

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Financial Statements

December 31, 2012 and 2011

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
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CERTIFIED PUBLIC ACCOUNTANTS PLLC

Formerly Green & Seifert CPAs

Independent Auditor's Report

To the Board of Directors of the
City of Syracuse Industrial Development Agency

Report on the Financial Statements

We have audited the accompanying basic financial statements of City of Syracuse Industrial Development Agency, a component unit of the City of Syracuse, New York as of December 31, 2012 and 2011, and for the years then ended, and the related notes to the financial statements, which collectively comprise the City of Syracuse Industrial Development Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City of Syracuse Industrial Development Agency's 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.

Auditor's Responsibility

Our responsibility is to express an opinion 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 the 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of 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 audit opinion.



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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Syracuse Industrial Development Agency as of December 31, 2012 and 2011 and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

In accordance with *Government Auditing Standards*, we have issued our report dated March 27, 2013 on our consideration of the City of Syracuse Industrial Development Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles general accepted in the United States of America require that the management's discussion and analysis 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 consider 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 evidence sufficient to express an opinion or provide any assurance.

New York State General Municipal Law, Article 18-A, Section 859 requires that the supplemental schedule of revenue bonds and supplemental schedule of other financing be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by New York State General Municipal Law, Article 18-A, Section 859, 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 evidence sufficient to express an opinion or provide any assurance.



Syracuse, New York
March 27, 2013

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

As management of the City of Syracuse Industrial Development Agency ("SIDA"), we offer readers of this Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of Syracuse Industrial Development Agency exceeded its liabilities at the close of its most recent fiscal year by \$6,678,742 (net position). This amount may be used to meet the Agency's ongoing obligations to constituents and creditors in accordance with the Agency's fund designation and fiscal policies.
- The Agency's total net position increased by \$120,506 for the 2012 fiscal year.
- During 2012 the Agency received \$4,881,918 for its role in various development projects. The majority of the development fees (\$3,800,000) came from the Destiny USA project. This amount was passed through by SIDA to the City of Syracuse/Onondaga County. In addition to the Destiny USA Project fees, SIDA received monies for financing fees from the following sources: a.) The Inns at Armory Square - \$287,710, b.) Pike Block Project - \$268,047, c.) Merchant Commons - \$125,250.
- SIDA has one PILOT agreement for which payments are collected. The Lakefront PILOT brought in \$107,401 in 2012. SIDA had one additional PILOT agreement in effect in 2011 for which the Agency received revenue of \$593,571. This PILOT agreement ended with the payment in 2011, as such, no amounts were received for this particular PILOT in 2012.
- SIDA received a one-time settlement of \$224,768 from a related entity, Syracuse Economic Development Corporation, as an inducement to forgive an outstanding loan with Syracuse Economic Development Corporation. SIDA had previously fully reserved for the potentially uncollectible loan. SIDA approved a forgiveness of the loan in 2012.
- SIDA spent monies on various public improvement projects during 2012 which included \$500,000 to the City of Syracuse for demolitions and \$263,710 for work related to the creekwalk in Syracuse.
- The Agency continued reducing its HUD-108 guaranteed bonds payable balance during 2012 by making \$2,687,000 in principal payments. SIDA reduced its outstanding principal on these loans from \$4,371,000 in 2011 to \$1,684,000 in 2012. In addition to the principal payments, SIDA paid \$85,070 of interest related to the HUD-108 guaranteed bonds payable.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of two components: 1) agency-wide financial statements and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Agency-wide financial statements – The agency-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

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The Statement of Net Position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., accrued interest).

Both of the agency-wide financial statements report only business-type (proprietary) activities, since none of the Agency's activities are considered to be governmental activities supported primarily by taxes.

The agency-wide financial statements can be found on pages 8 through 10 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the agency-wide and fund financial statements. The notes to the financial statements can be found on pages 11 through 19 of this report.

Other information – In addition to the basic financial statements and accompanying notes, this report also contains certain supplementary information, which contain information concerning revenue bonds and other financing. This supplementary information can be found on pages 20 through 25 of this report.

AGENCY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Agency's financial position. In the case of the City of Syracuse Industrial Development Agency, assets exceeded liabilities by \$6,678,742 as of December 31, 2012.

Cash and loans receivable constitute the largest portion of the Agency's net position. This net position is available for future repayment of outstanding loans and for future economic development projects. All of the Agency's funds are treated as proprietary (business-type) funds.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

The following are summarized versions of the agency-wide financial statements for 2012 and 2011:

Statements of Net Position

	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 4,795,000	\$ 6,106,000
Receivables	5,776,000	7,062,000
Other assets	1,712,000	1,869,000
Total assets	<u>\$ 12,283,000</u>	<u>\$ 15,037,000</u>
Bonds payable	\$ 2,649,000	\$ 5,491,000
All other liabilities	2,955,000	2,988,000
Total liabilities	<u>5,604,000</u>	<u>8,479,000</u>
Net position	<u>6,679,000</u>	<u>6,558,000</u>
Total liabilities and net position	<u>\$ 12,283,000</u>	<u>\$ 15,037,000</u>

ASSETS

Major year over year changes with regard to the decreases in cash are due to the payments on bonds payable net of amounts received from Destiny USA. The extension agreement was signed in December of 2011 and called for \$1,500,000 in extension fees to SIDA. \$500,000 was paid in 2011 and the remaining balance was paid in early 2012. The Agency had approximately \$5,700,000 in loans receivable outstanding as of December 31, 2012. The majority of these receivables are concentrated in one project, Dey's Centennial Plaza. The original general partner of this project was the Syracuse Economic Development Corporation (SEDCO), which is a related entity to SIDA. SIDA has an outstanding loan receivable of \$5,385,171 from SEDCO related to this project. SIDA expects payments of \$23,188 of principal and interest on a monthly basis throughout the term of the loan receivable.

