

*TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY*

Ithaca, New York

FINANCIAL REPORT

For the Year Ended December 31, 2015



TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tompkins County
Industrial Development Agency
Ithaca, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Tompkins County Industrial Development Agency (the Agency), and its blended component unit, Tompkins County Development Corporation, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents. The Agency is a component unit of the County of Tompkins, State of New York.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Tompkins County Industrial Development Agency and its blended component unit, as of December 31, 2015, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-3c 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 opinions on the financial statements that collectively comprise the Agency's basic financial statements. The Schedules of Indebtedness and Projects are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules of Indebtedness and Projects are the responsibility of management and were derived from and relate 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, Schedules of Indebtedness and Projects are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report March 21, 2016, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Respectfully Submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
March 21, 2016

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

The Tompkins County Industrial Development Agency (TCIDA) was created in 1971 to encourage economic growth in Tompkins County. The Tompkins County Development Corporation (TCDC) was created in 2010 for the same purpose and mission as the TCIDA and is considered a blended component unit of the TCIDA. Together, they make up the primary government, which for the purposes of the Management's Discussion and Analysis (MD&A), is referred to as the Agency.

Mission: The Agency's mission is to offer economic incentives to Tompkins County businesses in order to create and retain quality employment opportunities and strengthen the local tax base.

The following MD&A provides a comprehensive overview of the Agency's financial position as of December 31, 2015, and the result of its operations for the year then ended. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related footnotes of the Agency, which directly follow the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the Agency exceeded its liabilities at the close of the fiscal year ended December 31, 2015 by \$932,945 compared to \$667,530 at December 31, 2014.
- Total revenues in 2015 were \$625,090 compared to revenues of \$352,736 in 2014. In 2015 the Agency processed and closed on more projects than in 2014.
- Total expenses of \$359,675 in 2015 increased by \$31,083 from total expenses of \$328,592 in 2014. The increase in expenses is the net result of a decrease in the re-captured interest distribution of \$(82,832), decrease in legal fees of \$(998), an increase in professional service expenses of \$98,613, and an increase in contributions to TCAD in the amount of \$16,300. There were no transfers between the Agency and the Corporation.

Overview of the Basic Financial Statements

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, a Statement of Cash Flows, and accompanying notes. These statements provide information on the financial position of the Agency and its blended component unit and the financial activity and results of its operations during the year. A description of these statements follows:

The **Statement of Net Position** presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015

The **Statement of Revenues, Expenses, and Changes in Net Position** presents information showing the change in the Agency's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses reported in this statement include all items that will result in cash received or disbursed in future fiscal periods.

The **Statement of Cash Flows** provides information on the major sources and uses of cash during the year. The cash flow statement portrays net cash provided or used by operating, non-capital financing, capital financing, and investing activities.

Component Unit:

The Agency reports the Tompkins County Development Corporation as a blended component unit. Although legally separate, this component unit is important because of the Agency's control of and fiscal relationship with the Corporation.

FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE

The Agency's total net position for fiscal year ended December 31, 2015 increased by \$265,415. Our analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the Agency's activities.

Figure 1

<i>Condensed Statement of Net Position</i>	<i>Total Agency</i>		<i>Total Dollar Change</i>
	<i>2014</i>	<i>2015</i>	<i>2014 - 2015</i>
<i>Cash</i>	\$ 945,235	\$ 912,945	\$ (32,290)
<i>Administrative fees receivable within one year</i>	20,945	20,000	(945)
<i>Total Assets</i>	966,180	932,945	(33,235)
<i>Due to Other Governments</i>	298,650	-0-	(298,650)
<i>Total Liabilities</i>	298,650	-0-	(298,650)
<i>Unrestricted Net Position</i>	667,530	932,945	265,415
<i>Total Net Position</i>	\$ 667,530	\$ 932,945	\$ 265,415

The decrease in cash is primarily due to timing in collection of administrative fees associated with closing of the William George Agency bond issuance. The decrease in due to other governments is the result of the closing on the Kendall Project in December of 2014 that required the Agency to pass through \$169,770, \$29,330 and \$99,550 to Town of Ithaca, Village of Cayuga Heights and Tompkins Consolidated Area Transport, respectively.

**TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Our analysis in *Figure 2* considers the operations of the Agency's activities.

Figure 2

Changes in Net Position	Business-type Activities and Total Agency		Total Dollar Change
	2014	2015	2014 - 2015
<i>Operating revenues:</i>			
<i>Fees</i>	\$ 352,355	\$ 624,631	\$ 272,276
Total Operating Revenues	352,355	624,631	272,276
<i>Non-operating revenues:</i>			
<i>Interest and earnings</i>	381	459	78
Total Non-Operating Revenues	381	459	78
<i>Operating expenses:</i>			
<i>Contractual expenses</i>	245,760	359,675	113,915
<i>Re-captured interest distribution</i>	82,832	-0-	(82,832)
Total Expenses	328,592	359,675	31,083
INCREASE IN NET POSITION	\$ 24,144	\$ 265,415	\$ 241,271

Total revenues for the Agency's activities increased by \$272,354 or 77.3%. As noted in the financial highlights, the increase in revenues is related to an increase in projects processed and closed during 2015.

Total expenses for the Agency increased by \$31,083 or 9.5%. The increase in expenses is the net result of a decrease in the re-captured interest distribution of \$(82,832), decrease in legal fees of \$(998), an increase in professional service expenses of \$98,613, and an increase in contributions to TCAD in the amount of \$16,300.

FACTORS BEARING ON THE AGENCY'S FUTURE

- The Agency's capacity to support economic development activities has been challenged by the economic cycle. The Agency has committed \$262,088 to Tompkins County Area Development (TCAD) for economic development in 2016.

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

- Tompkins County has established a complementary economic development entity, Tompkins County Development Corporation, which has the authority to finance public facilities of the local universities and hospital. Fees generated by the Development Corporation will supplement economic development activities. The Development Corporation has not committed any financial support to Tompkins County Area Development for economic development in 2016.
- The Development Corporation's authority to finance certain public facilities might be exposed to legislative curtailment in the future, as the NYS Dormitory Authority provides similar services.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Agency's clients, investors, and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or needed additional financial information, contact the Tompkins County Industrial Development Agency, at 401 E. MLK Jr. Street/401 E. State Street, Suite 402B, Ithaca, NY 14850.

**TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**STATEMENT OF NET POSITION
DECEMBER 31, 2015**

	Industrial Development Agency	Development Corporation	Total Primary Government
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 543,623	\$ 369,322	\$ 912,945
Administrative fees receivable within one year	-0-	20,000	20,000
Total Assets	\$ 543,623	\$ 389,322	\$ 932,945
 LIABILITIES AND NET POSITION			
Unrestricted net position	543,623	389,322	932,945
Total Liabilities and Net Position	\$ 543,623	\$ 389,322	\$ 932,945

See Independent Auditor's Report and Notes to Financial Statements.

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Industrial Development Agency</u>	<u>Development Corporation</u>	<u>Total Primary Government</u>
Operating Revenues:			
Fees	\$ 385,196	\$ 239,435	\$ 624,631
Total Operating Revenues	<u>385,196</u>	<u>239,435</u>	<u>624,631</u>
Operating Expenses:			
Contribution to Tompkins County Area Development	100,000	151,000	251,000
Professional and administrative expenses	<u>104,535</u>	<u>4,140</u>	<u>108,675</u>
Total Operating Expenses	<u>204,535</u>	<u>155,140</u>	<u>359,675</u>
Operating Gain	<u>180,661</u>	<u>84,295</u>	<u>264,956</u>
Non-Operating Revenues:			
Interest and earnings	<u>235</u>	<u>224</u>	<u>459</u>
Total Non-Operating Revenues	<u>235</u>	<u>224</u>	<u>459</u>
Net Gain	180,896	84,519	265,415
Unrestricted Net Position, January 1, 2015	<u>362,727</u>	<u>304,803</u>	<u>667,530</u>
Unrestricted Net Position, December 31, 2015	<u>\$ 543,623</u>	<u>\$ 389,322</u>	<u>\$ 932,945</u>

See Independent Auditor's Report and Notes to Financial Statements.

**TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Industrial Development Agency</u>	<u>Development Corporation</u>	<u>Total Primary Government</u>
Cash Flows from Operating Activities:			
Cash received from providing services	\$ 406,141	\$ 219,435	\$ 625,576
Cash payments - Contractual expenses	<u>(204,535)</u>	<u>(453,790)</u>	<u>(658,325)</u>
Net Cash Provided (Used) by Operating Activities	<u>201,606</u>	<u>(234,355)</u>	<u>(32,749)</u>
Cash Flows from Investing Activities:			
Interest income received	<u>235</u>	<u>224</u>	<u>459</u>
Net Cash Provided by Investing Activities	<u>235</u>	<u>224</u>	<u>459</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	201,841	(234,131)	(32,290)
Cash and Cash Equivalents, January 1, 2015	<u>341,782</u>	<u>603,453</u>	<u>945,235</u>
Cash and Cash Equivalents, December 31, 2015	<u><u>\$ 543,623</u></u>	<u><u>\$ 369,322</u></u>	<u><u>\$ 912,945</u></u>
Reconciliation of operating gain to net cash provided (used) by operating activities:			
Operating gain	\$ 180,661	\$ 84,295	\$ 264,956
Adjustments to reconcile operating gain to net cash provided (used) by operating activities:			
Decrease (increase) in administrative fees receivable	20,945	(20,000)	945
(Decrease) in accounts payable	<u>-0-</u>	<u>(298,650)</u>	<u>(298,650)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 201,606</u></u>	<u><u>\$ (234,355)</u></u>	<u><u>\$ (32,749)</u></u>

See Independent Auditor's Report and Notes to Financial Statements.

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

The financial statements of the Tompkins County Industrial Development Agency (the Agency) and its component unit have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Agency's accounting policies are described below.

A. Financial Reporting Entity

The Agency was created in 1971 by the Tompkins County Legislature under the provisions of Chapter 535 of the 1971 Laws of New York State for the purpose of encouraging economic growth in Tompkins County. The Agency is exempt from federal, state, and local income taxes. The Agency, although established by the Tompkins County Board of Representatives, is a separate entity and operates independently from the County. The Agency is considered a component unit of the County.

All Governmental Activities and functions performed by the County of Tompkins are its direct responsibility.

The financial reporting entity consists of (a) the primary government which is the Tompkins County Industrial Development Agency, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus - an amendment of GASB Statement Nos. 14 and 34."

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units," and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus - an amendment of GASB Statement Nos. 14 and 34," including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is included as a blended component unit:

Tompkins County Development Corporation (the Corporation) - Similar to the Agency, the Corporation was formed for the purpose of encouraging economic growth in Tompkins County during 2010. Because New York State has legislated industrial development agencies can no longer serve not for profit entities, the Corporation will serve that segment of the economy in Tompkins County.

***TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY***

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1 **Summary of Significant Accounting Policies - Continued**

B. Basis of Accounting

The accounts of the Agency and Corporation are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned. Material revenues accrued include administrative fees. Expenses are recorded when the liability is incurred.

C. Cash and Cash Equivalents

The Agency and Corporation consider all highly liquid investments having an original maturity of three months or less to be cash equivalents.

D. Equity Classifications

Statement of Net Position:

- Restricted
Consists of net resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation. The Agency had no restricted resources at year-end.
- Unrestricted
Consists of all other resources that do not meet the definition of “restricted.”

E. Related Parties

Tompkins County Area Development (TCAD)

TCAD is a private, not-for-profit organization founded in 1964 that provides the Ithaca area with innovative services to strengthen the economy. The President of TCAD serves as the Administrative Director of the Agency. During the year ended December 31, 2015, there were three additional members of the TCAD Board of Directors serving on the Board of Directors of the Tompkins County Industrial Development Agency.

***TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY***

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1 **Summary of Significant Accounting Policies - Continued**

F. Revenues

The Agency and Corporation first utilize restricted resources to finance qualifying activities.

Note 2 **Operating Revenues**

Operating revenues of the Agency and Corporation consist of administrative fees. Investment earnings are reported as non-operating revenues.

Note 3 **Administrative Fees Receivable**

Administrative fees receivable at year-end are as follows:

Year	Amount
2015	\$ <u>20,000</u>
Total	\$ <u><u>20,000</u></u>

No provision has been made for uncollectible receivables as the Agency believes all receivables to be fully collectible. There were no fees receivable for the Industrial Development Agency at year-end.

Note 4 **Industrial Revenue Bond and Note Transactions**

Certain industrial development revenue bonds and notes issued by the Agency and Corporation are secured by property leased to companies and retired by lease payments. The bonds and notes are not obligations of the Agency, Corporation or State. The Agency and Corporation do not record the assets or liabilities resulting from completed bond and note issues in their accounts, because their primary function is to arrange financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency and Corporation receive bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes. At December 31, 2015, the outstanding value of bonds and notes issued aggregated \$196,739,997 and \$190,251,324 for the Agency and Corporation, respectively.

Note 5 **Payments in Lieu of Tax**

During the time in which property is leased to a company, the property is exempt from taxes other than special and valorem levies and special assessments. However, the Agency entered into a Payment in Lieu of Tax (PILOT) agreement wherein the company is required to make annual payments to the County, local municipalities, and school districts.

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 5 **Payments in Lieu of Tax - Continued**

In 2015, \$4,499,273 was received in PILOT payments compared to the \$6,605,552 which would have been received if businesses paid the full amount of property taxes; for a total property tax abatement of \$2,106,279.

Note 6 **Deposits and Investments**

State statutes govern the Agency's and Corporation's investment policies. In addition, the Agency and the Corporation have their own written investment policy. Monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit for the Agency and Corporation at 105% and 100%, respectively, of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

Total bank balances of the Agency and Corporation of \$543,623 and \$373,462, respectively, at December 31, 2015 are covered by FDIC insurance up to \$250,000. As of December 31, 2015, all deposits with financial institutions were either insured or collateralized with securities held by the pledging financial institution in the entities' name.

Note 7 **Related Parties**

During 2015, the Agency and the Corporation paid TCAD \$100,000 and \$151,000, respectively, for economic development and marketing services.

Note 8 **Commitments**

During the year ended December 31, 2015, the Board of Directors of the Agency passed a resolution authorizing the following 2016 budgetary commitments to TCAD:

Agency	\$ <u>262,088</u>
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**TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

**SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2015**

	<u>Month and Year</u>	<u>Current Interest Rate</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity</u>
Cayuga Medical Center at Ithaca, Inc.	10/2003	BMA+.35%	\$ 5,000,000	\$ _____	\$ 1,200,000	\$ 3,800,000	10/2018
CDP, Ithaca	12/2003	3%	14,470,000	_____	660,000	13,810,000	3/2030
Community Recreational Center, Inc.	1/2002	5.50%	796,824	_____	94,896	701,928	12/2021
Cornell Heat and Power	1/2008	2.0% - 5.0%	64,165,000	_____	1,595,000	62,570,000	7/2037
Cornell University, Lake Source Cooling	Various	2.0%- 11.0%	52,800,000	_____	17,035,000	35,765,000	7/2030
Family & Children's Family Service of Ithaca	1/2008	4.75%	2,174,059	_____	78,452	2,095,607	2/2033
The William George Agency for Children's Services	12/2000	5.84%	133,334	_____	133,334	-0-	12/2015
Ithaca Community Childcare Center	3/1992	4.2%	65,567	_____	65,567	-0-	10/2015
Ithaca Community Childcare Center	12/2008	5.4%	151,596	_____	14,134	137,462	1/2029
Ithacare Center Service Company (Refinanced)	1/2008	Variable	12,865,000	_____	385,000	12,480,000	2/2037
Transonic Systems	12/2010	3.60%	4,050,000	_____	190,000	3,860,000	12/2030
Ithaca College	11/2004	Variable	24,895,000	_____	895,000	24,000,000	7/2034
Ithaca College	9/2005	Variable	38,930,000	_____	1,410,000	37,520,000	7/2026
Ithaca College	4/2007	Fixed	27,055,000	_____	27,055,000	-0-	7/2016
TOTAL			\$ 247,551,380	\$ -0-	\$ 50,811,383	\$ 196,739,997	

