AUDITED
BASIC COMBINED FINANCIAL STATEMENTS

CITY OF GENEVA
INDUSTRIAL DEVELOPMENT AGENCY AND AFFILIATES

SEPTEMBER 30, 2014

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY

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SECTION A

FINANCIAL SECTION

FreedMaxick™ CPAs, P.C.

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying combined financial statements of the City of Geneva Industrial Development Agency and Affiliates (the Agency), as of and for the years ended September 30, 2014 and 2013, and the related statements of revenues, expenses and changes in net position and cash flows, for the years then end, 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 combined 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 combined 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 combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of September 30, 2014 and 2013, and the changes in financial position and cash flows, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the Agency's basic financial statements. The supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Combining Schedule of Net Position and the Combining Schedule of Revenues, Expenses and Changes in Net Position 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 basic 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 Combining Schedule of Net Position and the Combining Schedule of Revenues, Expenses and Changes in Net Position are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Schedule of Industrial Revenue Bonds and Schedule of Lease Agreements with the Agency have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 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, 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 Agency's internal control over financial reporting and compliance.

Freed Maxick CPAs, P.C.

Batavia, New York
December 30, 2014

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY AND AFFILIATES
COMBINED STATEMENTS OF NET POSITION
SEPTEMBER 30,

ASSETS

	2014	2013
Current assets:		
Cash and cash equivalents	$ 435,687	$ 477,528
Certificates of deposit	239,451	239,451
Accounts receivable, net	38,973	21,657
Loan receivable - current	-	3,705
Total current assets	714,111	742,341
Capital assets:		
Land	425,000	425,000
Building, net	3,011,252	3,131,312
Total capital assets, net	3,436,252	3,556,312
Other assets:		
Land held for development and sale	151,239	123,622
Total other assets	151,239	123,622
Total assets	$ 4,301,602	$ 4,422,275

LIABILITIES AND NET POSITION

Current liabilities:		
Accounts payable	$ 13,104	$ 3,668
Security deposits	19,660	19,393
Unearned revenue	72	300
Accrued interest payable	4,371	-
Total current liabilities	37,207	23,361
Noncurrent liabilities:		
Due to other governments	117,597	157,707
Total noncurrent liabilities	117,597	157,707
Total liabilities	154,804	181,068
Net position:		
Net investment in capital assets	3,436,252	3,556,312
Unrestricted	710,546	684,895
Total net position	4,146,798	4,241,207
Total liabilities and net position	$ 4,301,602	$ 4,422,275

See notes to financial statements.

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY AND AFFILIATES
COMBINED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30,

	2014	2013
Operating revenues:		
Rental income	$ 210,213	$ 252,328
Administration fee revenue	-	74,038
Other revenues	2,681	2,372
Total operating revenues	212,894	328,738
Operating expenses:		
Administrative	46,255	43,908
Depreciation	120,060	116,862
Insurance	16,497	14,880
Professional fees	17,362	6,335
Repairs and maintenance	34,468	27,092
Staff stipends	39,949	36,879
Utilities	29,007	60,420
Total operating expenses	303,598	306,376
Change in net position from operations	(90,704)	22,362
Nonoperating revenues (expenses):		
Interest income	-	253
Bad debt	(3,705)	-
Total nonoperating revenues (expenses)	(3,705)	253
Change in net position	(94,409)	22,615
Net position - beginning of year	4,241,207	4,218,592
Net position - end of year	$ 4,146,798	$ 4,241,207

See notes to financial statements.

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY AND AFFILIATES
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30,

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from providing services	$ 196,374	$ 307,003
Payments to service providers and suppliers	(169,464)	(185,256)
Other revenues	2,681	2,372
Net cash provided by operating activities	29,591	124,119
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	(27,617)	(57,573)
Net proceeds (outlays) from joint venture	(40,110)	16,955
Net cash used by financing activities	(67,727)	(40,618)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemptions of certificates of deposit	-	23,237
Interest income	-	253
Write off of loan receivable	(3,705)	-
Net cash provided by investing activities	(3,705)	23,490
Net increase (decrease) in cash and cash equivalents	(41,841)	106,991
Cash and cash equivalents - beginning of the year	477,528	370,537
Cash and cash equivalents - end of the year	$ 435,687	$ 477,528
Reconciliation of change in net position from operations to net cash provided by operating activities:		
Change in net position from operations	$ (90,704)	$ 22,362
Adjustments to reconcile change in net position from operations to net cash provided by operating activities:		
Depreciation	120,060	116,862
(Increase) decrease in assets:		
Accounts receivable	(17,316)	(19,663)
Loan receivable	3,705	-
Increase (decrease) in liabilities:		
Accounts payable	9,436	2,640
Accrued interest payable	4,371	-
Security deposits	267	1,618
Unearned revenue	(228)	300
Net cash provided by operating activities	$ 29,591	$ 124,119
SUPPLEMENTARY INFORMATION - NONCASH FINANCING ACTIVIES		
Forgiveness of debt	$ -	$ 466,732
Bad debt	$ 3,705	$ -

See notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The City of Geneva Industrial Development Agency (the Agency) is a public benefit corporation which was established under the mandate of Article 18-A, "New York State Industrial Development Agency Act" of New York State General Municipal Law.

Financial Reporting Entity

The Agency reports related organizations under the guidance of the Governmental Accounting Standards Board. The Standards define the primary government, and redefine and establish the criteria for which potential component units are included in the reporting entity. The Standards also define financial accountability of the primary government as being determined on the basis of fiscal dependency, appointment of a voting majority of a governing board, ability to impose its will or potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the primary government. The Agency is subject to the provisions of the New York State Public Authorities Law. As a local authority under this law, the Agency is required to make certain information available to the public.

The Agency is financially accountable for the Geneva Enterprise Development Center. Based on the above aforementioned criteria, the Geneva Enterprise Development Center is required to be included as a blended component unit in the accompanying financial statements.

The Agency maintains joint ownership in the City of Geneva Industrial Park, along with the Ontario County Industrial Development Agency and the City of Geneva. Based on the above aforementioned criteria, the City of Geneva Industrial Park is required to be included as a blended component unit in the accompanying financial statements.

Basis of Presentation

The Agency's basic financial statements consist of three statements that provide information about the Agency's business-type activities. The first statement is the statement of net position which lists all of the Agency's assets and liabilities, with the difference reported as net position. The net position is classified as net investment in capital assets and unrestricted net position. The second statement is the statement of revenues, expenses and changes in net position which details how the Agency's net position changed during the current year based on the reporting of the revenues and expenses recognized by the Agency. The third statement is the statement of cash flows which reports the activities that provide or use the cash and cash equivalents of the Agency.

Net Position

Equity is classified as net position and displayed in two components:

a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation.

b. Unrestricted net position - All other net position that does not meet the definition of "net investment in capital assets".

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

The financial statements of the Agency are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect. Amounts that management believes to be uncollectible, after collection efforts have been completed, are written off. In addition, management evaluates the need for and, if appropriate, provides an allowance to reduce account receivables to amounts management expects will be collected. Management determined that no allowances were necessary at September 30, 2014 and 2013.

Property and Equipment

Property and equipment is recorded at acquisition cost and depreciated over the estimated useful lives of the respective assets using straight-line and accelerated methods. The cost of repairs, maintenance and minor replacements is expensed as incurred, whereas expenditures that materially extend property lives are capitalized. When depreciable property is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in income. As of September 30, 2014 and 2013 depreciation expense amounted to $120,060 and $116,862, respectively.

Use of Estimates in Preparation of Financial Statements

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. This affects the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Income Taxes

The Agency is a Public Benefit Corporation of the State of New York and is exempt from federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been made on the accompanying combined financial statements.

Cash And Cash Equivalents

The Agency's cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

Revenue Recognition

The Agency recognizes rental income as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Agency and the tenants are operating leases.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Statement of Cash Flows

For the purpose of the statement of cash flows, the Agency considers cash to be all cash and cash equivalents.

Subsequent Events

These financial statements have not been updated for subsequent events occurring after December 30, 2014 which is the date these financial statements were available to be issued.

New Accounting Pronouncements

The GASB has issued the following new statements:

- Statement No. 69, *Government Combinations and Disposals of Government Operations,* which will be effective for the year ending September 30, 2015; and

The Agency is currently reviewing this statement and plans on adoption, as required.

NOTE 2 - CASH AND INVESTMENTS

The Agency's investment policies are governed by State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Agency Treasurer is authorized to use interest bearing demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and obligations of the State of New York and its localities.

