

**AUDITED  
BASIC FINANCIAL STATEMENTS**

**WYOMING COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING  
COUNTY)**

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**DECEMBER 31, 2014**

# WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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**SECTION A**  
**FINANCIAL SECTION**



## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of the  
Wyoming County Industrial Development Agency  
Perry, New York 14530

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Wyoming County Industrial Development Agency, (the Agency), a component unit of Wyoming County, New York, as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Agency, as of December 31, 2014 and 2013, and the respective changes in financial position and cash flows thereof for the years then ended in accordance 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 and budgetary comparison information 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 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. 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 financial statements that collectively comprise the Agency's basic financial statements. The supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Statements of Net Position, the Combining Statements of Revenues, Expenses and Changes in Net Position and the Combining Statements of Cash Flows are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 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 Statements of Net Position, the Combining Statements of Revenues, Expenses and Changes in Net Position and the Combining Statements of Cash Flows 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 Industrial Revenue Leases issued by 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 March 13, 2015 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  
March 13, 2015

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)**

**STATEMENTS OF NET POSITION  
DECEMBER 31,**

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 4,698,388	\$ 3,753,553
Accounts receivable	16,334	240
Accrued interest receivable	8,917	8,262
Wind farm receivable	350,374	501,008
Notes receivable, net	460,619	596,796
Total current assets	<u>5,534,632</u>	<u>4,859,859</u>
<b>Property and equipment:</b>		
Office equipment	9,005	9,005
Less: accumulated depreciation	7,605	6,565
Total property and equipment, net	<u>1,400</u>	<u>2,440</u>
<b>Noncurrent assets:</b>		
Investments - certificate of deposit	409,961	407,789
Wind farm receivable	700,748	1,051,122
Notes receivable, net	2,436,023	2,813,319
Land held for investment	55,000	55,000
Total noncurrent assets	<u>3,601,732</u>	<u>4,327,230</u>
Total assets	<u>9,137,764</u>	<u>9,189,529</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	-	380
Unearned revenue	441,302	612,950
Total liabilities	<u>441,302</u>	<u>613,330</u>
<b>NET POSITION</b>		
Net investment in capital assets	1,400	2,440
Restricted	299,732	149,866
Unrestricted	8,395,330	8,423,893
Total net position	<u>\$ 8,696,462</u>	<u>\$ 8,576,199</u>

See accompanying notes.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2014</u>	<u>2013</u>
<b>Operating revenues:</b>		
Fees and penalties	\$ 88,344	\$ 1,796,187
Grant revenue	171,648	89,221
Interest income on notes receivable	102,386	102,432
Rental income	2,280	2,280
Recovery of bad debt	-	56,426
Miscellaneous	30	145
Total operating revenues	<u>364,688</u>	<u>2,046,691</u>
<b>Operating expenses:</b>		
Bad debt expense	8,582	84,931
Community investment	-	6,000
Conferences and training	1,445	1,111
Consulting	4,551	3,913
Depreciation	1,040	1,409
Insurance	3,805	4,735
Marketing	2,049	4,679
Meetings and dinners	404	263
Memberships and publications	3,693	3,722
Miscellaneous expenses	-	15
Office expense and printing	3,705	3,907
Professional fees	17,265	17,767
Professional services	12,110	1,371
Rail initiative project	-	4,404
Salaries and benefits	207,780	162,456
Travel	3,198	3,552
Total operating expenses	<u>269,627</u>	<u>304,235</u>
Operating income	95,061	1,742,456
<b>Nonoperating revenues:</b>		
Interest income	25,202	22,650
Total nonoperating revenues	<u>25,202</u>	<u>22,650</u>
Change in net position	120,263	1,765,106
<b>Net position - beginning of year</b>	<u>8,576,199</u>	<u>6,811,093</u>
<b>Net position - end of year</b>	<u>\$ 8,696,462</u>	<u>\$ 8,576,199</u>

See accompanying notes.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from grants	\$ -	\$ 271,521
Receipts from providing services	605,568	559,750
Interest income on notes receivable	101,731	84,809
Repayments of notes receivable	504,891	760,615
Issuance of notes receivable	-	(393,000)
Payments of grants	-	(245,000)
Payments of service providers and suppliers	(82,225)	(55,439)
Payments for employee services	(208,160)	(163,876)
Net cash provided by operating activities	<u>921,805</u>	<u>819,380</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchase of equipment	-	(330)
Net cash used by financing activities	<u>-</u>	<u>(330)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income	25,202	22,650
Purchase of certificate of deposit	(2,172)	(151,284)
Purchase of land held for investment	-	(55,000)
Net cash provided (used) by investing activities	<u>23,030</u>	<u>(183,634)</u>
<b>Net increase in cash and cash equivalents</b>	<b>944,835</b>	<b>635,416</b>
<b>Cash and cash equivalents - beginning of year</b>	<b><u>3,753,553</u></b>	<b><u>3,118,137</u></b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ <u>4,698,388</u></b>	<b>\$ <u>3,753,553</u></b>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 95,061	\$ 1,742,456
Adjustment to reconcile income from operations to net cash provided by operating activities:		
Depreciation expense	1,040	1,409
Bad debt expense, net of recoveries	8,582	24,077
Change in assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	13,906	232,000
Notes receivable	504,891	367,615
Accrued interest receivable	(655)	8,326
Wind farm receivable	501,008	(1,250,862)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(30,380)	(216,420)
Unearned revenue	(171,648)	(89,221)
Net cash provided by operating activities	<u>\$ 921,805</u>	<u>\$ 819,380</u>

See accompanying notes.

# WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Wyoming County Industrial Development Agency (the Agency) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

#### A. REPORTING ENTITY

##### PRIMARY GOVERNMENT

The Wyoming County Industrial Development Agency (the Agency) was created in 1974 by the Wyoming County Board of Supervisors and a special act of the New York State Legislature to facilitate economic development in the County. The Agency is a discretely presented component unit of Wyoming County. During the year ended December 31, 2010 the Agency transferred a majority of their loan activity as well as start up cash to the Wyoming County Business Assistance Corporation, a blended component unit of the Agency. Some additional loans of the Agency were transferred to the Loan Corporation during the year ended December 31, 2011 and 2013.

##### COMPONENT UNIT

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the Wyoming County Business Assistance Corporation, the only component unit, has been included in the financial reporting entity as a blended component unit. The blended component unit's balances are reported in the same manner as the primary government and are combined into one primary government column. This is due to the fact the component unit is so intertwined with the primary government that they are substantially the same entity.

The Wyoming County Business Assistance Corporation (the Loan Corporation) was established on May 14, 2009 by the Agency under section 1411 of the Not-For-Profit Corporation Law of the State of New York. The sole purpose of the Loan Corporation is to manage business loan funds on behalf of the Agency and is a corporation as defined in sub paragraph (a) (5) of section 102 of the Not-For-Profit Corporation Law of the State of New York.

#### B. BASIS OF PRESENTATION

The Agency's basic financial statements consist of three statements that provide information about the Agency's activities. The first statement is the statement of net position which lists all of the Agency's assets, liabilities with the difference reported as net position. The net position is classified as restricted, unrestricted and net investment in capital assets.

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 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.

#### C. 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.

# WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### D. INCOME TAXES

The Agency is a quasi-governmental organization. The Agency is not subject to federal or state income taxes, nor is it required to file federal or state income tax returns, therefore, no provision for income taxes is reflected in these financial statements. The Loan Corporation is no longer subject to federal and state income tax examinations by tax authorities for years prior to 2011.

#### E. CASH AND CASH EQUIVALENTS/INVESTMENTS

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. Investments consist of certificates of deposit with maturities in excess of three months.

#### F. ACCOUNTS RECEIVABLE

Accounts receivable are reported at their net realizable value. Generally accepted accounting principles require the establishment of an allowance for doubtful accounts, however, no allowance for uncollectible accounts has been provided since management believes that such allowance would not be necessary.

#### G. PROPERTY AND EQUIPMENT

Property and equipment is recorded at acquisition cost and depreciated over the estimated useful lives of the respective assets using the straight-line method. The cost of repairs, maintenance and minor replacements are 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 December 31, 2014 and 2013 depreciation expense amounted to \$1,040 and \$1,409, respectively.

#### H. INSURANCE

The Agency is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, personal injury liability, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Settled claims from these risks have not yet exceeded commercial insurance coverage for the past three fiscal years.

#### I. UNEARNED REVENUE

The Agency and the Loan Corporation report unearned revenue on its statements of net position. Unearned revenue arises when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the Agency and the Loan Corporation before it has legal claim to them. In subsequent periods, when both recognition criteria are met, or when the Agency or the Loan Corporation has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized. As of December 31, 2014 and 2013, the Agency recognized a liability for unearned revenue in the amount of \$113,837 for both years. Also, as of December 31, 2014 and 2013 the Loan Corporation recognized a liability for unearned revenue in the amount of \$327,465 and \$499,113, respectively.

# WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### J. NET POSITION

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. Restricted net position - Consists of net position with constraints on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "invested in capital assets."

#### K. REVENUE RECOGNITION

Operating revenue consists of revenue from fees earned on lease-leaseback transactions and management services provided for the Loan Corporation by the Agency, along with interest received from bank accounts, cash in time deposits, and rental property. The Agency earns its fees primarily from lease agreements, which are based on 1% of the total project cost as indicated in the original lease application. Fee income is recorded as revenue when the agreement is finalized, regardless of when the related cash is received.

#### L. STATEMENT OF CASH FLOWS

For the purposes of the statements of cash flows, the Agency considers cash and cash equivalents to be all unrestricted cash accounts including demand accounts and certificates of deposit with an original maturity of three months or less.

#### M. 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 expenditures during the reporting periods. Actual results could differ from those estimates.

#### N. RECLASSIFICATIONS

Certain reclassifications have been made to the 2013 financial statements to conform with current year presentation.

# WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

#### A. ASSETS

##### 1. CASH, CASH EQUIVALENTS 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 Director 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.

As of December 31, 2014 the Loan Corporation has \$1,591,825 in bank deposits and \$388,896 of FDIC coverage. The remaining deposits of \$1,202,929 were not further collateralized by the financial institution.

##### 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 Executive 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.
- 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:

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

- 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.

**2. NOTES RECEIVABLE**

The Loan Corporation provides low interest notes to businesses located in Wyoming County in order to encourage economic development. Notes receivable consisted of the following at December 31:

		<u>2014</u>	<u>2013</u>
<u>Notes receivable - the Loan Corporation:</u>			
Action Enterprises, Inc.	Monthly installments of principal and interest in the amount of \$1,466 over five years commencing once funding is received from HUD. Annual interest rate of 3.25%. This note paid interest only payments and 50% of the outstanding note is currently in an allowance for uncollectible notes.	\$ 150,000	\$ 150,000
ACO Acquisitions, LLC	Monthly installment of principal in the amount of \$2,500 over ten years commencing 7/25/10. Non interest bearing note. This note was previously amended to non-interest bearing with an extended note term, as well as, a stabilization plan which expired in 2012. Since that time, payments did not resume until 2013, and 50% of the outstanding note is currently in an allowance for uncollectible notes.	250,000	280,000
Arcade REHC I, LLC	Annual installments of principal and interest in the amount of \$5,000 commencing 10/03/08 with balloon payment on 9/3/18. Annual interest rate of 1.0%.	470,000	475,000

