

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Chemung County Industrial Development Agency  
Elmira, New York

### Report on the Financial Statements

We have audited the accompanying financial statements of the Chemung County Industrial Development Agency, a component unit of the County of Chemung, New York, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Chemung County Industrial Development 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.

### Auditors' 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 financial position of the Chemung County Industrial Development Agency as of December 31, 2015 and 2014, and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Chemung County Industrial Development Agency has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States 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 modified by this missing information.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Chemung County Industrial Development Agency's basic financial statements. The supplementary schedule of Project Information on pages 13 to 14 is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The supplementary schedule of Project Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedule of Project Information is fairly stated in all material respects, in relation to the basic 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 31, 2016, on our consideration of the Chemung County Industrial Development 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 Chemung County Industrial Development Agency's internal control over financial reporting and compliance.

*EFPR Group, CPAs, PLLC*

EFPR Group, CPAs, PLLC  
(Formerly EFP Rotenberg, LLP)  
Rochester, New York  
March 31, 2016

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Statements of Net Position**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 3,315,396	\$ 1,239,719
Accounts receivable	41,046	29,726
Prepaid expenses	20,791	40,421
Other current assets	322,820	22,820
Loans receivable - current portion	221,212	252,015
Grants receivable - current portion	<u>423,300</u>	<u>485,371</u>
Total current assets	4,344,565	2,070,072
<b>Loans Receivable - Net of Current Portion</b>	1,500,419	1,426,390
<b>Grants Receivable - Net of Current Portion</b>	2,300,775	3,007,505
<b>Property and Equipment - Net</b>	4,968,991	5,079,175
<b>Building Held for Resale</b>	<u>                  -</u>	<u>3,000,000</u>
<b>Total Assets</b>	<u>\$ 13,114,750</u>	<u>\$ 14,583,142</u>
<b>LIABILITIES AND NET POSITION</b>		
<b>Current Liabilities</b>		
Loans payable - current portion	\$ 161,155	\$ 121,488
Bonds payable - current portion	476,230	538,215
Accounts payable	132,117	125,213
Contract advances - current portion	6,000	187,613
Accrued interest	62,207	75,150
Other current liabilities	<u>300</u>	<u>300</u>
Total current liabilities	<u>838,009</u>	<u>1,047,979</u>
<b>Long-Term Debt</b>		
Loans payable - net of current portion	382,073	180,000
Bonds payable - net of current portion	2,976,284	3,544,117
Contract advances - net of current portion	<u>355,755</u>	<u>183,676</u>
Total long-term debt	<u>3,714,112</u>	<u>3,907,793</u>
<b>Total Liabilities</b>	<u>4,552,121</u>	<u>4,955,772</u>
<b>Net Position</b>		
Net investment in capital assets	4,968,991	5,079,175
Unrestricted	<u>3,593,638</u>	<u>4,548,195</u>
Total net position	<u>8,562,629</u>	<u>9,627,370</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 13,114,750</u>	<u>\$ 14,583,142</u>

The accompanying notes are an integral part of these financial statements.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Statements of Revenue, Expenses, and Changes in Net Position**  
**For the Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Revenue</b>		
Development grants and reimbursements	\$ 433,333	\$ -
Rental income	159,236	2,765,857
Fee income	355,558	613,812
Interest income	64,142	79,845
Other income	<u>31,412</u>	<u>95,613</u>
Total revenue	<u>1,043,681</u>	<u>3,555,127</u>
<b>Expenses</b>		
Development grants and project costs	1,460,640	1,398,406
Property and insurance expenses	89,234	88,133
Depreciation	110,184	854,714
Interest expense	236,906	1,049,691
Other expenses	<u>211,458</u>	<u>151,001</u>
Total expenses	<u>2,108,422</u>	<u>3,541,945</u>
<b>Operating Income (Loss)</b>	<u>(1,064,741)</u>	<u>13,182</u>
<b>Non-operating Revenue (Expenses)</b>		
Gain on sale of assets	-	137,242
Non-recurring lease payments	-	21,416,068
Impairment loss	<u>-</u>	<u>(24,740,490)</u>
Total non-operating revenue (expenses)	<u>-</u>	<u>(3,187,180)</u>
<b>Change in Net Position</b>	(1,064,741)	(3,173,998)
<b>Net Position - Beginning</b>	<u>9,627,370</u>	<u>12,801,368</u>
<b>Net Position - Ending</b>	<u>\$ 8,562,629</u>	<u>\$ 9,627,370</u>

The accompanying notes are an integral part of these financial statements.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Cash Flows from Operating Activities</b>		
Cash received from operating income	\$ 1,427,486	\$ 3,852,923
Cash paid for operating expenses	<u>(1,734,798)</u>	<u>(1,562,263)</u>
Net cash flows from operating activities	<u>(307,312)</u>	<u>2,290,660</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Repayments of loans payable	(558,260)	(22,925,263)
Repayments of bonds payable	(629,818)	(508,667)
Non-recurring lease payments	-	21,416,068
Proceeds from loans payable	800,000	-
Interest paid	<u>(249,849)</u>	<u>(1,103,773)</u>
Net cash flows from capital and related financing activities	<u>(637,927)</u>	<u>(3,121,635)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of fixed assets	-	(282,273)
Proceeds from sale of land	-	150,076
Development loans repaid	(43,226)	675,598
Interest received	64,142	79,845
Proceeds from sale of building	<u>3,000,000</u>	<u>-</u>
Net cash flows from investing activities	<u>3,020,916</u>	<u>623,246</u>
<b>Net Change in Cash and Cash Equivalents</b>	2,075,677	(207,729)
<b>Cash and Cash Equivalents - Beginning</b>	<u>1,239,719</u>	<u>1,447,448</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>\$ 3,315,396</u>	<u>\$ 1,239,719</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows from Operating Activities</b>		
Operating income (loss)	\$ (1,064,741)	\$ 13,182
Adjustments		
Depreciation	110,184	854,714
Interest income	(64,142)	(79,845)
Interest expense	236,906	1,049,691
Changes in assets and liabilities		
Accounts receivable	(11,320)	(29,726)
Grants receivable	768,801	678,820
Prepaid expenses	19,630	(21,187)
Other current assets	(300,000)	(12,820)
Accounts payable	6,904	96,464
Contract advances	<u>(9,534)</u>	<u>(258,633)</u>
Net cash flows from operating activities	<u>\$ (307,312)</u>	<u>\$ 2,290,660</u>