Collateral is required for demand deposits and certificates of deposits not covered by federal deposit insurance. Obligations that 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.

Investment and Deposit Policy

The Agency implemented Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures.*

The Agency follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Agency Director.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Agency's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Agency's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.

NOTE 2 - CASH AND INVESTMENTS (Continued)

- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities

Custodial Credit Risk
Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Agency's investment and deposit policy, all deposits of the Agency including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 102% of the aggregate amount of deposits. The Agency restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.

NOTE 3 - LAND HELD FOR DEVELOPMENT AND SALE

The Agency maintains three separate investments in land held for resale through joint venture agreements with other local organizations. The Agency's ownership share of the joint venture is 14.71%. All acquisition and holding costs relating to these investments have been capitalized.

NOTE 4 - FIXED ASSETS

Capital asset activity for the year ended September 30, 2014, was as follows:

	Balance 9/30/13	Additions	Disposals	Balance 9/30/14
Capital assets, not being depreciated:				
Land	$ 425,000	$ -	$ -	$ 425,000
Total capital assets, not being depreciated	$ 425,000	$ -	$ -	$ 425,000
Capital assets, being depreciated:				
Building	$ 3,825,000	$ -	$ -	$ 3,825,000
Improvements	764,367	-	-	764,367
Total capital assets, being depreciated	4,589,367	-	-	4,589,367
Less accumulated depreciation				
Buildings	1,282,569	95,625	-	1,378,192
Improvements	175,486	24,437		199,923
Total accumulated depreciation	1,458,055	120,060	-	1,578,115
Total capital assets, being depreciated - net	3,131,312	(120,060)	-	3,011,252
Capital assets, net	$ 3,556,312	$ (120,060)	-	$ 3,436,252

NOTE 4 - FIXED ASSETS (Continued)

Capital asset activity for the year ended September 30, 2013, was as follows:

	Balance 9/30/12	Additions	Disposals	Balance 9/30/13
Capital assets, not being depreciated:				
Land	$ 425,000	$ -	$ -	$ 425,000
Total capital assets, not being depreciated	$ 425,000	$ -	$ -	$ 425,000
Capital assets, being depreciated:				
Building	$ 3,825,000	$ -	$ -	$ 3,825,000
Improvements	706,794	57,573	-	764,367
Total capital assets, being depreciated	4,531,794	57,573	-	4,589,367
Less accumulated depreciation				
Buildings	1,186,944	95,625	-	1,282,569
Improvements	154,249	21,237	-	175,486
Total accumulated depreciation	1,341,193	116,862	-	1,458,055
Total capital assets, being depreciated - net	3,190,601	(59,289)	-	3,131,312
Capital assets, net	$ 3,615,601	$ (59,289)	-	$ 3,556,312

NOTE 5 - DUE TO OTHER GOVERNMENTS

Due to other governments represents amounts owed to Ontario County for advances made to the Agency for the operation of the Geneva Enterprise Development Center. There are no specific repayment terms.

The Agency is a participant with Ontario County Industrial Development Agency, City of Geneva and Geneva Growth in a joint venture agreement to operate the Geneva Industrial Park (the Park). On dissolution of the joint venture the net assets of the Park will be shared according to the terms of the Joint Venture Agreement dated June 1st 1989. Initial capital contribution, future contributions, title to the property and voting shares are also included in the Joint Venture Agreement.

	2014	2013
Joint Venture:		
City of Geneva	**$ 30,417**	$ 116,917
Ontario County IDA	**87,180**	40,790
Total due to other governments - joint venture	**$ 117,597**	$ 157,707

NOTE 6 - OUTSTANDING BOND ISSUES

Bonds issued by the Agency are collateralized by the property which is leased to the borrowing company and the bonds are retired by lease payments. The bonds are not an obligation of the Agency, the City of Geneva or the State of New York. The Agency does not record the assets or liabilities resulting from a completed bond issue in their accounts, since its primary function is to arrange the financing between the borrowing company and the lending bondholders, and the funds arising there from are controlled by a trustee bank.

NOTE 7 - LEASES

At September 30, 2014 and 2013, the Agency had entered into various lease agreements. These leases are merely financing arrangements in which the Agency has provided tax incentives or acts only as a financing conduit. Therefore, the Agency does not record these transactions in its financial records.

