

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010

The following is a discussion and analysis of the Agency's financial performance for the year ended December 31, 2010. The section 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 as reported equal \$3,316,294, (capital - \$2,234,871 and other - \$1,081,422).

The year ending December 31, 2010 brought SCIDA's best financial year two years running. Although the general economy in the County was relatively slow, SCIDA was fortunate enough to be involved in many very large projects. These projects were comprised of wind farms and other energy resource projects including storage, transportation and generation. In addition Corning Inc. experienced growth that was assisted by SCIDA.

Total revenues equal \$991,448 an increase of \$281,959 over the previous year. The fees being realized will keep SCIDA independent and free from any required financial assistance from the County.

Total operating expenses equal \$486,035. Regular expenditures have increased by approximately 3% with no major increases expected in the coming year.

FACTORS BEARING ON THE FUTURE OF SCIDA

Two additional wind farms are being proposed in the County. Howard Wind will break ground in the spring of 2011. Roadwork is underway. The Prattsburgh project is still in the courts and has an average likelihood of being built. SCIDA continues to upgrade its rail system to serve existing customers and provide incentive for any new customers requiring rail. The Agency is awaiting a railroad study that was commissioned to study the viability of real service on the Bath to Hammondsport line.

This will be a year of change as the Steuben County Industrial Development Agency will have a new Executive Director after having been led sixteen years by the previous director. There also has been the acceptance of a County wide Economic Development Plan.