BONDS PAYABLE

The Agency has HUD Section 108 guaranteed bonds payable as of December 31, 2012 of \$1,684,000. During 2012, the Agency made principal payments of \$2,687,000 and interest payments of \$85,070. The resources needed to repay these loans will come from a) amounts repaid by developers, b) a PILOT agreement assigned to the Agency, c) fee income, and d) allocations of Community Development Block Grant funds, which have been pledged to provide resources for these loan repayments.

The Agency also holds bonds payable for a parking garage. The balance at December 31, 2012 was \$965,000, principal and interest payments amounted to \$155,000 and \$85,542, respectively during 2012.

CHANGES IN RESTRICTED NET POSITION

During 2012, restricted net position decreased by approximately \$613,000. This decrease is due to the release of restrictions. Approximately \$532,000 was released in accordance with the lakefront development restrictions. Approximately \$82,000 was released in accordance with the parking mitigation restrictions.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

Statements of Revenues, Expenses and Changes in Net Position

	<u>2012</u>	<u>2011</u>
Financing fees	\$ 4,882,000	\$ 4,798,000
Extension fees	-	2,500,000
PILOT revenue	107,000	889,000
All other income	892,000	762,000
Total income	<u>5,881,000</u>	<u>8,949,000</u>
Destiny USA fee to City of Syracuse/Onondaga County	3,800,000	3,800,000
Interest expense	171,000	363,000
Public improvements	807,000	1,012,000
All other expenses	983,000	543,000
Total expenses	<u>5,761,000</u>	<u>5,718,000</u>
Increase in net position	120,000	3,231,000
Net position – beginning of year	<u>6,559,000</u>	<u>3,328,000</u>
Net position – end of year	<u>\$ 6,679,000</u>	<u>\$ 6,559,000</u>

FINANCING AND EXTENSION FEES

As reported earlier, SIDA receives a substantial development fee from the Destiny USA of \$3,800,000 each year as part of a twelve year fee structure, totaling \$60,000,000. The monies are passed onto the City of Syracuse and Onondaga County for economic development.

In addition to the Destiny USA Project fees, SIDA received monies for financing and extension fees from the following sources: a.) The Inns at Armory Square - \$287,710, b.) Pike Block Project - \$268,047, c.) Merchant Commons - \$125,250.

PILOT REVENUE

SIDA has a PILOT agreement for which SIDA continues to collect payments. The PILOT brought in \$107,401 in 2012 and will terminate in when the PILOT payments are more than what the company would pay in taxes. SIDA had one additional PILOT agreement in effect in 2011 for which the Agency received revenue of \$593,571. This PILOT agreement ended with the payment in 2011, as such, no amounts were received for this particular PILOT in 2012.

GARAGE RENT REVENUE

During 2012, SIDA received approximately \$241,000 for rent of the parking garage that they own. This rental income is a reimbursement from the City of Syracuse, New York which operates the garage. The lease between SIDA and the City of Syracuse, New York expires on December 1, 2017.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
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GRANTS

During 2010, a liability was recorded for grant revenues received but not yet earned. This liability and the corresponding expense are not recurring. The Agency has been in contact with HUD (the U.S. Department of Housing and Urban Development) who has stated that this liability will need to be repaid in the future but at this time when that repayment will be required is unclear.

PROFESSIONAL FEES

Professional fees are typically legal fees associated with the negotiations of financing and PILOT agreements. The lower amount in 2011 of approximately \$189,000 over the 2012 amount of \$208,000 relates to lower legal activity in 2011.

REQUEST FOR INFORMATION

This financial report is designed to provide readers with a general overview of the Agency's finances. If you have questions about this report or need additional information, contact the Agency's board at the City of Syracuse Industrial Development Agency, 201 East Washington Street, Room 605, Syracuse, NY 13202-1432.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Net Position

	December 31,	
	2012	2011
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 4,794,722	\$ 5,849,125
Restricted cash	582	257,261
Other loan receivable	86,395	81,174
Loans receivable - SEDCO	118,322	-
Other receivables	81,084	1,000,000
Investment in properties, at cost	985,220	985,220
Prepaid expenses	-	44,931
Total current assets	<u>6,066,325</u>	<u>8,217,711</u>
Long-term Assets		
Other loan receivable	223,821	310,215
Loans receivable - SEDCO	5,266,849	5,670,523
Land and building, at cost, net of depreciation	725,677	838,289
Future Destiny USA fees receivable	22,800,000	26,600,000
Future fees payable to City and County	<u>(22,800,000)</u>	<u>(26,600,000)</u>
Total long-term assets	<u>6,216,347</u>	<u>6,819,027</u>
 Total assets	 <u>\$ 12,282,672</u>	 <u>\$ 15,036,738</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable	\$ 142,563	\$ 82,671
Accrued interest payable	20,612	112,951
Grant payable	735,368	735,368
Deferred revenue	36,000	36,000
Bonds payable - current portion	466,000	2,842,000
Total current liabilities	<u>1,400,543</u>	<u>3,808,990</u>
Long-term Liabilities		
Payable to City of Syracuse - long-term portion	2,020,387	2,020,512
Bonds payable - long-term portion	2,183,000	2,649,000
Total long-term liabilities	<u>4,203,387</u>	<u>4,669,512</u>
Total liabilities	<u>5,603,930</u>	<u>8,478,502</u>
Net Position		
Net investment in capital assets	(239,323)	(281,711)
Restricted for:		
Lakefront development	479,486	1,010,995
Parking mitigation	93,644	175,593
Unrestricted	6,344,935	5,653,359
Total net position	<u>6,678,742</u>	<u>6,558,236</u>
 Total liabilities and net position	 <u>\$ 12,282,672</u>	 <u>\$ 15,036,738</u>

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Revenues, Expenses and Changes in Net Position