***TOMPKINS COUNTY
LOCAL DEVELOPMENT CORPORATION***

**SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2015**

	<u>Month and Year</u>	<u>Current Interest Rate</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity</u>
Cayuga Medical Center at Ithaca, Inc.	8/2010	64.1% of LIBOR + 1.04%	\$ 10,145,000	\$	\$ 1,125,000	\$ 9,020,000	8/2022
Cayuga Medical Center at Ithaca, Inc.	4/2013	2.73%	23,397,601		997,731	22,399,870	4/2023
Ithaca College	4/2011	Fixed	24,500,000		495,000	24,005,000	7/2041
Ithaca College	9/2015	Fixed		43,965,000		43,965,000	7/2038
Franziska Racker Center	10/2011	4.00%	2,172,579		138,403	2,034,176	6/2027
TC3 Foundation	1/2013	5.00%	38,180,000			38,180,000	12/2021
TC3 Foundation	1/2013	2.0% - 2.5%	1,870,000		925,000	945,000	1/2038
Kendal	11/2012	Variable	8,720,000		170,000	8,550,000	7/1/2042
Kendal	12/2014	4.0%-5.0%	31,720,000			31,720,000	7/1/2044
Kendal	12/2014	4.0%-5.0%	1,173,470	7,335,664		8,509,134	7/1/2025
The William George Agency	12/2015	0.028		923,144		923,144	12/2031
TOTAL			\$ 141,878,650	\$ 52,223,808	\$ 3,851,134	\$ 190,251,324	

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

SCHEDULE OF PROJECTS DECEMBER 31, 2015

Project Name	Exemption Period	Purpose	Sales Tax Cap	Sales Tax Exemptions	Mortgage Tax Exemptions
407 Holdings Inc.					
Incodema 3D	2014-2015	Manufacturing	\$ 480,000	\$	\$ 1,933
330 Main Street Holdings	2014-2016	Manufacturing	45,600	17,263	
Acquacalda	2011-2015	Wholesale Trade			
ADC	2014-2016	Manufacturing	54,880	9,381	
AES Cayuga	2009-2028	Power Plant/Electric			
Arrowhead Ventures	2013-2027	Construction			
B&T Park:					
Nine Brown Road	2007-2025	Real Estate			
Nineteen Brown Road	2007-2025	Real Estate			
Techfab Facilities	2000-2015	Real Estate			
Ten Brown Road	2002-2017	Real Estate			
Thirty Six Thornwood	2002-2017	Real Estate			
Twenty Thornwood	2014-2016	Real Estate	63,467	43,103	
Ithaca B&T	2014-2016	Real Estate	31,733	31,733	
Beechtree Care Center	2013-2015	CCRC	19,200	9,700	
318 South Albany Street, LLC.	2013-2015	CCRC	1,600		
BinOptics	2014-2016	Manufacturing	96,000		
Blinders Property	2002-2017	Real Estate			
Black Oak Wind Farm	2015-2016	Wind Farm/Electric	480,960		
C&D Assembly	2008-2015	Manufacturing			
Carey Building Associates	2014-2016	Real Estate	268,960	166,935	
Cascade Plaza	2005-2025	Real Estate			
Cayuga Green:					
Parcel A	2009-2018	Real Estate			
Parcel E	2009-2018	Real Estate			
Theatre Parcel	2009-2018	Real Estate			
College Circle Association	2003-2043	Civic Facility			
Cornell University - 35 Thornwood	2006-2021	Real Estate			4,758
CBORD Group	2015-2016	Services	296,000	33,500	
Dairy One	2013-2015	Services	171,420	95,611	7,001
Gateway Plaza Association	2003-2016	Real Estate			
Harolds Square	2013-2015	Real Estate	1,368,000		
Hilton Canopy	2015-2017	Services	980,928		
Hotel Ithaca	2013-2016	Services	892,000	132,414	
Ithaca Beer	2014-2016	Manufacturing	160,800	112,000	7,000
Ital Thai	2012-2022	Real Estate			
JOC H&F	2006-2016	Real Estate			
Kaida Computer Technologies	2005-2015	Services			
Lansing Market Realty	2012-2019	Services	4,000	2,500	
Plastisol Composites	2010-2016	Manufacturing			
Prudence Properties of Ithaca	2007-2017	Wholesale Trade			
South Hill Business Campus	2005-2016	Real Estate	80,000	48,069	
SHBC Power & Heat	2013-2016	Real Estate	94,640	30,696	
Taughannock Aviation	2005-2015	Services			
Taughannock Aviation Hanger	2008-2015	Services			
Transonic Systems	2011-2031	Manufacturing			
Tompkins Trust HQ	2015-2017	Finance	2,112,000		
209-215 Dryden Assoc., LLC	2015-2017	Real Estate	2,016,000		127,917
Zar Associates	1998-2016	Manufacturing			
Total			\$ 9,718,188	\$ 732,905	\$ 148,609

