

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FINANCIAL STATEMENTS

DECEMBER 31, 2013

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Steuben County Industrial Development Agency
Bath, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the Steuben County Industrial Development Agency, a component unit of the County of Steuben, New York, as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements which collectively comprise the Steuben County Industrial Development 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 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 Steuben County 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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 - 8 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Steuben County Industrial Development Agency's basic financial statements. The supplementary schedule of bonds and notes on page 20 and schedule of straight lease projects on pages 21 to 25 are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The supplementary schedule of bonds and notes and schedule of straight lease projects are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedule of bonds and notes and schedule of straight lease projects is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2014, on our consideration of the Steuben County Industrial Development Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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* in considering Steuben County Industrial Development Agency's internal control over financial reporting and compliance.

EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York
March 27, 2014

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2013

The following is a discussion and analysis of the Steuben County Industrial Development Agency's (the "Agency") financial performance for the year ended December 31, 2013. The management's discussion and analysis is a summary of the Agency's financial activities based on currently known facts, decisions, or conditions. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the Agency's financial statements, which immediately follow this section.

Financial Highlights

- Total assets as reported equal \$3,458,614 and \$3,829,092 for the years ended December 31, 2013 and 2012, respectively. This represents an decrease of \$370,478, or 9.7% from the prior year.
- Total revenues equal \$1,188,842 for the year ended December 31, 2013, an increase of \$743,024 from the prior year revenues of \$445,818. The substantial increase in revenues was due to new grants received and the sale of land. Total operating expenses equal \$1,587,944 for the year ended December 31, 2013. This represents a increase of \$1,139,961, or 254.5% from the prior year expenditures of \$447,983. The increase in operating expenses is mainly due to the various grants provided by the Agency.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. This report includes the independent auditors' report, financial statements, notes to financial statements and other supplemental information that will enhance the reader's understanding of the financial condition of the Agency.

Required Financial Statements - The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements include:

- **Statements of Net Position** - Present all assets, liabilities and net position of the Agency at December 31, 2013 and 2012. The statements provide information about the amounts and investments in resources (assets) and the obligations to creditors (liabilities).
- **Statements of Income, Expenses, and Changes in Net Position** - Present the financial activity for the years ended December 31, 2013 and 2012 and displays how this activity changed the Agency's net position. The statements provide information on the Agency's operations and can be used to determine if the Agency has recovered all of its costs through grants, user fees and other charges.
- **Statements of Cash Flows** - Present the cash provided and used in operations, investments and financing activities during 2013 and 2012 and how it affects the cash balances at December 31, 2013 and 2012.
- **Notes to Financial Statements** - Provide information regarding the Agency and explain in more detail information included in the financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2013

Financial Analysis

The Agency provides financial incentives and technical assistance to businesses moving to or expanding in Steuben County where job and capital creation will help improve the economic climate of the County. The Agency's net position may serve over time as a useful indicator of its financial position. In the case of the Agency, assets exceeded liabilities by \$3,328,223 and \$3,727,325 at December 31, 2013 and 2012, respectively.

A condensed version of the Agency's statement of net position follows:

Table 1
Condensed Statements of Net Position
(In Thousands of Dollars)

	<u>2013</u>	<u>2012</u>	<u>Dollar</u> <u>Change</u>	<u>%</u> <u>Change</u>
Assets				
Cash and cash equivalents	\$ 1,763.9	\$ 1,726.7	\$ 37.2	2.2
Cash and cash equivalents - restricted	583.0	845.8	(262.8)	(31.1)
Note receivable	-	65.3	(65.3)	(100.0)
Windmill escrow	66.7	98.8	(32.1)	(32.5)
Property and equipment - net	1,035.7	1,073.1	(37.4)	(3.5)
Other assets - net	9.2	19.3	(10.1)	(52.3)
Total assets	<u>\$ 3,458.5</u>	<u>\$ 3,829.0</u>	<u>\$ (370.5)</u>	<u>(9.7)</u>
Liabilities				
Due to Steuben County	\$ 54.0	\$ -	\$ 54.0	DIV/0
Accrued liabilities	9.7	2.9	6.8	234.5
Windmill escrow	66.7	98.8	(32.1)	(32.5)
Total liabilities	<u>\$ 130.4</u>	<u>\$ 101.7</u>	<u>\$ 28.7</u>	<u>28.2</u>
Net Position				
Net investment in capital assets	\$ 1,035.7	\$ 1,073.1	\$ (37.4)	(3.5)
Restricted net position - CDBG	95.0	495.0	(400.0)	(80.8)
Restricted net position - Millennium	397.1	350.8	46.3	13.2
Restricted net position - New York State Department of Transportation	90.9	-	90.9	100.0
Unrestricted	1,709.5	1,808.4	(98.9)	(5.5)
Total net position	<u>\$ 3,328.2</u>	<u>\$ 3,727.3</u>	<u>\$ (399.1)</u>	<u>(10.7)</u>

Net position decreased from 2012 to 2013. The Agency retained less cash on hand at the end of 2013 as opposed to 2012 due to less administrative income received than expected in the current year, as well as the grant expenditures provided by the Agency.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2013

A condensed version of the Agency's statements of income, expenses, and changes in net position follows:

Table 2
Condensed Statements of Income, Expenses, and Changes in Net Position
(In Thousands of Dollars)

