

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FINANCIAL STATEMENTS

DECEMBER 31, 2015

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TABLE OF CONTENTS

<u>AUDITED FINANCIAL STATEMENTS</u>	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 8
STATEMENTS OF NET POSITION	9
STATEMENTS OF INCOME, EXPENSES, AND CHANGES IN NET POSITION	10
STATEMENTS OF CASH FLOWS	11
NOTES TO FINANCIAL STATEMENTS	12 - 21
 <u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
SCHEDULE OF AGENCY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	22
SCHEDULE OF EMPLOYER'S CONTRIBUTION	23
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 <i>GOVERNMENT AUDITING STANDARDS</i>	24 - 25
 <u>SUPPLEMENTARY INFORMATION</u>	
SCHEDULE OF STRAIGHT LEASE PROJECTS	26 - 33

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Steuben County Industrial Development Agency
Bath, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the Steuben County Industrial Development Agency, a component unit of the County of Steuben, 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 Steuben 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 Steuben County Industrial Development Agency as of December 31, 2015 and 2014, and the respective changes in 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

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the year ended December 31, 2015, the Steuben County Industrial Development Agency adopted the provisions of 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 Contribution Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Our opinion is not modified with respect to these 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 - 8, schedule of the agency's proportionate share of the net pension liability on page 22, and the schedule of employer's contributions on page 23 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Steuben County Industrial Development Agency's basic financial statements. The supplementary schedule of straight lease projects on pages 26 to 33 is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The supplementary schedule of straight lease projects 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedule of straight lease projects 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 29, 2016, on our consideration of the Steuben 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 the 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 Steuben 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 29, 2016

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2015

The following is a discussion and analysis of the Steuben County Industrial Development Agency's (the "Agency") financial performance for the year ended December 31, 2015. The management's discussion and analysis is a summary of the Agency's financial activities based on currently known facts, decisions, or conditions. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the Agency's financial statements, which immediately follow this section.

Financial Highlights

- Total assets and deferred outflows of resources as reported equal \$4,275,181 and \$3,544,688 at December 31, 2015 and 2014, respectively. This represents an increase of \$730,493, or 20.6% from the prior year.
- Total revenues equal \$680,376 for the year ended December 31, 2015, a decrease of \$288,405 from the prior year revenues of \$968,781. The decrease in revenues was due to grants received in 2014 that were not received in 2015, principally New York State grants. Additionally, there were more projects in 2014 that led to higher administrative fee income in 2014 than 2015. Total operating expenses equal \$745,920 for the year ended December 31, 2015. This represents a decrease of \$201,029, or 21.2% from the prior year expenditures of \$946,949. The decrease in operating expenses is primarily due to more grants provided by the Agency in 2014 than in 2015.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. This report includes the independent auditors' report, financial statements, notes to financial statements and other supplemental information that will enhance the reader's understanding of the financial condition of the Agency.

Required Financial Statements - The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements include:

- **Statements of Net Position** - Present all assets, deferred outflows of resources, liabilities and net position of the Agency at December 31, 2015 and 2014. The statements provide information about the amounts and investments in resources (assets) and the obligations to creditors (liabilities).
- **Statements of Income, Expenses, and Changes in Net Position** - Present the financial activity for the years ended December 31, 2015 and 2014 and displays how this activity changed the Agency's net position. The statements provide information on the Agency's operations and can be used to determine if the Agency has recovered all of its costs through grants, user fees and other charges.
- **Statements of Cash Flows** - Present the cash provided and used in operations, investing and capital related financing activities during 2015 and 2014 and how it affects the cash balances at December 31, 2015 and 2014.
- **Notes to Financial Statements** - Provide information regarding the Agency and explain in more detail information included in the financial statements.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2015

Financial Analysis

The Agency provides financial incentives and technical assistance to businesses moving to or expanding in Steuben County where job and capital creation will help improve the economic climate of the County. The Agency's net position may serve over time as a useful indicator of its financial position. In the case of the Agency, assets and deferred outflows exceeded liabilities by \$4,233,869 and \$3,389,940 at December 31, 2015 and 2014, respectively.

A condensed version of the Agency's statement of net position follows:

Table 1
Condensed Statements of Net Position
(In Thousands of Dollars)

	<u>2015</u>	<u>Restated 2014</u>	<u>Dollar Change</u>	<u>% Change</u>
Assets				
Cash and cash equivalents	\$ 1,696.1	\$ 1,754.7	\$ (58.6)	(3.3)
Cash and cash equivalents - restricted	596.3	599.7	(3.4)	(0.6)
Windmill escrow	-	66.7	(66.7)	(100.0)
Property and equipment - net	<u>1,946.8</u>	<u>1,079.4</u>	<u>867.4</u>	<u>80.4</u>
Total assets	4,239.2	3,500.5	738.7	21.1
Deferred Outflows of Resources				
	<u>36.0</u>	<u>44.1</u>	<u>(8.1)</u>	<u>(18.4)</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 4,275.2</u>	<u>\$ 3,544.7</u>	<u>\$ 730.5</u>	<u>20.6</u>
Liabilities				
Accounts payable	\$ 6.0	\$ 21.2	\$ (15.2)	(71.7)
Accrued liabilities	5.8	11.0	(5.2)	(47.3)
Contract advances	-	16.3	(16.3)	(100.0)
Windmill escrow	-	66.7	(66.7)	(100.0)
Net pension liability	<u>29.6</u>	<u>39.5</u>	<u>(9.9)</u>	<u>(25.1)</u>
Total liabilities	<u>\$ 41.4</u>	<u>\$ 154.7</u>	<u>\$ (113.3)</u>	<u>(73.2)</u>
Net Position				
Net investment in capital assets	\$ 1,946.8	\$ 1,079.4	\$ 867.4	80.4
Restricted net position - CDBG	95.0	95.0	-	-
Restricted net position - Millennium	501.3	413.8	87.5	21.1
Restricted net position - New York State Department of Transportation	-	90.9	(90.9)	(100.0)
Unrestricted	<u>1,690.8</u>	<u>1,710.8</u>	<u>(20.0)</u>	<u>(1.2)</u>
Total net position	<u>\$ 4,233.9</u>	<u>\$ 3,389.9</u>	<u>\$ 844.0</u>	<u>24.9</u>

Net position increased from 2014 to 2015. The Agency retained more cash on hand at the end of 2015 as opposed to 2014 due to less grant expenditures paid by the Agency.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2015

A condensed version of the Agency's statements of income, expenses, and changes in net position follows:

Table 2
Condensed Statements of Income, Expenses, and Changes in Net Position
(In Thousands of Dollars)