	Year Ended December 31,	
	2012	2011
Revenue		
Financing fees	\$ 4,881,918	\$ 4,797,957
Extension fees	-	2,500,000
Grant income	206,730	127,624
PILOT revenue	107,401	888,511
Interest income	144,822	318,432
Garage rent	240,543	241,560
Bad debt recovery	224,768	-
Other income	75,187	74,439
Total revenue	<u>5,881,369</u>	<u>8,948,523</u>
Expenses		
Development costs -		
Destiny USA fee to City of Syracuse/Onondaga County	3,800,000	3,800,000
Lakefront projects	70,042	133,007
Other projects	250,000	23,121
Public improvements	806,627	1,011,583
Interest	170,612	363,406
Legal fees	207,729	93,268
Professional fees	295,164	150,406
Depreciation	112,613	112,613
Miscellaneous	48,076	30,842
Total expenses	<u>5,760,863</u>	<u>5,718,246</u>
Change in net position	120,506	3,230,277
Net position - beginning of year	<u>6,558,236</u>	<u>3,327,959</u>
Net position - end of year	<u>\$ 6,678,742</u>	<u>\$ 6,558,236</u>

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

	Years Ended December 31,	
	2012	2011
Cash flows from operating activities:		
Inflows -		
Interest received	\$ 144,822	\$ 304,649
Loan fees and grants	1,314,965	2,014,092
Extension fees	1,000,000	1,500,000
Rents and miscellaneous fees received	315,730	315,999
Loan repayments	591,293	147,138
Destiny USA fee	3,800,000	3,800,000
Outflows -		
Interest payments	(218,020)	(420,894)
Supplies and services	(1,617,872)	(1,728,190)
Destiny USA fee	(3,800,000)	(3,800,000)
Net cash used in operating activities	<u>1,530,918</u>	<u>2,132,794</u>
Cash flows from noncapital financing activities:		
Payments on bonds payable	<u>(2,687,000)</u>	<u>(2,539,000)</u>
Cash flows from capital and related financing activities:		
Payments on bonds payable - Armory Garage	<u>(155,000)</u>	<u>(145,000)</u>
Net decrease in cash and cash equivalents	<u>(1,311,082)</u>	<u>(551,206)</u>
Cash and cash equivalents - beginning of year	<u>6,106,386</u>	<u>6,657,592</u>
Cash and cash equivalents - end of year	<u>\$ 4,795,304</u>	<u>\$ 6,106,386</u>
Reconciliation of change in net position to cash provided by operating activities:		
Change in net position	\$ 120,506	\$ 3,230,277
Depreciation	112,613	112,613
Changes in assets and liabilities:		
Loan receivable	81,173	76,300
Loan receivable - SEDCO	285,352	(13,783)
Prepaid expenses	44,931	(34,074)
Other receivables	918,916	(929,162)
Payable to City of Syracuse	(125)	257
Accounts payable	59,892	(304,136)
Interest payable	(92,340)	(5,498)
Net cash used for operating activities	<u>\$ 1,530,918</u>	<u>\$ 2,132,794</u>
Total cash:		
Cash and cash equivalents	\$ 4,794,722	\$ 5,849,125
Restricted cash	582	257,261
	<u>\$ 4,795,304</u>	<u>\$ 6,106,386</u>

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

1. Nature of the Organization and Significant Accounting Policies

Nature of the Organization

The City of Syracuse Industrial Development Agency (SIDA) is a public benefit corporation established in 1979 to enhance economic development activities in the city of Syracuse, NY (the "City"). SIDA was established by New York State General Municipal Law (GMU), Article 18-A, Title 2, paragraph 926, also known as the "New York State Industrial Development Agency Act." SIDA's programs include the issuing of revenue bonds and the making of loans under the HUD Section 108 Program, the Downtown Commercial Rehabilitation Loan Program and the SIDA Development Fund. SIDA's sole function is to enhance economic development activities through the making and facilitating of business loans. Virtually all of its expenses are incurred to fulfill this function. SIDA is treated by the City as a component unit and is integral to the overall economic development plans of the City.

The basic financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. All of the Agency's funds are proprietary funds, and, therefore, include only business-type activities. There are no material differences between a) net position and fund balances, and b) changes in net position and changes in fund balances, and, therefore, no reconciliation schedules of these items are included in this report.

Basis of Presentation

Agency-wide financial statements – The agency-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the Agency as a whole. Individual funds are not presented in the agency-wide financial statements. The Agency has determined that all of its activities are business-type, which are predominantly or entirely financed with fees and loan repayments from external parties.

Net Position Classifications

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, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net assets 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.

- *Lakefront Development*: These funds are restricted to use for public improvement.
- *Parking Mitigation*: These funds are restricted for use to alleviate parking situations in downtown Syracuse, New York.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

1. Nature of the Organization and Significant Accounting Policies (continued)

Unrestricted - Consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For the year ended December 31, 2012, SIDA implemented GASB No. 62, *Codification of Accounting and Financial Reporting Guidance, contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* on January 1, 2012. The objective of GASB No. 62 is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: a) Financial Accounting Standards Board (FASB) Statements and Interpretations; b) Accounting Principles Board Opinions and c) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This implementation did not have a significant impact on the financial statements.

SIDA also adopted GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* effective January 1, 2012. The adoption of this statement resulted in the new classification of net position which has been utilized throughout these financial statements.

The agency-wide statements use the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. PILOT revenues are recognized in the year for which they are due while grants are recognized when grantor eligibility requirements are met.

Order of Use of Resources

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

Fixed Assets

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

Allowance for Doubtful Accounts

SIDA uses the allowance method to report loans of doubtful collectability.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

1. Nature of the Organization and Significant Accounting Policies (continued)

Statement of Cash Flows

SIDA considers its lending activities as operating activities for purposes of the statement of cash flows. For the statement of cash flows, SIDA considers cash and cash equivalents to be all monies in banks and highly liquid investments with maturity dates of less than three months.

Investment Policy

SIDA's investment policy conforms to the requirements of the New York State General Municipal Law §858-a(3), §10 and §11. The objectives of SIDA's investment activities are to conform to all applicable federal state and other legal requirements, to adequately safeguard principal, to provide sufficient liquidity to meet all operating requirements and to obtain a reasonable rate of return.