The accompanying notes are an integral part of these financial statements.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies**

**Organization and Purpose** - The Chemung County Industrial Development Agency (the "Agency") is a public benefit corporation created in 1975 by an act of the New York State Legislature for the purpose of encouraging economic growth in the County of Chemung, New York. The Agency is exempt from federal, state, and local income taxes.

The Agency's primary purpose is to promote and assist private sector industrial development and advance the job opportunities and economic welfare of the people of the County of Chemung, New York.

One of the Agency's most important functions is to provide certain real property, sales and mortgage recording tax benefits in lease financing or revenue bond transactions to qualifying industrial and commercial entities in order to encourage industrial development in the County of Chemung, New York.

In addition to industrial development bonds and sale/leaseback transactions, the Agency offers a real property tax abatement program, known as PILOT. Projects that create new employment and are sponsored by the Agency may qualify for abatements of real property taxes, such as county, town and school taxes, through the PILOT (payment-in-lieu-of-taxes) program.

The Agency is a component unit of the County of Chemung, New York.

**Basis of Accounting** - The Agency complies with the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement codifies all sources of accounting principles generally accepted in the United States of America into the GASB's authoritative literature.

The accounts of the Agency are maintained on the accrual basis of accounting. Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on the determination of operating income, financial position, changes in net position and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel and depreciation.

**Estimates** - The preparation of financial statements in accordance 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Basis of Presentation** - The Agency complies with the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements provide guidance on presenting deferred outflows, deferred inflows and net position. Net position represents assets and deferred outflows of resources less liabilities and deferred inflows of resources. GASB requires the classification of net position into three classifications defined as follows:

Net investment of capital assets - This component of net position consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

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Restricted net position - This component of net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. At December 31, 2015 and 2014, the Agency did not have a balance in restricted net position.

Unrestricted net position - This component of net position consists of all other net position that does not meet the definition of the above two components and is available for general use by the Agency.

**Cash and Cash Equivalents** - For the purposes of the statements of net position and cash flows, cash and cash equivalents include deposits with original maturities of three months or less. The Agency maintains cash and cash equivalents which periodically may exceed federally insured limits.

**Accounts Receivable** - Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end would be immaterial and therefore an allowance has not been established.

**Grants Receivable** - Grants receivable are stated at the amount earned under the grant agreements.

**Property and Equipment** - Property and equipment acquired by the Agency are stated at cost (or estimated historical cost) including interest capitalized during construction where applicable. Contributed assets are recorded at fair market value at the date received. Depreciation is recognized on a straight-line basis over the estimated useful lives of the assets. Depreciation is computed over the following periods:

Land and land improvements	20 Years
Buildings	40 Years

**Note 2. Deposits and Investments**

The Agency's investment policies are governed by state law. Collateral is required for demand deposits, certificates of deposit, and repurchase agreements not covered by federal deposit insurance. Obligations which 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.

The Agency has a formal investment policy which is in compliance with the laws of the State of New York, Chapter 838, Title 7, Section 2925. The Agency is permitted to invest funds in the following types of investments: special time deposit accounts, certificates of deposit, obligations of the United States of America, obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America and obligations of the State of New York. All deposits of the Agency are public funds and shall have a pledge of collateral by the bank or trust company in which the funds are deposited. The Treasurer of the Agency will determine the amount and length of time all funds are to be invested. The Agency will maintain relationships with the banks or trust companies doing business with the Agency and secure the best possible return. The Agency will prepare any reports requested by the Board to aid in monitoring the Agency's investment policy and performance.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

The amounts on deposit in banking institutions and the related collateral as of December 31, 2015, are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand and savings deposits	\$ <u>3,315,396</u>	\$ <u>4,178,517</u>
Covered by FDIC insurance		\$ 825,210
Pledged collateral		<u>3,353,307</u>
Total deposits		\$ <u>4,178,517</u>

**Note 3. Property and Equipment**

Property and equipment consisted of the following at December 31:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land and land improvements	\$ 2,989,470	\$ -	\$ -	\$ 2,989,470
Buildings	<u>2,500,000</u>	-	-	<u>2,500,000</u>
Sub-total	5,489,470	-	-	5,489,470
Less, accumulated depreciation	<u>(410,295)</u>	<u>(110,184)</u>	-	<u>(520,479)</u>
Property and equipment - net	<u>\$ 5,079,175</u>	<u>\$ (110,184)</u>	<u>\$ -</u>	<u>\$ 4,968,991</u>
Building held for resale	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ 3,000,000</u>	<u>\$ -</u>

Depreciation expense amounted to \$110,184 and \$854,714 for the years ended December 31, 2015 and 2014, respectively.

