parties.

Albrecht, Viggiano, Zureck & Co., P.C.

Hauppauge, New York
May 20, 2013



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