	<u>2015</u>	<u>Restated 2014</u>	<u>Dollar Change</u>	<u>% Change</u>
Operating Income				
Administrative income	\$ 185.3	\$ 435.8	\$ (250.5)	(57.5)
Business development support	45.0	45.0	-	-
Grant income - Millennium Pipeline	108.0	108.0	-	-
Grant income - CDBG	-	10.2	(10.2)	(100.0)
Grant income - NYSDOT	25.4	335.1	(309.7)	(92.4)
Grant income - projects	61.3	23.7	37.6	158.6
Grant income - Steuben Ag Plan	40.0	-	40.0	100.0
Grant income - Wayland Business Park	150.0	-	150.0	100.0
Interest income - bank	3.5	6.0	(2.5)	(41.7)
Lease income	1.9	2.9	(1.0)	(34.5)
Miscellaneous income	60.0	2.1	57.9	2,757.1
Total operating income	<u>680.4</u>	<u>968.8</u>	<u>(288.4)</u>	<u>(29.8)</u>
Operating Expenses				
Amortization	-	9.2	(9.2)	(100.0)
Conferences	4.6	6.5	(1.9)	(29.2)
Contract expense	24.0	59.3	(35.3)	(59.5)
Depreciation	44.2	8.1	36.1	445.7
Grant expense - NYSDOT	28.6	377.0	(348.4)	(92.4)
Grant expense - projects	61.3	23.7	37.6	158.6
Grant expense - Steuben Ag Plan	34.0	6.0	28.0	466.7
Grant expense - Wayland Business Park	150.0	-	150.0	100.0
Insurance	47.3	52.4	(5.1)	(9.7)
Maintenance	5.8	5.5	0.3	5.5
Office expense	39.2	46.7	(7.5)	(16.1)
Pension expense	27.1	39.6	(12.5)	(31.6)
Professional fees	20.7	27.3	(6.6)	(24.2)
Program expense	2.6	25.0	(22.4)	(89.6)
Salaries and wages	227.9	234.9	(7.0)	(3.0)
Travel and entertainment	11.9	12.8	(0.9)	(7.0)
Utilities and telephone	5.8	6.7	(0.9)	(13.4)
Vehicle	11.0	6.3	4.7	74.6
Total operating expenses	<u>745.9</u>	<u>947.0</u>	<u>(201.1)</u>	<u>(21.2)</u>
Change in net position from operations	(65.5)	21.8	(87.3)	(400.5)
Capital contribution	<u>909.5</u>	<u>-</u>	<u>909.5</u>	<u>100.0</u>
Change in Net Position	844.0	21.8	822.2	3,771.6
Net Position - Beginning	<u>3,389.9</u>	<u>3,368.1</u>	<u>21.8</u>	<u>0.6</u>
Net Position - Ending	<u>\$ 4,233.9</u>	<u>\$ 3,389.9</u>	<u>\$ 844.0</u>	<u>24.9</u>

The decrease in revenues noted in the statement of activities from 2014 to 2015 is a result of less grant income received. The decrease in expenditures is directly related to the decrease in grant expense that the Agency incurred in 2015.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2015

Another important factor in the consideration of fiscal condition is the Agency's cash position and statement of cash flows. A condensed version of the Agency's statements of cash flows follows:

Table 3
Condensed Statements of Cash Flows
(In Thousands of Dollars)

	<u>2015</u>	<u>Restated 2014</u>
Cash Flow from Operating Activities		
Cash received from operating income	\$ 292.2	\$ 485.8
Cash paid for operating expenses	(450.1)	(569.2)
Cash received from grants	368.4	493.3
Cash paid for grants	<u>(273.9)</u>	<u>(406.7)</u>
Net cash flows from operating activities	<u>(63.4)</u>	<u>3.2</u>
Cash Flow from Capital and Related Financing Activities		
Purchases of fixed assets	<u>(2.2)</u>	<u>(1.7)</u>
Net cash flows from capital and related financing activities	<u>(2.2)</u>	<u>(1.7)</u>
Cash Flow from Investing Activities		
Interest received	<u>3.5</u>	<u>6.0</u>
Net Change in Cash and Cash Equivalents	(62.1)	7.5
Cash and Cash Equivalents - Beginning	<u>2,354.5</u>	<u>2,347.0</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,292.4</u>	<u>\$ 2,354.5</u>

Capital Assets

The Agency's capital assets consist primarily of land and equipment associated with various Agency owned railroads as well as the office building that the Agency's offices are located in. Additionally, the Agency owns 88.56 acres of land designated as an industrial park.

Long-Term Debt

The Corporation has no direct long-term debt.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2015

Factors Bearing on the Future of the Agency

2015 presented new opportunities and challenges for Steuben County which the Agency will be undertaking in the coming year. Opportunities in the form of new investment in communities like Hornell, Corning, Addison, and Urbana will help sustain these local economies for years to come. Unfortunately this economic growth is overshadowed by the announcement by Kraft/Heinz in late 2015 to close the Campbell manufacturing facility within two years. The closure of this facility will dislocate nearly 400 employees.

During the year the Agency provided direct assistance to five projects with leveraged \$10.25 million in new private sector investment creating 36 direct jobs and hundreds of induced jobs in the community. In addition, staff at the Agency assisted six projects with accessing funding through the STREDC regional loan programs designed to induce downtown development and projects that support the regions agriculture base.

As the Steuben County representative on the Southern Tier Regional Economic Development Council, the Agency was actively engaged in developing the URI proposal to the State in 2015. The proposal included several initiatives, which if funded, could help foster economic growth in Steuben County including investments into advanced manufacturing, agriculture, and the development of innovative communities. In December the Governor selected the region as one of three URI winners each receiving \$500 million over the next five years to develop transformational projects throughout the region.

As a result, the Agency is working to advance six specific projects through the Regional Council and URI process totaling \$8.7 million and leveraging \$31.8 million in new investment. The largest of these was the redevelopment of the former Corning Hospital site which will leverage \$18 million in new private development to support the construction of a multi-use development. This development will feature urban living, commercial and educational opportunities in the healthcare field. We also worked with our partners in Hornell to help develop and advance a proposal through the URI to support a training center for high speed rail in Hornell. This \$30 million initiative will help grow and support the transit industry in the western portion of the County.

In 2015, the Agency also completed two major planning initiatives that will drive investments in Steuben County for years to come. The Keuka Lake Waterfront Redevelopment Plan and the Steuben County Agriculture Economics Development Projects Feasibility Study assessed two major economic drivers in the County and developed action plans to advance the development of value added agriculture and tourism development at the southern end of Keuka Lake.

As the organization looks to advance these efforts in 2016 it will remain vigilant to the pressures of a global economy and make sure to create a local environment to support continued growth at companies such as Corning Incorporated and the newly acquired Dresser Rand which is now owned by Siemens. In addition, the Agency will work to ensure that Kraft/Heinz lives up to their commitment to this community to ensure we work to find a new operator at the Campbell plant to secure the jobs being impacted by this decision.

The Agency anticipates the following in 2016:

- Retaining manufacturing operations at the Kraft/Heinz facility in Campbell
- Completion of the environmental cleanup at the Phillips facility in Bath
- Participate with the regional council to implement the strategies outlined in the Upstate Revitalization Fund.
- The beginning of demolition and redevelopment of the Corning Hospital and the construction of the Corning Community College Health and Wellness complex.
- Beginning of the redevelopment of Champlain Beach and the redevelopment of the Champlain Beach Pier in the Town of Urbana.
- The development of a Food Enterprise Center in the Bath area.
- Expansion of the rail industry and supply chain businesses in the Hornell market.
- Continued development of wind energy projects in western Steuben County.
- Expansion of the Agencies business retention and expansion efforts for small and medium businesses.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2015

Contacting the Agency's Financial Management

This financial report is written to provide citizens, taxpayers, customers, investors and creditors with a general overview of the finances of the Agency and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, please contact:

Mr. James Johnson
Executive Director
7234 Route 54 P.O. Box 393
Bath, New York, 14810
607-776-3316