**Note 4. Loans Receivable**

Loans receivable consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Receivable from Southern Tier Commerce Center, LLC, monthly payments of \$4,944, including interest at 3.5%. Loan was established December 2006 and due December 2016.	\$ 63,227	\$ 119,278
Receivable from Riverside Realty, LLC, non-interest bearing, monthly payments of \$196. Loan established November 2007 and due October 2022.	16,039	18,386
Receivable from Riverside Realty, LLC, monthly payments of \$7,239, including interest at 2.0%. Payments commenced the month after receipt of the final loan draw in the month of February 2010. Final loan was established in February 2010 and due February 2025.	727,065	798,620
Receivable from 2000 Lake Road, LLC, non-interest bearing, monthly payments of \$1,667. Loan was established May 2008 and due June 2018. During 2015, this note was paid in full.	-	66,667

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

Receivable from County of Chemung, New York, non-interest bearing, quarterly payments of \$25,000. Loan established in April 2010 and due April 2024. All amounts received from the County will be used to make required payments on the bond payable to Elmira Savings Bank. See Note 6.

620,058                      675,454

Receivable from First Excelsior Group, LLC, monthly payments of \$2,628, including interest at 1.0%. Loan was established May 2015 and due June 2025.

	295,242	-
Total	1,721,631	1,678,405
Less, current portion	(221,212)	(252,015)
Long-term portion	\$ 1,500,419	\$ 1,426,390

**Note 5. Loans Payable**

Loans payable consisted of the following at December 31:

	<b>2015</b>	<b>2014</b>
Payable to Chemung Canal Trust Co. Annual principal payments of \$60,000, plus interest at 6.25%, through the year 2018.	\$ 180,000	\$ 240,000
Payable to County of Chemung, New York. Funds will be reimbursed in future periods in association with excess cash flows and is non-interest bearing.	363,228	-
Payable to NYS Department of Transportation (NYSDOT), non-interest bearing. Repayment to be made annually based on the value determined by the NYSDOT of \$204,960 as follows: 10% in 2011, 20% for years 2012-2014 and final payment of 30% in 2015.	-	61,488
Total	543,228	301,488
Less, current portion	(161,155)	(121,488)
Long-term portion	\$ 382,073	\$ 180,000

The following is a schedule of future principal and interest loan payments:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016	\$ 161,155	\$ 7,000	\$ 168,155
2017	94,285	4,000	98,285
2018	89,394	1,000	90,394
2019	29,689	-	29,689
2020	29,988	-	29,988
2021 - 2025	138,717	-	138,717
Total	\$ 543,228	\$ 12,000	\$ 555,228

Total accrued interest relating to these loans payable was \$4,188 and \$5,583 at December 31, 2015 and December 31, 2014, respectively.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

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**Note 6. Bonds Payable**

Bonds payable consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Series 2009E Bond - Payable to CVS Rx Services in annual installments with a maturity date of October 15, 2020. Interest is payable in annual installments at a rate of 5.75%. Repayment of principal for this bond was funded through a grant from the Economic Development Administration (EDA) for American Recovery and Reinvestment Act (ARRA) of \$1,454,080 to fund the portion of the project relating to the cost of enhancing the water and sewer system owned by the Agency as well as the cost of upgrading White Wagon Road owned by the County of Chemung, New York. The remaining portion of this bond will be paid back through PILOT revenue.	\$ 2,789,017	\$ 3,364,367
Bond - Payable to Elmira Savings Bank in annual installments of principal and interest of \$100,000 with a maturity date of April 2024. Interest is payable in quarterly installments at a rate of 6.5%. Repayment of this bond will be made with proceeds from the loan receivable from Chemung County described in Note 4.	<u>663,497</u>	<u>717,965</u>
Total	3,452,514	4,082,332
Less, current portion	<u>(476,230)</u>	<u>(538,215)</u>
Long-term portion	<u>\$ 2,976,284</u>	<u>\$ 3,544,117</u>

The following is a schedule of future principal and interest bond payments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 476,230	\$ 212,613	\$ 688,843
2017	599,428	179,394	778,822
2018	634,603	144,219	778,822
2019	671,850	106,972	778,822
2019	711,292	67,530	778,822
2020-2024	<u>359,111</u>	<u>103,056</u>	<u>462,167</u>
Total	<u>\$ 3,452,514</u>	<u>\$ 813,784</u>	<u>\$ 4,266,298</u>

The Agency has recorded the following grants receivable:

County of Chemung, New York - future PILOT agreement	<u>\$ 2,724,075</u>
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Total accrued interest relating to these bonds payable was \$58,019 and \$69,567 at December 31, 2015 and December 31, 2014, respectively.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

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**Note 7. Industrial Revenue Bond and Note Transactions**

Certain industrial development revenue bonds and loans issued by the Agency are secured by property which is leased to companies and is retired by lease payments. The bonds and loans are not obligations of the Agency or the State. The Agency does not record assets or liabilities resulting from completed bond and loan issues in its accounts, since its primary function is to arrange the financing between the borrowing companies and the bond and loan holders. The funds arising from these transactions are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of the bonds and loans.

**Note 8. Related Party Transactions**

The Agency is related through common management to Southern Tier Economic Growth ("STEG"), who also promotes economic growth development in the County. STEG provides management and accounting services to the Agency and fees for these services totaled \$100,000 and \$90,000 as of December 31, 2015 and 2014, respectively.

The Agency is also related through common management and Board of Directors membership with the Chemung County Capital Resource Corporation ("Corporation"), which also promotes economic development in the County. The Agency provides the use of facilities to the Corporation. The cost of this service is covered by the Agency.

**Note 9. Pension Plan**

County of Chemung, New York participates in the New York State and Local Employee' Retirement System, a cost-sharing multiple-employer retirement system. The retirement contributions for personnel of the Agency covered through the system are provided by County of Chemung, New York at no cost to the Agency. Therefore, no costs associated with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, were included in these financial statements.