Concentrations of Credit Risk

At various times during the year, SIDA's cash and cash equivalents balances exceeded the insured limits of the Federal Deposit Insurance Corporation. However, SIDA's accounts were fully collateralized by securities pledged by the depository bank.

Use of Estimates

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

2. Revenue Bonds/Other Financing

SIDA is empowered to finance the acquisition, construction or reconstruction of manufacturing, warehousing, research, commercial, industrial and pollution control projects. SIDA raises funds to accomplish these purposes by issuing negotiable tax-exempt or taxable revenue bonds and by participating in other financing arranged by/for the developers of the projects.

SIDA can provide up to 100% financing for an approved project including the cost of land, construction, equipment, planning and fees. Financing is generally provided at interest rates 1½ to 2% lower than conventional rates. SIDA finances individual projects by issuing revenue bonds in its own name. These bonds are secured by a mortgage on the property and a subsequent lease to the company. The company sells the bonds to banks at a rate lower than the conventional interest rate.

The bonds become an obligation of the company and are amortized by the revenue from the project. Typically, upon completion of a project, the facilities, improvements or equipment are leased to the company for a term equal to the term of the bond issue, which usually ranges from 10 to 25 years.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

2. Revenue Bonds/Other Financing (continued)

The annual lease payments equal the annual principal and interest due on the bonds. At the end of the lease term, the company has the option of purchasing the project for one dollar. The assets and liabilities of these projects are not reflected in the attached financial statements, since SIDA treats the projects and bonds as assets and liabilities of the individual developers.

3. Loan Receivable - SEDCO

The Agency has a loan receivable from a related party, Syracuse Economic Development Corporation (SEDCO) related to an economic development project that SEDCO undertook. SEDCO has since sold this project to a 3rd party developer and received a mortgage note totaling \$5,500,000. SEDCO has pledged all of the payments of principal and interest of this mortgage note to SIDA.

The mortgage note bears interest at 3% and is recorded as interest income by SIDA. During the construction period for this project, interest only payments are made to SEDCO which are subsequently paid to SIDA. SIDA recorded interest income of \$108,335 and \$262,029, respectively for the years ended December 31, 2012 and 2011.

Principal payments began being made to be made by SEDCO in 2012, which will in turn be paid to SIDA and reduce the principal balance of the loan receivable from SEDCO.

The loan receivable from SEDCO consisted of various components which include a previous outstanding loan which was fully reserved for concerning its collectability and other components related to the previous development project that SEDCO undertook. During 2012, SIDA forgave all monies owed from SEDCO less the mortgages outstanding of \$5,500,000. SIDA uses the allowance method to record an estimate of uncollectible loans. A summary of the loan activity related to SEDCO is as follows:

	<u>2012</u>	<u>2011</u>
Mortgage notes	\$ 5,385,171	\$ 5,500,000
Loans receivable	-	10,171,657
Interest receivable	-	13,751
Total receivable	<u>5,385,171</u>	<u>15,685,408</u>
Less allowance	-	(10,014,885)
Loan receivable, net	<u><u>\$ 5,385,171</u></u>	<u><u>\$ 5,670,523</u></u>

4. Other Loan Receivable

The Agency has a loan receivable from a 3rd party for a development project within the City of Syracuse. The loan matures in 2016 and consists of monthly payments of \$8,611 which includes principal and interest at 6.25%. Interest received on such loan was \$16,814 and \$27,068, for the years ended December 31, 2012 and 2011, respectively. The loan balance was \$310,216 and \$391,389 at December 31, 2012 and 2011, respectively.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

5. Investment in Properties

SIDA from time to time will purchase and hold title to properties for future sale and development by a third party. The investment in properties represents capital assets of SIDA which are reported at historical cost. SIDA periodically reviews its capital assets for impairments. Impairment is indicated when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined.

Investment in properties is as follows:

Properties:

301, 309-311, 315-321 S. Warren Street	\$ 323,100
1081-1085 S. Salina Street	191,797
2100, 2101, 2103 Rear Coughlin	180,020
341 Peat Street	176,044
Others	114,259
	<u>\$ 985,220</u>

6. Land and Building

SIDA owns the Center Armory Garage Facility which consists of a parcel of land and the parking garage facility. The facility is being depreciated on a straight-line basis over an estimated useful life of twenty-five years. The following is a summary of the cost and accumulated depreciation of the facility for the years ended December 31, 2012 and 2011:

	<u>Balance at 12/31/2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 12/31/2012</u>
Capital assets at cost:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Buildings	2,815,320	-	-	2,815,320
Total	<u>2,865,320</u>	<u>-</u>	<u>-</u>	<u>2,865,320</u>
Accumulated depreciation:				
Accumulated depreciation	(2,027,031)	(112,612)	-	(2,139,643)
Capital assets, net	<u>\$ 838,289</u>	<u>\$ (112,612)</u>	<u>\$ -</u>	<u>\$ 725,677</u>

7. Payable to City of Syracuse

SIDA has been designated by the City of Syracuse to receive, and subsequently loan for commercial use, funds collected by the City under a past tax amnesty program. Under this program, SIDA serves as a conduit between the loan recipient and the City of Syracuse. All earnings and potential losses from the activities are recorded in the fund titled "Development Fund" and such fund reverts back to the City, as such, SIDA has no net position in this fund.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

7. Payable to City of Syracuse (continued)

The payable to the City does not bear any interest. At December 31, 2012 and 2011, the balance due to the City of Syracuse was \$2,020,387 and \$2,020,512, respectively.

8. Bonds Payable

Parking Garage Bonds

The Center Armory Garage Facility is owned by SIDA and is located in the Armory Square historic district in downtown Syracuse. The project was financed by SIDA with revenue bonds. Payments on the bonds on made on a bi-annual basis, with interest only payments made on June 1st and principal plus interest made on December 1st of each year through maturity.

SIDA leases the parking facilities to the Syracuse Economic Development Corporation (SEDCO), which subleases the facilities to the City of Syracuse (the City). The lease and sublease, which expire on December 1, 2017, call for rent payments to be made by the City to SIDA in an amount sufficient to pay the interest and principal due on the bonds and to maintain various bond reserve funds at required levels.