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

	<u>2015</u>	<u>Restated 2014</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	\$ 1,696,134	\$ 1,754,684
Cash and cash equivalents - restricted	596,260	599,769
Windmill escrow	<u>-</u>	<u>66,680</u>
Total current assets	2,292,394	2,421,133
Property and Equipment - Net	<u>1,946,835</u>	<u>1,079,412</u>
Total Assets	4,239,229	3,500,545
Deferred Outflows of Resources	<u>35,952</u>	<u>44,143</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 4,275,181</u>	<u>\$ 3,544,688</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable	\$ 5,999	\$ 21,227
Accrued liabilities	5,752	10,987
Contract advances	-	16,311
Windmill escrow	<u>-</u>	<u>66,680</u>
Total current liabilities	<u>11,751</u>	<u>115,205</u>
Long Term Liabilities		
Net pension liability	<u>29,561</u>	<u>39,543</u>
Total liabilities	<u>41,312</u>	<u>154,748</u>
Net Position		
Net investment in capital assets	1,946,835	1,079,412
Restricted net position - Community Development Block Grant (CDBG)	95,000	95,000
Restricted net position - Millennium	501,260	413,821
Restricted net position - New York State Department of Transportation (NYSDOT)	-	90,948
Unrestricted	<u>1,690,774</u>	<u>1,710,759</u>
Total net position	<u>\$ 4,233,869</u>	<u>\$ 3,389,940</u>

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

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

	<u>2015</u>	<u>Restated 2014</u>
Operating Income		
Administrative income	\$ 185,300	\$ 435,806
Business development support	45,000	45,000
Grant income - Millennium Pipeline	108,000	108,000
Grant income - CDBG	-	10,164
Grant income - NYSDOT	25,395	335,116
Grant income - projects	61,311	23,689
Grant income - Steuben Ag Plan	40,000	-
Grant income - Wayland Business Park	150,000	-
Interest income - bank	3,453	6,033
Lease income	1,895	2,895
Miscellaneous income	<u>60,022</u>	<u>2,078</u>
Total operating income	<u>680,376</u>	<u>968,781</u>
Operating Expenses		
Amortization	-	9,232
Conferences	4,625	6,515
Contract expense	24,000	59,333
Depreciation	44,190	8,069
Grant expense - NYSDOT	28,569	377,006
Grant expense - projects	61,311	23,689
Grant expense - Steuben Ag Plan	34,000	6,000
Grant expense - Wayland Business Park	150,000	-
Insurance	47,326	52,383
Maintenance	5,842	5,530
Office expense	39,129	46,660
Pension expense	27,019	39,542
Professional fees	20,675	27,241
Program expense	2,607	24,964
Salaries and wages	227,864	234,902
Travel and entertainment	11,935	12,838
Utilities and telephone	5,794	6,722
Vehicle	<u>11,034</u>	<u>6,323</u>
Total operating expenses	<u>745,920</u>	<u>946,949</u>
Change in net position from operations	(65,544)	21,832
Capital contribution	<u>909,473</u>	<u>-</u>
Change in Net Position	843,929	21,832
Net Position - Beginning, as Restated	<u>3,389,940</u>	<u>3,368,108</u>
Net Position - Ending	<u>\$ 4,233,869</u>	<u>\$ 3,389,940</u>

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

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

	<u>2015</u>	<u>Restated 2014</u>
Cash Flows from Operating Activities		
Cash received from operating income	\$ 292,217	\$ 485,778
Cash paid for operating expenses	(450,104)	(569,165)
Cash received from grants	368,395	493,280
Cash paid for grant expense	<u>(273,880)</u>	<u>(406,695)</u>
Net cash flows from operating activities	<u>(63,372)</u>	<u>3,198</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of fixed assets	<u>(2,140)</u>	<u>(1,750)</u>
Net cash flows from capital and related financing activities	<u>(2,140)</u>	<u>(1,750)</u>
Cash Flows from Investing Activities		
Interest received	<u>3,453</u>	<u>6,033</u>
Net Change in Cash and Cash Equivalents	(62,059)	7,481
Cash and Cash Equivalents - Beginning	<u>2,354,453</u>	<u>2,346,972</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,292,394</u>	<u>\$ 2,354,453</u>
Reconciliation of Change in Net Position to Net Cash Flows from Operating Activities		
Change in net position from operations	\$ (65,544)	\$ 21,832
Adjustments		
Depreciation and amortization	44,190	17,301
Interest income	(3,453)	(6,033)
Changes in assets and liabilities		
Accounts payable	(15,228)	11,112
Contract advances	(16,311)	16,311
Accrued liabilities	(5,235)	1,275
Due to Steuben County	-	(54,000)
Net pension liability	<u>(1,791)</u>	<u>(4,600)</u>
Net cash flow from operating activities	<u>\$ (63,372)</u>	<u>\$ 3,198</u>

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

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Organization and Purpose - The Steuben County Industrial Development Agency (the Agency) has been established to aid Steuben County in promoting the economic welfare of its citizens and to actively promote, attract, encourage, and develop economically sound commerce and industry by enhancing job opportunities through assistance in constructing, maintaining and equipping industrial, commercial, manufacturing, and research facilities. The Agency is designed to function as a prime community resource.

Steuben County Industrial Development Agency is a public benefit corporation under Title I Article 18-A of New York Municipal Law for the purpose of encouraging financially sound companies to locate and expand in the County of Steuben, New York. The Agency is exempt from Federal income taxes and New York State franchise taxes.

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

The Agency assists in the financing of projects through the sale of industrial revenue bonds. Under Section 103(c)(6) of the Internal Revenue Code (IRC), the interest on such bonds (up to a specific amount) issued by a political subdivision of a state is exempt from federal income taxes, subject to the limitations of the IRC.

The Agency exercises its mandated power and lawful authority to cause bonds to be issued, to have proceeds used to construct and equip facilities, to mortgage such facilities as security, and lease such facilities for rentals sufficient to repay bond proceeds and the related interest. The bonds are special obligations of the Agency payable solely from the revenues and receipts derived from the leasing or sale of the underlying facility, or from enforcement of any security provided by the mortgage and assignment. In effect, while the Agency serves as a vital conduit in arranging for the financing of construction and is the apparent owner of record, as a practical matter, bondholders look to the facility and to the owners of the beneficial interest therein for ultimate satisfaction of their debt. The agreements recite that neither the members of the Agency, nor any person executing the bonds is personally liable. It is contemplated that the beneficial owners of the facility will acquire the facility for a nominal consideration upon termination of the lease term and the repayment of the bond issued.

Because of the economic interest described above, the bond liabilities and the related assets consisting of underlying properties are not reflected in the financial statements of the Agency.

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.

Future Changes in Accounting Standards

The GASB has issued Statement No. 77, *Tax Abatement Disclosures*. Effective for periods beginning after December 15, 2015.

The GASB has issued Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. Effective for periods beginning after June 15, 2016.

The Agency will evaluate the impact these pronouncements may have on its financial statements and will implement it as applicable and when material.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

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 represent 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 in 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.

Restricted net position - This component of net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by grant agreements with external organizations. 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 had \$596,260 and \$599,769 in restricted net position. See Note 7 for further detail on 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 statement of financial position and statement of cash flows, the Agency considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Restricted Cash - This account is used to record cash transactions relating to the restricted net assets described further in Note 7.