<u>Payments in Lieu of Taxes</u>	<u>Property Taxes if not Exempt</u>	<u>Total Exemptions</u>	<u>Base Year Jobs</u>	<u>Current Employment 12/31/2015</u>	
\$	\$	\$	1,933	N/A	9
			17,263	N/A	N/A
30,161	33,931	3,770	38	28	
		9,381	N/A	N/A	
1,852,911	1,852,911	-0-	94	64	
149,096	149,096	-0-	-0-	-0-	
29,298	30,587	1,289	N/A	57	
38,938	117,888	78,950	-0-	123	
58,171	61,811	3,640	-0-	-0-	
94,675	115,020	20,345	-0-	91	
92,985	119,481	26,496	35	95	
		43,103	-0-	93	
		31,733	N/A	N/A	
		9,700	101	163	
11,374	113,744	102,370	N/A	N/A	
		-0-	N/A	N/A	
46,892	56,124	9,232	30	23	
		-0-	N/A	1	
14,128	15,208	1,080	30	24	
		166,935	N/A	N/A	
438,295	1,004,743	566,448	305	379	
183,603	335,925	152,322	N/A	N/A	
24,075	40,568	16,493	N/A	N/A	
29,763	54,977	25,214	79	69	
291,712	1,051,698	759,986	N/A	N/A	
63,564	117,091	58,285	50	64	
		33,500	N/A	221	
		102,612	N/A	259	
123,754	151,659	27,905	N/A	16	
		-0-	N/A	N/A	
		-0-	N/A	N/A	
		132,414	N/A	N/A	
19,279	47,374	147,095	64	48	
20,322	41,706	21,384	22	25	
295,092	363,983	68,891	16	117	
99,914	125,998	26,084	19	38	
13,635	38,603	27,468	7	42	
53,946	72,188	18,242	28	-0-	
31,019	35,855	4,836	27	14	
141,850	200,233	106,452	250	296	
		30,696	N/A	N/A	
25,714	26,923	1,209	N/A	N/A	
26,954	30,268	3,314	99	46	
141,284	141,284	-0-	136	92	
		-0-	N/A	N/A	
		127,917	N/A	N/A	
56,869	58,675	1,806	37	84	
<u>\$ 4,499,273</u>	<u>\$ 6,605,552</u>	<u>\$ 2,987,793</u>			

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

Board of Directors
Tompkins County
Industrial Development Agency
Ithaca, 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 business-type activities of Tompkins County Industrial Development Agency (the Agency), and its blended component unit, Tompkins County Development Corporation, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated March 21, 2016. The Agency is a component unit of the County of Tompkins, State of New York.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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 the 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 *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
March 21, 2016