HUD Section 108 Guaranteed Bonds Payable

The U.S. Department of Housing and Urban Development (“HUD”) has a loan guarantee assistance program for community and economic development. Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program.

Under this section, HUD offers communities a source of financing for certain community development activities, such as housing rehabilitation, economic development, and large-scale physical development projects. As with the CDBG program, all projects and activities must meet CDBG’s rules and requirements and meet the primary objective of CDBG programs whereby the use of 70% of funds must benefit low and moderate income persons and meet one of the following three national objectives: (a) principally benefit low and moderate income persons, (b) assist in eliminating or preventing slums or blight, or (c) assist with community development needs having a particular urgency. Under this program, SIDA and the City of Syracuse pledges its current and future CDBG funds as the principal for the loan guarantee.

Section 108 obligations are financed through underwritten public offerings. Financing between public offerings is provided through an interim lending facility established by HUD. As such, after the public offering, such loans are with a commercial financial institution, which is Bank of NY Mellon for SIDA’s current HUD 108 outstanding loans. Although HUD may act as an intermediate lender, ultimately a 3rd party commercial financial institution is the lender.

The Section 108 program provides additional security to the lender in the form of a guarantee by HUD. Even though a guarantee is provided by HUD, the Agency continues to be subject to risk as any inability for the Agency to make payments would allow HUD to first use CDBG monies to pay the loans in default, which would reduce the amount of monies available to the Agency and the City of Syracuse through the CDBG program.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

8. Bonds Payable (continued)

During 2011, the Agency issued bonds in the amount of \$800,000 to refund outstanding serial bonds Series 2001-A. This refunding extended the maturity date by seven years.

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

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at 12/31/2011</u>	<u>Payments</u>	<u>Balance at 12/31/2012</u>	<u>Due in One Year</u>
HUD Section 108						
Guaranteed Bonds:						
Series 2001-A	2.5%	8/1/2012	\$ 109,000	\$ (109,000)	\$ -	\$ -
Series 2002-A	5.8%	8/1/2021	465,000	(346,000)	119,000	10,000
Series 2004-A	1.3%	8/1/2016	127,000	(44,000)	83,000	43,000
Series 2006-A	0.3%	8/1/2019	175,000	(15,000)	160,000	20,000
2006 Advance	.4-.5%	8/1/2019	745,000	(143,000)	602,000	143,000
Series 2008-A	1.6%	8/1/2012	1,950,000	(1,950,000)	-	-
Series 2011-A	1.3%	8/1/2019	800,000	(80,000)	720,000	165,000
Parking Garage Bonds	6.75-7.55%	12/1/2017	1,120,000	(155,000)	965,000	85,000
			<u>\$ 5,491,000</u>	<u>\$ (2,842,000)</u>	<u>\$ 2,649,000</u>	<u>\$ 466,000</u>

The following is a summary of the principal and interest payments outstanding at December 31, 2012:

Due in:	<u>Parking Garage Bonds</u>		<u>HUD Section 108 Guaranteed</u>		<u>Total Bonds Payable</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 165,000	\$ 73,748	\$ 301,000	\$ 17,825	\$ 466,000	\$ 91,573
2014	175,000	61,175	277,000	16,177	452,000	77,352
2015	195,000	47,825	283,000	14,991	478,000	62,816
2016	205,000	32,920	324,000	13,605	529,000	46,525
2017	225,000	17,238	148,000	11,345	373,000	28,583
2018-2022	-	-	351,000	17,878	351,000	17,878
	<u>\$ 965,000</u>	<u>\$ 232,906</u>	<u>\$ 1,684,000</u>	<u>\$ 91,821</u>	<u>\$ 2,649,000</u>	<u>\$ 324,727</u>

9. Brownsfields Economic Development Incentive (BEDI) Grants

In 1998 and 1999, SIDA received approval for (2) Brownfields Economic Development Incentive (BEDI) grants in the amounts of \$1,000,000 and \$875,000, respectively, for the City Crossroads project. As of December 31, 2011, SIDA had drawn down the following amounts on these grants:

Received in:	<u>BEDI Grant</u>	
	1998	1999
2000	\$ 400,101	\$ -
2002	599,899	293,940
2003	-	91,428
Total drawn	<u>\$ 1,000,000</u>	<u>\$ 385,368</u>

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

9. Brownsfields Economic Development Incentive (BEDI) Grants (continued)

The remainder of the 1999 grant (\$489,630) has not been drawn down by SIDA.

Each of the grants contains a provision which requires SIDA to enter into HUD-108 loans to development projects sited in the City Crossroads area. The required ratio of loans to grant dollars for the 1998 grant is \$3 to \$1, respectively, and \$2.50 to \$1 for the 1999 grant, respectively.

As of December 31, 2012, SIDA had made \$1,950,000 of HUD-108 loans to City Crossroads projects. Additional HUD-108 loans in the City Crossroads area would be needed to meet the required ratios of loan dollars to grant dollars noted above.

As of December 31, 2012, the grant funds which have been earned by the issuance of loans are as follows:

	1998	BEDI grant 1999	Total
Grant dollars received	\$ 1,000,000	\$ 385,368	\$ 1,385,368
Grant dollars earned:			
1998: \$1,950,000 ÷ 3 =	650,000	-	650,000
1999: \$-0- ÷ 2.5 =	-	-	-
Balance	\$ 350,000	\$ 385,368	\$ 735,368

SIDA has not met the requirements of the grant and does not have any immediate plans on meeting the grant requirements, as such, has recorded the \$735,368 as a liability due to HUD as of December 31, 2012 and 2011. The ultimate payment terms will be negotiated with HUD in the future.