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. Assets purchased or acquired with a cost of \$1,000 or greater and a useful life exceeding one year are capitalized. Depreciation is recognized on a straight-line basis over the estimated useful lives of the assets. Depreciation is computed over the following periods:

Machinery and equipment	5 - 7 Years
Buildings, building improvements, and railroads	15 - 31.5 Years

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Accounting and Financial Reporting for Pensions - In the fiscal year ended December 31, 2015, the Agency implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – Amendment to GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. The primary objective of the Statements is to improve accounting and financial reporting by state and local governments for pensions. The implementation of the Statements requires the Agency to report as a liability its portion of the collective pension liability in the New York State and Local Employees' Retirement System. The implementation of the Statements also requires the Agency to report a deferred outflow and/or inflow for the effect of the net change in the Agency's proportion of the collective net pension liability and difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension systems not included in pension expense. Also included as a deferred outflow is the Agency contributions to the pension system subsequent to the measurement date. See Note 8 for the financial statement impact of implementation of the Statements.

Deferred Outflows of Resources - In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. The first item is related to pensions reported in the statements of net position. This represents the effect of the net change in the Agency's proportion of the collective net pension liability and difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension system not included in pension expense. Second is the Agency contributions to the pension system subsequent to the measurement date.

Note 2. Industrial Revenue Bond and Note Transactions

Certain industrial development revenue bonds and notes issued by the Agency are secured by property which is leased to companies and is retired by lease payments. The bonds and notes are not obligations of the Agency or the State. The Agency does not record assets or liabilities resulting from completed bond and note issues in its accounts, since its primary function is to arrange the financing between the borrowing companies and the bond and note 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 notes.

Note 3. 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.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

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 Agency may contract for the purchase of investments through the following: directly, including through a repurchase agreement, from an authorized trading partner, by participation in a cooperative investment program with another authorized governmental entity or by utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board. It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument and by maturity scheduling. The Agency maintains a listing of financial institutions and dealers approved for investment purposes. The Agency also establishes appropriate limits to the amount of investments which can be made with each financial institution or dealer. The Agency maintains proper books and records supporting all investment and deposit accounts held by the Agency.

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>2,292,394</u>	\$ <u>2,296,457</u>
Covered by FDIC insurance		\$ 862,879
Pledged collateral		<u>1,433,578</u>
Total deposits		<u>\$ 2,296,457</u>

Note 4. Windmill Escrow

The Agency has agreed to collect and hold in escrow, money from various windmill development companies. The money is to be used to pay administrative expenses on behalf of the companies. The balance in the escrow account on December 31, 2015 and 2014 was \$- and \$66,680, respectively. During 2015, the Agency notified all windmill development companies for which it had agreed to hold monies in escrow that they had 30 days to contact the Agency and reclaim these monies. The letter also stated that after 30 days the money was considered forfeited to the Agency. One company contacted the Agency and reclaimed its monies however all other amounts were not claimed and therefore turned over to the Agency. The Board of Directors resolved that these funds should be placed in a restricted account to be used for economic development purposes and that has been reflected as such in these financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 5. Property and Equipment

Property and equipment consists of the following at December 31:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	\$ 1,021,764	\$ -	\$ -	\$ 1,021,764
Machinery and equipment	56,917	2,140	-	59,057
Buildings, building improvements, and railroads	<u>545,194</u>	<u>909,473</u>	<u>-</u>	<u>1,454,667</u>
Sub-total	1,623,875	911,613	-	2,535,488
Less, accumulated depreciation	<u>(544,463)</u>	<u>(44,190)</u>	<u>-</u>	<u>(588,653)</u>
Property and equipment - net	<u>\$ 1,079,412</u>	<u>\$ 867,423</u>	<u>\$ -</u>	<u>\$ 1,946,835</u>

Depreciation expense amounted to \$44,190 and \$8,069 for the years ended December 31, 2015 and 2014, respectively.

Note 6. Other Assets

Other assets consist of costs to design and implement the Agency's website. These costs were amortized over 3 years and were fully amortized as of December 31, 2014. Amortization expense amounted to \$9,232 for the year ended December 31, 2014.

Note 7. Restricted Assets

Community Development Block Grant - On July 30, 2003, the Agency received a grant from the New York State Housing Trust Fund Corporation through Steuben County in the amount of \$735,000. The funds were to be used in Steuben County for economic development. The initial award was loaned to Transportation & Transit Associates, LLC to purchase equipment.

On September 24, 2008 the Agency board approved a grant of \$240,000 to Sitel, Inc. to assist in a parking lot expansion.

The loan agreement provides that the Agency is entitled to allocate program income derived from the repayment of the loan for economic development in Steuben County. On July 23, 2013, the Agency entered into a capital grant agreement with Corning, Inc. in which the Agency agreed to provide Corning, Inc. grant funds up to \$400,000 to help facilitate the expansion of the Corning, Inc. diesel facility located in Erwin, New York.

The balance in the restricted net assets of this grant money at both December 31, 2015 and 2014 was \$95,000.

Millennium - On December 4, 2008, Millennium Pipeline Company, L.L.C. agreed to contribute \$1,080,000, payable over a ten year period in annual installments, not to exceed \$108,000 per year to the Agency. The funds are to be used in Steuben County for economic development. The balance in the restricted net position of this commitment as of December 31, 2015 and 2014 was \$501,260 and \$413,821, respectively.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

New York State Department of Transportation - On April 27, 2012, the Agency entered into an agreement with the New York State Department of Transportation (NYS DOT) for the preservation and improvement of rail facilities in Steuben County. The total cost of this project is \$909,473. The Agency has agreed to provide at least 20% of the total funding for this project which amounts to \$181,895. The Agency entered into an agreement with B&H Rail Corp. (B&H) which states the Agency and B&H will each commit \$90,948 for a total of 20% of the total project costs. B&H reimburses the Agency directly for its portion of the project costs. The remaining balance of the project, \$727,578, will be granted to the Agency from NYS DOT. The Agency has agreed to maintain or arrange to have maintained the project facilities for the term of this agreement, which varies depending on the type of equipment and infrastructure. The balance in the restricted net position of this commitment as of December 31, 2015 and 2014 was \$- and \$90,948, respectively. The agreement was fulfilled and the project was completed in 2015.

Note 8. Employee Benefit Plan

Plan Description and Funding Policy

The Agency participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2015	\$	27,019
2014	\$	39,542
2013	\$	29,355

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Agency reported the following liability for its proportionate share of the net pension liability for the System. The net pension liability was measured as of March 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System in reports provided to the Agency.

