ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Financial Statements and
Other Financial Information

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION

December 31, 2014 and 2013

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B&H Company
BARONE, HOWARD & Co., CPAs, PC
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Oneida County Local Development Corporation
584 Phoenix Drive
Rome, New York 13441

We have audited the accompanying financial statements of Oneida County Local Development Corporation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 organization'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 organization'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.

8504 Seneca Turnpike • New Hartford, NY 13413-4962 • phone: (315) 797-6601 • fax: (315) 797-5413
8591 Turin Road at Delta Plaza • Rome, NY 13440-7521 • phone: (315) 337-9330 • fax: (315) 337-9331
email: mail@bhcpapc.com

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oneida County Local Development Corporation as of December 31, 2014 and 2013 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated March 11, 2015, on our consideration of Oneida County Local Development Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oneida County Local Development Corporation's internal control over financial reporting and compliance.

Barone, Howard & Co, CPAs, P.C.

BARONE, HOWARD & Co., CPAs, P.C.
New Hartford, New York
March 11, 2015

B&H Company
BARONE, HOWARD & Co., CPAs, PC
Certified Public Accountants and Consultants

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

Board of Directors
Oneida County Local Development Corporation
584 Phoenix Drive
Rome, New York 13441

We have audited the financial statements of Oneida County Local Development Corporation, as of and for the year ended December 31, 2014, and have issued our report thereon dated March 11, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Oneida County Local Development Corporation, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Oneida County Local Development Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Oneida County Local Development Corporation's internal control over financial reporting. According we do not express an opinion on the effectiveness of Oneida County Local Development Corporation's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oneida County Local Development Corporation's financial statements are free of material misstatement, we preformed 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Barone, Howard & Co., CPAs, P.C.

BARONE, HOWARD & Co., CPAs, P.C.
New Hartford, New York
March 11, 2015

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Statements of Financial Position
December 31, 2014 and 2013

	2014	2013
ASSETS		
Current assets:		
Cash on hand and in banks	$ 92,762	$ 253,978
Prepaid expenses	943	943
Total current assets	93,705	254,921
Other assets:		
Organization costs	17,567	17,567
Less: accumulated amortization	3,953	3,074
Total other assets	13,614	14,493
Total Assets	**$ 107,319**	**$ 269,414**
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accrued expenses	$ 2,700	$ 2,700
Total current liabilities	2,700	2,700
Net assets:		
Unrestricted	104,619	266,714
Total net assets	104,619	266,714
Total Liabilities and Net Assets	**$ 107,319**	**$ 269,414**

See notes to financial statements.

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Statements of Activities
For the years ended December 31, 2014 and 2013

	2014	2013
Operating revenue:		
Administrative and bond fees	$ -	$ 330,950
Interest income	162	-
Application fees	-	1,500
Total operating revenue	162	332,450
Operating expenses:		
Bank charges	63	152
Professional fees	2,700	1,500
Special economic development projects	77,000	-
Furnace contribution	50,000	-
Amortization	878	878
Insurance	1,616	1,067
Service fees	30,000	50,000
Total operating expenses	162,257	53,597
Change in unrestricted net assets	**(162,095)**	**278,853**
Unrestricted net assets at beginning of year	266,714	(12,139)
Unrestricted net assets at end of year	$ 104,619	$ 266,714

See notes to financial statements.

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Statements of Cash Flows
For the years ended December 31, 2014 and 2013

	2014	2013
Cash flows from operating activities:		
Change in net assets	$ (162,095)	$ 278,853
Adjustment to reconcile net change in net assets to cash provided (used) by operating activities:		
Amortization of organization costs	879	878
(Increase) decrease in:		
Prepaid expenses	-	(548)
Increase (decrease) in:		
Accounts payable	-	(30,000)
Accrued expenses	-	1,500
Total adjustments	879	(28,170)
Net cash provided (used) by operating activities	(161,216)	250,683
Net increase (decrease) in cash	**(161,216)**	**250,683**
Cash on hand and in banks, beginning of year	253,978	3,295
Cash on hand and in banks, end of year	$ 92,762	$ 253,978

See notes to financial statements.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose
The Oneida County Local Development Corporation (the Organization) was created on August 27, 2010, by the Oneida County Board of Legislators under the provisions of Sections 402 and 1411 of the Not for Profit Corporation Law of the State of New York. The Agency's specific purpose is for:

a. promoting community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax exempt financing for their eligible projects; and

b. undertaking projects and activities within the County for the purpose of relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County, and lessening the burdens of government and acting in the public interest.