NOTE 8 - FUTURE MINIMUM RENTAL PAYMENTS

At September 30, 2014, future minimum rental payments under rental leases are approximately as followed:

2015	$ 185,536
2016	136,538
2017	95,744
2018	30,177
2019	7,268

NOTE 9 - SUBSEQUENT EVENTS

In November 2014 the Agency advanced funds to the Geneva Enterprise Development Center in the amount of $42,830 to assist with roof replacement. There is no terms or interest assigned to this advance.

SUPPLEMENTARY INFORMATION

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF INDUSTRIAL REVENUE BONDS ISSUED BY THE AGENCY
FOR THE YEAR ENDED SEPTEMBER 30, 2014

1	Name of Project	Colleges of the Seneca
	Address of Owner	100 Pulteney Street Geneva, NY 14456
	Issue Amount	$31,250,000
	Purpose of Issue	Construction
	Date of Issue	12/1/2007
	Interest Rate	Varies
	Maturity Date	12/1/2017

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF LEASE AGREEMENTS WITH THE AGENCY
FOR THE YEAR ENDED SEPTEMBER 30, 2014

1	Name of Lessee:	Ramada Inn
	Address of Lessee:	1 Lakefront Drive Geneva, NY 14456
	Date of Lease:	1997
	Date of Expiration:	12/31/2027
2	Name of Lessee:	Guardian Industries
	Address of Lessee:	Forge Avenue Geneva, NY 14456
	Date of Lease:	1998
	Date of Expiration:	1/31/2023
3	Name of Lessee:	Zotos International
	Address of Lessee:	300 Forge Ave Geneva, NY 14456
	Date of Lease:	1997
	Date of Expiration:	5/1/2022
4	Name of Lessee:	Lake Street Hotel LLC
	Address of Lessee:	43 Lake Street Geneva, NY 14456
	Date of Lease:	2005
	Date of Expiration:	6/30/2017

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 214,690	$ 137,878	$ 83,119	$ -	$ 435,687
Certificates of deposit	239,451	-	-	-	239,451
Accounts receivable, net	-	-	38,973	-	38,973
Total current assets	454,141	137,878	122,092	-	714,111
Capital assets:					
Land	-	-	425,000	-	425,000
Building, net	-	-	3,011,252	-	3,011,252
Total capital assets, net	-	-	3,436,252	-	3,436,252
Other assets:					
Investment in City of Geneva Industrial Park	14,240	-	-	(14,240)	-
Land held for development and sale	27,617	123,622	-	-	151,239
Total other assets	41,857	123,622	-	(14,240)	151,239
Total assets	$ 495,998	$ 261,500	$ 3,558,344	$ (14,240)	$ 4,301,602

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2014
(Continued)

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
LIABILITIES AND NET POSITION					
Current liabilities:					
Accounts payable	$ -	$ -	$ 13,104	$ -	$ 13,104
Security deposits	-	-	19,660	-	19,660
Unearned revenue	-	-	72	-	72
Accrued interest payable	-	-	4,371	-	4,371
Total current liabilities	-	-	37,207	-	37,207
Noncurrent liabilities:					
Due to other governments - joint venture	-	117,597	-	-	117,597
Total noncurrent liabilities	-	117,597	-	-	117,597
Total liabilities	-	117,597	37,207	-	154,804
Net position:					
Net investment in capital assets	-	-	3,436,252	-	3,436,252
Unrestricted	495,998	143,903	84,885	(14,240)	710,546
Total net position	495,998	143,903	3,521,137	(14,240)	4,146,798
Total liabilities and net position	$ 495,998	$ 261,500	$ 3,558,344	$ (14,240)	$ 4,301,602

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2013

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 266,217	$ 184,906	$ 26,405	$ -	$ 477,528
Certificates of deposit	239,451	-	-	-	239,451
Accounts receivable, net	-	-	21,657	-	21,657
Loan receivable - current	3,705	-	-	-	3,705
Total current assets	509,373	184,906	48,062	-	742,341
Capital assets:					
Land	-	-	425,000	-	425,000
Building, net	-	-	3,131,312	-	3,131,312
Total capital assets, net	-	-	3,556,312	-	3,556,312
Other assets:					
Investment in City of Geneva Industrial Park	14,240	-	-	(14,240)	-
Land held for development and sale	-	123,622	-	-	123,622
Total other assets	14,240	123,622	-	(14,240)	123,622
Total assets	$ 523,613	$ 308,528	$ 3,604,374	$ (14,240)	$ 4,422,275