Actuarial valuation date	4/1/2014
Net pension liability	\$29,561
Agency's portion of the Plan's total net pension liability	0.0008751 %

For the years ended December 31, 2015 and 2014, the Agency's recognized pension expense for ERS of \$27,019 and \$39,542, respectively. At December 31, 2015 and 2014 the Agency's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>2014</u>		
Employer contributions subsequent to the measurement date	\$ 44,143	\$ -
Total	<u>\$ 44,143</u>	<u>\$ -</u>
<u>2015</u>		
Differences between expected and actual experience	\$ 946	\$ -
Net difference between projected and actual investment earnings on pension plan investments	5,134	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,062	-
Employer contributions subsequent to the measurement date	28,810	-
Total	<u>\$ 35,952</u>	<u>\$ -</u>

Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the fiscal year ended:		
2016	\$	1,786
2017	\$	1,786
2018	\$	1,786
2019	\$	1,784
2020	\$	-

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Significant actuarial assumptions used in the valuations were as follows:

Measurement date	3/31/2015
Actuarial valuation date	4/1/2014
Interest rate	7.5%
Salary scale	4.9% average
Inflation	2.7%
Decrement table	Society of Actuaries Scale MP-2014 April 1, 2005 - March 31, 2010 System's Experience

Annuitant mortality rates are based on April 1, 2005 – March 31, 2010 System's experience with adjustments for mortality improvements based on MP-2014. The actuarial assumptions used in the April 1, 2011 valuation are based on the results of an actuarial experience study for the period April 1, 2005 – March 31, 2010.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

<u>Asset Type</u>	Long Term Expected Real Rate
Domestic equity	7.3 %
International equity	8.6
Private equity	11.0
Real estate	8.3
Absolute return strategies	6.8
Opportunistic portfolio	8.6
Real assets	8.7
Bonds and mortgages	4.0
Cash	2.3
Inflation-indexed bonds	4.0

Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate assumption

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.5% per annum (the "current rate"), as well as what the Agency's proportionate share of the net position liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1% point higher (8.5%) than the current rate:

	1% Decrease <u>(6.5%)</u>	Current Assumption <u>(7.5%)</u>	1% Increase <u>(8.5%)</u>
Steuben County Industrial Development Agency's proportionate share of the net pension liability	\$ 197,041	\$ 29,561	\$ (111,832)

Pension Plan Fiduciary Net Position

The components of the current year net pension liability of the employers as of valuation date was as follows:

Valuation date		4/1/2014
Employers' total pension liability	\$	164,591,504,000
Plan net position		<u>(161,213,259,000)</u>
Employers' net pension liability	\$	<u>3,378,245,000</u>

Ratio of plan net position to the employers' total pension liability		97.9 %
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Note 9. Related Party Transactions

The Agency is related through common Board of Directors membership with the Steuben Area Economic Development Corporation (EDC), which also promotes economic development in the County.

Note 10. Railroad Agreement

During the year ended December 31, 2011, the Agency entered into an agreement with a railroad company that allows the company the use of rail facilities and equipment owned by the Agency in order for the company to operate, maintain, and conduct freight and other rail services in Steuben County. The terms of the agreement call for an annual fee of \$1, plus additional revenue sharing amounts once carload traffic reaches certain thresholds. The agreement expires November 2021, with the option to renew for an additional term of 10 years.

Note 11. Supplemental Cash Flow Information

	<u>2015</u>	<u>2014</u>
Non-cash capital and related financing activities		
Non-cash capital contribution	\$ <u>909,473</u>	\$ <u>-</u>

Note 12. Reclassifications

Certain reclassifications have been made to the financial statements for the year ended December 31, 2014. These reclassifications are for comparative purposes only and have no effect on net position as originally reported.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 13. Restatement

For the fiscal year ended December 31, 2014, the Agency implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – Amendment to GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. The implementation of Statements No. 68 and No. 71 resulted in the reporting of a liability and deferred outflow of resources related to the Agency's participation in the New York State employees' retirement system. The Agency restated deferred outflows of resources, net pension liability, and pension expense as part of the restatement. The effect of the restatement is to increase the change in net position for the year ended December 31, 2014 by \$4,600.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Agency's Proportionate Share of the Net Pension Liability
For The Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
The Agency's proportion of the net pension liability	0.0008751 %	0.0008751 %
The Agency's proportionate share of the net pension liability	\$ 29,561	\$ 39,543
The Agency's covered employee payroll	\$ 227,864	\$ 234,902
The Agency's proportionate share of the net pension liability as a percentage of covered employee payroll	12.97 %	16.83 %
Plan fiduciary net position as a percentage of the total pension liability	97.90 %	97.20 %

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Employers Contributions
For The Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually required contribution	\$ 27,019	\$ 39,542	\$ 29,355	\$ 24,882	\$ 23,941	\$ 16,420	\$ 7,103	\$ 16,477	\$ 14,963	\$ 15,613
Contribution in relation to the contractually required contribution	<u>27,019</u>	<u>39,542</u>	<u>29,355</u>	<u>24,882</u>	<u>23,941</u>	<u>16,420</u>	<u>7,103</u>	<u>16,477</u>	<u>14,963</u>	<u>15,613</u>
Contribution deficiency (excess)	\$ <u> </u> -									
Contribution as a percentage of covered employee payroll	11.86 %	16.83 %	12.99 %	13.55 %	11.25 %	9.59 %	4.82 %	10.77 %	9.71 %	11.84 %

**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
Steuben County Industrial Development Agency
Bath, 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 the Steuben 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 Steuben County Industrial Development Agency's basic financial statements and have issued our report thereon dated March 29, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Steuben 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 Steuben County Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Steuben 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 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 Steuben County Industrial Development Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Agency'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 Agency'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 29, 2016

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	Corning Inc. Center for Fiber Optic Testing	Corning Inc. Center for Fiber Optic Testing Exp	Corning Inc. Center for Fiber Optic Testing Phase III	Corning Inc. Decker Parking Lot	Corning Inc. Sullivan Park Phase III	Corning Inc. Sullivan Park Renovation & New	Empire Pipeline Inc.
Project Code	AR011	4603 00 06A	4603 00 04A	4603 01 01A	4603 98 02A	4603 07 03A	4603 07 01A
Project Owner	Corning	Corning	Corning	Corning	Corning	Corning	same
Project Address	Painted Post	Painted Post	Painted Post	Corning	Painted Post	Painted Post	Corning
Project Purpose Code	Mfg	Mfg	Mfg		Mfg	Mfg	Transp.
Not for Profit							
New Tax Revenue if no Exemptions Granted							
Total Project Amount	\$ 4,000,000	\$ 7,500,000	\$ 16,750,000	\$ 9,800,000	\$ 25,600,000	\$ 275,000,000	\$ 3,200,000
Benefited Project Amount	3,986,000	7,484,900	16,734,500	9,788,523	25,585,000	274,974,000	3,170,000
Lease Amount	4,000,000	7,500,000	16,750,000	9,800,000	25,600,000	275,000,000	3,200,000
Tax Exemptions:							
State Sales Tax	-	-	-	-	-	1,481,535	-
Local Sales Tax	-	-	-	-	-	1,481,535	-
County Real Property Tax	6,989	9,313	1,612	47,544	40,521	40,857	24,923
Local Property Tax	6,603	8,798	1,523	57,564	38,281	38,599	22,019
School Property Tax	30,158	4,085	6,955	126,268	174,846	176,295	84,390
Mortgage Recording Tax	-	-	-	-	-	-	-
Total Exemptions	43,750	22,196	10,090	231,376	253,648	3,218,821	131,332
County PILOT	5,872	7,450	1,294	38,035	30,391	7,045	10,845
Local PILOT	5,547	7,038	1,180	44,601	28,711	6,655	7,230
School District PILOT	25,337	32,148	5,390	101,014	131,134	30,399	42,176
Total PILOTS	36,756	46,636	7,864	183,650	190,236	44,099	60,251
Net Exemptions	\$ 6,994	\$ (24,440)	\$ 2,226	\$ 47,726	\$ 63,412	\$ 3,174,722	\$ 71,081
Date Project Approved	10/16/1997	9/28/2000	3/31/2001	3/29/2001	10/22/1998	9/27/2001	4/26/2007
Date IDA Took Title of Property	10/16/1997	10/1/2000	5/1/2001	3/1/2001	10/22/1998	9/27/2007	7/1/2007
# of FTE's Employees at Project Location before IDA Status	-	-	73	54	-	-	-
Original Estimate of Jobs to be Created	80	-	235	350	-	300	-
Average Estimated Salary of Jobs to be Created	79,651	79,651	18,000	84,742	87,000	-	50,000
Original Estimate of Jobs to be Retained	-	-	73	54	-	-	-
Average Estimated Salary of Jobs to be Retained	79,651	79,651	26,000	84,742	-	-	-
# of Current FTE Employees	-	-	-	-	-	-	-
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	-	-	-	-	-	-
# of FTE Construction Jobs during 2015	-	-	-	-	-	-	-

