



Onondaga Civic Development Corporation

Financial Statements

December 31, 2014 and 2013

Onondaga Civic Development Corporation
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CERTIFIED PUBLIC ACCOUNTANTS PLLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Onondaga Civic Development Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Onondaga Civic Development Corporation as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Corporation'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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Onondaga Civic Development Corporation, 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2015, on our consideration of the Onondaga Civic Development Corporation internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.



Syracuse, New York
March 4, 2015

Onondaga Civic Development Corporation

Management's Discussion and Analysis (unaudited)

As management of the Onondaga Civic Development Corporation ("OCDC"), we offer readers of this Corporation's financial statements this narrative overview and analysis of the financial activities of the Corporation for the fiscal years ended December 31, 2014 and 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements.

FINANCIAL HIGHLIGHTS

- OCDC primarily receives revenues from project and application fees. During 2014, project fees of \$880,963 were received from three projects (St. Joseph's Hospital - \$605,588, YMCA - \$170,000, and Jewish Home - \$105,375). During 2013, the Corporation received three new applications and received project fees from one project totaling \$73,200.
- The Corporation assisted with three projects during 2014, whereby a total amount of \$105,725,000 of debt was issued on behalf of such projects whereby the Corporation received a fee ranging from .75% to 1% of such bond amounts. This debt is considered conduit debt and is not recorded on the financial statements of the Corporation since the bonds are not obligations of the Corporation and the Corporation has no obligation to pay such bonds, even in default.
- The Corporation had service contracts with various organizations in Onondaga County totaling \$254,725 in 2014. The most significant service contract was with CenterState Corporation for Economic Opportunity whereby a \$500,000 agreement was entered into to continue and expand existing programs, WorkTrain and UP Start Syracuse, and other services in accordance with the agreement. A total of \$125,000 was paid in 2014 to CenterState Corporation for meeting terms and conditions of its agreement.
- The Corporations net position increased by \$310,565 and decreased \$633,547 in 2014 and 2013, respectively, primarily due to the amount of project fees that the Corporation collected in 2014 compared to 2013. Project fees increased \$807,763 in 2014 due to the level of project activity in the community. The Corporation had seven active service contracts in 2014 and made payments on these contracts totaling \$254,725 compared to four active service contracts in 2013 whereby total payments were \$398,875.

Onondaga Civic Development Corporation
Management's Discussion and Analysis (unaudited)

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements. The Corporation's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The Statement of Activities presents information showing how the Corporation's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods. Both of the government-wide financial statements report only business-type (proprietary) activities, since none of the Corporation's activities are considered to be governmental activities supported primarily by taxes.

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other component units of state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Corporation does not have any finance-related legal requirements for funds, as such maintains its books and records consistent with other proprietary funds, which is on a basis consistent with business-type activities. The Corporation's financial statements are considered a proprietary fund (enterprise fund) which is the same information as presented within the Statements of Net Position and Statements of Activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The notes to the financial statements can be found on pages 10 through 17 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Corporation's financial position. In the case of the OCDC, assets exceeded liabilities by \$1,955,003 and \$1,644,438 as of December 31, 2014 and 2013, respectively. This net position balance primarily represents cash and cash equivalents of \$1,895,301 which may be used by the Corporation for future economic development needs as more fully described in the Corporations mission statement.

Onondaga Civic Development Corporation

Management's Discussion and Analysis (unaudited)

The Corporation's only fund is treated as a proprietary (business-type) fund. The following are summarized versions of the government-wide financial statements for 2014 and 2013:

Net Position

	2014	2013
Cash and cash equivalents	\$ 1,895,301	\$ 1,757,769
Accounts receivable and prepaid rent	43,395	24,662
Mortgage note receivable	-	4,818,333
Loan receivable	164,815	85,000
Capital assets, net	25,403	32,752
Total assets	\$ 2,128,914	\$ 6,718,516
Due to Onondaga County Office of Economic Development	\$ 63,668	\$ 52,146
Due to Onondaga County - mortgage note	-	4,900,000
Accounts payable	5,543	17,732
Deposit payable	50,500	50,000
Loan loss reserve	54,200	54,200
Total liabilities	\$ 173,911	\$ 5,074,078
Net position	\$ 1,955,003	\$ 1,644,438