	<u>2013</u>	<u>2012</u>	<u>Dollar</u> <u>Change</u>	<u>%</u> <u>Change</u>
Income				
Administrative income	\$ 333.9	\$ 319.1	\$ 14.8	4.6
Business development support	45.0	-	45.0	100.0
Gain on sale of assets	39.6	-	39.6	100.0
Grant income - CDBG	284.0	-	284.0	100.0
Grant income - Millennium Pipeline	108.0	108.0	-	-
Grant income - NYSDOT	367.0	-	367.0	100.0
Interest income - bank	6.9	11.3	(4.4)	(38.9)
Interest income - note	0.6	2.7	(2.1)	(77.8)
Lease income	1.9	2.0	(0.1)	(5.0)
Miscellaneous income	2.0	2.7	(0.7)	(25.9)
Total income	<u>1,188.9</u>	<u>445.8</u>	<u>743.1</u>	<u>166.7</u>
Total Expenses				
Amortization	10.1	10.1	-	-
Conferences	3.9	3.8	0.1	2.6
Contract expense	74.0	74.0	-	-
Depreciation	7.3	6.8	0.5	7.4
Grant expense - CDBG	284.0	-	284.0	100.0
Grant expense - NYSDOT	413.8	-	413.8	100.0
Grant expense - diesel facility	400.0	-	400.0	100.0
Insurance	43.6	43.2	0.4	0.9
Maintenance	5.3	5.3	-	-
Office expense	32.8	36.9	(4.1)	(11.1)
Pension expense	29.3	24.7	4.6	18.6
Professional fees	16.1	20.1	(4.0)	(19.9)
Program expense	18.2	19.7	(1.5)	(7.6)
Salaries and wages	226.0	183.6	42.4	23.1
Travel and entertainment	6.9	2.3	4.6	200.0
Utilities and telephone	6.3	5.9	0.4	6.8
Vehicle	10.4	11.6	(1.2)	(10.3)
Total expenses	<u>1,588.0</u>	<u>448.0</u>	<u>1,140.0</u>	<u>254.5</u>
Change in Net Position	(399.1)	(2.2)	(396.9)	18,040.9
Net Position - Beginning	<u>3,727.3</u>	<u>3,729.5</u>	<u>(2.2)</u>	<u>(0.1)</u>
Net Position - Ending	<u>\$ 3,328.2</u>	<u>\$ 3,727.3</u>	<u>\$ (399.1)</u>	<u>(10.7)</u>

The increase in revenues noted in the statement of activities from 2012 to 2013 is a result of increased business development activities throughout 2013 as well as the gain on the sale of land and grant income. The increase in expenditures is directly related to the grant expense that the Agency incurred in 2013.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2013

Another important factor in the consideration of fiscal condition is the Agency's cash position and statement of cash flows. A condensed version of the Agency's statements of cash flows follows:

Table 3
Condensed Statements of Cash Flows
(In Thousands of Dollars)

	<u>2013</u>	<u>2012</u>
Cash Flow from Operating Activities		
Cash received from operating income	\$ 448.1	\$ 409.3
Cash paid for operating expenses	(412.1)	(446.3)
Cash received from grants	759.0	108.0
Cash paid for grants	<u>(1,097.8)</u>	<u>-</u>
Net cash flows from operating activities	<u>(302.8)</u>	<u>71.0</u>
Cash Flow from Capital and Related Financing Activities		
Proceeds from sale of fixed assets	69.8	-
Purchases of fixed assets	<u>-</u>	<u>(4.1)</u>
Net cash flows from capital and related financing activities	<u>69.8</u>	<u>(4.1)</u>
Cash Flow from Investing Activities		
Interest received	<u>7.5</u>	<u>14.0</u>
Net Change in Cash and Cash Equivalents	(225.5)	80.9
Cash and Cash Equivalents - Beginning	<u>2,572.5</u>	<u>2,491.6</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,347.0</u>	<u>\$ 2,572.5</u>

Capital Assets

The Agency's capital assets consist primarily of land and equipment associated with various Agency owned railroads as well as the office building that the Agency's offices are located in. Additionally, the Agency owns 88.56 acres of land designated as an industrial park, after the sale of 9.24 acres in 2013.

Long-Term Debt

The Corporation has no direct long-term debt but has entered into conduit financing agreements with a company with a total of \$381,123 in bonds outstanding at the end of 2013. These transactions are not recorded on the Agency's financial statements but are disclosed in the notes to the financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2013

Factors Bearing on the Future of the Agency

- The 2013 year was an active year for the Agency as the organization supported growth at several Steuben County manufacturers. After two years of work by the Agency and several of its partners, Corning Incorporated announced an investment of approximately \$250 million to increase manufacturing capacity of the company's diesel emissions control products facility in Erwin, NY. The project will create 250 jobs in Steuben County and will increase capacity at the Erwin diesel facility.
- In addition to the Corning project, the Agency also provided direct assistance to World Kitchen to add a 9th production line to their Corning facility which has created an additional 20 jobs. Direct assistance was also provided to Advanced Transit Manufacturing who is expanding their operation in the Town of Hornellsville.
- The Agency also assisted several redevelopment efforts in the County including demolition and redevelopment of the former Kmart plaza site in Erwin, expansion and redevelopment of the Pultney Plaza in the Village of Riverside, and the rehabilitation and reuse of the former Harding Harley Davidson site in the City of Corning.
- The 2013 year saw additional investments in infrastructure to support business development efforts. Work got underway in a \$951,000 rehabilitation of the B&H rail line to serving the Agency owned industrial park in Bath. The Agency also leveraged \$1.1 million to support the extension of public water and sewer at the Wayland Industrial Park.
- Wind energy development also continued to grow in the County with the approval of the Marsh Hill Wind Project in Troupsburg. In addition, several other projects are currently in the data gathering stage and are expected to move forward in the next 12 - 24 months.
- The Agency continues to play an active role in the Southern Tier Regional Economic Development Council and the efforts associated with identifying and applying for funding through the State's consolidated funding application process. The results of this work included the receipt of funding for several Steuben County projects.
- Finally, the Agency continued its aggressive business retention and expansion efforts. This included meeting with all major employers in 2013 to identify needs and possible growth opportunities. In addition, the Agency expanded its staff during the year adding a business and community development specialist to assist small and medium sized businesses and work with communities on infrastructure and community development investment opportunities.
- Steuben County Industrial Development Agency anticipates the following in 2014:
 - ◆ Completion of the \$250 million expansion for the Corning diesel facility.
 - ◆ Completion of the rehabilitation of the B&H Rail Line to the Agency owned industrial park.
 - ◆ Completion of construction of the Marsh Hill Wind Energy project in Jasper.
 - ◆ Work with Guthrie/ Corning Hospital on the redevelopment of the former Corning Hospital site.
 - ◆ Work with Phillips Lighting on the sale and redevelopment of the Bath manufacturing facility.
 - ◆ Assist with efforts to redevelop the former Curtis School in Hammondsport and Corning Free Academy in the City of Corning.
 - ◆ Continue the development of wind and other renewable energy projects.
 - ◆ Work with regional partners to develop Start Up NY and Regional Hot Spot initiatives in the County.
 - ◆ Assist with the development of branded hotel projects in the City of Corning and Town of Urbana.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2013