10. Destiny USA Fees

SIDA has participated in the financing of the Carousel Center Mall, holds nominal title to the project, and continues to be active in the financing of the project as it attempts to transform from Carousel Center into Destiny USA. In early 2007, the developer received financing for Phase I of the conversion to Destiny USA, and commenced construction of a major expansion to the existing mall. In February, 2007, SIDA received a development fee of \$5,400,000 for its participation in the financing of the project. The use of this fee is restricted to development projects in the lakefront area near the mall.

A separate \$60,000,000 project fee is being paid to SIDA over twelve years, with \$11,000,000 paid to SIDA in February, 2007, \$11,000,000 in February, 2008 and \$3,800,000 per year in 2009 through 2018. This separate fee is being passed through by SIDA to the City of Syracuse, New York and the County of Onondaga, New York to be used for general economic development purposes.

During 2011, SIDA entered into two extension agreements. The first called for a \$1,000,000 fee paid to be paid to SIDA during 2011. The second called for a \$1,500,000 fee to be paid to SIDA in three installments of \$500,000, the first installment were due and paid in 2011 and the second two installments were due and paid in 2012. For the year ended December 31, 2011, SIDA recorded \$2,500,000 of extension fees in the Statements of Activities.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

11. Conduit Debt Obligations

SIDA has the ability to issue bonds which are deemed to be limited obligations of SIDA. These bonds are considered to be limited obligations as the payments for such bonds are pledged from a source outside of SIDA which has the obligation to pay the principal and interest of such bonds. These bonds are paid solely from the net revenues and other funds of SIDA pledged under the terms of each individual bond indenture agreement. Since SIDA does not have any obligation to repay the principal and interest of such bonds, the bonds are not reflected as long-term debt of SIDA. As of December 31, 2012 and 2011, SIDA has issued bonds with an aggregate principal amount outstanding of approximately \$828,123,000 and \$1,371,155,000, respectively.

12. Contingent Liabilities – Destiny USA Project

Pursuant to an agreement between SIDA and Pyramid Company of Onondaga (Pyramid), SIDA acquired certain real property interests in May 2006 – 2009 in furtherance of the Carousel Expansion Project (first phase of conversion of Carousel Center into Destiny USA and closure of Hiawatha Boulevard) from land owners in the vicinity of Carousel Center and certain tenants/condemnees at the Carousel Center (collectively condemnees) by use of eminent domain. Pursuant to State law, the condemnees are entitled to be paid just compensation by SIDA based on the value of the property interest acquired from them by SIDA, and SIDA has settled with most of the condemnees and made advance payments to all condemnees. Certain condemnees have filed claims seeking additional compensation. As part of the SIDA/Pyramid agreement, Pyramid has agreed to indemnify and hold SIDA harmless with regard to all claims and expenses associated with the eminent domain actions and real property acquisitions. Pyramid provided the funds used by SIDA to make the advance payments and funds to settle those compensation claims which have been settled to date. As of the date of this report, SIDA's attorneys are unable to express an opinion as to the likelihood of an outcome in any of these claims. The financial statements include no accrual for these potential contingent liabilities.

13. Related Party Transactions

The City of Syracuse, New York provides for the management of SIDA without request for reimbursement. Were SIDA to pay for management services (salaries and fringe benefits) an expense of approximately \$39,000 and \$23,000 would be recorded on SIDA's financial statements at December 31, 2012 and 2011, respectively.

14. Subsequent Events

In preparing the financial statements, management of SIDA has evaluated events and transactions for potential recognition or disclosure through March 27, 2013, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further disclosure.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Other Revenue Bonds - Unaudited
For the Year Ended December 31, 2012

Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Principal of the Issue					Term Ending Date
					Bonds Outstanding at January 1, 2012	Incurred During 2012	Developer Paid During 2012	Bonds Outstanding at December 31, 2012		
Civic Facility 31020303C	Crouse Health Hospital, Inc. Cardiology Project	9/24/2003	3.200%	2.820%- 2.900%	\$ 3,235,000	\$ -	\$ 205,000	\$ 3,030,000	1/1/2017	
Civic Facility 31020303C	Crouse Health Hospital, Inc. Facility Series 1997A – Maternity Center	12/1/1997	5.250%	-	\$ 8,765,000	\$ -	\$ 540,000	\$ 8,225,000	1/1/2023	
Civic Facility 31020303C	Crouse Health Hospital, Inc. Series 2003A	9/24/2003	3.090%	2.820%- 2.900%	\$ 16,480,000	\$ -	\$ 1,015,000	\$ 15,465,000	1/1/2023	
Civic Facility 31029803B	Crouse Health, Inc. Series 2003A	9/24/2003	3.170%	.070% - .280%	\$ 9,345,000	\$ -	\$ 585,000	\$ 8,760,000	1/1/2023	
Civic Facility 31029803B	Crouse Health, Inc. Series 2003B	9/24/2003	4.400%	.300% - .390%	\$ 3,780,000	\$ -	\$ 230,000	\$ 3,550,000	1/1/2023	
Civic Facility 31020707A	Crouse Health, Inc. Series 2007A	12/10/2007	3.250%	2.820%- 2.900%	\$ 19,475,000	\$ -	\$ 550,000	\$ 18,925,000	1/1/2033	
Civic Facility 31020707A	Crouse Health, Inc. Series 2007B	12/10/2007	3.410%	.060%- .0270%	\$ 4,365,000	\$ -	\$ 1,250,000	\$ 3,115,000	1/1/2023	
Real Estate 31020707B	Destiny USA Series 2007A	2/27/2007	5.000%	-	\$ 228,085,000	\$ -	\$ -	\$ 228,085,000	1/1/2036	
Real Estate 31020707B	Destiny USA Series 2007B	2/27/2007	5.660%	-	\$ 3,398,352	\$ -	\$ -	\$ 3,398,352	1/1/2018	
Real Estate 31020707B	Destiny USA Series 2007C	2/27/2007	5.693%	-	\$ 94,250,000	\$ -	\$ -	\$ 94,250,000	1/1/2028	
Services 31029101	James Square Associates Nursing Home Facility FHA – Insured Mortgage Revenue Refunding Bonds – 1991 Series Capital Appreciation	9/30/1991	0.000%	-	\$ 3,171,965	\$ -	\$ 257,158	\$ 2,914,807	8/1/2025	