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

		<b><u>2014</u></b>	<b><u>2013</u></b>
Athletica, Inc.	Monthly installments of principal and interest in the amount of \$2,191 over seven years commencing 02/29/08. Annual interest rate of 6.0%.	<b>31,591</b>	55,217
Athletica, Inc. II	Monthly installments of principal and interest in the amount of \$1,006 over five years commencing 03/12/12. Annual interest rate of 5.25%.	<b>26,464</b>	36,851
Attica Millworks, Inc.	Monthly installments of principal and interest in the amount of \$2,433 over six years commencing 10/23/10. Annual interest rate of 5.25%. Note entered a stabilization plan during 2012, allowing payments to cease for one year. Payments reconvened in October 2013.	<b>74,616</b>	99,193
Bert Heinrich, Inc.	Monthly installments of principal and interest in the amount of \$248 over eight and a half years amended on 04/23/10. Annual interest rate of 5.5%. Frequency of payments has decreased, therefore 10% of loan is included in allowance for uncollectible notes.	<b>15,915</b>	17,121
Burly Bros.	Monthly installments of principal and interest in the amount of \$1,608 over ten years, commencing 03/13/13, with a balloon payment due on 3/13/23. Annual interest rate of 5.25%.	<b>183,920</b>	191,762
Byrncliff, Inc.	Monthly installments of principal and interest in the amount of \$1,568 over seven years commencing on 01/28/13. Annual interest rate of 5.25%.	<b>84,304</b>	97,152
Caring Harts Transport, Inc.	Monthly installments of principal and interest in the amount of \$531 over five years commencing on 02/26/10. Annual interest rate of 5.0%.	<b>6,710</b>	12,592

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

		<u><b>2014</b></u>	<u><b>2013</b></u>
Caring Harts Transport, Inc. II	An additional \$43,000 was issued to this note during 2013. The amended note is for monthly installments of principal and interest in the amount of \$1,489 over seven years. Annual interest rate of 5.13%.	<b>88,799</b>	101,746
Drasgow, Inc. II	Monthly installments of principal and interest in the amount of \$1,714 over seven years commencing 07/13/10. Annual interest rate of 5.25%.	<b>48,073</b>	65,607
Drasgow, Inc.	Monthly installments of principal in the amount of \$385 over five years commencing 05/24/10. Interest rate of 5.25% was paid at closing.	<b>10,796</b>	14,734
Drasgow, Inc. III	Monthly installments of principal and interest in the amount of \$1,011 over ten years commencing 01/18/13. With a balloon payment in January 2023. Annual interest rate of 5.25%.	<b>141,049</b>	145,642
Hidden Valley Animal Adventure	Six months of interest only commencing 12/12/10 and monthly installments of principal and interest in the amount of \$2,010 over 15 years commencing 6/12/11. Annual interest rate of 5.25%	<b>206,770</b>	220,705
Hillcrest Industries, Inc.	Monthly installments of principal and interest in the amount of \$2,146 over 10 years commencing 3/01/10. Annual interest rate of 5.25%.	<b>116,304</b>	133,847
Hillcrest Industries, Inc.	This note was transferred to the Loan Corporation from the Agency during 2013. Monthly installment of principal and interest in the amount of \$855 over seven years commencing 5/01/14. Annual interest rate of 5.25%.	<b>55,186</b>	60,000

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

		<u>2014</u>	<u>2013</u>
In-Site Enterprises, LLC	Monthly installments of principal and interest in the amount of \$804 over 15 years commencing 05/04/10. Annual interest rate of 5.25%.	<b>82,266</b>	87,445
Lisaenal-d LTD	Monthly installments of principal and interest in the amount of \$644 over ten years commencing on 6/4/11. Annual interest rate of 5.25%.	<b>43,826</b>	48,239
Lisaenal-d LTD II	Monthly installments of principal and interest in the amount of \$644 over ten years commencing on 4/19/12. Annual interest rate of 5.25%. Foreclosure occurred during 2014 therefore 50% allowance for uncollectible notes was established.	<b>47,372</b>	51,633
LVM Materials, LLC	Monthly installments of principal and interest in the amount of \$1,206 over ten years commencing on 11/15/12, with a balloon payment in November 2022. Annual interest rate of 5.25%.	<b>134,902</b>	142,083
M&T Trucking, Inc.	Monthly installments of principal and interest in the amount of \$2,414 over ten years commencing 9/30/07. Annual interest rate of 3%.	<b>76,374</b>	102,622
M&T Trucking, Inc.	Monthly installments of principal in the amount of \$2,083 over ten years commencing 08/01/06. Interest rate of 3% was paid at closing	<b>39,583</b>	64,583

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

		<u><b>2014</b></u>	<u><b>2013</b></u>
Mama's Home, Cooking, LTD	Monthly installments of principal in the amount of \$4,800 over six years commencing on 7/13/05. Non interest bearing note. This note was part of a business stabilization program during the years of 2009 and 2010. Payments have resumed, and the note is considered fully collectible.	<b>1,039</b>	2,775
Marquart Bros, LLC	Monthly installments of principal in the amount of \$4,800 over ten years commencing on 12/31/10. Annual interest rate of 3.0% was paid at closing.	<b>80,000</b>	96,000
McCormick Farms, Inc.	Annual installments of principal in the amount of \$26,000 over ten years commencing 06/01/07. Interest rate of 3% was paid at closing.	<b>52,000</b>	78,000
Mille Fabricators	Monthly installments of principal over ten years commencing 08/12/07. Interest rate of 3% was paid at closing. This business ceased operations and the entire remaining balance written off in 2014.	-	79,861
Ray Sciarrino	Monthly installments of principal and interest in the amount of \$506 over five years commencing 09/01/04. Annual interest rate of 4%.	<b>48,949</b>	52,974
F.U.N. Bowling, Center d/b/a Perry Bowling Center	Monthly installments of principal in the amount of \$298 over seven years commencing on 12/02/05. Non interest bearing note. Paid off in 2014.	-	2,083