**Note 10. Supplemental Cash Flow Information**

	<u>2015</u>	<u>2014</u>
Cash paid during the year for:		
Interest	\$ <u>258,787</u>	\$ <u>1,103,773</u>
Non-cash operating activities		
Impairment loss	\$ <u>-</u>	\$ <u>24,740,490</u>

**Note 11. Leasing Arrangements**

The Agency is the lessor of three facilities, equipment and paid-up oil and gas leases on three parcels of land.

One lease is for an industrial building in the Town of Horseheads for the term of forty years beginning December 1982 with a \$48,000 annual payment.

The Agency is the lessor of land leased to Danella Line Services, Inc. This lease began on June 1, 2013 and is a month to month lease, ending only when the tenant gives 30 days written notice to the Agency. The lease requires monthly payments of \$300.

The Agency is the lessor of land leased to Northern Neck Transfer, Inc. This lease began on October 1, 2013 and is a month to month lease, ending only when the tenant gives 30 days written notice to the Agency. The lease requires monthly payments of \$500.

**CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Notes to Financial Statements**

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The Agency is the lessor of a portion of a building, as well as parking area to the County of Chemung, New York. This lease began on March 1, 2014 and continues through February 28, 2016. The lease requires monthly payments of \$325.

The Agency is the lessor of a portion of a building, as well as parking area to Metadyne, Inc. This lease began on March 1, 2015 and is a month to month lease, ending when the tenant gives 30 days written notice to the Agency or at the end of 135 months. The lease requires monthly payments of \$2,200 for the first 60 months of the lease, monthly payments of \$2,600 for the subsequent 36 month term and monthly payments of \$3,000 for the remaining term of the lease.

The Agency is the lessor of a portion of a building leased to Dimon & Bacorn. This lease began on January 28, 2014 for an undetermined period of time. The lease requires monthly payments of \$1,875 for space 1, \$675 for space 2 and \$3,750 for space 3.

The Agency is the lessor of a portion of land leased to Emhart Glass Manufacturing, Inc. The lease began on December 15, 2015 and ends on December 14, 2040. The lease required monthly payments of \$3,727 for the first 5 years. For each year thereafter, the base rent will be increased by the increase in the Consumer Price Index.

Total rental income for the years ended December 31, 2015 and 2014 was \$159,236 and \$24,181,925, respectively. The rental income for the year ended December 31, 2014 includes non-recurring lease payments from Sikorsky for final paydown on their lease agreement of \$21,416,068.

The following is a schedule of future minimum rentals to be received over the next five years, excluding the oil and gas right leases:

2016	\$	93,377
2017		92,727
2018		92,727
2019		92,727
2020		92,727
Thereafter		<u>990,549</u>
Total	\$	<u>1,454,834</u>

At December 31, 2015 and 2014, the Agency had a balance of \$361,755 and \$367,351, respectively, in contract advances from Sikorsky to pay for environmental reviews to be completed over a four year period. This amount is included in contract advances on the statement of net position.