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Other Revenue Bonds - Unaudited
For the Year Ended December 31, 2012

Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Principal of the Issue				
					Bonds Outstanding at January 1, 2012	Incurred During 2012	Developer Paid During 2012	Bonds Outstanding at December 31, 2012	Term Ending Date
Services 31020101A	Jewish Home of Central NY First Mortgage Revenue Bonds Series 2001A	4/2/2001	6.250%	Current - 7.375%	\$ 15,410,000	\$ -	\$ 360,000	\$ 15,050,000	3/1/2031
Services 31020101A	Jewish Home of Central NY First Mortgage Revenue Bonds Series 2001B	3/15/2006	5.000%	Current - 9.5%	\$ 1,355,000	\$ -	\$ 35,000	\$ 1,320,000	3/15/2031
Real Estate 31020705	Masonic Lofts Project Mortgage	10/1/2007	4.500%	4.100% - 6.100%	\$ 3,559,986	\$ -	\$ -	\$ 3,559,986	8/1/2039
Civic Facility 31020801	MESA of NY, Inc. Project Series 2008	1/29/2010	2.315%	3.500% - 6.000%	\$ 5,665,000	\$ -	\$ 365,000	\$ 5,300,000	1/1/2033
Real Estate 31029201	SIDA - Center Armory Garage Taxable Parking Facilities Revenue Bonds Serise B	12/12/1992	8.800%	-	\$ 480,000	\$ -	\$ 65,000	\$ 415,000	12/1/2017
Real Estate 31029201	SIDA - Center Armory Garage Non-Taxable Parking Facilities Revenue Bonds Serise A	12/12/1992	4.200%	4.200% - 6.600%	\$ 635,000	\$ -	\$ 90,000	\$ 545,000	12/1/2017
School Facility 31020803	Syracuse Joint Schools Construction Board Project Series 2008A	3/26/2008	4.000%	3.000% - 5.250%	\$ 45,305,000	\$ -	\$ 1,940,000	\$ 43,365,000	4/1/2030
School Facility 31020803	Syracuse Joint Schools Construction Board Project Series 2010	12/23/2010	3.000%	3.000% - 6.000%	\$ 31,470,000	\$ -	\$ -	\$ 31,470,000	5/1/2027
School Facility 31020803	Syracuse Joint Schools Construction Board Project Series 2010	12/23/2010	3.000%	3.000% - 6.000%	\$ 46,860,000	\$ -	\$ -	\$ 46,860,000	
Civic Facility 31029910A	Syracuse University Capital Finance Series 1999A	12/8/1999	3.520%	.034% - .306%	\$ 18,925,000	\$ -	\$ -	\$ 18,925,000	12/1/2029
Civic Facility 31029910A	Syracuse University Capital Finance Series 1999B	12/8/1999	3.520%	.051% - .323%	\$ 25,550,000	\$ -	\$ -	\$ 25,550,000	12/1/2029

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Other Revenue Bonds - Unaudited
For the Year Ended December 31, 2012

Project Purpose	Description of the Financing	Closing Date	Interest		Principal of the Issue					Term Ending Date
			At Issuance	If Variable, Range	Bonds Outstanding at January 1, 2012	Incurred During 2012	Developer Paid During 2012	Bonds Outstanding at December 31, 2012		
Civic Facility 31029910A	Syracuse University Capital Finance Series 2005B	12/1/2005	2.850%	.040%-.300%	\$ 40,000,000	\$ -	\$ -	\$ -	\$ 40,000,000	12/1/2035
Civic Facility 31020813	Syracuse University Capital Finance Series 2008A	1/30/2008	0.100%	.200%-.240%	\$ 18,825,000	\$ -	\$ 425,000	\$ -	\$ 18,400,000	7/1/2037
Civic Facility 31020813	Syracuse University Capital Finance Series 2008B	1/30/2008	6.000%	.020%-.280%	\$ 50,000,000	\$ -	\$ -	\$ -	\$ 50,000,000	12/1/2037
Civic Facility 31029501	Vanderbilt/Larned Project Civic Facility Revenue Bonds – 1991 Series	3/30/1995	0.150%	.180%-.220%	\$ 5,590,000	\$ -	\$ 665,000	\$ -	\$ 4,925,000	4/1/2018
Grand Total - Revenue Bonds					\$ 703,980,303	\$ -	\$ 8,577,158	\$ -	\$ 695,403,145	

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Other Financing - Unaudited
For the Year Ended December 31, 2012

Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Principal of the Issue				
					Mortgage Outstanding at January 1, 2012	Incurred During 2012	Developer Paid During 2012	Mortgage Outstanding at December 31, 2012	Term Ending Date
Real Estate				Libor +					
31020305A	432 North Franklin Facility	11/12/2003	7.500%	2.500%	\$ 5,033,855	\$ -	\$ 92,941	\$ 4,940,914	6/1/2017
Real Estate				Current -					
31020205A	455 North Franklin, LLC Sale/Leaseback, Mortgage	12/23/2002	7.000%	6.680%	\$ 4,445,184	\$ -	\$ 255,253	\$ 4,189,931	12/1/2022
Real Estate									
31020601A	Amos Building Project Sale/Leaseback, Mortgage	9/28/2007	5.980%	-	\$ 3,014,927	\$ -	\$ 43,399	\$ 2,971,528	10/1/2017
Real Estate									
31020808	Atrium Associates Facility	4/1/2010	6.390%	-	\$ 976,592	\$ -	\$ 976,592	\$ -	1/20/2018
Real Estate				Current -					
31020301C	Atrium Associates Facility	8/20/2003	5.000%	4.610%	\$ 3,570,157	\$ -	\$ 3,570,157	\$ -	1/20/2018
Real Estate				Libor +					
31020403C	Carousel Center Facility/Destiny USA	12/28/2005	6.280%	1.900%	\$ 299,511,440	\$ -	\$ 299,511,440	\$ -	2/28/2014
Real Estate				Libor +					
31020403C	Carousel Center Facility/Destiny USA	12/28/2005	6.280%	2.950%	\$ 86,632,865	\$ -	\$ 86,632,865	\$ -	2/28/2014
Real Estate				Libor +					
31020403C	Carousel Center Facility/Destiny USA	12/28/2005	6.280%	6.500%	\$ 100,000,000	\$ -	\$ 100,000,000	\$ -	2/28/2014
Real Estate									
31029907B	Continental Towers B12 Sale/Leaseback, Senior Note	8/7/2007	4.375%	-	\$ 33,463,086	\$ 33,217,245	\$ 33,688,444	\$ 32,991,887	6/24/2024
Real Estate									
31020304B	COR Erie Boulevard Facility	10/9/2003	5.700%	-	\$ 5,687,580	\$ -	\$ 343,363	\$ 5,344,217	5/1/2022
Real Estate									
31020802	East Side Business Center, LLC Mortgage	2/13/2010	6.730%	-	\$ 970,808	\$ -	\$ 21,085	\$ 949,723	7/1/2023

