TOWN OF MOUNT PLEASANT
INDUSTRIAL DEVELOPMENT AGENCY
MOUNT PLEASANT, NEW YORK

(A Component Unit of the Town of
Mount Pleasant, New York)

Financial Statements

December 31, 2013 and 2012

(With Independent Auditors' Report Thereon)

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY

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TOSKI & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
AN EFP ROTENBERG COMPANY

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Town of Mount Pleasant Industrial
Development Agency:

Report on the Financial Statements

We have audited the accompanying financial statements of the Town of Mount Pleasant Industrial Development Agency (the Agency), a component unit of the Town of Mount Pleasant, New York, as of and for the years ended December 31, 2013 and 2012, which comprise the Agency's basic financial statements as listed in the table of contents, and the related notes to financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Town of Mount Pleasant Industrial Development Agency as of December 31, 2013 and 2012, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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

Other Supplemental Information

Our audit was made for the purpose of forming an opinion on the financial statements as a whole. The accompanying other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 13, 2014, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control over financial reporting and compliance.

Toski & Co., CPAs, P.C.

Williamsville, New York
March 13, 2014

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY
Statements of Net Position
December 31, 2013 and 2012

Assets	2013	2012
Cash	$ 69,176	17,478
Net Position		
Unrestricted	$ 69,176	17,478

See accompanying note to financial statements.

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY
Statements of Revenue, Expenses and Changes in Net Position
Years ended December 31, 2013 and 2012

	2013	2012
Operating revenue	$ 53,000	-
Operating expenses	1,355	1,300
Increase (decrease) in net position from operations	51,645	(1,300)
Non-operating activities - interest income	53	51
Increase (decrease) in net position	51,698	(1,249)
Net position at beginning of year	17,478	18,727
Net position at end of year	$ 69,176	17,478

See accompanying note to financial statements.

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows
Years ended December 31, 2013 and 2012

	2013	2012
Cash flows from operating activities:		
Fees received from customers	$ 53,000	-
Cash paid for contractual expenses	(1,355)	(1,300)
Receipts due to other governments (PILOTS)	562,019	615,589
Cash paid to other governments	(562,019)	(615,589)
Net cash provided by (used in) operating activities	51,645	(1,300)
Cash flows from investing activities - interest income	53	51
Net increase (decrease) in cash	51,698	(1,249)
Cash at beginning of year	17,478	18,727
Cash at end of year	$ 69,176	17,478

See accompanying note to financial statements.

(1) Summary of Significant Accounting Policies

(a) Nature of Activities

The Town of Mount Pleasant Industrial Development Agency (the Agency) was created in 1980 by the New York State Legislature under the provisions of Chapter 632 of the Laws of New York State. The Agency was established for the purpose of encouraging economic growth in the Town of Mount Pleasant, New York (the Town). Members of the governing board of the Agency are appointed by the Town Board. The Agency is exempt from Federal, State and local income taxes.

(b) Basis of Accounting

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America, as applicable to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Agency reports its operations on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Beginning in 2012, the Agency adopted the provisions of GASB Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." This statement codifies all sources of accounting principles generally accepted in the United States of America into the GASB's authoritative literature.

During the year ended December 31, 2012, the Agency implemented GASB Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." This statement amends the net asset reporting requirements in Statement No. 34. - "Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments: and other pronouncements by incorporation deferred outflows of resources and deferred inflows or resources into the definitions of the required components of the residual measure and by renaming that measure as net positions, rather than net assets.

During the year ended December 31, 2012, the Agency implemented GASB Statement No. 65 - "Items Previously Reported as Assets and Liabilities." This statement established 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 or liabilities.

(c) 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(1) Summary of Significant Accounting Policies, Continued

(d) Cash and Equivalents

Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months. Collateral is required for these deposits at 100% of all deposits not covered by Federal deposit insurance. The Agency has entered into custodial agreements with the depositories which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include among other instruments, obligations of United States and its agencies and obligations of the State and its municipal and school district subdivisions.

(e) Industrial Development Revenue Bond Transactions

Certain industrial development revenue bonds and notes are secured by property which is leased to companies and the bonds are retired by lease payments. The bonds and notes are not obligations of the Agency. The Agency does not record the assets or liabilities resulting form completed bond and note issues in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising there from are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. The fee received by the Agency is one-half of one percent on the first $10,000,000 of loans and one-eighth of one percent for any amount of borrowing in excess of $10,000,000. Such administrative fee income is recognized immediately upon the issuance of bonds and/or notes. There were no bonds and/or notes issued in 2012. For 2013, the agency received $53,000 in project and application fees from Rejeneron Pharmaceuticals, Inc.