**Chemung County Industrial Development Agency**  
**Project Information**  
**December 31, 2015**

2015

Project Code	Project Type	Project Name	Project Address	Tax Map #	City	State	Zip	Zip +4	School District	Project Purpose Notes	Project Purpose Code	Total Project Amount	Benefitted Project Amount	Bond/Note Amount	Total Lease Amount	Annual Lease Amount	Year Financial Assistance Ends	Federal Tax Status	
1	0701-01-01-A	Bonds	Hathorn Redevelopment	346 Woodlawn Ave.	79.17-1-58.1 & 5	Elmira	NY	14901	1331	City	Acquisition of land, renovation	Services	8,000,000	6,940,000	4,000,000	0	0	2023	Tax Exempt
2	0701-01-02-A	Bonds	Economic Opportunity Program	of Chemung County 650 Baldwin St.		Elmira	NY	14901	2216	NA Tax Exempt	Acquisition of land, construction	Services	3,960,064	3,732,054	4,200,000	0	0	2026	Tax Exempt
3	0701-03-02-A	Bonds	Woodbrook Adult Home	1250 Maple Ave.		Elmira	NY	14904	2812	NA Tax Exempt	Acquisition of land, renovation	Services	2,695,472	2,159,302	3,500,000	0	0	2023	Tax Exempt
4	0701-99-01-A	Bonds	Sonwil Development Group, LLC	Daniel Zenker Drive Ext.	57.03-2-86.2	Big Flats	NY	14814			Acquisition of land, construction	Const/Manu	5,911,400	5,911,400	5,024,690	0	0	2015	Tax Exempt
5	0701-07-02-A	Bonds	DDR Horseheads, LLC	500 Ann Page Road	58.04-1-17.11	Horseheads	NY	14845	7200	Horseheads	Acquisition of land, Demolition	Const/Retail	76,733,205	76,733,205	1,856,000	0	0	2018	Taxable
6	0701-09-05-A	Bonds	CVS RX Services, Inc.	150 White Wagon Road	134.00-1-38.11	Chemung	NY	14825		Waverly	Acquisition of land, Demolition	Retail/Construct	0	0	6,525,000	0	0	2021	Taxable
7	0701-09-01-A	Straight	CVS RX Services, Inc.	150 White Wagon Road	134.00-1-38.11	Chemung	NY	14825		Waverly	Acquisition of Land, Construct	Wholesale/Const	90,000,000	70,812,000	0	90,000,000	0	2025	Taxable
8	0701-10-01-A	Bonds	Chemung Performing Arts	207 Clemens Center Parkway		Elmira	NY	14901	3031	NA Tax Exempt	Acquisition of Land, Building	Services	17,000,000	17,000,000	900,000	0	0	2024	Tax Exempt
9	0701-04-04-A	Straight	Silicon Carbide Products	Airport Corporate Park, Daniel Dr. Ext	57.03-2-12.13	Horseheads	NY	14845		Horseheads	Acquisition of Land, Construct	Const/Manu	1,234,000	1,181,000	0	430,000	0	2020	Taxable
10	0701-00-06-A	Straight	EAS Development, LLC	Airport Corporate Park, Daniel Zenker	67.01-1-7.22	Big Flats	NY	14814		Horseheads	Acquisition of Land, Construct	Services/Const	2,027,000	2,027,000	0	2,000,000	0	2016	Taxable
11	0701-00-08-A	Straight	Vulcraft of New York	5362 Railroad St., Box 280	133.04-1-23.21	Chemung	NY	14825	9750	Waverly	Construction of Steel Manufac	Manu/Const	51,000,000	51,000,000	0	51,000,000	0	2021	Taxable
12	0701-00-09-A	Straight	Arnot Realty Corporation	203 Colonial Drive	58.01-2-34	Big Flats	NY	14814		Horseheads	Acquisition of Land, Construct	Services/Const	1,700,000	1,700,000	0	1,700,000	0	2020	Taxable
13	0701-03-01-A	Straight	F.M. Howell & Company	79 Pennsylvania Ave.		Elmira	NY	14904		City	Acquisition of Land, Construct	Manufacturing	1,400,000	1,400,000	0	1,400,000	0	2019	Taxable
14	0701-03-03-A	Straight	Central Recycling Co-op	260 Lattabrook Park	69.00-1-20.214	Horseheads	NY	14845	9008	Elmira Heights	Acquisition of Land, Construct	Manu/Const	2,737,500	2,707,500	0	2,737,500	0	2019	Taxable
15	0701-01-04-A	Straight	The Krog Corporation	1316 College Ave	79.18-3-11.2 and	Elmira	NY	14901	1169	City	Acquisition of Land, Construct	Construction	2,140,000	2,140,000	0	2,140,000	0	2015	Taxable
16	0701-06-06-A	Straight	Elmira Eastown Mall	150 Baldwin St.	19.19-6-12	Elmira	NY	14901	3016	City	Acquisition of Land, Construct	Finance ...	1,500,000	1,500,000	0	1,500,000	0	2016	Taxable
17	0701-05-01-A	Straight	John Meier, LLC	133 Philo Road	58.19-1-13.2	Elmira Heig	NY	14903	9705	Horseheads	Acquisition of Land, Construct	Manu/Const	680,000	680,000	0	680,000	0	2021	Taxable
18	0701-05-03-A	Straight	Dena Enterprises	2666 Corning Road		Horseheads	NY	14845	4207	No Pilot	Renovation of Building	Retail/Const	1,000,000	980,000	0	1,000,000	0	2016	Taxable
19	0701-07-03-A	Straight	Riverside Realty of Elmira, LLC	14 Daniel Zenker Drive		Big Flats	NY	14814		No Pilot	Construction of Building	Retail/Const	4,570,000	4,535,500	0	4,570,000	0	2018	Taxable
20	0701-07-04-A	Straight	Millenium Pipeline Company	One Blue Hill Plaza 7th Floor		Pearl River	NY	10965	3104	Various	Natural Gas Transportation Ph	Gas/Const	47,000,000	47,000,000	0	7,255,000	0	2024	Taxable
21	0701-07-05-A	Straight	Empire State Pipeline	6363 Main St.		Williamsvil	NY	14221	5855	Various	Natural Gas Transportation Ph	Gas/Const	9,800,000	9,800,000	0	1,926,540	0	2024	Taxable
22	0701-10-07-A	Straight	Clemens Center Landlord, LLC	207 Clemens Center Parkway		Elmira	NY	14901	3031	City	Acquisition of Land, Renovati	Services/Const	15,465,950	13,448,334	0	15,465,950	0	2019	Tax Exempt
23	0701-08-04-A	Straight	DeMet's Candy Company	Hunt Drive	67.01-1-61	Big Flats	NY	14814		Horseheads	Acquisition of Land, Construct	Manu/Const	13,500,000	12,925,000	0	13,600,000	0	2019	Taxable