Contacting the Agency's Financial Management

This financial report is written to provide citizens, taxpayers, customers, investors and creditors with a general overview of the finances of the Agency and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, please contact:

Mr. James Johnson
Executive Director
7234 Route 54 P.O. Box 393
Bath New York, 14810
607-776-3316

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Statements of Net Position
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,763,931	\$ 1,726,680
Cash and cash equivalents - restricted	583,041	845,844
Note receivable - current portion	-	65,321
Windmill escrow	<u>66,680</u>	<u>98,818</u>
Total current assets	2,413,652	2,736,663
Property and Equipment - Net	1,035,730	1,073,127
Other Assets - Net	<u>9,232</u>	<u>19,302</u>
Total Assets	<u>\$ 3,458,614</u>	<u>\$ 3,829,092</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Due to Steuben County	\$ 54,000	\$ -
Accrued liabilities	9,711	2,949
Windmill escrow	<u>66,680</u>	<u>98,818</u>
Total current liabilities	<u>130,391</u>	<u>101,767</u>
Net Position		
Net investment in capital assets	1,035,730	1,073,127
Restricted net position - Community Development Block Grant (CDBG)	95,000	495,000
Restricted net position - Millennium	397,094	350,844
Restricted net position - New York State Department of Transportation (NYSDOT)	90,948	-
Unrestricted	<u>1,709,451</u>	<u>1,808,354</u>
Total net position	<u>\$ 3,328,223</u>	<u>\$ 3,727,325</u>

The accompanying notes are an integral part of these financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Statements of Income, Expenses, and Changes in Net Position
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Income		
Administrative income	\$ 333,905	\$ 319,050
Business development support	45,000	-
Gain on sale of assets	39,616	-
Grant income - CDBG	284,000	-
Grant income - Millennium Pipeline	108,000	108,000
Grant income - NYSDOT	366,968	-
Interest income - bank	6,904	11,329
Interest income - note	575	2,676
Lease income	1,894	2,020
Miscellaneous income	<u>1,980</u>	<u>2,743</u>
Total income	<u>1,188,842</u>	<u>445,818</u>
Expenses		
Amortization	10,071	10,071
Conferences	3,908	3,810
Contract expense	74,000	74,000
Depreciation	7,258	6,844
Grant expense - CDBG	284,000	-
Grant expense - NYSDOT	413,803	-
Grant expense - diesel facility	400,000	-
Insurance	43,581	43,158
Maintenance	5,334	5,359
Office expense	32,797	36,908
Pension expense	29,355	24,663
Professional fees	16,060	20,120
Program expense	18,195	19,672
Salaries and wages	225,983	183,648
Travel and entertainment	6,879	2,285
Utilities and telephone	6,281	5,862
Vehicle	<u>10,439</u>	<u>11,583</u>
Total expenses	<u>1,587,944</u>	<u>447,983</u>
Change in Net Position	(399,102)	(2,165)
Net Position - Beginning	<u>3,727,325</u>	<u>3,729,490</u>
Net Position - Ending	<u>\$ 3,328,223</u>	<u>\$ 3,727,325</u>

The accompanying notes are an integral part of these financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities		
Cash received from operating income	\$ 448,100	\$ 409,297
Cash paid for operating expenses	(412,051)	(446,259)
Cash received from grants	758,968	108,000
Cash paid for grant expense	<u>(1,097,803)</u>	<u>-</u>
Net cash flows from operating activities	<u>(302,786)</u>	<u>71,038</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from sale of fixed assets	69,755	-
Purchases of fixed assets	<u>-</u>	<u>(4,125)</u>
Net cash flows from capital and related financing activities	<u>69,755</u>	<u>(4,125)</u>
Cash Flows from Investing Activities		
Interest received	<u>7,479</u>	<u>14,005</u>
Net Change in Cash and Cash Equivalents	(225,552)	80,918
Cash and Cash Equivalents - Beginning	<u>2,572,524</u>	<u>2,491,606</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,346,972</u>	<u>\$ 2,572,524</u>
Reconciliation of Change in Net Position to Net Cash Flows from Operating Activities		
Change in net position	\$ (399,102)	\$ (2,165)
Adjustments		
Depreciation and amortization	17,329	16,915
Interest income	(7,479)	(14,005)
Gain on sale of assets	(39,616)	-
Changes in assets and liabilities		
Note receivable	65,320	85,484
Accounts payable	-	(16,143)
Accrued liabilities	6,762	952
Due to Steuben County	<u>54,000</u>	<u>-</u>
Net cash flow from operating activities	<u>\$ (302,786)</u>	<u>\$ 71,038</u>

The accompanying notes are an integral part of these financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Organization and Purpose - The Steuben County Industrial Development Agency (the Agency) has been established to aid Steuben County in promoting the economic welfare of its citizens and to actively promote, attract, encourage, and develop economically sound commerce and industry by enhancing job opportunities through assistance in constructing, maintaining and equipping industrial, commercial, manufacturing, and research facilities. The Agency is designed to function as a prime community resource.

