

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FINANCIAL STATEMENTS

DECEMBER 31, 2012

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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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, 2012 and 2011, 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 respective financial position of the Steuben County Industrial Development Agency as of December 31, 2012 and 2011, and the respective changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 - 7 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

As discussed in Note 1 to the financial statements, the Agency adopted the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, 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*.

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 schedules of bonds and notes and schedule of straight lease projects on pages 19 - 23 are presented for the purpose of additional analysis and are not a required part of the financial statements.

The supplemental schedules of bonds and notes and schedule of straight lease projects are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules of bonds and notes and schedule of straight lease projects are 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 20, 2013, 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.

EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York
March 20, 2013

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

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, 2012. The management's discussion and analysis is a summary of the Agency's financial activities based on current 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 \$3,829,092 and \$3,814,550 for the years ended December 31, 2012 and 2011, respectively. This represents an increase of \$14,542, or 0.4% from the prior year.
- Total revenues equal \$445,818 for the year ended December 31, 2012, an increase of \$96,946 from the prior year revenues of \$348,872. The substantial increase in revenues was due to an increase in deal flow. Total operating expenses equal \$447,983 for the year ended December 31, 2012. This represents a decrease of \$37,263, or 7.7% from the prior year expenditures of \$485,246.

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. The financial statements include:

- **Statements of Net Position** - Present all assets, liabilities and net position of the Agency at December 31, 2012 and 2011. 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, 2012 and 2011 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, investments and financing activities during 2012 and 2011 and how it affects the cash balances at December 31, 2012 and 2011.
- **Notes to Financial Statements** - Provide information regarding the Agency and explain in more detail information included in the financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

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 exceeded liabilities by \$3,727,325 and \$3,729,490 at December 31, 2012 and 2011, respectively.

The Agency's largest type of asset is its property and equipment. A condensed version of the Agency's statement of net position follows:

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

	<u>2012</u>	<u>2011</u>	<u>Dollar</u> <u>Change</u>	<u>%</u> <u>Change</u>
Assets				
Cash and cash equivalents	\$ 1,726.7	\$ 1,751.9	\$ (25.2)	(1.4)
Cash and cash equivalents - restricted	845.8	739.7	106.1	14.3
Note receivable	65.3	150.8	(85.5)	(56.7)
Windmill escrow	98.8	66.9	31.9	47.7
Property and equipment - net	1,073.1	1,075.8	(2.7)	(0.3)
Other assets - net	<u>19.3</u>	<u>29.4</u>	<u>(10.1)</u>	<u>(34.4)</u>
Total assets	<u>\$ 3,829.0</u>	<u>\$ 3,814.5</u>	<u>\$ 14.5</u>	<u>0.4</u>
Liabilities				
Accounts payable	\$ -	\$ 16.1	\$ (16.1)	100.0
Accrued liabilities	2.9	2.0	0.9	45.0
Windmill escrow	<u>98.8</u>	<u>66.9</u>	<u>31.9</u>	<u>47.7</u>
Total liabilities	<u>\$ 101.7</u>	<u>\$ 85.0</u>	<u>\$ 16.7</u>	<u>19.6</u>
Net Position				
Net investment of capital assets	\$ 1,073.1	\$ 1,075.8	\$ (2.7)	(0.3)
Restricted net position - CDBG	495.0	495.0	-	-
Restricted net position - Millennium	350.8	244.7	106.1	43.4
Unrestricted	<u>1,808.4</u>	<u>1,914.0</u>	<u>(105.6)</u>	<u>(5.5)</u>
Total net position	<u>\$ 3,727.3</u>	<u>\$ 3,729.5</u>	<u>\$ (2.2)</u>	<u>(0.1)</u>

Net position remained relatively consistent from 2011 to 2012. The Agency continues to collect on its note receivable and retained more cash on hand at the end of 2012 as opposed to 2011.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

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>2012</u>	<u>2011</u>	<u>Dollar</u> <u>Change</u>	<u>%</u> <u>Change</u>
Income				
Administrative income	\$ 319.1	\$ 204.1	\$ 115.0	56.3
Grant income	108.0	120.5	(12.5)	(10.4)
Interest income - bank	11.3	18.4	(7.1)	(38.6)
Interest income - note	2.7	3.7	(1.0)	(27.0)
Lease income	2.0	2.0	-	-
Miscellaneous income	2.7	0.2	2.5	1,250.0
Total income	<u>445.8</u>	<u>348.9</u>	<u>96.9</u>	<u>27.8</u>
Total Expenses				
Administrative expenses	-	25.0	(25.0)	(100.0)
Amortization	10.1	0.8	9.3	1,162.5
Conferences	3.8	0.4	3.4	850.0
Contract expense	74.0	65.9	8.1	12.3
Depreciation	6.8	7.2	(0.4)	(5.6)
Grant expense	-	16.6	(16.6)	(100.0)
Insurance	43.2	42.8	0.4	0.9
Maintenance	5.4	7.6	(2.2)	(28.9)
Office expense	36.9	25.9	11.0	42.5
Pension expense	24.7	24.4	0.3	1.2
Professional fees	20.1	17.9	2.2	12.3
Program expense	19.7	19.4	0.3	1.5
Salaries and wages	183.6	212.8	(29.2)	(13.7)
Travel and entertainment	2.3	11.5	(9.2)	(80.0)
Utilities and telephone	5.9	7.1	(1.2)	(16.9)
Vehicle	11.6	-	11.6	100.0
Total expenses	<u>448.1</u>	<u>485.3</u>	<u>(37.2)</u>	<u>(7.7)</u>
Change in Net Position	(2.3)	(136.4)	134.1	(98.3)
Beginning Net Position	<u>3,729.5</u>	<u>3,865.9</u>	<u>(136.4)</u>	<u>(3.5)</u>
Ending Net Position	<u>\$ 3,727.2</u>	<u>\$ 3,729.5</u>	<u>\$ (2.3)</u>	<u>(0.1)</u>