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2013
(Continued)

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
LIABILITIES AND NET POSITION					
Current liabilities:					
Accounts payable	$ -	$ -	$ 3,668	$ -	$ 3,668
Security deposits	-	-	19,393	-	19,393
Unearned Revenue	-	-	300	-	300
Total current liabilities	-	-	23,361	-	23,361
Noncurrent liabilities:					
Due to other governments - joint venture	-	157,707	-	-	157,707
Total noncurrent liabilities	-	157,707	-	-	157,707
Total liabilities	-	157,707	23,361	-	181,068
Net position:					
Net investment in capital assets	-	-	3,556,312	-	3,556,312
Unrestricted	523,613	150,821	24,701	(14,240)	684,895
Total net position	523,613	150,821	3,581,013	(14,240)	4,241,207
Total liabilities and net position	$ 523,613	$ 308,528	$ 3,604,374	$ (14,240)	$ 4,422,275

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
Operating revenues:					
Rental income	$ -	$ 3,100	$ 207,113	$ -	$ 210,213
Other revenues	1,946	-	735	-	2,681
Total operating revenues	1,946	3,100	207,848	-	212,894
Operating expenses:					
Administrative	18,000	-	28,255	-	46,255
Depreciation	-	-	120,060	-	120,060
Insurance	512	-	15,985	-	16,497
Professional fees	7,344	10,018	-	-	17,362
Repairs and maintenance	-	-	34,468	-	34,468
Staff stipends	-	-	39,949	-	39,949
Utilities	-	-	29,007	-	29,007
Total operating expenses	25,856	10,018	267,724	-	303,598
Change in net position from operations	(23,910)	(6,918)	(59,876)	-	(90,704)

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014
(Continued)

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
Nonoperating revenues (expenses):					
Bad debt	(3,705)	-	-	-	(3,705)
Total nonoperating revenues:	(3,705)	-	-	-	(3,705)
Change in net position	(27,615)	(6,918)	(59,876)	-	(94,409)
Net position - beginning of year	523,613	150,821	3,581,013	(14,240)	4,241,207
Net position - end of year	$ 495,998	$ 143,903	$ 3,521,137	$ (14,240)	$ 4,146,798

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
Operating revenues:					
Rental income	$ -	$ 3,010	$ 249,318	$ -	$ 252,328
Administration fee revenue	74,038	-	-	-	74,038
Other revenues	2,261	-	111	-	2,372
Total operating revenues	76,299	3,010	249,429	-	328,738
Operating expenses:					
Administrative	18,107	-	25,801	-	43,908
Depreciation	-	-	116,862	-	116,862
Insurance	-	-	14,880	-	14,880
Professional fees	6,149	86	100	-	6,335
Repairs and maintenance	-	-	27,092	-	27,092
Staff stipends	-	-	36,879	-	36,879
Utilities	-	-	60,420	-	60,420
Total operating expenses	24,256	86	282,034	-	306,376
Change in net position from operations	52,043	2,924	(32,605)	-	22,362

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2013
(Continued)

	City of Geneva Industrial Development Agency	City of Geneva Industrial Park	Geneva Enterprise Development Center	Reclassifications and Eliminations	Total
Nonoperating revenues (expenses):					
Interest income	253	-	-	-	253
Total nonoperating revenues (expenses)	253	-	-	-	253
Change in net position	52,296	2,924	(32,605)	-	22,615
Net position - beginning of year	471,317	147,897	3,613,618	(14,240)	4,218,592
Net position - end of year	$ 523,613	$ 150,821	$ 3,581,013	$ (14,240)	$ 4,241,207

SECTION B

INTERNAL CONTROL AND COMPLIANCE

FreedMaxick™ CPAs, P.C.

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 AUDITOR'S REPORT

To the Board of Directors of the
City of Geneva Industrial Development Agency and Affiliates

We have audited, 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, the combined financial statements of the Agency, as of and for the year ended September 30, 2014, and the related notes to the combined financial statements, which collectively comprise the Agency' basic financial statements, and have issued our report thereon dated December 30, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the combined 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 opinion on the combined 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 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 the 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 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, 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.

Freed Maxick CPAs, P.C.

Batavia, New York
December 30, 2014