Steuben County Industrial Development Agency is a public benefit corporation under Title I Article 18-A of New York Municipal Law for the purpose of encouraging financially sound companies to locate and expand in the County of Steuben, New York. The Agency is exempt from Federal income taxes and New York State franchise taxes.

The Agency is a component unit of the County of Steuben, New York.

The Agency assists in the financing of projects through the sale of industrial revenue bonds. Under Section 103(c)(6) of the Internal Revenue Code (IRC), the interest on such bonds (up to a specific amount) issued by a political subdivision of a state is exempt from federal income taxes, subject to the limitations of the IRC.

The Agency exercises its mandated power and lawful authority to cause bonds to be issued, to have proceeds used to construct and equip facilities, to mortgage such facilities as security, and lease such facilities for rentals sufficient to repay bond proceeds and the related interest. The bonds are special obligations of the Agency payable solely from the revenues and receipts derived from the leasing or sale of the underlying facility, or from enforcement of any security provided by the mortgage and assignment. In effect, while the Agency serves as a vital conduit in arranging for the financing of construction and is the apparent owner of record, as a practical matter, bondholders look to the facility and to the owners of the beneficial interest therein for ultimate satisfaction of their debt. The agreements recite that neither the members of the Agency, nor any person executing the bonds is personally liable. It is contemplated that the beneficial owners of the facility will acquire the facility for a nominal consideration upon termination of the lease term and the repayment of the bond issued.

Because of the economic interest described above, the bond liabilities and the related assets consisting of underlying properties are not reflected in the financial statements of the Agency.

Basis of Accounting - The Agency complies with 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. The accounts of the Agency are maintained on the accrual basis of accounting. Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on the determination of operating income, financial position, changes in net position and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel and depreciation.

Estimates - The preparation of financial statements in accordance 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. Actual results could differ from those estimates.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Basis of Presentation - The Agency complies with the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements provide guidance on presenting deferred outflows, deferred inflows and net position. Net position represent assets and deferred outflows of resources less liabilities and deferred inflows of resources. GASB requires the classification of net position into three classifications defined as follows:

Net investment in capital assets - This component of net position consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position - This component of net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by grant agreements with external organizations. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. At December 31, 2013 and 2012, the Agency had \$583,041 and \$845,844 in restricted net position. See Note 8 for further detail on restricted net position.

Unrestricted net position - This component of net position consists of all other net position that does not meet the definition of the above two components and is available for general use by the Agency.

Cash and Cash Equivalents - For the purposes of the balance sheets and statements of cash flows, the Agency considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Restricted Cash - This account is used to record cash transactions relating to the restricted net assets described further in Note 8.

Investments - The Agency's investments are currently held in certificates of deposits. See Note 4 for further detail regarding the investment policy.

Property and Equipment - Property and equipment acquired by the Agency are stated at cost (or estimated historical cost) including interest capitalized during construction where applicable. Contributed assets are recorded at fair market value at the date received. Assets purchased or acquired with a cost of \$1,000 or greater and a useful life exceeding one year are capitalized. Depreciation is recognized on a straight-line basis over the estimated useful lives of the assets. Depreciation is computed over the following periods:

Machinery and equipment	5 - 7 Years
Buildings, building improvements, and railroads	15 - 31.5 Years

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 2. Note Receivable

The note receivable represents a loan to Transportation & Transit Associates, LLC through a U.S. Department of Housing and Urban Development Community Development Block Grant. Terms of the note were monthly payments of \$6,763 with an interest rate of 2% per annum. The note matured in October 2013. The balance of the note receivable as of December 31, 2012 was \$65,321. See Note 10 for additional information regarding the note receivable.

Note 3. Industrial Revenue Bond and Note Transactions

Certain industrial development revenue bonds and notes issued by the Agency are secured by property which is leased to companies and is retired by lease payments. The bonds and notes are not obligations of the Agency or the State. The Agency does not record assets or liabilities resulting from completed bond and note issues in its accounts, since its primary function is to arrange the financing between the borrowing companies and the bond and note holders. The funds arising from these transactions are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of the bonds and notes.

Note 4. Deposits and Investments

The Agency's investment policies are governed by state law. Collateral is required for demand deposits, certificates of deposit, and repurchase agreements not covered by federal deposit insurance. Obligations which may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

The Agency has a formal investment policy which is in compliance with the laws of the State of New York, Chapter 838, Title 7, Section 2925. The Agency is permitted to invest funds in the following types of investments: special time deposit accounts, certificates of deposit, obligations of the United States of America, obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America and obligations of the State of New York. All deposits of the Agency are public funds and shall have a pledge of collateral by the bank or trust company in which the funds are deposited. The Agency may contract for the purchase of investments through the following: directly, including through a repurchase agreement, from an authorized trading partner, by participation in a cooperative investment program with another authorized governmental entity or by utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board. It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument and by maturity scheduling. The Agency maintains a listing of financial institutions and dealers approved for investment purposes. The Agency also establishes appropriate limits to the amount of investments which can be made with each financial institution or dealer. The Agency maintains proper books and records supporting all investment and deposit accounts held by the Agency.

The amounts on deposit in banking institutions and the related collateral as of December 31, 2013 are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand and savings deposits	\$ <u>2,346,972</u>	\$ <u>2,639,318</u>
Covered by FDIC insurance		\$ 940,979
Pledged collateral		<u>1,698,339</u>
Total deposits		<u>\$ 2,639,318</u>

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 5. Windmill Escrow

The Agency has agreed to collect and hold in escrow, money from various windmill development companies. The money is to be used to pay administrative expenses on behalf of the companies. The balance in the escrow account on December 31, 2013 and 2012 was \$66,680 and \$98,818, respectively.