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	NYSEG - Diesel Plant	NYSEG - Sullivan Park	Corning Inc. Headquarters Expansion	Corning Inc. Photonics Facility	Corning Inc. Photonics Plan Expansion	Corning Inc. Sullivan Park Phase II	Corning Inc. Sullivan Park Phase II Expansion
Project Code	4603 02 02A	AR004	AR009	AR008	4603 00 05A	12	4603 00 07A
Project Owner	Iberdrola	Iberdrola	Corning	Corning	Corning	Corning	Corning
Project Address	Painted Post	Painted Post	Corning	Painted Post	Painted Post	Painted Post	Painted Post
Project Purpose Code	Electric	Electric	Other	Mfg	Mfg	Mfg	Mfg
Not for Profit							
New Tax Revenue if no Exemptions Granted							
Total Project Amount	\$ 4,600,000	\$ 1,428,000	\$ 25,000,000	\$ 7,650,000	\$ 28,700,000	\$ 65,115,000	\$ 65,115,000
Benefited Project Amount	4,581,500	1,409,413	24,986,000	7,625,627	27,784,900	65,101,000	65,100,900
Lease Amount	4,600,000	1,428,000	25,000,000	7,650,000	28,700,000	65,115,000	65,115,000
Tax Exemptions:							
State Sales Tax	-	-	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	-	-
County Real Property Tax	23,421	-	365,808	44,217	8,456	64,028	20,895
Local Property Tax	20,827	-	441,072	39,321	7,989	60,489	19,740
School Property Tax	77,191	-	967,263	181,229	36,487	276,276	90,160
Mortgage Recording Tax	-	-	-	-	-	-	-
Total Exemptions	121,439	-	1,774,143	264,767	52,932	400,793	130,795
County PILOT	20,142	-	330,202	19,100	6,764	48,021	16,716
Local PILOT	17,911	-	399,797	16,986	6,390	45,366	15,792
School District PILOT	66,663	-	876,961	78,286	29,189	207,207	72,128
Total PILOTS	104,716	-	1,606,960	114,372	42,343	300,594	104,636
Net Exemptions	\$ 16,723	\$ -	\$ 167,183	\$ 150,395	\$ 10,589	\$ 100,199	\$ 26,159
Date Project Approved	10/24/2002	10/16/1997	10/16/1997	6/26/1997	9/28/2000	10/16/1997	9/28/2000
Date IDA Took Title of Property	8/1/2002	12/18/1997	10/16/1997	7/1/1997	10/1/2000	10/16/1997	10/1/2000
# of FTE's Employees at Project Location before IDA Status	-	-	300	-	-	-	-
Original Estimate of Jobs to be Created	-	-	300	1,000	-	300	544
Average Estimated Salary of Jobs to be Created	-	-	80,188	-	-	58,762	58,762
Original Estimate of Jobs to be Retained	-	-	300	-	-	-	-
Average Estimated Salary of Jobs to be Retained	-	-	80,188	-	-	58,762	28,762
# of Current FTE Employees	-	-	777	190	-	-	-
# of FTE's Jobs Created During the Fiscal Year	-	-	2	9	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	-	775.00	190.00	-	-	-
# of FTE Construction Jobs during 2015	-	-	-	-	-	-	-

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	Peter L. Krog	SWP Environmental LLC	T&K Realty LLC	TMS Properties LLC	Southern Tier Library System	The Gunlocke Company	736 Addison Road LLC
Project Code	4603 05 03A	4603 02 05A	4603 06 06A	4603 00 08A	4603 01 05A	4603 98 01A	4603 05 04A
Project Owner	Peter Krog	Carl Meyers	T & K Realty	TMS Properties	same	HON	Lexington Corp.
Project Address	Corning	Wayland	Painted Post	Painted Post	Painted Post	Wayland	Properties Trust
Project Purpose Code	Services	Mfg	Services	Services	Civic Fac.	Mfg	Painted Post
Not for Profit							transport.
New Tax Revenue if no Exemptions Granted							
Total Project Amount	\$ 1,500,000	\$ 450,000	\$ 1,500,000	\$ 561,000	\$ 1,000,000	\$ 10,000,000	\$ 11,852,000
Benefited Project Amount	1,498,500	435,500	1,485,000	548,900	963,000	9,987,900	11,836,000
Lease Amount	1,500,000	450,000	1,500,000	561,000	-	10,000,000	11,852,000
Tax Exemptions:							
State Sales Tax	-	-	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	-	-
County Real Property Tax	27,876	4,279	7,554	2,080	-	126,518	56,715
Local Property Tax	33,751	1,939	6,718	1,850	-	57,574	53,580
School Property Tax	74,034	8,679	30,963	8,528	-	256,329	244,720
Mortgage Recording Tax	-	-	-	-	-	-	-
Total Exemptions	135,661	14,897	45,235	12,458	-	440,421	355,015
County PILOT	22,000	3,468	6,129	1,013	-	82,743	43,932
Local PILOT	27,500	1,571	5,450	900	-	37,477	34,486
School District PILOT	60,500	7,282	26,097	4,150	-	173,690	189,559
Total PILOTS	110,000	12,321	37,676	6,063	-	293,910	267,977
Net Exemptions	\$ 25,661	\$ 2,576	\$ 7,559	\$ 6,395	\$ -	\$ 146,511	\$ 87,038
Date Project Approved	10/29/2007	10/24/2002	2/26/2006	11/13/2000	8/9/2001	3/26/1998	10/27/2005
Date IDA Took Title of Property	3/30/1998	10/1/2002	6/1/2006	11/1/2000	10/1/2001	2/26/1998	11/1/2005
# of FTE's Employees at Project Location before IDA Status	-	2	12	12	21	400	-
Original Estimate of Jobs to be Created	5	2	-	5	-	450	45
Average Estimated Salary of Jobs to be Created	47,270	29,000	38,000	43,000	25,000	38,000	-
Original Estimate of Jobs to be Retained	-	2	12	12	21	400	-
Average Estimated Salary of Jobs to be Retained	-	29,000	-	60,000	-	35,000	-
# of Current FTE Employees	53	4	-	31	11	678	-
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	4.00	-	31.00	11.00	678.00	-
# of FTE Construction Jobs during 2015	-	-	-	-	-	-	-