(f) Subsequent Events

The Agency has evaluated events after December 31, 2013, and through March 13, 2014, which is the date the financial statements were available to be issued, and determined that any events or transactions occurring during this period that would require recognition or disclosure are properly addressed in these financial statements.

(g) Net Position

Net position represent the difference between assets, liabilities, deferred inflows and outflows. Net position is reported as restricted only when there are limitations imposed on their use. The net position of the Agency is classified as unrestricted.

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY
Supplementary Information
Statement of Indebtedness - Bonds and Notes Issued, Outstanding or Retired
December 31, 2013

Project Name/Owner/Address	Purpose	Date of Issue	Maturity	Federal Tax Status	Interest Rate	Original Issue Value	Outstanding Balance at January 1, 2013	New Issues	Payments	Outstanding Balance at December 31, 2013
General Motors Corp. c/o Worldwide Real Estate 200 Renaissance Center P.O. Box 200 MC 482-B38-LCN Detroit, MI 48265-2000	Construction	9/1985	6/2005	Taxable	11.25%	$ 175,000,000	21,870,500	-	(7,290,168)	14,580,332
Phelps Memorial Hospital 701 North Broadway Sleepy Hollow, NY 10591	Construction	6/2005	6/2030	Tax Exempt	4.15%	27,440,000	22,855,000	-	(880,000)	21,975,000
Total indebtedness						$ 202,440,000	44,725,500	-	(8,170,168)	36,555,332

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY
Supplementary Information
Payments in Lieu of Taxes
December 31, 2013

	Assessed Valuation Exemption	Payments in Lieu of Taxes				
		County	Town	Village	School	Total
General Motors Corp.	$ 5,685,400	$ 43,892	1,596	227,967	288,564	562,019
Phelps Memorial Hospital	Tax Exempt	$ -	-	-	-	-

TOWN OF MOUNT PLEASANT INDUSTRIAL DEVELOPMENT AGENCY
Supplementary Information
Full Time Equivalent (FTE) Jobs Created and Retained
December 31, 2013

Project Name/Owner/Address	Number of FTE Employees at Location Before IDA Status	Original Estimate of Jobs to be Created	Original Estimate of Jobs to be Retained	Number of Current FTE Employees	No. of FTE Jobs Created During Fiscal	No. of FTE Jobs Retained During Fiscal Year
General Motors Corp. c/o Worldwide Real Estate 200 Renaissance Center P.O. Box 200 MC 482-B38-LCN Detroit, MI 48265-2000	*	*	*	*	*	*
Phelps Memorial Hospital 701 North Broadway Sleepy Hollow, NY 10591	816	10	10	1,365	-	10

* Information not readily available.

TOSKI & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
AN EFP ROTENBERG COMPANY

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS, INCLUDING COMPLIANCE WITH INVESTMENT GUIDELINES, BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Trustees
Town of Mount Pleasant Industrial
Development Agency:

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 statements of the Town of Mount Pleasant Industrial Development Agency (the Agency), a component unit of the Town of Mount Pleasant, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 13, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including Investment Guidelines for Public Authorities and the Agency's Investment Guidelines, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Toski & Co., CPAs, P.C.

Williamsville, New York
March 13, 2014

TOSKI & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
AN EFP ROTENBERG COMPANY

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 2925(3)(1) OF THE NEW YORK STATE PUBLIC AUTHORITIES LAW

The Board of Trustees
Town of Mount Pleasant Industrial
Development Agency:

We have examined the Town of Mount Pleasant Industrial Development Agency's (the Agency) compliance with Section 2925(3)(1) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations during the year ended December 31, 2013. 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 the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining on a test basis evidence supporting 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 year ended December 31, 2013.

This report is intended solely for the information and use of management, the Board of Trustees, officials of the Town of Mount Pleasant and the Office of the State Comptroller of the State of New York. It is not intended to be and should not be used by anyone other than these specified parties.

Toski & Co., CPAs, P.C.

Williamsville, New York
March 13, 2014

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