Note 6. Property and Equipment

Property and equipment consists of the following at December 31:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	\$ 1,001,903	\$ -	\$ (30,139)	\$ 971,764
Machinery and equipment	56,917	-	-	56,917
Buildings, building improvements, and railroads	<u>543,444</u>	<u>-</u>	<u>-</u>	<u>543,444</u>
Sub-total	1,602,264	-	(30,139)	1,572,125
Less, accumulated depreciation	<u>(529,137)</u>	<u>(7,258)</u>	<u>-</u>	<u>(536,395)</u>
Property and equipment - net	<u>\$ 1,073,127</u>	<u>\$ (7,258)</u>	<u>\$ (30,139)</u>	<u>\$ 1,035,730</u>

Depreciation expense amounted to \$7,258 and \$6,844 for the years ended December 31, 2013 and 2012, respectively.

Note 7. Other Assets

Other assets consist of costs to design and implement the Agency's website. These costs are being amortized over 3 years. Amortization expense amounted to \$10,071 for both years ended December 31, 2013 and 2012.

Note 8. Restricted Assets

Community Development Block Grant - On July 30, 2003, the Agency received a grant from the New York State Housing Trust Fund Corporation through Steuben County in the amount of \$735,000. The funds were to be used in Steuben County for economic development. The initial award was loaned to Transportation & Transit Associates, LLC to purchase equipment. See Note 2 for further details of the note receivable.

On September 24, 2008 the Agency board approved a grant of \$240,000 to Sitel, Inc. to assist in a parking lot expansion.

The loan agreement provides that the Agency is entitled to allocate program income derived from the repayment of the loan for economic development in Steuben County. On July 23, 2013, the Agency entered into a capital grant agreement with Corning, Inc. in which the Agency agreed to provide Corning, Inc. grant funds up to \$400,000 to help facilitate the expansion of the Corning, Inc. diesel facility located in Erwin, New York.

The balance in the restricted net assets of this grant money at December 31, 2013 and 2012 is \$95,000 and \$495,000, respectively.

Millennium - On December 4, 2008, Millennium Pipeline Company, L.L.C. agreed to contribute \$1,080,000, payable over a ten year period in annual installments, not to exceed \$108,000 per year to the Agency. The funds are to be used in Steuben County for economic development. The balance in the restricted net position of this commitment as of December 31, 2013 and 2012 was \$397,094 and \$350,844, respectively.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

New York State Department of Transportation - On April 27, 2012, the Agency entered into an agreement with the New York State Department of Transportation (NYS DOT) for the preservation and improvement of rail facilities in Steuben County. The total cost of this project is \$909,473. The Agency has agreed to provide at least 20% of the total funding for this project which amounts to \$181,895. The Agency entered into an agreement with B&H Rail Corp. (B&H) which states the Agency and B&H will each commit \$90,948 for a total of 20% of the total project costs. B&H reimburses the Agency directly for its portion of the project costs. The remaining balance of the project, \$727,578, will be granted to the Agency from NYS DOT. The Agency has agreed to maintain or arrange to have maintained the project facilities for the term of this agreement, which varies depending on the type of equipment and infrastructure. The agreement term extends from the date of completion of the work through 15 years (for port), 20 years (locomotive or rolling stock), and 30 years (rail). The balance in the restricted net position of this commitment as of December 31, 2013 and 2012 was \$90,948 and \$-, respectively.

Note 9. Employee Benefit Plan

Plan Description - The Agency participates in the New York State and Local Employee' Retirement System (ERS) a cost-sharing multiple-employer retirement system. The ERS 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 NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of the ERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of business of the ERS and for the custody and control of the ERS funds. The ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred E. Smith, State Office Building, Albany, NY 12244.

Funding Policy - The ERS Tiers I through IV are non-contributory except for employees with less than 10 years of service who contribute 3% of their salary, as well as Tier V and VI employees who contribute 3% of their salary. Under the authority of NYSRSSL, the Comptroller shall certify annually the rate 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 contributions for the current and two preceding years were:

2013	\$	29,355
2012	\$	24,663
2011	\$	24,419

Note 10. Related Party Transactions

The Agency is related through common Board of Directors membership with the Steuben County Economic Development Corporation (EDC), which also promotes economic development in the County.

The note receivable referred to in Note 2 of these financial statements is due from Transportation & Transit Associates, LLC. The president of the company is a member of the board of directors for the Agency.

The Agency owed the County of Steuben \$54,000 as of December 31, 2013 related to proceeds received by the Agency for the sale of equipment.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 11. Railroad Agreement

During the year ended December 31, 2011, the Agency entered into an agreement with a railroad company that allows the company the use of rail facilities and equipment owned by the Agency in order for the company to operate, maintain, and conduct freight and other rail services in Steuben County. The terms of the agreement call for an annual fee of \$1, plus additional revenue sharing amounts once carload traffic reaches certain thresholds. The agreement expires November 2021, with the option to renew for an additional term of 10 years.

Note 12. Bond Issues

The Agency has entered into the following conduit financing arrangements where the primary function of the Agency was to arrange financing through the issuance of Industrial Revenue Bonds between the companies identified below and the bond holders. As conduit financing arrangements, the assets and liabilities resulting from the transactions are not recorded in these financial statements.