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	Automated Cells & Equipment Inc.	B&H Railroad Corp	BLW Properties	Corning Inc. Upgrade of Intg. Die Manuf.	Corning Children's Center	Millennium Pipeline LLC
Project Code	4603 98 03A	4603 01 07A	4603 05 01A	4603 10 06A	4603 08 06A	4603 08 06A
Project Owner	Automated	B & H Rail	B. Wilkins	Corning	Corning	same
Project Address	Painted Post	Transport.	Bath	Painted Post	Corning	Corning
Project Purpose Code	Mfg		Other	Mfg	Services	Transport.
Not for Profit						
New Tax Revenue if no Exemptions Granted						
Total Project Amount	\$ 1,710,000	\$ 2,163,087	\$ 5,250,000	\$ 11,500,000	\$ 7,500,000	\$ 27,400,000
Benefited Project Amount	1,699,117	2,151,087	5,226,500	11,500,000	7,500,000	27,348,250
Lease Amount	<u>1,710,000</u>	<u>2,163,087</u>	<u>5,250,000</u>	<u>11,500,000</u>	<u>7,500,000</u>	<u>27,400,000</u>
Tax Exemptions:						
State Sales Tax	-	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	-
County Real Property Tax	5,549	17,150	33,175	10,636	28,050	250,636
Local Property Tax	4,934	11,580	18,845	9,458	31,380	175,773
School Property Tax	22,742	38,932	65,211	35,201	71,070	955,682
Mortgage Recording Tax	-	-	27,930	-	-	-
Total Exemptions	<u>33,225</u>	<u>67,662</u>	<u>145,161</u>	<u>55,295</u>	<u>130,500</u>	<u>1,382,091</u>
County PILOT	5,264	11,351	23,575	5,212	15,147	66,607
Local PILOT	4,753	7,787	13,392	4,634	19,213	46,292
School District PILOT	22,449	29,081	46,604	17,249	42,152	257,141
Total PILOTS	<u>32,466</u>	<u>48,219</u>	<u>83,571</u>	<u>27,095</u>	<u>76,512</u>	<u>370,040</u>
Net Exemptions	<u>\$ 759</u>	<u>\$ 19,443</u>	<u>\$ 61,590</u>	<u>\$ 28,200</u>	<u>\$ 53,988</u>	<u>\$ 1,012,051</u>
Date Project Approved	2/25/1998	9/27/2001	5/19/2005	10/21/2010	5/15/2008	7/30/2008
Date IDA Took Title of Property	7/1/1998	12/31/2001	7/1/2005	10/21/2010	6/1/2008	11/1/2008
# of FTE's Employees at Project Location before IDA Status	10	7	42	105	46	13
Original Estimate of Jobs to be Created	10	-	30	52	-	-
Average Estimated Salary of Jobs to be Created	59,000	40,000	30,000	43,094	-	100,000
Original Estimate of Jobs to be Retained	-	7	42	105	46	13
Average Estimated Salary of Jobs to be Retained	-	43,882	31,950	55,708	-	100,000
# of Current FTE Employees	48	3	59	100	-	-
# of FTE's Jobs Created During the Fiscal Year	7	-	4	5	-	-
# of FTE's Jobs Retained During the Fiscal Year	41.00	3.00	55.00	100.00	-	-
# of FTE Construction Jobs during 2015	-	-	-	-	-	-

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	Arlington Storage Co LLC	Canandaigua Power Partners LLC	Canandaigua Power Partners II LLC	Wyckoff Gas Storage Co LLC	Howard Wind LLC	NYSEG Corp Corning Valley Transmission
Project Code	4603 08 05A	4603 08 01A	4603 08 02A	4603 09 01A	4603 10 03A	4603 10 01A
Project Owner	Inergy	UPC Wind	UPC Wind	SemGas	Howard Wind	Iberdrola
Project Address	Bath	Cohocton	Cohocton	Jasper	Howard	Erwin
Project Purpose Code	Transport.	Electric	Electric	Trans.	Electric	Electric
Not for Profit						
New Tax Revenue if no Exemptions Granted						
Total Project Amount	\$ 66,925,000	\$ 145,200,000	\$ 74,800,000	\$ 50,000,000	\$ 90,000,000	\$ 53,000,000
Benefited Project Amount	66,913,500	145,129,000	74,739,000	49,985,500	90,000,000	53,000,000
Lease Amount	<u>66,925,000</u>	<u>145,200,000</u>	<u>74,800,000</u>	<u>50,000,000</u>	<u>90,000,000</u>	<u>53,000,000</u>
Tax Exemptions:						
State Sales Tax	-	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	-
County Real Property Tax	350,820	916,775	372,375	180,063	603,073	240,136
Local Property Tax	212,970	273,262	111,000	222,949	384,247	134,060
School Property Tax	676,166	1,652,993	669,000	424,222	1,146,404	607,465
Mortgage Recording Tax	-	-	-	-	-	-
Total Exemptions	<u>1,239,956</u>	<u>2,843,030</u>	<u>1,152,375</u>	<u>827,234</u>	<u>2,133,724</u>	<u>981,661</u>
County PILOT	215,079	155,567	66,153	37,791	74,461	184,247
Local PILOT	130,389	46,557	19,721	46,380	232,409	126,705
School District PILOT	422,679	275,538	18,837	87,606	144,410	556,897
Total PILOTS	<u>768,147</u>	<u>477,662</u>	<u>104,711</u>	<u>171,777</u>	<u>451,280</u>	<u>867,849</u>
Net Exemptions	<u>\$ 471,809</u>	<u>\$ 2,365,368</u>	<u>\$ 1,047,664</u>	<u>\$ 655,457</u>	<u>\$ 1,682,444</u>	<u>\$ 113,812</u>
Date Project Approved	7/30/2008	1/24/2008	1/24/2008	6/22/2006	3/11/2011	4/29/2010
Date IDA Took Title of Property		2/1/2008	2/1/2008	2/1/2009	11/1/2010	2/23/2011
# of FTE's Employees at Project Location before IDA Status	-	-	-	-	-	-
Original Estimate of Jobs to be Created	3	7	3	6	5	-
Average Estimated Salary of Jobs to be Created	62,000	73,500	73,500	50,000	-	-
Original Estimate of Jobs to be Retained	-	-	-	-	-	-
Average Estimated Salary of Jobs to be Retained	-	-	-	-	-	-
# of Current FTE Employees	3	-	0	5	2	-
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	3.00	-	-	-	2.00	-
# of FTE Construction Jobs during 2015	-	-	-	-	-	-