Change in Net Position

	2014	2013
Revenue and other support:		
Project fees	\$ 880,963	\$ 73,200
Application fees	1,000	1,500
Interest income	7,822	6,691
Total revenue and other support	889,785	81,391
Expenses:		
Service contracts	\$ 254,725	\$ 398,875
Onondaga County Office of Economic Development	163,726	150,156
Rent, parking, utilities	116,869	115,491
Professional services	10,090	11,692
Marketing	20,132	25,311
Insurance	4,365	3,907
Depreciation	7,350	7,350
Travel, meetings and conferences	1,037	1,299
Office expenses	926	764
Miscellaneous	-	93
Total expenses	579,220	714,938
Change in net position	310,565	(633,547)
Net position at beginning of year	579,616	1,213,163
Net position at end of year	\$ 890,181	\$ 579,616

Onondaga Civic Development Corporation
Management's Discussion and Analysis (unaudited)

REQUEST FOR INFORMATION

This financial report is designed to provide readers with a general overview of the Corporation's finances. If you have questions about this report or need additional information, contact the Corporation's board at the Onondaga Civic Development Corporation, 333 W. Washington Street, Suite 130, Syracuse, NY 13202.

Onondaga Civic Development Corporation

Statements of Net Position

ASSETS

	2014	2013
Current assets:		
Cash and cash equivalents	\$ 1,895,301	\$ 1,757,769
Accounts receivable	33,584	14,851
Mortgage note receivable	-	898,333
Prepaid rent	9,811	9,811
Total current assets	1,938,696	2,680,764
 Mortgage note receivable	 -	 3,920,000
Loan receivable	164,815	85,000
Capital assets, net	25,403	32,752
 Total assets	\$ 2,128,914	\$ 6,718,516

LIABILITIES AND NET POSITION

Current liabilities:		
Due to Onondaga Office of Economic Development	\$ 63,668	\$ 52,146
Due to Onondaga County - mortgage note	-	980,000
Accounts payable	5,543	17,732
	69,211	1,049,878
Due to Onondaga County - mortgage note	-	3,920,000
Deposit payable	50,500	50,000
Loan loss reserve	54,200	54,200
Total liabilities	173,911	5,074,078
 Net position		
Net investment in capital assets	25,403	32,752
Restricted for loan loss	54,200	54,200
Unrestricted	1,875,400	1,557,486
Total net position	1,955,003	1,644,438
	\$ 2,128,914	\$ 6,718,516

The accompanying notes are an integral part of the financial statements

Onondaga Civic Development Corporation

Statements of Activities and Changes in Net Position

	Years ended December 31,	
	2014	2013
Revenue and other support:		
Project fees	\$ 880,963	\$ 73,200
Application fees	1,000	1,500
Interest income	7,822	6,691
Total revenue and other support	889,785	81,391
Expenses:		
Service contracts	254,725	398,875
Onondaga County Office of Economic Development	163,726	150,156
Rent, parking, utilities	116,869	115,491
Professional services	10,090	11,692
Marketing	20,132	25,311
Insurance	4,365	3,907
Depreciation	7,350	7,350
Travel, meetings and conferences	1,037	1,299
Office expenses	926	764
Miscellaneous	-	93
Total expenses	579,220	714,938
Change in net position	310,565	(633,547)
Net position at beginning of year	1,644,438	2,277,985
Net position at end of year	\$ 1,955,003	\$ 1,644,438

