ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION

ONTARIO COUNTY, NEW YORK

FINANCIAL STATEMENTS

For The Years Ended December 31, 2013 and 2012

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Certified Public Accountants

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ontario County Local Development Corporation
Ontario County, New York

We have audited the accompanying financial statements of the Ontario County Local Development Corporation, Ontario County, New York (the Corporation) which comprise the statement of financial position as of December 31, 2013 and 2012, and the related statements of activities, and cash flows for the years then ended, and the related notes to the 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 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 Corporation'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 Corporation'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 Corporation as of December 31, 2013 and 2012, and the changes in its net 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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information as 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 relates 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 5, 2014 on our consideration of the Corporation'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 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 Corporation's internal control over financial reporting and compliance.

Raymond F. Wager, CPA, PC

March 5, 2014

ONTARIO COUNTY

LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Financial Position

December 31, 2013 and 2012

	2013	2012
ASSETS:		
Current Assets -		
Cash	$ 102,484	$ 133,493
Total Current Assets	$ 102,484	$ 133,493
TOTAL ASSETS	**$ 102,484**	**$ 133,493**
LIABILITIES:		
Current Liabilities -		
Accounts Payable	$ -	$ 13,592
Total Current Liabilities	$ -	$ 13,592
TOTAL LIABILITIES	**$ -**	**$ 13,592**
NET ASSETS:		
Unrestricted -		
Board designated	$ 65,000	$ 30,696
Operating	37,484	89,205
TOTAL NET ASSETS	**$ 102,484**	**$ 119,901**
TOTAL LIABILITIES AND NET ASSETS	**$ 102,484**	**$ 133,493**

(The accompanying notes are an integral part of these financial statements)

ONTARIO COUNTY

LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Activities

For The Years Ended December 31, 2013 and 2012

	2013	2012
OPERATING REVENUES:		
Fees	$ -	$ 19,178
TOTAL OPERATING REVENUES	**$ -**	**$ 19,178**
OPERATING EXPENSES:		
Management and General Expense -		
Insurance	$ 2,163	$ 2,038
Professional services-other	5,635	5,812
Professional services-Ontario County	6,541	9,591
Travel	13	-
Total Management and General	$ 14,352	$ 17,441
Program Expenses -		
Economic assistance	$ 3,133	$ 97,537
Total Program Expenses	$ 3,133	$ 97,537
TOTAL OPERATING EXPENSES	**$ 17,485**	**$ 114,978**
NET OPERATING INCOME (LOSS)	**$ (17,485)**	**$ (95,800)**
NONOPERATING REVENUES (EXPENSES)		
Interest income, other	$ 68	$ 177
TOTAL NONOPERATING REVENUES (EXPENSES)	$ 68	$ 177
INCREASE (DECREASE) IN NET ASSETS	**$ (17,417)**	**$ (95,623)**
NET ASSETS - BEGINNING OF YEAR	119,901	215,524
NET ASSETS - END OF YEAR	**$ 102,484**	**$ 119,901**

(The accompanying notes are an integral part of these financial statements)

ONTARIO COUNTY

LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Cash Flows

For The Years Ended December 31, 2013 and 2012

CASH FLOWS FROM OPERATING ACTIVITIES:	2013	2012
Fees	$ -	$ 19,178
Payments to contractors	(31,077)	(127,957)
Net Cash Provided (Used) by Operating Activities	**$ (31,077)**	**$ (108,779)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	$ 68	$ 177
Net Cash Provided (Used) by Investing Activities	**$ 68**	**$ 177**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ (31,009)	$ (108,602)
BEGINNING CASH AND CASH EQUIVALENTS	**133,493**	**242,095**
ENDING CASH AND CASH EQUIVALENTS	**$ 102,484**	**$ 133,493**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Operating Income (Loss)	$ (17,485)	$ (95,800)
Adjustments to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:		
Increase (decrease) to accounts payable	(13,592)	(12,979)
Net Cash Provided (Used) by Operating Activities	**$ (31,077)**	**$ (108,779)**

(The accompanying notes are an integral part of these financial statements)

ONTARIO COUNTY LOCAL DEVELOPMENT CORPORATION, ONTARIO COUNTY, NEW YORK

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

I. Summary of Significant Accounting Policies:

A. Organization

The Ontario County Local Development Corporation, Ontario County, New York (the Corporation) was incorporated on April 12, 2010 under Section 402 of the Not-For-Profit Corporation Law. The mission of the Ontario County LDC Corporation is to conduct activities that will relieve and reduce unemployment; promote and provide for additional and maximum employment; better and maintain job opportunities; instruct or train individuals to improve or develop their capabilities for such jobs; carry on scientific research for the purpose of aiding the County by attracting new industry in the County; and lessening the burdens of government and acting in the public interest. The Board shall consist of seven (7) Directors, all of whom, shall be appointed by the County and is reported as a related entity by the County.