24	0701-09-02-A	Straight	Seneca Beverage Corp.	2081 & 2085 Lake Road	79.06-9-5.2	Horseheads	NY	14845		Elmira Heights	Acquisition of Land, Construct	Wholesale/Const	8,500,000	8,500,000	0	8,500,000	0	2020	Taxable
25	0701-09-04-A	Straight	3107 Group, LLC	100 West Chemung Place	99.07-5-10	Elmira	NY	14901		City	Acquisition of Land, Construct	Services/Const	1,183,300	916,600	0	1,183,300	0	2020	Taxable
26	0701-10-02-A	Straight	General Revenue	325 Daniel Zenker Drive	57.03-2-85	Big Flats	NY	14814		Horseheads	Acquisition of Land, Renovati	Services/Const	2,750,000	2,750,000	0	2,750,000	0	2020	Taxable
27	0701-10-05-A	Straight	Schlumberger	E Street	49.01-5-11.12	Village of H	NY	14845		Horseheads	Acquisition of Land, Construct	Services/Const	49,640,000	48,440,000	0	49,640,000	0	2021	Taxable
28	0701-10-07-A	Straight	Anchor Glass	Grand Central, Lynwood Ave., McCann	79.14-1-04 and C	Various	NY	Various		City	Acquisition of Land, Renovati	Manufacturing	1,000,000	1,000,000	0	1,000,000	0	2016	Taxable
29	0701-11-01-A	Straight	1580 Lake Street, LLC	1580 Lake Street	79.15-2-1.2	Elmira	NY	14901		City	Acquisition of Land, Renovati	Services	2,200,000	2,000,000	0	1,600,000	0	2027	Taxable
30	0701-11-04-A	Straight	Grace Real Property	343 Daniel Zenker Drive	57.03-2-12.12	Big Flats	NY	14814		Horseheads	Acquisition of Land, Acquisi	Servies	1,675,000	1,675,000	0	1,675,000	0	2021	Taxable
31	0701-12-02-A	Straight	Chemung Supply Corp.	2420 Corning Road & 98 Philo Road	69.05-1-10 & 58	Elmira	NY	14903		Horseheads	Acquisition of Land, Construct	Manufacturing	2,763,000	2,763,000	0	2,763,000	0	2028	Taxable
32	0701-12-04-A	Straight	Fennel Properties, LLC	951 Grand Central Ave.	89.07-4-1	Elmira	NY	14901		City	Renovation of Building	Manufacturing	705,000	685,000	0	705,000	0	2028	Taxable
33	0701-12-06-A	Straight	Arnot Associates III, LLC	Hickory Grove Road	58.01-1-61.2	Big Flats	NY	14814		Horseheads	Acquisition of Land, Const	Services	11,920,000	11,920,000	0	11,920,000	0	2015	Taxable
34	0701-13-01-A	Straight	Van Fleet (Elm Chevrolet)	301 & 223 East Church St.	89.15-12-33 & 8	Elmira	NY	14901		City	Acquisition of Interest of L	Services	1,700,000	1,700,000	0	1,700,000	0	2023	Taxable
35	0701-13-02-A	Straight	D&G Commercial Realty LLC	1836 & 1828 Grand Central Ave	69.18-4-9 & 6	Horseheads	NY	14845		Horseheads	Acquisition of Land, Renov	Services	704,200	656,200	0	704,200	0	2023	Taxable
36	0701-13-06-A	Straight	CAF USA, Inc.	300 East 18th Street, 3450 Oakwood Av	69.13-2-14 & 69	Village of E	NY	14845		Horseheads & E	Acquisition of Interest of L	Manufacturing	3,422,716	3,372,716	0	3,422,716	0	2024	Taxable
37	0701-13-07-A	Straight	Southern Tier Lodging Associates	Colonial Drive	58.01-2-35.31	Big Flats	NY	14814		Horseheads	Acquisition of Land, Const	Retail	8,160,000	7,415,000	0	8,160,000	0	2023	Taxable
38	0701-14-01-A	Straight	Dick's Sporting Goods	830 County Route 64	57.04-1-7.17	Big Flats	NY	14814		Horseheads	Acquisition of Machinery, e	Retail	10,125,000	10,125,000	0	10,125,000	0	2015	Taxable
39	0701-14-02-A	Straight	Sonwil Development Group LLC	315 Daniel Zenker Drive Ext	57.03-2-86.2/5	Big Flats	NY	14814		Horseheads	Acquisition of Land, Const	Manufacturing	2,708,933	2,270,594	0	2,708,933	0	2025	Taxable
40	0701-14-03-A	Straight	Cameron Manufacturing & Design	727 Blostein Blvd	59.17-1-3.12	Village of H	NY	14845		Horseheads	Acquisition of Land and Bu	Manufacturing	2,053,000	2,051,000	0	2,053,000	0	2029	Taxable
41	0701-14-04-A	Straight	IBEW Local Union #139	415 W. Second Street	89.18-5-13	Elmira	NY	14901		City	Acquisition of Land, Renov	Services	1,000,500	1,000,500	0	1,000,500	0	2028	Taxable
42	0701-14-05-A	Straight	BG Big Flats 1, LLC	830 County Route 64	57.04-1-7.17	Big Flats	NY	14814		Horseheads	Acquisition of Land, Demol	Retail	11,725,000	11,725,000	0	11,725,000	0	2015	Taxable
43	0701-14-06-A	Straight	Upstate Commercial Property	224 N. Main St.	49.03-3-6.16	Village of H	NY	14845		Horseheads	Acquisition of Land, Const	Services	1,140,000	1,120,000	0	1,140,000	0	2028	Taxable
44	0701-14-07-A	Straight	Finger Lake LLC	2671 Corning Road	58.16-3-3.2	Horseheads	NY	14845		Horseheads	Acquisition of Land, Demol	Services	5,083,120	4,923,120	0	5,083,120	0	2024	Taxable
45	0701-15-01-A	Straight	So Tier Custom Fabricators	1322 College Ave.	79.18-3-11.11	Elmira	NY	14901		City	Acquisition of Land, Const	Manufacturing	799,000	799,000	0	799,000	0	2030	Taxable
46	0701-15-02-A	Straight	Aces & Eights Realty	360 S. Main St.	99.07-4-44	Elmira	NY	14904		City	Acquisition of Land, renovati	Retail	945,403	877,878	0	945,403	0	2025	Taxable
47	0701-15-05-A	Straight	Postler & Jaeckle	2000 Lake Road	79.11-1-49	Elmira	NY	14903	1822	Elmira Heights	Acquisition of Land, Renovati	Services	770,000	755,000	0	770,000	0	2024	Taxable
48	0701-15-07-A	Straight	Villa Serene	399 East 14th St.	79.06-7-2	Elmira Heig	NY	14903		Elmira Heights	Acquisition of Land, renovati	Services	1,270,000	1,250,000	0	1,270,000	0	2016	Taxable