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

		<u>2014</u>	<u>2013</u>
Perry NY, LLC	Monthly installments of principal and interest in the amount of \$836 over fifteen years commencing 12/20/07. Annual interest rate of 6.0%.	<b>72,963</b>	78,435
Perry NY, LLC	Monthly installments of principal and interest in the amount of \$674 over 20 years commencing 12/16/10. Annual interest rate of 6.0%.	<b>87,115</b>	90,530
Prestolite Electric	Monthly installments of principal in the amount of \$2,976 over seven years commencing on 11/15/11. Non interest bearing note.	<b>154,762</b>	190,476
RS Maher & Son, Inc.	Monthly installments of principal and interest in the amount of \$476 over ten years commencing 02/18/11. Interest rate of 3% was paid at closing.	<b>34,800</b>	40,520
Sarah Schafer	Monthly installments of principal and interest in the amount of \$528 over seven years commencing 05/08/08. Annual interest rate of 7.0. This note was previously in a stabilization plan, and has resumed payments on principal.	<b>10,359</b>	15,770
Schreiberdale Holsteins, LLC	Repayment terms allow interest only payments for up to seven months, commencing 11/7/13, with a pre-payment of principal in the amount of \$100,000. Thereafter, making monthly installments of principal and interest in the amount of \$949 over the remaining five years of the note. Annual interest rate of 5.25%.	<b>45,568</b>	150,000

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

		<u>2014</u>	<u>2013</u>
Sregnuoy Farms, LLC	Monthly installments of principal in the amount of \$528 over ten years commencing on 7/25/10. Interest rate of 3% was paid at closing.	<b>34,833</b>	41,166
Steel O'Brien Manufacturing	Monthly installments of principal in the amount Of \$506 over ten years commencing on 4/18/11. Interest rate of 3% was paid at closing.	<b>37,916</b>	43,983
Sun Dor, Inc. CDBG	Monthly installments of principal and interest in the amount of \$556 over ten years commencing 4/08/12. Annual interest rate of 3%.	<b>48,333</b>	55,000
Toy Storage Inc.	Monthly installments of principal and interest in the amount of \$713 over seven years commencing 9/10/11. Annual interest rate of 5.25%.	<b>28,464</b>	35,324
		<hr/>	<hr/>
Total notes receivable of the Loan Corporation		<b>3,121,921</b>	3,706,671
Less: allowance for uncollectible notes		<u><b>225,279</b></u>	<u>296,556</u>
Loan Corporation notes receivable, net		<b>2,896,642</b>	3,410,115
Less: current maturities		<u><b>460,619</b></u>	<u>596,796</u>
Notes receivable - long-term		<b>\$ 2,436,023</b>	<b>\$ 2,813,319</b>

The Loan Corporation's policy is to present notes receivable net of an allowance for uncollectible notes. At December 31, 2014 and 2013, the allowance for uncollectible notes was \$225,279 and \$296,556, respectively. Mille Fabricators – SCGF loan was written off for \$79,861 however, allowance was previously established therefore the unearned revenue was reversed related to these funds as the funding agency for the community development block grant does not intend to collect on the defaulted note.

All notes receivable are collateralized by assets of the respective companies.

At December 31, 2014, the notes portfolio consisted of 37 notes that bear interest at rates ranging from 0% to 7% and mature at various dates through November 16, 2030.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

Scheduled maturities of principal for these notes for the next five years and thereafter are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 460,619	\$ 85,375
2016	412,061	67,498
2017	336,678	56,097
2018	735,690	45,975
2019	251,967	37,213
2020-2030	<u>924,906</u>	<u>97,375</u>
	<u>\$3,121,921</u>	<u>\$ 389,533</u>

**3. WIND FARM RECEIVABLE**

In connection with administrative fee agreements on the wind farm projects, the Agency has agreed to accept payment of the fee in equal installments over five years. Upon completion of the project, the Agency recorded fee revenue and receivable for the remaining unpaid balance.

	<u>2014</u>	<u>2013</u>
<u>Wind Projects</u>		
Annual installments:		
Wethersfield	\$ -	\$ 150,634
Stony Creek	<u>1,051,122</u>	<u>1,401,496</u>
	<u>1,051,122</u>	<u>1,552,130</u>
Less: current maturities	<u>350,374</u>	<u>501,008</u>
Wind farm receivable - long-term	<u>\$ 700,748</u>	<u>\$ 1,051,122</u>

The Agency's policy is to present receivables net of an allowance for doubtful accounts. At December 31, 2014 and 2013, the receivables noted above were considered fully collectable.

**4. ACCOUNTS RECEIVABLE**

Major revenues accrued by the Agency at December 31 include the following:

	<u>2014</u>	<u>2013</u>
Fees income	<u>\$ 16,334</u>	<u>\$ 240</u>

**NOTE 3. NET POSITION**

The Loan Corporation has received pass-through Micro HUD grant funds from Wyoming County. Under the provisions of the grant, annual program revenue in excess of \$25,000 are restricted to the Micro HUD loan program. Restricted amounted to \$299,732 and \$149,866 at December 31, 2014 and 2013, respectively.

The Loan Corporation's policy is to designate all unrestricted net position for the maintenance of the loan program.

## WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### NOTES TO FINANCIAL STATEMENTS

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#### NOTE 4. 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 County of Wyoming 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 5. LEASES

At December 31, 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 their financial records.

#### NOTE 6. RELATED PARTY TRANSACTIONS

The Agency receives some of its equipment and office space resources from the County of Wyoming. The Agency makes no payments to the County for these services, and the value of the services has not been reflected in the assets, liabilities, revenues or expenses of the Agency for the years ended December 31, 2014 and 2013.