Basis of Accounting
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Cash and Cash Equivalents
For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months of less to be cash equivalents.

Basis of Presentation
Financial statement presentation follows the recommendations of ASC Topic 958, Not-fo-Profit Entities. Under these provisions, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At December 31, 2014 and 2013, the Organization did not maintain any temporarily or permanently restricted net assets.

Use of Estimates
The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the recorded amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Expense Allocation
Expenses are charged to program and supporting services according to specific identification. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Note 2 CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash. At December 31, 2014, the Organization did not have deposits that exceeded the FDIC insurance limits of $250,000. At December 31, 2013, the Organization did have deposits that exceeded the FDIC insurance limits by $4,478.

Note 3 RELATED-PARTY TRANSACTIONS

The Organization shares common space with Economic Development Growth Enterprises (EDGE) and Griffiss Local Development Corporation (GLDC). In addition, EDGE performs various administrative and accounting services for the Organization. Administrative service fees paid to GLDC for the years ended December 31, 2014 and 2013 was $30,000 and $50,000, respectively. Since there were no services fees charged to the Organization in 2012, due to lack of funds, the Organization was charged $50,000 in 2013 that covered services for the two year period.

Note 4 TAX STATUS

The Organization is exempt from Federal, State and local income taxes. The Organization, although established by the Oneida County Board of Legislators, is a separate entity and operates independently of Oneida County.

Note 5 SUBSEQUENT EVENTS

Management has conducted an evaluation of potential subsequent events occurring after the date of the statement of financial position through March 11, 2015, the date which the financial statements were available to be issued. No subsequent events requiring disclosure were noted.

Note 6 ORGANIZATION COSTS

The Oneida County Local Development Corporation was formed in 2010. In doing so, it incurred legal fees of $17,567. This cost has been capitalized and will be amortized over 20 years. For the years ended December 31, 2014 and 2013, the Organization recognized amortization expense of $878 in each year.

SUPPLEMENTARY INFORMATION

											Not for Profit					
* Project Code	* Project Type	* Project Name	* Is this project part of or related to an existing multi-phase project?	If Yes: What is the original project code?	* Project Purpose Category	*Total Project Amount	* Benefited Project Amount	Bond/Note Amount	Annual Lease Payment	Federal Tax Status of Bonds	Is the applicant a Not for Profit corporation?	* Date Project Approved	*Did the IDA take title or leasehold interest to the property?	Date IDA Took Title or Leasehold interest in Property	* Year Financial Assistance is Planned to End	Notes
3001-13-HamiltonLDC	Bonds/Notes Issuar	Hamilton College	N		Services	23010000	23010000	23010000		Tax Exempt	Y	7/2/2013	Y	7/2/2013	2028	Construction project
3001-13-MVHSLDC	Bonds/Notes Issuar	Mohawk Valley Handicapped	N		Other Categories	5080000	5080000	5080000		Tax Exempt	Y	8/22/2013	Y	8/22/2013	2023	Construction
3001-13-RomeHospLDC	Bonds/Notes Issuar	Rome Memorial Hospital	N		Services	6800000	6800000	6800000		Tax Exempt	Y	12/30/2010	Y	12/30/2010	2025	Renovation to current facility & construction of addition to hospital. Original job FTE included 66 positions that were transferred to Centrex
3001-13-UCLDC	Bonds/Notes Issuar	Utica College	N		Civic Facility	38200000.00	38200000.00	38200000.00		Tax Exempt	Y	11/15/2013	Y	11/15/2013	2034	refinance and construction