**Chemung County Industrial Development Agency  
Project Information  
December 31, 2015**

Not For Profit	State Tax Exemption	Local Sales Tax Exemption	County Real Property Tax Exemption	Local Real Property Tax Exemption	School Real Property Tax Exemption	Mortgage Recording Tax	Total Exemptions 485 B Exemptions	County Pilot	Local Pilot	School Pilot	Date Project Approved	Date IDA Took Title or Leasehold Interest in Property	# of FTE's Before IDA Status	Original Est. of Jobs to be created	Average Est. Salary of Jobs to be created	Original Est. of Jobs to be Retained	Average Est. Salary of Jobs to be Retained	Last Year's FTE's	Current # of FTE's	# of FTE Const Jobs During Fiscal Year	Current Year in the Last year 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	Is this a multi-phase project related to an existing project	If yes, what is the original project code		
1	Y	0	0	62,212	116,458	137,337	0	18,499	34,629	40,644	10/10/2001	10/1/2004	5	13	No Data	18	No Data	9	6	0	No	Na	Na	Na	Na	Na		
2	Y	0	0	0	0	0	0	0	0	0	9/19/2000	10/2/2001	83	0	No Data	83	No Data	166	159	0	No	Na	Na	Na	Na	Na		
3	Y	0	0	0	0	0	0	0	0	0	9/9/2003	11/12/2003	47	16	No Data	63	No Data	59	56	0	No	Na	Na	Na	Na	Na		
4	N	0	0	64,120	18,600	0	0	82,720	33,775	9,797	0	12/15/1999	12/29/1999	0	168	No Data	168	No Data	105	105	0	Yes	Na	Na	Na	Na	Na	
5	N	0	0	133,989	0	292,781	0	362,754	133,989	0	292,781	11/17/2006	12/20/2007	0	350	30000	0	0	629	670	0	No	Na	Na	Na	Na	Na	
6	N	0	0	0	0	0	0	0	0	0	3/12/2009	6/5/2009	0	0	0	0	0	0	0	0	0	No	Na	Na	Na	Na	Na	
7	N	0	0	309,504	29,952	634,000	0	681,419	154,752	14,976	634,000	3/12/2009	6/1/2010	0	500	25000	0	0	485	505	0	No	Na	Na	Na	Na	Na	
8	Y	0	0	0	0	0	0	0	0	0	12/10/2009	4/29/2010	16	0	0	16	31700	14	14	0	No	Na	Na	Na	Na	Na		
9	N	0	0	4,990	1,447	10,096	0	16,533	2,495	724	5,048	11/12/2004	11/18/2004	0	10	No Data	10	No Data	28	24	0	No	Na	Na	Na	Na	Na	
10	N	0	0	13,700	3,974	30,487	0	48,161	6,850	1,987	15,243	3/31/2000	6/9/2000	76	14	No Data	71	No Data	71	75	0	No	Na	Na	Na	Na	Na	
11	N	0	0	150,027	36,090	260,444	0	446,560	45,555	10,959	79,082	7/12/2000	10/19/2000	0	300	No Data	300	No Data	235	251	0	No	Na	Na	Na	Na	Na	
12	N	0	0	15,036	4,362	33,575	0	52,973	9,624	2,792	18,910	8/14/2000	11/30/2000	0	100	No Data	100	No Data	119	149	0	No	Na	Na	Na	Na	Na	
13	N	0	0	18,318	35,415	6,041	0	0	15,552	30,031	2,309	6/13/2003	12/30/2003	267	16	No Data	267	No Data	230	254	0	No	Na	Na	Na	Na	Na	
14	N	0	0	8,700	0	22,755	0	31,455	4,550	0	11,900	12/17/2003	12/17/2003	27	10	No Data	37	No Data	31	29	0	No	Na	Na	Na	Na	Na	
15	N	0	0	18,352	33,712	37,896	0	89,960	18,352	33,712	37,896	5/1/2001	8/23/2001	0	215	No Data	0	No Data	91	113	0	Yes	Na	Na	Na	Na	Na	
16	N	0	0	15,820	30,799	34,924	0	77,466	8,359	15,615	18,453	1/13/2005	8/2/2005	0	25	No Data	25	No Data	196	196	0	No	Na	Na	Na	Na	Na	
17	N	0	0	2,905	0	6,348	0	8,790	1,965	0	4,294	10/21/2005	12/2/2005	14	19	No Data	33	No Data	0	0	0	No	Na	Na	Na	Na	Na	
18	N	0	0	0	0	0	0	0	0	0	0	7/8/2005	8/26/2005	27	0	No Data	27	No Data	30	25	0	No	Na	Na	Na	Na	Na	
19	N	0	0	0	0	0	0	0	0	0	0	9/13/2007	12/18/2007	70	30	45,000	70	45,000	85	83	0	No	Na	Na	Na	Na	Na	
20	N	0	0	675,158	151,946	1,505,161	0	1,982,426	121,450	36,513	326,036	11/17/2006	9/13/2007	0	0	0	0	0	0	0	0	No	Na	Na	Na	Na	Na	
21	N	0	0	96,908	30,133	208,888	0	285,540	37,457	11,647	79,332	4/19/2007	7/26/2007	0	0	0	0	0	0	0	0	No	Na	Na	Na	Na	Na	
22	Y	0	0	71,031	138,282	156,805	0	292,894	0	0	0	8/14/2009	10/6/2008	16	17	38,220	16	30,030	14	14	0	No	Na	Na	Na	Na	Na	
23	N	0	0	62,822	18,223	138,804	0	175,880	34,767	11,422	73,661	9/18/2008	10/1/2008	0	82	0	0	0	217	214	0	No	Na	Na	Na	Na	Na	
24	N	0	0	60,371	0	157,889	0	163,695	32,152	0	84,089	8/20/2009	9/30/2009	67	8	45,000	67	45,000	73	70	0	No	Na	Na	Na	Na	Na	
25	N	0	0	7,290	14,192	16,093	0	28,182	4,246	8,272	9,374	3/27/2009	4/1/2009	27	3	50,000.00	27	50,000	22	25	0	No	Na	Na	Na	Na	Na	