#### NOTE 7. GRANTS

During the year ended December 31, 2011, the Agency obtained a grant from the NYS Department of Transportation (DOT) to fund the Rail Initiative project in the amount of \$1,300,000, to be funded 85% by DOT, 5% by Wyoming County and 10% by the Agency. The Agency drew down \$293,686 from DOT during the year ended December 31, 2012. During the year ended December 31, 2013 the Rail Initiative project came to a standstill, due to the Village of Attica withdrawing from the project. The Agency is currently working with the engineers, and have had communications with the State, to try to locate an acceptable location for the project. As of the fiscal year ending December 31, 2014, the Agency has not been able to get NYS DOT to reinstate the funds yet.

#### NOTE 8. SUBSEQUENT EVENT

As of February 1, 2015, the Agency closed on a lease with Spotlight Theatre of Warsaw, LLC, 23 South Main Street, Warsaw, New York 14569 for the leasing of the real property expiring on February 12, 2015. The lease covers the real property, including any buildings, structures, or improvements affixed or attached thereto.

Subsequent to December 31, 2014, the Loan Corporation entered into a \$50,000, one year term, 3.25% loan with James and Tracie Cooley. Proceeds are restricted to meet conditions of New York State Main Street Building Improvement Program.

## **SUPPLEMENTAL INFORMATION**

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2014

	Agency	Loan Corporation	Eliminations	Total
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 3,106,563	\$ 1,591,825	\$ -	\$ 4,698,388
Accounts receivable	16,334	-	-	16,334
Accrued interest receivable	-	8,917	-	8,917
Wind farm receivable	350,374	-	-	350,374
Notes receivable	-	460,619	-	460,619
Due from Agency	-	21,521	(21,521) (1)	-
Total current assets	3,473,271	2,082,882	(21,521)	5,534,632
<b>Property and equipment:</b>				
Office equipment	9,005	-	-	9,005
Less: accumulated depreciation	7,605	-	-	7,605
Total property and equipment, net	1,400	-	-	1,400
<b>Noncurrent assets:</b>				
Investments - certificate of deposit	409,961	-	-	409,961
Wind farm receivable	700,748	-	-	700,748
Notes receivable, net	-	2,436,023	-	2,436,023
Land held for investment	55,000	-	-	55,000
Total noncurrent assets	1,165,709	2,436,023	-	3,601,732
Total assets	4,640,380	4,518,905	(21,521)	9,137,764
<b>LIABILITIES</b>				
Due to Loan Corporation	21,521	-	(21,521) (1)	-
Unearned revenue	113,837	327,465	-	441,302
Total liabilities	135,358	327,465	(21,521)	441,302
<b>NET POSITION</b>				
Net investment in capital assets	1,400	-	-	1,400
Restricted	-	299,732	-	299,732
Unrestricted	4,503,622	3,891,708	-	8,395,330
Total net position	4,505,022	4,191,440	-	8,696,462

(1) This represents an amount owed by the Agency to the Loan Corporation.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2013

	Agency	Loan Corporation	Eliminations	Total
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 2,678,358	\$ 1,075,195	\$ -	\$ 3,753,553
Accounts receivable	30,240	-	(30,000) (2)	240
Accrued interest receivable	-	8,262	-	8,262
Wind farm receivable	501,008	-	-	501,008
Notes receivable	-	596,796	-	596,796
Due from Agency	-	21,521	(21,521) (1)	-
Total current assets	3,209,606	1,701,774	(51,521)	4,859,859
<b>Property and equipment:</b>				
Office equipment	9,005	-	-	9,005
Less: accumulated depreciation	6,565	-	-	6,565
Total property and equipment, net	2,440	-	-	2,440
<b>Noncurrent assets:</b>				
Investments - certificate of deposit	407,789	-	-	407,789
Wind farm receivable	1,051,122	-	-	1,051,122
Notes receivable, net	-	2,813,319	-	2,813,319
Land held for investment	55,000	-	-	55,000
Total noncurrent assets	1,513,911	2,813,319	-	4,327,230
Total assets	4,725,957	4,515,093	(51,521)	9,189,529
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	380	30,000	(30,000) (2)	380
Due to Loan Corporation	21,521	-	(21,521) (1)	-
Unearned revenue	113,837	499,113	-	612,950
Total liabilities	135,738	529,113	(51,521)	613,330
<b>NET POSITION</b>				
Net investment in capital assets	2,440	-	-	2,440
Restricted	-	149,866	-	149,866
Unrestricted	4,587,779	3,836,114	-	8,423,893
Total net position	4,590,219	3,985,980	-	8,576,199

(1) This represents an amount owed by the Agency to the Loan Corporation.

(2) This represents the remaining amount owed by the Loan Corporation to the Agency for the remainder of their 2013 administrative fee.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Agency	Loan Corporation	Eliminations	Total
<b>Operating revenues:</b>				
Fees and penalties	\$ 148,344	\$ -	(60,000)	\$ 88,344
Grant revenue	-	171,648	-	171,648
Interest income on notes receivable	-	102,386	-	102,386
Rental income	2,280	-	-	2,280
Miscellaneous	30	-	-	30
Total operating revenues	150,654	274,034	(60,000)	364,688
<b>Operating expenses:</b>				
Administration fee	-	60,000	(60,000)	-
Bad debt expense	-	8,582	-	8,582
Conferences and training	1,445	-	-	1,445
Depreciation	1,040	-	-	1,040
Insurance	3,805	-	-	3,805
Marketing	2,049	-	-	2,049
Meetings and dinners	404	-	-	404
Memberships and publications	3,693	-	-	3,693
Office expense and printing	3,705	-	-	3,705
Professional fees	17,265	-	-	17,265
Professional services	12,110	-	-	12,110
Salaries and benefits	207,780	-	-	207,780
Subcontractors	4,551	-	-	4,551
Travel	3,198	-	-	3,198
Total operating expenses	261,045	68,582	(60,000)	269,627
Operating income (loss)	(110,391)	205,452	-	95,061
<b>Nonoperating revenues:</b>				
Interest income	\$ 25,194	\$ 8	-	\$ 25,202
Total nonoperating revenues	25,194	8	-	25,202
Change in net position	(85,197)	205,460	-	120,263
<b>Net position - beginning of year</b>	4,590,219	3,985,980	-	8,576,199
<b>Net position - end of year</b>	\$ 4,505,022	\$ 4,191,440	\$ -	\$ 8,696,462