The accompanying notes are an integral part of the financial statements

Onondaga Civic Development Corporation

Statements of Cash Flows – Proprietary fund

	Years ended December 31,	
	2014	2013
Cash flows from operating activities:		
Inflows -		
Project fees	\$ 880,963	\$ 73,200
Application fees	1,000	1,500
Interest received	7,822	6,691
Outflows -		
Service contracts	(254,725)	(398,875)
Onondaga County Office of Economic Development	(170,938)	(179,677)
Rent, parking, utilities	(116,869)	(115,491)
Professional services	(10,090)	(11,439)
Other services	(38,649)	(5,159)
Net cash provided by operating activities*	298,514	(629,250)
Cash flows from capital activities:		
Outflows -		
Acquisition of capital assets	-	(945)
Net cash used in capital activities	-	(945)
Cash flows from financing activities:		
Inflows -		
Payments received on mortgage note	2,868,333	81,667
Deposit received	500	50,000
Loan payments received - Light 4 Life	18,333	15,000
Loan payments received - Sly Tech	1,852	-
Outflows -		
Payments made to Onondaga County for mortgage note	(2,950,000)	-
Loan disbursement - Sly Tech	(100,000)	-
Net cash provided by financing activities	(160,982)	146,667
Net increase in cash and cash equivalents	137,532	(483,528)
Cash - Beginning of year	1,757,769	2,241,297
Cash - end of year	\$ 1,895,301	\$ 1,757,769
*Reconciliation of change in net position to net cash provided by operating activities:		
Change in net position:	\$ 310,565	\$ (633,547)
Depreciation	7,350	\$ 7,350
Changes in operating assets and liabilities:		
Accounts receivable	(18,733)	(14,043)
Prepaid rent	-	112
Due to Onondaga Economic Development	11,521	(4,727)
Accounts payable	(12,189)	15,605
Net cash provided by operating activities	\$ 298,514	\$ (629,250)
Supplemental schedule of noncash financing activities:		
Mortgage note modification	\$ 1,950,000	\$ -

The accompanying notes are an integral part of the financial statements

Onondaga Civic Development Corporation

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Operations

The Onondaga Civic Development Corporation (“OCDC” / “Corporation”) was organized to stimulate economic growth and/or lessen the burdens of government through facilitating investments that will promote job creation/retention, improve the quality of life of Onondaga County citizens, generate prosperity, and/or encourage economic vibrancy for Onondaga County as a whole, by using available incentives including the issuance of negotiable bonds for Onondaga County’s non-profit organizations as set forth more fully in Section 1411(a) of the Not-for-Profit Laws of the State of New York.

OCDC is considered a public authority and is subject to rules and regulations of the New York State Public Authorities Act of 2009. The Corporation must provide various reports to New York State officials on a frequent basis. Failure to follow public authority regulations or to provide accurate and timely information to the New York State officials could impair the ability for the Corporation to act under the public authority laws of the State of New York.

Basis of Presentation

OCDC is considered a governmental entity for accounting and financial reporting purposes. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America 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.

Governance

OCDC is managed by a Board of Directors which establishes the general policies governing the organization. The Board of Directors is comprised of seven voting directors whereby three are appointed by the chairman of the Onondaga County Legislature, three are appointed by the Onondaga County Executive and one additional director jointly appointed by the Onondaga County Legislature and County Executive all subject to confirmation by the Onondaga County Legislature.

Annual Budgets

OCDC is required to provide to the New York State authorities budget office an annual budget on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year. This budget is submitted to the authority’s budget office and can be found on the Corporation’s website at <http://www.syracusecentral.com>

Onondaga Civic Development Corporation

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Concentration of Credit Risk

Financial instruments that potentially subject the Corporation to concentration of credit risk consist principally of cash and cash equivalents. The Corporation places its temporary cash investments with limited financial institutions and at various times these investments exceed the Federal Deposit Insurance Corporation limits.

Cash and Cash Equivalents

The Corporation considers all short-term investments purchased with an original maturity of three months or less to be cash equivalents.

All deposits of the Corporation, including certificates of deposit and special time deposits in excess of the amount insured under the Federal Deposit Insurance Act (FDIC) shall be secured by eligible collateral. Eligible collateral is defined as consisting of any one, or combination, of the following: (a) pledge of eligible securities with an aggregate market value as provided by General Municipal Law equal to the aggregate amount of deposits or (b) by an eligible surety bond payable to the Corporation for an amount equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations. The Corporation has an excess amount of \$1,120,067 and \$1,934,785 held in two separate banks in excess of the FDIC insured amounts as of December 31, 2014 and 2013, respectively. This excess amount is collateralized by securities held by the pledging financial institution.

Property and Equipment

Property is recorded at cost at the date of acquisition if purchased or fair market value at the date of donation in the case of gifts. Depreciation is recorded on the straight-line method over the estimated useful lives of the assets.