Although not part of the accounting system, New York State statute requires disclosure of these bond issues which consist of the following at December 31:

	<u>2013</u>	<u>2012</u>
Southern Tier Library bond issued February, 2002. Current interest rate of 1.09%, subject to annual fluctuation. Final maturity at February 2022.	\$ <u>381,123</u>	\$ <u>425,476</u>



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

To the Board of Directors
Steuben County Industrial Development Agency
Bath, New York

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 Steuben County Industrial Development Agency as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Steuben County Industrial Development Agency's basic financial statements, and have issued our report thereon dated March 27, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Steuben County Industrial Development 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Steuben County Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Steuben County Industrial Development 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 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Steuben County Industrial Development Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result 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 an 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.

EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York
March 27, 2014

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Bonds and Notes
For the Year Ended December 31, 2013

Name of Project	Southern Tier Library System
Project Owner	Ristina Wigg Painted Post, NY 14870
Project Purpose	Services
Bond Amount	\$1,000,000
Issue Date	February 2002
Interest Date	1.09%
Maturity Date	February 2022
Federal Tax Status	Tax Exempt
Sales Tax Exemptions	-
Real Property Exemptions	-
Payments in Lieu of Taxes:	
County	-
Local	-
School	-
Estimate of Full Time Equivalent Jobs:	
Created	18
Retained	18

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2013

Project Name	Corning Inc. Diesel Plant	Corning Inc. Center for Fiber Optic Testing	Corning Inc. Center for Fiber Optic Testing Exp	Corning Inc. Center for Fiber Optic Testing Phase III	Corning Inc. Decker Parking Lot	Corning Inc. Glass Center / Steuben Plant	Corning Inc. Sullivan Park Phase III	Corning Inc. Sullivan Park Renovation & New	Empire Pipeline Inc.	NYSEG - Diesel Plant	NYSEG - Sullivan Park
Project Code	4603 02 01A	AR011	4603 00 06A	4603 00 04A	4603 01 01A	AR016	4603 98 02A	4603 07 03A	4603 07 01A	4603 02 02A	AR004
Project Owner	Corning	Corning	Corning	Corning	Corning	Corning	Corning	Corning	same	Iberdrola	Iberdrola
Project Address	Painted Post	Painted Post	Painted Post	Painted Post	Corning	Corning	Painted Post	Painted Post	Corning	Painted Post	Painted Post
Project Purpose Code	Mfg	Mfg	Mfg	Mfg	Corning	Corning	Mfg	Mfg	Transp.	Electric	Electric
Not for Profit											
New Tax Revenue if no Exemptions Granted											
Total Project Amount	\$ 193,000,000	\$ 4,000,000	\$ 7,500,000	\$ 16,750,000	\$ 9,800,000	\$ 788,470	\$ 25,600,000	\$ 275,000,000	\$ 3,200,000	\$ 4,600,000	\$ 1,428,000
Benefitted Project Amount	192,987,044	3,986,000	7,484,900	16,734,500	9,788,523	774,418	25,585,000	274,974,000	3,170,000	4,581,500	1,409,413
Lease Amount	193,000,000	4,000,000	7,500,000	16,750,000	9,800,000	788,470	25,600,000	275,000,000	3,200,000	4,600,000	1,428,000
Tax Exemptions:											
State Sales Tax	-	-	-	-	-	-	-	-	1,806,679	-	-
Local Sales Tax	-	-	-	-	-	-	-	-	1,806,679	-	-
County Real Property Tax	148,942	6,989	9,313	1,612	44,149	138,424	39,639	32,850	25,604	23,663	29
Local Property Tax	146,595	6,602	8,798	1,523	55,664	174,528	36,177	29,981	18,913	21,597	27
School Property Tax	570,702	30,158	40,186	6,955	120,883	379,015	169,688	140,625	113,746	84,079	122
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	-	-
Total Exemptions	866,239	43,749	58,297	10,090	220,696	691,967	245,504	3,816,814	158,263	129,339	178
County PILOT	117,400	5,580	7,060	1,183	32,661	145,582	27,747	6,892	6,058	18,931	-
Local PILOT	107,148	5,093	6,444	1,079	40,129	182,339	25,324	6,290	4,544	17,278	-
School District PILOT	417,133	23,888	30,225	5,063	89,429	395,977	118,781	29,503	27,261	67,263	-
Total PILOTS	641,681	34,561	43,729	7,325	162,219	723,898	171,852	42,685	37,863	103,472	-
Net Exemptions	\$ 224,558	\$ 9,188	\$ 14,568	\$ 2,765	\$ 58,477	\$ (31,931)	\$ 73,652	\$ 3,774,129	\$ 120,400	\$ 25,867	\$ 178
Date Project Approved	3/28/2002	10/16/1997	9/28/2000	3/31/2001	3/29/2001	6/25/1998	10/22/1998	9/27/2001	4/26/2007	10/24/2002	10/16/1997
Date IDA Took Title of Property	4/1/2002	10/16/1997	10/1/2000	5/1/2001	3/1/2001	2/1/1996	10/22/1998	9/27/2007	7/1/2007	8/1/2002	12/18/1997
# of FTE's Employees at Project Location before IDA Status	-	-	-	73	54	169	-	-	-	-	-
Original Estimate of Jobs to be Created	250	80	-	235	350	-	-	300	-	-	-
Average Estimated Salary of Jobs to be Created	45,701	79,651	79,651	18,000	84,742	52,912	87,000	-	50,000	-	-
Original Estimate of Jobs to be Retained	50	-	-	73	54	-	-	-	-	-	-
Average Estimated Salary of Jobs to be Retained	45,701	79,651	79,651	26,000	84,742	52,912	-	-	-	-	-
# of Current FTE Employees	587	32	-	575	84,742	30	126	285	-	-	-
# of FTE's Jobs Created During the Fiscal Year	128	-	-	123	-	-	9	159	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	459	32	-	452	-	-	117	126	-	-	-
# of FTE Construction Jobs during 2013	-	-	-	-	-	-	-	188	-	-	-