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Agency	Loan Corporation	Eliminations	Total
<b>Operating revenues:</b>				
Fees and penalties	\$ 1,851,782	\$ 4,405	\$ (60,000) (1)	\$ 1,796,187
Grant revenue	-	89,221	-	89,221
Interest income on notes receivable	-	102,432	-	102,432
Rental income	2,280	-	-	2,280
Recovery of bad debt	-	56,426	-	56,426
Miscellaneous	145	-	-	145
Total operating revenues	1,854,207	252,484	(60,000)	2,046,691
<b>Operating expenses:</b>				
Administration fee	-	60,000	(60,000) (1)	-
Bad debt expense	-	84,931	-	84,931
Community investment	6,000	-	-	6,000
Conferences and training	1,111	-	-	1,111
Consulting	3,913	-	-	3,913
Depreciation	1,409	-	-	1,409
Insurance	4,735	-	-	4,735
Marketing	4,679	-	-	4,679
Meetings and dinners	263	-	-	263
Memberships and publications	3,722	-	-	3,722
Miscellaneous expenses	-	15	-	15
Office expense and printing	3,907	-	-	3,907
Professional fees	17,767	-	-	17,767
Professional services	1,371	-	-	1,371
Rail initiative project	4,404	-	-	4,404
Salaries and benefits	162,456	-	-	162,456
Travel	3,552	-	-	3,552
Total operating expenses	219,289	144,946	(60,000)	304,235
Operating income	1,634,918	107,538	-	1,742,456
<b>Nonoperating revenues (expenses):</b>				
Interest income	\$ 22,640	\$ 10	\$ -	\$ 22,650
Transfer from the Agency	-	60,000	(60,000) (2)	-
Transfer to the Loan Corporation	(60,000)	-	60,000 (2)	-
Total nonoperating revenues (expenses)	(37,360)	60,010	-	22,650
Change in net position	1,597,558	167,548	-	1,765,106
<b>Net position - beginning of year</b>	2,992,661	3,818,432	-	6,811,093
<b>Net position - end of year</b>	\$ 4,590,219	\$ 3,985,980	\$ -	\$ 8,576,199

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

(2) This represents a loan that was transferred from the Agency to the Loan Corporation for further administration and collection.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Agency	Loan Corporation	Eliminations	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from providing services	\$ 665,568	\$ -	(60,000) (1)	\$ 605,568
Interest income on notes receivable	-	101,731	-	101,731
Repayments of notes receivable	-	504,891	-	504,891
Payments of service providers and suppliers	(52,225)	(90,000)	60,000 (1)	(82,225)
Payments for employee services	(208,160)	-	-	(208,160)
Net cash provided by operating activities	405,183	516,622	-	921,805
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest income	25,194	8	-	25,202
Purchase of certificate of deposit	(2,172)	-	-	(2,172)
Net cash provided by investing activities	23,022	8	-	23,030
Net increase in cash and cash equivalents	428,205	516,630	-	944,835
<b>Cash and cash equivalents - beginning of year</b>	<b>2,678,358</b>	<b>1,075,195</b>	<b>-</b>	<b>3,753,553</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 3,106,563</b>	<b>\$ 1,591,825</b>	<b>\$ -</b>	<b>\$ 4,698,388</b>
Reconciliation of income (loss) from operations to net cash provided by operating activities:				
Income (loss) from operations	\$ (110,391)	\$ 205,452	\$ -	\$ 95,061
Adjustment to reconcile income (loss) from operations to net cash provided by operating activities:				
Depreciation expense	1,040	-	-	1,040
Bad debt expense, net of recoveries	-	8,582	-	8,582
Change in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	13,906	-	-	13,906
Notes receivable	-	504,891	-	504,891
Accrued interest receivable	-	(655)	-	(655)
Wind farm receivable	501,008	-	-	501,008
Increase (decrease) in:				
Accounts payable and accrued liabilities	(380)	(30,000)	-	(30,380)
Unearned revenue	-	(171,648)	-	(171,648)
Net cash provided by operating activities	\$ 405,183	\$ 516,622	\$ -	\$ 921,805

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Agency	Loan Corporation	Eliminations	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from grants	\$ 250,000	\$ 21,521	\$ -	\$ 271,521
Receipts from providing services	585,345	4,405	(30,000) (1)	559,750
Interest income on notes receivable	-	84,809	-	84,809
Repayments of notes receivable	-	760,615	-	760,615
Issuance of notes receivable	-	(393,000)	-	(393,000)
Payment of grants	(245,000)	-	-	(245,000)
Payments of service providers and suppliers	(55,424)	(30,015)	30,000 (1)	(55,439)
Payments for employee services	(163,876)	-	-	(163,876)
Net cash provided by operating activities	371,045	448,335	-	819,380
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Purchase of equipment	(330)	-	-	(330)
Net cash used by noncapital financing activities	(330)	-	-	(330)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest income	22,640	10	-	22,650
Purchase of certificate deposit	(151,284)	-	-	(151,284)
Purchase of land held for investment	(55,000)	-	-	(55,000)
Net cash provided (used) by investing activities	(183,644)	10	-	(183,634)
Net increase in cash and cash equivalents	187,071	448,345	-	635,416
<b>Cash and cash equivalents - beginning of year</b>	2,491,287	626,850	-	3,118,137
<b>Cash and cash equivalents - end of year</b>	\$ 2,678,358	\$ 1,075,195	\$ -	\$ 3,753,553

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(A COMPONENT UNIT OF WYOMING COUNTY)

COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
(CONTINUED)