Income Taxes

The Corporation is a not-for-profit corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and has been classified as an organization that is not a private foundation under Section 509(a) of the Code. The Corporation also believes that none of its activities are subject to unrelated business income tax, therefore no provision for such income tax has been made in the financial statements for the years ended December 31, 2014 and 2013.

Onondaga Civic Development Corporation

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

The Corporation recognizes project fee revenue related to a bond closing at the time of the bond closing. All project fees are considered to be operating revenues.

Service Contracts

The Corporation enters into contractual agreements with various entities through its Economic Growth Support Fund. All service contracts are approved by the Board of Directors and must comply with the Corporations guidelines for such service contracts. These service contracts have service conditions that must be met for payment.

Use of Estimates

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 that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period and for the reporting period and as of the financial statement date. Actual results may differ from these estimates.

Risks and Uncertainties

Investment securities (including cash equivalents) are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term would materially affect the amounts reported in the Statements of Financial Position and the Statements of Activities.

Loan Receivable and Loan Loss Reserve

The Corporation has 2 loan receivables from third parties with the original principal balances of \$100,000 each. The balances of these loans are \$66,667 and \$98,148 as of December 31, 2014. The loans are payable over 5 years. Principal and interest are due monthly over the course of the loan. The loans bear interest of 4.5%.

The Corporation assumed the loan guarantee obligation of another entity in 2012 as this other entity was dissolved in 2012. Upon the dissolution, this other entity provided \$54,200 to the Corporation which is restricted for potential loan losses that the Corporation guarantees. If these loans are defaulted upon by the primary borrower, the Corporations guarantee would require the Corporation to make payments on such loans in accordance with the guarantee agreement.

Onondaga Civic Development Corporation

Notes to Financial Statements

2. Capital assets

Capital asset balances and activity for the year ended December 31, 2014 were as follows:

Governmental activities:	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets that are depreciated:				
Furniture and equipment	\$ 50,628	\$ -	\$ -	\$ 50,628
Total depreciable historical cost	<u>50,628</u>	<u>-</u>	<u>-</u>	<u>50,628</u>
Less accumulated depreciation:				
Furniture and equipment	(17,876)	(7,350)	1	(25,225)
Total accumulated depreciation	<u>(17,876)</u>	<u>(7,350)</u>	<u>1</u>	<u>(25,225)</u>
Total historical cost, net	<u>\$ 32,752</u>	<u>\$ (7,350)</u>	<u>\$ 1</u>	<u>\$ 25,403</u>

Depreciation of \$7,350 was expensed in 2014 and 2013.

3. Investments

The Corporation has a written investment policy. This investment policy allows the Corporation to invest in a variety of appropriate investment vehicles, including but not limited to special time deposits, certificates of deposits, obligations of the United States of America, obligations guaranteed by agencies of the United States of America and obligations of the State of New York. All investments held on behalf of the Corporation shall be held in the custody of a bank or trust company and shall be held pursuant to a written custodial agreement. As of December 31, 2014 and 2013, all of the assets of the Corporation are invested within either a general checking account or a money market account which are considered cash and cash equivalents for financial statement reporting.

Investments are reported at fair value. The Corporation's investments are typically money market investments which are short-term, highly liquid debt instruments, including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. As of December 31, 2014, the Corporation's investments of \$1,728,783 were entirely held at one financial institution and were entirely money market funds. The money market investment is not rated by one of the independent rating agencies.

Onondaga Civic Development Corporation

Notes to Financial Statements

4. Mortgage Note Receivable

The Corporation had a mortgage note receivable related to the sale of the Van Duyn Home and Hospital (the "facility") totaling \$4,900,000. The mortgage note required monthly payments of principal and interest of \$81,667 due the 1st of each month beginning January 1, 2014 for a term of 60 months. The monthly payments of \$81,667 are required to be remitted to Onondaga County based on an agreement with Onondaga County. The collection and subsequent remittance of the payments to Onondaga County are not recorded in the statement of activities and changes in net position since the Corporation is required to remit the collection and subsequent payments to Onondaga County which is viewed by the Corporation as an agent transaction.