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2013

Project Name	The Gunlocke Company	736 Addison Road LLC	Automated Cells & Equipment Inc.	B&H Railroad Corp	BLW Properties	Corning Inc. Upgrade of Intg. Die Manuf.	Corning Children's Center	Millennium Pipeline LLC	Arlington Storage Co LLC	Ecogen Wind LLC	Canandalgva Power Partners LLC
Project Code	4603 98 01A	4603 05 04A	4603 98 03A	4603 01 07A	4603 05 01A	4603 10 06A	4603 08 06A	4603 08 06A	4603 08 05A	4603 08 07A	4603 08 01A
Project Owner	HON	4603 05 04A	Automated	B & H Rail	B. Wilkins	Corning	Corning	same	Inergy	same	UPC Wind
Project Address	Wayland	Lexington Corp. Properties	Painted Post	Transport.	Bath	Painted Post	Corning	Corning	Bath	Prattsburgh	Cohocton
Project Purpose Code	Mfg	Trust	Mfg		Other	Mfg	Services	Transport.	Transport.	Electric	Electric
Not for Profit		Painted Post									
New Tax Revenue if no Exemptions Granted		transport.									
Total Project Amount	\$ 10,000,000	\$ 11,852,000	\$ 1,710,000	\$ 2,163,087	\$ 5,250,000	\$ 11,500,000	\$ 7,500,000	\$ 27,400,000	\$ 66,925,000	\$ 64,400,000	\$ 145,200,000
Benefitted Project Amount	9,987,900	11,836,000	1,699,117	2,151,087	5,226,500	11,500,000	7,500,000	27,348,250	66,913,500	64,337,500	145,129,000
Lease Amount	10,000,000	11,852,000	1,710,000	2,163,087	5,250,000	11,500,000	7,500,000	27,400,000	66,925,000	64,400,000	145,200,000
Tax Exemptions:											
State Sales Tax	-	-	-	-	-	-	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	-	-	-	-	-	-
County Real Property Tax	126,552	55,480	5,222	15,971	33,073	10,746	27,420	226,059	360,797	-	893,210
Local Property Tax	54,537	50,635	4,766	9,643	16,136	9,807	35,580	169,465	193,483	-	274,976
School Property Tax	264,917	237,500	22,355	36,400	64,033	38,182	75,000	997,317	693,610	-	1,566,314
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	-	-
Total Exemptions	446,006	343,615	32,343	62,014	113,242	58,735	138,000	1,392,841	1,247,890	-	2,734,500
County PILOT	73,379	41,831	4,987	9,630	21,907	4,621	14,190	29,792	336,542	-	151,573
Local PILOT	31,565	38,237	4,711	5,931	10,688	4,217	17,636	23,020	173,795	-	46,793
School District PILOT	153,333	179,146	21,518	21,840	42,414	16,418	38,828	132,208	648,869	-	253,575
Total PILOTS	258,277	259,214	31,216	37,401	75,009	25,256	70,654	185,020	1,159,206	-	451,941
Net Exemptions	\$ 187,729	\$ 84,401	\$ 1,127	\$ 24,613	\$ 38,233	\$ 33,479	\$ 67,346	\$ 1,207,821	\$ 88,684	\$ -	\$ 2,282,559
Date Project Approved	3/26/1998	10/27/2005	2/25/1998	9/27/2001	5/19/2005	10/21/2010	5/15/2008	7/30/2008	7/30/2008	12/18/2008	1/24/2008
Date IDA Took Title of Property	2/26/1998	11/1/2005	7/1/1998	12/31/2001	7/1/2005	10/21/2010	6/1/2008	11/1/2008	11/1/2008	1/1/2009	2/1/2008
# of FTE's Employees at Project Location before IDA Status	400	-	10	7	42	105	46	13	-	-	-
Original Estimate of Jobs to be Created	450	45	10	-	30	52	-	-	3	8	7
Average Estimated Salary of Jobs to be Created	38,000	-	59,000	40,000	30,000	43,094	-	100,000	62,000	18,750	73,500
Original Estimate of Jobs to be Retained	400	-	7	42	105	46	-	13	-	-	-
Average Estimated Salary of Jobs to be Retained	35,000	-	43,882	31,950	55,708	-	-	100,000	-	-	-
# of Current FTE Employees	749	52	38	11	50	84	52	-	5	-	9
# of FTE's Jobs Created During the Fiscal Year	-	7	1	4	10	-	-	-	-	-	7
# of FTE's Jobs Retained During the Fiscal Year	749	45	37	7	9	84	52	-	5	-	2
# of FTE Construction Jobs during 2013	-	-	-	5	-	-	-	-	-	-	-