26	N	0	0	44,637	12,948	98,625	0	148,400	44,637	12,948	98,625	1/13/2005	5/31/2005	0	220	30000	0	0	345	289	0	No	Na	Na	Na	Na	Na	
27	N	0	0	190,664	112,961	419,805	0	506,401	100,794	59,717	221,930	11/12/2009	9/3/2010	0	340	65000	0	0	233	286	0	No	Na	Na	Na	Na	Na	
28	N	0	0	18,480	87,402	42,210	0	0	9,240	9,510	21,105	5/1/2010	5/1/2010	312	0	64000	312	64000	292	295	0	No	Na	Na	Na	Na	Na	
29	N	0	0	13,896	27,053	30,677	0	0	8,022	15,618	17,710	2/24/2011	4/1/2011	45	14	43500	45	43500	66	93	0	No	Na	Na	Na	Na	Na	
30	N	0	0	13,565	3,935	29,408	0	0	7,615	2,209	16,508	9/10/2010	1/13/2011	34	0	0	34	97554	18	16	0	No	Na	Na	Na	Na	Na	
31	N	0	0	12,433	0	27,159	0	0	6,218	0	13,584	8/18/2011	2/12/2012	17	27	35000	17	35000	66	58	0	No	Na	Na	Na	Na	Na	
32	N	0	0	8,616	27,240	19,020	0	0	4,308	8,366	9,510	10/3/2012	11/1/2012	0	3 Const	22000	0	22000	30	36	0	No	Na	Na	Na	Na	Na	
33	N	130,000	0	0	0	0	0	0	0	0	0	2/23/2012	9/27/2012	3	3	25000	3	25000	15	15	0	Yes	Na	Na	Na	Na	Na	
34	N	0	0	3,955	7,700	8,731	0	0	1,978	3,850	4,366	11/6/2012	1/25/2013	34	0	0	34	66512	55	60	0	No	Na	Na	Na	Na	Na	
35	N	0	0	5,287	0	13,827	0	0	2,644	0	6,916	9/6/2013	11/16/2013	50	7	50000	50	50000	83	80	0	No	Na	Na	Na	Na	Na	
36	N	0	0	24,873	16,893	61,024	0	0	13,069	9,757	30,521	12/12/2012	2/26/2013	150	125	35000	150	51000	749	426	45	No	Na	Na	Na	Na	Na	
37	N	288,698	0	11,235	6,559	25,168	0	23,629	11,235	6,559	25,168	12/12/2012	1/3/2013	0	15	28000	0	0	0	1	15	0	No	Na	Na	Na	Na	Na
38	N	7,843	0	0	0	0	0	0	0	0	0	11/7/2013	6/19/2014	0	30	27300	0	0	33	39	0	Yes	Na	Na	Na	Na	Na	
39	N	5,142	0	0	0	4,009	0	0	0	0	2,004	7/14/2011	7/18/2014	20	20	33413	20	33413	126	141	0	No	Na	Na	Na	Na	Na	
40	N	0	0	5,963	3,282	8,245	0	0	5,963	3,282	2,061	12/19/2013	7/1/2014	0	8	50000	0	0	201	204	0	No	Na	Na	Na	Na	Na	
41	N	0	0	2,895	5,319	19,822	0	0	2,895	5,319	9,911	11/25/2013	1/1/2014	41	10	39000	41	26000	60	62	0	No	Na	Na	Na	Na	Na	
42	N	0	0	0	0	0	0	0	0	0	0	11/7/2013	6/19/2014	0	30	27300	0	0	0	0	0	Yes	Na	Na	Na	Na	Na	
43	N	0	0	5,859	3,518	12,920	0	0	3,282	1,971	7,236	11/7/2013	1/1/2014	8	10	55000	8	55000	15	17	2	No	Na	Na	Na	Na	Na	
44	N	17,005	0	0	0	0	0	0	0	0	0	12/19/2013	2/1/2014	0	47	39000	0	0	0	0	2	No	Na	Na	Na	Na	Na	
45	N	14,500	0	10875	19978	22654	3750	53,507	10875	19978	22654	8/12/2015	11/16/2015	160	20	56000	160	55000	160	181	28	No	Na	Na	Na	Na	Na	
46	N	30,983	0	1076	2081	2242	6000	5,399	1076	2081	2242	7/15/2015	8/1/2015	3	1	19000	3	28000	3	3	17	No	Na	Na	Na	Na	Na	
47	N	0	0	4379	322	11238	0	15,939	2501	184	11238	1/30/2015	1/30/2015	25	5	50000	25	50000	25	51	0	No	Na	Na	Na	Na	Na	
48	N	1,707	0	0	0	0	0	0	0	0	0	8/12/2015	9/14/2015	0	50	22500	0	0	0	10	0	No	Na	Na	Na	Na	Na	

**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**

To the Board of Directors  
Chemung County Industrial Development Agency  
Elmira, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Chemung County Industrial Development Agency as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Chemung County Industrial Development Agency's basic financial statements, and have issued our report thereon dated March 31, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Chemung County Industrial Development 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 Chemung County Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Chemung County Industrial Development 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 a 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 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 Chemung County Industrial Development Agency's financial statements are free of 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.

*EFPR Group, CPAs, PLLC*

EFPR Group, CPAs, PLLC  
(Formerly EFP Rotenberg, LLP)  
Rochester, New York  
March 31, 2016