In June 2014, the Corporation entered into a loan modification agreement which provided for a reduction of principal of \$1,950,000. This loan modification in effect reduced the original mortgage note from \$4,900,000 to \$2,950,000. The loan modification was followed by an immediate payment of all remaining outstanding principal of the loan which resulted in a payment of \$2,378,333 received by the Corporation which was immediately remitted to Onondaga County. Total payments of \$2,868,333 were received by the Corporation during 2014 (\$490,000 of payments were received under the original terms and conditions of the mortgage note prior to the loan modification). All payments have been remitted to Onondaga County and as of December 31, 2014 the mortgage note was fully satisfied with no remaining amounts due from the mortgagee.

4. Conduit Debt Obligations

OCDC has the ability to issue bonds which are deemed to be limited obligations of the Corporation. These bonds are considered to be limited obligations as the payments for such bonds are pledged from a source outside the Corporation which has the obligation to pay the principal and interest of such bonds. These bonds are paid solely from the net revenues and other funds of the Corporation pledged under terms of each individual bond indenture agreement. Since the Corporation does not have any obligation to repay the principal and interest of such bonds, the bonds are not reflected on the statement of net position as long-term debt. As of December 31, 2014 and 2013, the Corporation has issued bonds with an aggregate principal amount outstanding of \$419,295,561 and \$320,957,200, respectively.

Onondaga Civic Development Corporation

Notes to Financial Statements

5. Conduit Debt Obligations (continued)

A summary of the conduit debt issued through the Corporation is as follows:

Issuance Description	Date of Issuance	Principal at Issuance	Interest Rate(s)	Maturity Date
Revenue Bonds, Series 2010 (Le Moyne College Project)	7/5/2010	\$ 25,000,000	4.625% to 5.375%	7/1/2040
Revenue Bonds, Abby Lane Housing Corp., Series 2010A	5/11/2010	30,000,000	Variable	5/1/2020
Taxable Revenue Bonds, Abby Lane Housing Corp., Series 2010B	5/11/2010	1,470,000	Variable	5/1/2017
Multi Modal Revenue Bonds, St. Joseph's Hospital), Series 2010 A,B,C,D	7/16/2010	63,480,000	Variable	7/1/2036
Multi Modal Revenue Bonds, Series 2011 (Onondaga Community College Housing Development)	8/24/2011	11,000,000	Variable	8/24/2031
Revenue Bonds, Series 2011 (Upstate Properties Development, Inc. Project)	11/30/2011	32,000,000	3.00% to 5.25%	12/1/2041
Tax-Exempt Revenue Bonds, Series 2012 (St. Joseph's Hospital Health Center Project)	9/20/2012	142,745,000	2% to 5%	7/1/2042
Revenue Bonds, Series 2012 (Le Moyne College Project)	10/30/2012	17,240,000	2% to 5%	7/1/2042
Revenue Bonds, Abby Lane Housing Corp.	7/18/2013	7,320,000	Variable	7/18/2020
Tax-Exempt Revenue Bonds, Series 2014A (St. Joseph's Hospital Health Center Project)	4/24/2014	68,315,000	4.625% to 5.125%	7/1/2031
Revenue Bonds, Series 2014 (Jewish Home of Central New York, Inc. Project)	11/4/2014	20,410,000	1.75% to 5.50%	3/1/2034
Tax-Exempt Multi-modal Revenue Bonds, Series 2014 (YMCA of Greater Syracuse, Inc. Project)	7/15/2014	17,000,000	Variable	1/1/2041
		<u>\$ 435,980,000</u>		

A summary of the conduit debt activity for the year is as follows:

Issuance Description	Principal at 12/31/2013	Issuances	Principal Payments	Principal at 12/31/2014
Revenue Bonds, Series 2010 (Le Moyne College Project)	\$ 25,000,000	\$ -	\$ -	\$ 25,000,000
Revenue Bonds, Abby Lane Housing Corp., Series 2010A	29,569,239	-	(188,098)	29,381,141
Taxable Revenue Bonds, Abby Lane Housing Corp., Series 2010B	1,097,961	-	(239,341)	858,620
Multi Modal Revenue Bonds, St. Joseph's Hospital), Series 2010 A,B,C,D	58,190,000	-	(2,539,200)	55,650,800
Multi Modal Revenue Bonds, Series 2011 (Onondaga Community College Housing Development)	11,000,000	-	-	11,000,000
Revenue Bonds, Series 2011 (Upstate Properties Development, Inc. Project)	31,600,000	-	(470,000)	31,130,000
Tax-Exempt Revenue Bonds, Series 2012 (St. Joseph's Hospital Health Center Project)	139,980,000	-	(3,910,000)	136,070,000
Revenue Bonds, Series 2012 (Le Moyne College Project)	17,200,000	-	(40,000)	17,160,000
Revenue Bonds, Abby Lane Housing Corp.	7,320,000	-	-	7,320,000
Tax-Exempt Revenue Bonds, Series 2014A (St. Joseph's Hospital Health Center Project)	-	68,315,000	-	68,315,000
Revenue Bonds, Series 2014 (Jewish Home of Central New York, Inc. Project)	-	20,410,000	-	20,410,000
Tax-Exempt Multi-modal Revenue Bonds, Series 2014 (YMCA of Greater Syracuse, Inc. Project)	-	17,000,000	-	17,000,000
	<u>\$ 320,957,200</u>	<u>\$ 105,725,000</u>	<u>\$ (7,386,639)</u>	<u>\$ 419,295,561</u>

Onondaga Civic Development Corporation

Notes to Financial Statements

6. Related Party Transactions

The Corporation has entered into an agreement with Onondaga County Office of Economic Development to provide staffing and other support costs for all of the Corporation's activities. The contract totaled \$163,726 and \$150,156 in 2014 and 2013, respectively. This contract is all-inclusive for employee salaries and related fringe benefits; as such no salaries or benefits are recorded individually on the financial statements of the Corporation. Under terms of the contract, Onondaga County Office of Economic Development is the legally responsible entity to make such fringe benefit and salary payments. In addition, agreements with both Onondaga County and the Onondaga County Industrial Development Agency allows for marketing related expenses to be evenly allocated amount the Corporation and these two related entities. Included with accounts receivable are related party receivables totaling \$33,224 and \$14,110 for 2014 and 2013, respectively.

7. Facility Acquisition and Disposal

The Corporation acquired the facility of the Van Duyn Home and Hospital (the "facility") from Onondaga County (a related party) in January 2013. The Corporation was obligated under the facility acquisition agreement to sell the facility to a third party (not affiliated with either the County or the Corporation) for a total sales price of \$4,950,000. The Corporation was obligated to collect the sales price of \$4,950,000 and remit such payment or payments to Onondaga County.

The facility was disposed of through a sale to a third party for a total sales price of \$4,950,000, effective December 1, 2013. The facility sale agreement required the buyer to deposit an amount of \$50,000 which represents an escrow to be held by the Corporation with the remaining purchase price of \$4,900,000 subject to a mortgage note. The mortgage note required 60 monthly payments of \$81,667. As required by the facility acquisition agreement, the mortgage note payments were remitted to Onondaga County on a monthly basis. See Note 4 for more information concerning the loan modification in 2014. As of December 31, 2014, the mortgage note was fully satisfied and fully paid to Onondaga County.

Onondaga Civic Development Corporation

Notes to Financial Statements

8. Lease Commitments

The Corporation entered into an agreement leasing office space in June 2011. The terms of the lease require monthly minimum payments of \$10,004. The lease agreement expires June 2021 with the option to extend the term for two successive periods of five years each. The first renewal term requires monthly payments of \$10,421 while the second renewal term requires monthly payments of \$10,838. The Corporation must exercise its option to renew at least 12 months prior to the expiration of the current lease term. Rent expense was approximately \$117,000 and \$115,000 as of December 31, 2014 and 2013, respectively.

Total future minimum lease commitments are as follows:

Year ending December 31,	Amount
2015	120,048
2016	120,048
2017	120,048
2018	120,048
2019	120,048
Thereafter	300,120
Total	<u>\$ 900,360</u>

The Corporation has a one-time option to terminate the lease as of the end of the 5th through 9th year of the lease term. The Corporation may elect this one-time option by notifying the lessor 6 months prior to the effective termination date and by paying a termination fee of \$106,125 at the time of the election. The above minimum lease commitment schedule assumes the Corporation will not elect the option to terminate the lease early.

9. Subsequent Events

In preparing financial statements, management of the Corporation has evaluated events and transactions for potential recognition or disclosure through March 4, 2015, the date the financial statements were available to be issued.