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2013

Project Name	Canandaigua Power Partners II LLC	Wyckoff Gas Storage Co LLC	Howard Wind LLC	NYSEG Corp Corning Valley Transmission	Corning Inc. Expansion of Glass Research	RM14 Holdings LLC	Corning Museum of Glass Renovation & Expansion	Howard Wind 2 Turbine Expan.	ATM - Fortitude Industries	JMac Properties of NY Water & Sewer Extension	Erwin Hospitality Associates LLC Hampton Inn
Project Code	4603 08 02A	4603 09 01A	4603 10 03A	4603 10 01A	4603 10 04A	4603 11 01A	4603 12 01A	4603 12 02A	4603 13 09A	4603 13 06A	4603 13 01A
Project Owner	UPC Wind Cohocton Electric	SemGas Jasper Trans.	Howard Wind Howard Electric	Iberdrola Erwin Electric	Corning Painted Post Mfg.	RM14 Holdings Town of Erwin Sr. Housing	Corning Property Mgmt City of Corning Other	Everpower Town of Howard Electric	Fortitude Indust. Town of Hornellsville Manufacturing	JMac Properties Town of Wayland Finance, Ins, RE	Erwin Hospitality Town of Erwin Services
Project Address											
Project Purpose Code											
Not for Profit											
Net Tax Revenue if no Exemptions Granted											
Total Project Amount	\$ 74,800,000	\$ 50,000,000	\$ 90,000,000	\$ 53,000,000	\$ 9,200,000	\$ 9,108,163	\$ 64,000,000	\$ 6,800,000	\$ 1,187,500	\$ 1,300,000	\$ 7,130,000
Benefitted Project Amount	74,739,000	49,985,500	90,000,000	53,000,000	9,200,000	9,108,163	63,995,186	6,759,592	1,183,500	1,288,350	7,053,700
Lease Amount	74,800,000	50,000,000	90,000,000	53,000,000	9,200,000	9,108,163	1	1	1	1	1
Tax Exemptions:											
State Sales Tax	-	-	2,254	-	123,095	-	337,273	2,478	-	6,275	79,407
Local Sales Tax	-	-	2,254	-	123,095	-	337,273	2,478	-	6,275	79,407
County Real Property Tax	363,000	194,679	540,313	242,544	14,600	24,995	122,476	-	-	-	4,088
Local Property Tax	111,750	205,900	362,500	146,653	13,325	22,812	158,924	-	-	-	3,731
School Property Tax	645,750	435,578	1,026,637	641,560	62,500	107,000	335,000	-	-	-	18,032
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	14,375	84,375
Total Exemptions	1,120,500	836,157	1,933,958	1,030,757	336,615	154,807	1,290,946	4,956	-	26,925	269,040
County PILOT	64,392	33,988	70,187	158,547	6,278	4,639	139,808	-	-	-	-
Local PILOT	19,804	36,944	219,068	110,310	5,730	4,349	181,750	-	-	-	-
School District PILOT	114,554	76,843	136,120	489,463	26,875	20,006	377,481	-	-	-	-
Total PILOTS	198,750	147,775	425,375	758,320	38,883	28,994	699,039	-	-	-	-
Net Exemptions	\$ 921,750	\$ 688,382	\$ 1,508,583	\$ 272,437	\$ 297,732	\$ 125,813	\$ 591,907	\$ 4,956	\$ -	\$ 26,925	\$ 269,040
Date Project Approved	1/24/2008	6/22/2006	3/11/2011	4/29/2010	8/26/2010	6/21/2011	2/23/2012	8/12/2011	10/24/2013	6/20/2013	3/20/2013
Date IDA Took Title of Property	2/1/2008	2/1/2009	11/1/2010	2/23/2011	10/1/2010	7/1/2011	6/1/2012	10/1/2012	1/1/2014	12/1/2013	3/1/2013
# of FTE's Employees at Project Location before IDA Status	-	-	-	-	-	-	-	-	30	-	-
Original Estimate of Jobs to be Created	3	6	5	-	3	2	110	13	11	-	12
Average Estimated Salary of Jobs to be Created	73,500	50,000	-	-	60,000	-	59,000	-	36,700	-	25,000
Original Estimate of Jobs to be Retained	-	-	-	-	-	-	110	-	41	-	-
Average Estimated Salary of Jobs to be Retained	-	-	-	-	-	-	59,000	-	34,288	-	-
# of Current FTE Employees	-	6	6	-	-	-	143	-	38	-	-
# of FTE's Jobs Created During the Fiscal Year	-	1	-	-	-	2	-	-	8	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	5	6	-	-	1	-	-	38	-	-
# of FTE Construction Jobs during 2013	-	-	-	-	-	-	54	-	-	8	20

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2013

Project Name	26-32 Bridge St LLC	Corning War Memorial Aptmts	Pulteney Plaza	Corning Diesel Expansion
Project Code	4603 13 7A	4603 067	4603 13 03A	4603 13 04A
Project Owner	26-32 Bridge St	Corning War Mem.	Pulteney Plaza	Corning Inc
Project Address	City of Corning	City of Corning	Village of Riverside	Town of Erwin
Project Purpose Code	Services	Other	Retail	Manufacturing
Not for Profit				
New Tax Revenue if no Exemptions Granted				
Total Project Amount	\$ 2,945,000	\$ 1,596,000	\$ 4,500,000	\$ 250,000,000
Benefitted Project Amount	2,908,400	1,568,500	4,452,595	249,829,650
Lease Amount	1	1	1	1
Tax Exemptions:				
State Sales Tax	1,717	-	13,963	234,008
Local Sales Tax	1,717	-	13,963	234,008
County Real Property Tax	3,231	-	9,028	160,622
Local Property Tax	4,192	-	10,601	146,595
School Property Tax	9,198	-	40,106	570,427
Mortgage Recording Tax	35,112	-	43,750	-
Total Exemptions	55,167	-	131,411	1,345,660
County PILOT	-	-	-	117,400
Local PILOT	-	-	-	107,148
School District PILOT	-	-	-	417,133
Total PILOTS	-	-	-	641,681
Net Exemptions	\$ 55,167	\$ -	\$ 131,411	\$ 703,979
Date Project Approved	7/25/2013	1/17/2013	6/20/2013	6/20/2013
Date IDA Took Title of Property	7/1/2013	2/1/2013	11/1/2013	6/1/2013
# of FTE's Employees at Project Location before IDA Status	93	-	-	500
Original Estimate of Jobs to be Created	8	1	80	250
Average Estimated Salary of Jobs to be Created	35,306	26,235	21,886	35,000-83,225
Original Estimate of Jobs to be Retained	101	-	-	500
Average Estimated Salary of Jobs to be Retained	35,378	-	-	38,235
# of Current FTE Employees	95	-	-	587
# of FTE's Jobs Created During the Fiscal Year	3	-	-	87
# of FTE's Jobs Retained During the Fiscal Year	95	-	-	500
# of FTE Construction Jobs during 2013	135	-	12	56