	Agency	Loan Corporation	Eliminations	Total
Reconciliation of income from operations to net cash provided by operating activities:				
Income from operations	\$ 1,634,918	\$ 107,538	-	\$ 1,742,456
Adjustment to reconcile income from operations to net cash provided by operating activities:				
Depreciation expense	1,409	-	-	1,409
Bad debt expense, net of recoveries	-	24,077	-	24,077
Change in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	232,000	-	-	232,000
Notes receivable	-	367,615	-	367,615
Accrued interest receivable	-	8,326	-	8,326
Wind farm receivable	(1,250,862)	-	-	(1,250,862)
Increase (decrease) in:				
Accounts payable and accrued liabilities	(246,420)	30,000	-	(216,420)
Unearned revenue	-	(89,221)	-	(89,221)
Net cash provided by operating activities	\$ 371,045	\$ 448,335	-	\$ 819,380

(1) This represents the administrative fee paid by the Loan Corporation to the Agency for administrative services performed.

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**SCHEDULE OF INDUSTRIAL REVENUE BONDS ISSUED BY THE AGENCY**  
**AS OF DECEMBER 31, 2014**

<b>Name of Project</b>	Olympic Management Systems, Inc
<b>Address of Owner</b>	Six Fountain Plaza, Plaza Level Buffalo, NY 14202
<b>Issue Amount</b>	2,871,926
<b>Purpose of Issue</b>	Construction
<b>Date of Issue</b>	1/13/06
<b>Interest Rate</b>	7.87% fixed
<b>Maturity Date</b>	1/1/26

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY**  
**AS OF DECEMBER 31, 2014**

**Name of Project** M&T Truckng  
**Address of Owner** Mark & Tracie Cole  
532 Peoria Road  
Pavilion, New York 14525  
**Date of Lease** 1/20/2006  
**Date of Expiration** 1/19/2021

**Name of Project** Blue Seal Feeds, Inc.  
**Address of Owner** 50 Williams Street  
Arcade, New York 14009  
**Date of Lease** 2/14/2008  
**Date of Expiration** 2/13/2018

**Name of Project** Shur-Gain USA, Inc  
**Address of Owner** 3422 Dutch Hollow Road  
Stykersville, New York 14145  
**Date of Lease** 2/22/2005  
**Date of Expiration** 2/21/2015

**Name of Project** Koike Aronson, Inc. AMENDED  
**Address of Owner** 635 West Main Street  
Arcade, New York 14009  
**Date of Lease** 2/26/2007 Date Amended 12/23/13  
**Date of Expiration** 2/25/2017 Amended new term 12/22/23

**Name of Project** Park Warner, LLC  
**Address of Owner** 7406 Route 98  
Arcade, New York 14009  
**Date of Lease** 2/22/2007  
**Date of Expiration** 2/21/2017

**Name of Project** TPI Arcade, Inc.  
**Address of Owner** 7888 Route 98  
Arcade, NY 14009  
**Date of Lease** 10/1/1999  
**Date of Expiration** 5/1/2020

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY**  
**AS OF DECEMBER 31, 2014**

**Name of Project** M&T Truckng  
**Address of Owner** Mark & Tracie Cole  
532 Peoria Road  
Pavilion, New York 14525  
**Date of Lease** 1/20/2006  
**Date of Expiration** 1/19/2021

**Name of Project** Blue Seal Feeds, Inc.  
**Address of Owner** 50 Williams Street  
Arcade, New York 14009  
**Date of Lease** 2/14/2008  
**Date of Expiration** 2/13/2018

**Name of Project** Shur-Gain USA, Inc  
**Address of Owner** 3422 Dutch Hollow Road  
Stykersville, New York 14145  
**Date of Lease** 2/22/2005  
**Date of Expiration** 2/21/2015

**Name of Project** Koike Aronson, Inc. AMENDED  
**Address of Owner** 635 West Main Street  
Arcade, New York 14009  
**Date of Lease** 2/26/2007 Date Amended 12/23/13  
**Date of Expiration** 2/25/2017 Amended new term 12/22/23

**Name of Project** Park Warner, LLC  
**Address of Owner** 7406 Route 98  
Arcade, New York 14009  
**Date of Lease** 2/22/2007  
**Date of Expiration** 2/21/2017

**Name of Project** TPI Arcade, Inc.  
**Address of Owner** 7888 Route 98  
Arcade, NY 14009  
**Date of Lease** 10/1/1999  
**Date of Expiration** 5/1/2020

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
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<b>Name of Project</b>	Pioneer Properties, L.P
<b>Address of Owner</b>	26 Edwards Street Arcade, NY 14009
<b>Date of Lease</b>	2/27/2003
<b>Date of Expiration</b>	2/27/2015
<b>Name of Project</b>	Noble Bliss Wind Park, LLC
<b>Address of Owner</b>	7294 Centerville Road Bliss, New York 14024
<b>Date of Lease</b>	4/23/2007
<b>Date of Expiration</b>	6/30/2023 (plus 5)
<b>Name of Project</b>	Noble Wethersfield Windpark, LLC
<b>Address of Owner</b>	7294 Centerville Road Bliss, New York 14024
<b>Date of Lease</b>	5/14/2008
<b>Date of Expiration</b>	06/30/2024 (plus 5)
<b>Name of Project</b>	Sheldon Energy, LLC
<b>Address of Owner</b>	One South Wacker Drive, Suite 2020 Chicago, IL 60606
<b>Date of Lease</b>	9/10/2008
<b>Date of Expiration</b>	9/30/24 (plus 5)
<b>Name of Project</b>	Perry NY, LLC
<b>Address of Owner</b>	Rick Hauser 2 Borden Ave. Perry, NY 14530
<b>Date of Lease</b>	9/20/2007
<b>Date of Expiration</b>	9/19/2017