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	Corning Inc. Expansion of Glass Research	RM14 Holdings LLC Sr.Housing	Corning Museum of Glass Renovation & Expansion	Howard Wind 2 turbine Expan.	Erwin Hospitality Associates LLC Hampton Inn
Project Code	4603 10 04A	4603 11 01A	4603 12 01A	4603 12 02A	4603 13 01A
Project Owner	Corning	RM14 Holdings	Corning Property Mgmt	Everpower	Erwin Hospitality
Project Address	Painted Post	Town of Erwin	City of Corning	Town of Howard	Town of Erwin
Project Purpose Code	Mfg.	Sr. Housing	Other	Electric	Retail
Not for Profit					
New Tax Revenue if no Exemptions Granted					
Total Project Amount	\$ 9,200,000	\$ 9,108,163	\$ 64,000,000	\$ 6,800,000	\$ 7,130,000
Benefited Project Amount	9,200,000	9,108,163	63,995,186	6,759,592	7,053,700
Lease Amount	9,200,000	9,108,163	1.00	1.00	-
Tax Exemptions:					
State Sales Tax	-	-	514,789	-	-
Local Sales Tax	-	-	514,789	-	-
County Real Property Tax	8,059	52,020	239,591	46,300.00	26,010
Local Property Tax	7,614	46,260	290,088	29,500.00	23,130
School Property Tax	35,127	213,210	636,313	86,525.00	106,605
Mortgage Recording Tax	-	-	-	-	-
Total Exemptions	50,800	311,490	2,195,570	162,325	155,745
County PILOT	6,865	9,832	168,301	6,267.00	7,153.00
Local PILOT	6,486	8,675	210,376	4,029.00	6,361.00
School District PILOT	29,624	39,327	462,827	12,086.00	29,316.00
Total PILOTS	42,975	57,834	841,504	22,382	42,830
Net Exemptions	\$ 7,825	\$ 253,656	\$ 1,354,066	\$ 139,943	\$ 112,915
Date Project Approved	8/26/2010	6/21/2011	2/23/2012	8/12/2011	2/28/2013
Date IDA Took Title of Property	10/1/2010	7/1/2011	6/1/2012	10/1/2012	3/1/2013
# of FTE's Employees at Project Location before IDA Status	-	-	110	-	-
Original Estimate of Jobs to be Created	3	2.00	13	-	12.00
Average Estimated Salary of Jobs to be Created	60,000	-	59,000	-	25,000.00
Original Estimate of Jobs to be Retained	-	-	110	-	-
Average Estimated Salary of Jobs to be Retained	-	-	59,000	-	-
# of Current FTE Employees	-	2.00	182	-	14.50
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	2.50
# of FTE's Jobs Retained During the Fiscal Year	-	2.00	182	-	12.00
# of FTE Construction Jobs during 2015	-	-	-	-	-

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	26-32 Bridge St LLC	Corning War Memorial Aptmts	Pulteney Plaza	Corning Diesel Expansion	Marsh Hill Wind Energy LLC	CFA Apartments
Project Code	4603 13 7A	4603 067	4603 13 03A	4603 13 04A	4603 13 02	4603 14 03
Project Owner	26-32 Bridge St	Corning War Mem.	Pulteney Plaza	Corning Inc.	Marsh Hill Wind	CFA Apartments
Project Address	City of Corning	City of Corning	Village of Riverside	Town of Erwin	Town of Jasper	City of Corning
Project Purpose Code	Services	Other	Retail	Manufacturing	Trans., Elec.	Real Estate
Not for Profit						
New Tax Revenue if no Exemptions Granted						
Total Project Amount	\$ 2,945,000	\$ 1,596,000	\$ 4,500,000	\$ 250,000,000	31,800,000	\$ 13,330,936
Benefited Project Amount	2,908,400	1,568,500	4,452,595	249,829,650	31,772,000	13,305,936
Lease Amount	1.00	1.00	1.00	1.00	1.00	1.00
Tax Exemptions:						
State Sales Tax	540	-	-	213,655	18,105.00	72,696
Local Sales Tax	540	-	-	213,655	18,105.00	72,696
County Real Property Tax	15,593	937	21,682	186,137	-	9,411
Local Property Tax	18,900	1,134	10,289	165,527	-	11,394
School Property Tax	41,457	2,488	57,389	616,057	-	24,993
Mortgage Recording Tax	-	9,700	-	-	-	-
Total Exemptions	77,030	14,259	89,360	1,395,031	36,210	191,189
County PILOT	4,070.00	1,174.00	16,237.00	82,499	-	1,010.00
Local PILOT	4,652.00	1,341.00	7,705.00	73,815	-	1,263.00
School District PILOT	10,660.00	3,074.00	42,976.00	277,892	-	2,778.00
Total PILOTS	19,382	5,589	66,918	434,206	-	5,051
Net Exemptions	\$ 57,648	\$ 8,670	\$ 22,442	\$ 960,825	\$ 36,210	\$ 186,138
Date Project Approved	7/25/2013	12/7/2012	6/20/2013	6/20/2013	6/20/2013	6/19/2014
Date IDA Took Title of Property	7/1/2013	2/1/2013	11/1/2013		3/1/2014	8/28/2014
# of FTE's Employees at Project Location before IDA Status	92.50	-	-	500.00	-	-
Original Estimate of Jobs to be Created	8.00	1.00	80.00	250.00	0.50	2.00
Average Estimated Salary of Jobs to be Created	35,306.00	26,235.00	21,886.00	35,000 - 83,225	30,000 - 120,000	60,000
Original Estimate of Jobs to be Retained	100.50	-	-	500.00	-	2.00
Average Estimated Salary of Jobs to be Retained	35,578.00	-	-	38,235	65,000	60,000
# of Current FTE Employees	98.00	-	70.00	709.00	4.00	4.00
# of FTE's Jobs Created During the Fiscal Year	5.00	-	43.00	4.00	3.00	4.00
# of FTE's Jobs Retained During the Fiscal Year	98.00	-	43.00	709.00	1.00	4.00
# of FTE Construction Jobs during 2015	2.00	-	-	-	-	40.00

**Steuben County Industrial Development Agency
Straight Lease Projects
For the Year Ended December 31, 2015**

Project Name	83-85 West LLC	Hawkes, LLC	East Lake Holdings LLC	Market 27 East
Project Code	4603 15 03	4603 14 05	4603 14 02	4603 15 01
Project Owner	83-85 West LLC	Hawkes, LLC	E Lake Holdings	Market 27 East
Project Address	City of Corning	City of Corning	Town of Urbana	City of Corning
Project Purpose Code	Real Estate	Real Estate	Retail Trade	Real Estate
Not for Profit				
New Tax Revenue if no Exemptions Granted				
Total Project Amount	\$ 1,210,000	\$ 1,500,000	\$ 4,850,000	\$ 586,000
Benefited Project Amount	1,206,825	1,484,500	4,830,000	583,000
Lease Amount	-	1.00	1.00	-
Tax Exemptions:				
State Sales Tax	15,636	31,361	57,241	1,604
Local Sales Tax	15,636	31,361	57,241	1,604
County Real Property Tax	-	-	-	-
Local Property Tax	-	-	-	-
School Property Tax	-	-	-	-
Mortgage Recording Tax	-	-	-	-
Total Exemptions	31,272	62,722	114,482	3,208
County PILOT	-	-	-	-
Local PILOT	-	-	-	-
School District PILOT	-	-	-	-
Total PILOTS	-	-	-	-
Net Exemptions	\$ 31,272	\$ 62,722	\$ 114,482	\$ 3,208
Date Project Approved	5/28/2015	1/15/2015	3/27/2014	1/15/2015
Date IDA Took Title of Property			3/1/2015	-
# of FTE's Employees at Project Location before IDA Status	-	9.00	-	-
Original Estimate of Jobs to be Created	2.00	-	27.00	4.00
Average Estimated Salary of Jobs to be Created	21,000.00	-	29,000.00	\$62,400
Original Estimate of Jobs to be Retained	-	12.00	-	0
Average Estimated Salary of Jobs to be Retained	-	26,235.00	-	0
# of Current FTE Employees	-	9.00	-	0
# of FTE's Jobs Created During the Fiscal Year	-	-	-	0
# of FTE's Jobs Retained During the Fiscal Year	-	9.00	-	0
# of FTE Construction Jobs during 2015	6.00	19.00	60.00	10