B. Basis of Accounting

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States. Revenues are recognized when earned and expenses are recognized when incurred.

The Corporation reports information regarding its financial position and activities according to three classes of net assets; unrestricted, temporarily restricted, and permanently restricted net assets. At December 31, 2013 all of the Corporation's net assets were unrestricted.

C. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Corporation considers all highly liquid cash accounts and other temporary investments of three months or less as cash equivalents.

D. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

E. Income Taxes

The Corporation is a not-for-profit corporation organized pursuant to Sections 402 and 1411 of the New York State Not-for-Profit Corporation law and is, therefore, exempt from income taxes. The Corporation is also exempt from Federal reporting requirements under Internal Revenue Procedure 95-48, 1995-2 C.B. 418 as a governmental unit or affiliate of a governmental unit described in the procedure.

II. Cash and Cash Equivalents:

Custodial credit risk is the risk that in the event of a bank failure, the Corporation's deposits may not be returned to it. While the Corporation does not have a specific policy for custodial credit risk, New York State statutes govern the Corporation's investment policies, as discussed previously in these notes. All deposits are covered by FDIC insurance for both 2013 and 2012.

III. Master Agreement with Ontario County:

The Corporation executed an agreement to reimburse Ontario County for costs incurred relating to professional and administrative services and rental of office space at a minimum amount totaling $9,060, however, actual amounts in excess of the minimum amount will be reimbursed to Ontario County. A copy of the agreement can be obtained from the Ontario County Board of Supervisors office. In accordance with this agreement, the Corporation paid $9,060 and $17,045 to Ontario County for 2013 and 2012, respectively.

IV. Net Assets:

A. Board Designated Funds

Represents those funds which have been committed by the Board for specific grants which have not been fully allocated or expensed to the recipient due to the grant requirements not being completed. The Corporation had the following Board Designated Funds as of December 31:

	2013	2012
STC sewer study	$ 35,000	$ -
Naples sewer	30,000	30,000
Total Board Designated	$ 65,000	$ 30,000

B. Unrestricted Operations

Represents available funds which are unrestricted for operations.

V. Commitments and Contingencies:

A. Litigation

As of the balance sheet date management is not aware of any pending litigation.

VI. Subsequent Events:

Events and transactions which have occurred from January 1, 2013 through March 6, 2014, the date of these financials, have been evaluated by the Corporation's management for the purpose of determining whether there were any events that might require disclosure in these financial statements. No such events or transactions were noted.

Annual Report for Ontario County Local Development Corporation
Fiscal Year Ending:12/31/2013

Run Date: 03/07/2014
Status: UNSUBMITTED

Bond Information

1.

Name of Recipient of Bond Proceeds:	Frederick Ferris Thompson Hospital
Address Line1:	350 Parrish Street
Address Line2:	
City:	CANANDAIGUA
State:	NY
Zip - Plus4:	14424
Province/Region:	
Country:	USA
Amount of Bonds Issued:	$29,700,000.00
Date Bonds Issued:	08/01/2010
Bond Interest Rate:	4.64
Last Year Bonds Expected to be Retired:	2037
Amount of Bond Principal retired during the reporting year:	$650,000
Amt of Bond Principal retired prior to reporting year:	$320,000
Current Amount of Bonds Outstanding:	$28,730,000
Purpose of project requiring the Bond Issuance:	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the bond issuance expected to result in new jobs being created?	Yes
If yes, how many jobs were planned to be created?	14
If yes, how many jobs have been created to date?	42
Have the bonds been fully retired?	No

2.

Name of Recipient of Bond Proceeds:	Mercy Flight Central, Inc.
Address Line1:	2420 Brickyard Road
Address Line2:	
City:	CANANDAIGUA
State:	NY
Zip - Plus4:	14424
Province/Region:	
Country:	USA
Amount of Bonds Issued:	$1,802,043.88
Date Bonds Issued:	11/14/2012
Bond Interest Rate:	3.84
Last Year Bonds Expected to be Retired:	2019
Amount of Bond Principal retired during the reporting year:	$215,941
Amt of Bond Principal retired prior to reporting year:	$17,436.53
Current Amount of Bonds Outstanding:	$1,568,666.35
Purpose of project requiring the Bond Issuance:	Equipment and Fixed Asset Acquisition
Was the bond issuance expected to result in new jobs being created?	No
If yes, how many jobs were planned to be created?	
If yes, how many jobs have been created to date?	
Have the bonds been fully retired?	No

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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*

Independent Auditors' Report

To the Board of Directors
Ontario County Local Development Corporation
Ontario County, 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 Ontario County Local Development Corporation, Ontario County, New York (the Corporation) which comprise the statement of financial position as of December 31, 2013 and 2012, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Corporation's financial statements, and have issued our report thereon dated March 5, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting 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 the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation'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 results of that testing, and not to provide an opinion on the effectiveness of the Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Raymond F. Wager, CPA, PC

March 5, 2014