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
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<b>Name of Project</b>	Krog Corp/ Arcade REHC 1
<b>Address of Owner</b>	The Krog Corporation 4 Centre Drive Orchard Park, New York 14127
<b>Date of Lease</b>	10/3/2008
<b>Date of Expiration</b>	12/31/2019
<b>Name of Project</b>	WNY Crop Management Association
<b>Address of Owner</b>	5240 Curtis Road Warsaw, New York 14569
<b>Date of Lease</b>	10/15/2008
<b>Date of Expiration</b>	10/15/2018
<b>Name of Project</b>	Crompton Holdings, Inc. -Transfer Sun Jelly WNY RV, LLC
<b>Address of Owner</b>	2777 Franklin Road, Suite 200 South Field, MI 48034
<b>Date of Lease</b>	11/18/2008
<b>Date of Expiration</b>	11/18/2018
<b>Name of Project</b>	Drasgow, Inc. AMENDED
<b>Address of Owner</b>	Karl Drasgow Varysburg, NY 14167
<b>Date of Lease</b>	12/7/2006 Date Amended 2/21/14
<b>Date of Expiration</b>	12/6/2016 Amended new term 2/6/26
<b>Name of Project</b>	CFD Real Estate / Agri Fab & Repair
<b>Address of Owner</b>	7965 Route 63 Pavilion, New York 14525
<b>Date of Lease</b>	2/23/2010
<b>Date of Expiration</b>	2/23/2020
<b>Name of Project</b>	Hidden Valley Animal Adventure, LLC
<b>Address of Owner</b>	2614 Royce Road Varysburg, New York 14157
<b>Date of Lease</b>	1/7/2010
<b>Date of Expiration</b>	1/7/2020

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
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<b>Name of Project</b>	In.Site Enterprises, LLC
<b>Address of Owner</b>	2 Borden Ave. Suite 202 Perry, New York 14530
<b>Date of Lease</b>	2/4/2010
<b>Date of Expiration</b>	2/4/2020
<b>Name of Project</b>	Perry New York LLC - Howell Building
<b>Address of Owner</b>	2 Borden Ave. Suite 202 Perry New York 14530
<b>Date of Lease</b>	4/23/2010 4/23/2020
<b>Name of Project</b>	Steel & O'Brien Manufacturing, Inc.
<b>Address of Owner</b>	7196 Route 98 Arcade, New York 14009
<b>Date of Lease</b>	1/11/2011
<b>Date of Expiration</b>	1/11/2021
<b>Name of Project</b>	Noble Wind Operations
<b>Address of Owner</b>	3700 Route 78 Bliss, New York14024
<b>Date of Lease</b>	3/18/2011
<b>Date of Expiration</b>	2/28/2021
<b>Name of Project</b>	EG & JR Miller (Sedam's)
<b>Address of Owner</b>	3165 Route 246, PO Box 106 Perry, NY 14530
<b>Date of Lease</b>	1/27/2012
<b>Date of Expiration</b>	1/26/2022

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
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**Name of Project** Snyder Corp./ Biggest Loser Niagara  
Now: Beaver Hollow Wellness , LLC  
**Address of Owner** 1083 Pit Road  
Java, New York 14082  
**Date of Lease** 9/28/2012  
**Date of Expiration** 9/27/2022

**Name of Project** 3208 Route 39, LLC (LVM Materials)  
**Address of Owner** 3200 Route 39  
Bliss , New York 14024  
**Date of Lease** 8/31/2012  
**Date of Expiration** 8/30/2022

**Name of Project** Stony Creek Energy, LLC  
**Address of Owner** One South Wacker Drive, Suite 1900  
Chicago, Illinois 60606  
**Date of Lease** 3/1/2013  
**Date of Expiration** 12/31/2029 (plus 5)

**Name of Project** Perry Holding Company, LLC  
**Address of Owner** 3180 Route 246  
Perry, New York 14530  
**Date of Lease** 10/1/2013  
**Date of Expiration** 12/31/2025

**Name of Project New** Maple Grove- Hobin's  
**Address of Owner** 7075 Route 98  
Arcade, New York 14009  
**Date of Lease** 12/23/2013  
**Date of Expiration** 12/22/2023

**Name of Project New** Arcade & Attica Railroad  
**Address of Owner** 278 Main Street  
Arcade, New York 14009  
**Date of Lease** 2/21/2014  
**Date of Expiration** 4/1/2020

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**SCHEDULE OF INDUSTRIAL REVENUE LEASES ISSUED BY THE AGENCY**  
**AS OF DECEMBER 31, 2014**

<b>Name of Project</b>	New	Paddock Properties, LLC
<b>Address of Owner</b>		440 Commerce Way Warsaw, New York 14569
<b>Date of Lease</b>		3/19/2014
<b>Date of Expiration</b>		3/18/2024

<b>Name of Project</b>	New	Center Street Business Center, LLC
<b>Address of Owner</b>		2071 Crittenden Road Alden, New York 14004
<b>Date of Lease</b>		7/16/2014
<b>Date of Expiration</b>		12/31/2031

**SECTION B**  
**INTERNAL CONTROL AND COMPLIANCE**

**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  
Wyoming County Industrial Development Agency

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 financial statements of the Wyoming County Industrial Development (the Agency), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 13, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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  
March 13, 2015





## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of the  
Wyoming County Industrial Development Agency

We have examined Wyoming County Industrial Development Agency's (the Agency) compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law (collectively, the "Investment Guidelines") for the year ended December 31, 2014. Management is responsible for the Agency's compliance with those requirements. As a result of the Wyoming County Business Assistance Corporation (the Loan Corporation) being a component unit of the Agency, which is consolidated with the Agency, this report pertains to the Loan Corporation's compliance as well. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2014.

This report is intended solely for the information and use of the Board of Directors, management and others within the Agency and the New York State Authorities Budget Office, and is not intended to be and should not be used by anyone other than these specified parties.

*Freed Maxick CPAs, P.C.*

Batavia, New York  
March 13, 2015