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Other Financing - Unaudited
For the Year Ended December 31, 2012

Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Principal of the Issue			Mortgage Outstanding at December 31, 2012	Term Ending Date
					Mortgage Outstanding at January 1, 2012	Incurred During 2012	Developer Paid During 2012		
Real Estate 31020810	EDR Syracuse, LLC Sale/Leaseback, Mortgage	9/1/2008	Var	LIBOR + 1.75%	\$ 8,825,600	\$ -	\$ 298,720	\$ 8,526,880	9/29/2011
Real Estate 31020302A	Franklin Lofts, LLC	6/5/2005	5.970%	-	\$ 4,081,489	\$ 270,896	\$ -	\$ 4,352,385	7/1/2035
Real Estate 31020302A	Franklin Lofts, LLC	11/18/2005	6.090%	-	\$ 5,582,797	\$ -	\$ 106,056	\$ 5,476,741	12/1/2035
Real Estate 31020808	Franklin Lofts, LLC	3/28/2008	7.010%	-	\$ 903,207	\$ -	\$ 15,141	\$ 888,066	12/1/2035
Real Estate 31020808	Genesee Armory, LLC	9/1/2011	2.850%	-	\$ 700,912	\$ 17,428,284	\$ -	\$ 18,129,196	8/31/2016
Services 31029102	Greater Syracuse Chamber of Commerce	3/27/2008	8.000%	7.290%	\$ 1,032,155	\$ -	\$ 61,799	\$ 970,356	11/1/2016
Services 31020901B	Intrepid Lane Realty Construction Loan	5/6/2009	3.250%	-	\$ 1,299,877	\$ -	\$ 71,789	\$ 1,228,088	6/1/2019
Services 31020901A	Intrepid Lane Realty Refinance Sale/Leaseback, Mortgage	5/6/2009	6.110%	-	\$ 1,647,594	\$ -	\$ 88,919	\$ 1,558,675	6/1/2019
Real Estate 31020305A	James St. Apartments, LLC	12/1/2011	1.000%	1.000%- 3.750%	\$ 500,000	\$ -	\$ -	\$ 500,000	8/1/2012
Real Estate 31020903	Jefferson Clinton Commons Mortgage	8/31/2010	Var	1.00%	\$ 7,881,358	\$ -	\$ 329,369	\$ 7,551,989	8/31/2015

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Other Financing - Unaudited
For the Year Ended December 31, 2012

Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Principal of the Issue				
					Mortgage Outstanding at January 1, 2012	Incurred During 2012	Developer Paid During 2012	Mortgage Outstanding at December 31, 2012	Term Ending Date
Real Estate 31020703	Maple Heights Development Mortgage - HHAP	6/26/2007	0.000%	-	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	6/30/2037
Real Estate 31029702	Onondaga Galleries Sale/Leaseback, Mortgage Note	12/21/2007	6.682%	-	\$ 6,323,912	\$ -	\$ 77,075	\$ 6,246,837	1/1/2018
Services 31020902	Specialists One Day Surgery Refinance Sale/Leaseback, Mortgage	11/2/2001	5.140%	-	\$ 290,000	\$ -	\$ 120,000	\$ 170,000	6/1/2014
Real Estate 31020808	Synapse Downtown, LLC	3/1/2011	6.000%	4.36% / 6.00%	\$ 1,260,000	\$ -	\$ 25,457	\$ 1,234,543	2/28/2031
Real Estate 31020204B	Syrwil, LLC Sale/Leaseback, Mortgage	11/22/2002	7.000%	Current - 6.750%	\$ 11,062,834	\$ -	\$ 163,654	\$ 10,899,180	11/1/2022
Real Estate 31020702	The Bradford Hill Haven Apartments Project	7/3/2007	5.500%	-	\$ 3,150,000	\$ -	\$ 100,490	\$ 3,049,510	12/31/2019
Real Estate 31020805	Third National Associates Sale/Leaseback Mortgage Refinancing	2/13/2008	6.160%	-	\$ 2,071,965	\$ -	\$ 131,804	\$ 1,940,161	3/1/2018
Real Estate 31020806	VIP Architectural Associates Mortgage	2/1/2008	6.100%	-	\$ 2,694,827	\$ -	\$ 95,555	\$ 2,599,272	4/1/2018
Real Estate 31020501A	Willow Street Lofts Sale/Leaseback	6/22/2007	6.380%	-	\$ 3,679,725	\$ -	\$ 59,070	\$ 3,620,655	7/1/2037
Real Estate 31020501A	Willow Street Lofts Sale/Leaseback, Mortgage	6/28/2005	0.000%	-	\$ 394,000	\$ -	\$ 5,000	\$ 389,000	6/30/2027
Grand totals - Other financing					\$ 608,688,746	\$ 50,916,425	\$ 526,885,437	\$ 132,719,733	