	Location of Project									Applicant Information									
* Project Name	* Address Line 1	Address Line 2	* City	State	* Postal Code	+4	Province/Region	* Country	Country Name if "Other"	* Applicant Name	* Address Line 1	Address Line 2	* City	State	* Postal Code	+4	Province/Region	* Country	Country Name if "Other"
Hamilton College	198 College Hill Road		Clinton	NY	13323			USA		Hamilton Colleg	198 College Hill Road		Clinton	NY	13323			USA	
Mohawk Valley Handicapped	1020 Marv Street		Utica	NY	13501			USA		Mohawk Valley	1020 Marv Street		Utica	NY	13501			USA	
Rome Memorial Hospital	1500 North James Street		Rome	NY	13440			USA		Rome Memorial	1500 North James Street		Rome	NY	13440			USA	
Utica College	1600 Burrstone Road		Utica	NY	13502			USA		Utica College	1600 Burrstone Road		Utica	NY	13502			USA	

								Actual Payment Made			Payment Due Per Agreement (same as previous 3 columns)					
* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	County PILOT	Local PILOT	School District PILOT	County PILOT	Local PILOT	School District PILOT	* # of FTEs before IDA status	* Original estimate of jobs to be created	* Average estimated annual salary of jobs to be created (at current market rate)
Hamilton College	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	624	12	0
Mohawk Valley Handicapped	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1043	0	0
Rome Memorial Hospital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1027	9	0
Utica College	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0	0.00

											Lease Expiration Bond Amount																		
* Project Name	*Annualized salary range of jobs to be created, FROM	*Annualized salary range of jobs to be created TO	* Original estimate of jobs to be retained	* Estimated average annual salary of jobs to be retained (at current market rate).	* Current # of FTEs	* # of FTE construction jobs during the fiscal year	Current year is the last year that project information needs to be reported	There is no debt outstanding for this project	IDA does not hold title to the property	The project receives no tax exemptions	Number of FTE Jobs Created During Fiscal Year	Number of FTE Jobs Retained During Fiscal Year	Date Bond Paid off or Straight Lease Ended	PILOT BREAKOUT & EMPLOYMENT RESTRICTIONS	LEASE/PILOT EXPIRATION DATE	Total Bonds/Notes Outstanding Beginning of Fiscal Year	Total Bonds/Notes Issued During Fiscal Year	Total Bonds/Notes Paid During Fiscal Year	Total Bonds/Notes Outstanding End of Fiscal Year	Bond Interest Rate	Final Maturity Date of Last Outstanding Bond/Note	LEASE ON FILE	PILOT ON FILE	BINDER/BOND CD ON FILE	Tax Map Number	Counsel	Average Annual Salary (+ Benefits)	Average Age of Employees	2014Employee Changes
Hamilton College	0	0	624	0	671	0					1	670				0	23010000	0	############		2028			x			65000	48	
Mohawk Valley Handicapped	0	0	0	0	1392	0					8	1386				4908959.84	0	285990.72	$ 4,622,969.12		2023			x					
Rome Memorial Hospital	0	0	1027	0	1059	0					16	1043				5,855,000	0	385000	$ 5,470,000.00	4%	2025			x					
Utica College	0.00	0.00		0.00												38200000	1200000	0	38200000	3.58 - 3.6%	2034								

						Sal	First Nam	Last Name				
* Project Name	2014 Equipment/Facility Changes	Workforce Training needs	CFA Info	NYSERDA Info	Industrial Development Agency	Prefix	First Name	Last Name	Email	NOTES	Bond Trustee	PILOT Code
Hamilton College					39	Ms.	Sharon	Whiting	swhiting@hamilton.edu			1
Mohawk Valley Handicapped					52	Mr.	Louis	Tehan	lori.baynes@upstatecp.org			1
Rome Memorial Hospital					79	Mr.	Dewey	Rowlands	grnayhew@romehospital.org			1
Utica College						Ms.	Tammara	Raub	tlraub@utica.edu			