The increase in revenues noted in the statement of activities from 2011 to 2012 is a result of increased business development activities in the fourth quarter of 2012.

STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

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>2012</u>	<u>2011</u>
Cash Flow from Operating Activities		
Cash received from operating income	\$ 517.3	\$ 398.0
Cash paid for operating expenses	<u>(446.3)</u>	<u>(459.3)</u>
Net cash flows from operating activities	<u>71.0</u>	<u>(61.3)</u>
Cash Flow from Capital and Related Financing Activities		
Purchases of fixed assets	(4.1)	(1.6)
Purchase of other assets	<u>-</u>	<u>(30.2)</u>
Net cash flows from capital and related financing activities	<u>(4.1)</u>	<u>(31.8)</u>
Cash Flow from Investing Activities		
Interest received	<u>14.0</u>	<u>22.1</u>
Net Change in Cash and Cash Equivalents	80.9	(71.0)
Beginning Cash and Cash Equivalents	<u>2,491.6</u>	<u>2,562.6</u>
Ending Cash and Cash Equivalents	<u>\$ 2,572.5</u>	<u>\$ 2,491.6</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 97.8 acres of land designated as an industrial park.

Long-Term Debt

The Corporation has no direct long-term debt but has entered into conduit financing agreements with a company with a total of \$425,476 in bonds outstanding at the end of 2012. These transactions are not recorded on the Agency's financial statements but are disclosed in the notes to the financial statements.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Management's Discussion and Analysis
For the Year Ended December 31, 2012

Factors Bearing on the Future of the Agency

- In 2012, the Agency continued to maintain the partnerships that were developed in 2011 and saw a number of projects begin to develop including the completion of the Calamar Housing project in Erwin, construction on a \$64 million expansion to the Corning Museum of Glass and continued exploration and development activities in the wind energy market.
- The Agency also completed the generic environmental review on the Wayland Business Park development and was successful in securing funding to extend water and sewer infrastructure to the site.
- The Agency also played a much more active role in the Southern Tier Regional Economic Development Council and the efforts associated with identifying and applying for funding through the State's consolidated funding application process.
- Business development activities also started to increase in the 4th quarter of 2012 with several new expansion opportunities identified for 2013. Finally, in 2012 the Agency identified funding to support a business development position and plans were put in place to hire an additional staff person during the 1st quarter of 2013.
- Steuben County Industrial Development Agency anticipates the following in 2013:
 - ◆ Expand staff by creating a position and hiring a Director of Business Development.
 - ◆ The completion of the \$64 million expansion for the Corning Museum of Glass.
 - ◆ Rehabilitation of the B&H Rail Line to the IDA owned industrial park.
 - ◆ The construction of the Marsh Hill Wind Energy project in Jasper.
 - ◆ Work with Guthrie/ Corning Hospital on the redevelopment of the old Corning Hospital Site.
 - ◆ Assist with the redevelopment of the former Kmart and P&C plazas in Riverside.
 - ◆ Assist with the redevelopment of the former War Memorial Library in the City of Corning.

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, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,726,680	\$ 1,751,857
Cash and cash equivalents - restricted	845,844	739,749
Note receivable - current portion	65,321	85,495
Windmill escrow	<u>98,818</u>	<u>66,920</u>
Total current assets	2,736,663	2,644,021
Note Receivable - Net of Current Portion	-	65,310
Property and Equipment - Net	1,073,127	1,075,846
Other Assets - Net	<u>19,302</u>	<u>29,373</u>
Total Assets	<u>\$ 3,829,092</u>	<u>\$ 3,814,550</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable	\$ -	\$ 16,143
Accrued liabilities	2,949	1,997
Windmill escrow	<u>98,818</u>	<u>66,920</u>
Total current liabilities	<u>101,767</u>	<u>85,060</u>
Net Position		
Net investment of capital assets	1,073,127	1,075,846
Restricted net position - CDBG	495,000	495,000
Restricted net position - Millennium	350,844	244,749
Unrestricted	<u>1,808,354</u>	<u>1,913,895</u>
Total net position	<u>3,727,325</u>	<u>3,729,490</u>
Total Liabilities and Net Position	<u>\$ 3,829,092</u>	<u>\$ 3,814,550</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, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Income		
Administrative income	\$ 319,050	\$ 204,076
Grant income	108,000	120,500
Interest income - bank	11,329	18,377
Interest income - note	2,676	3,734
Lease income	2,020	2,020
Miscellaneous income	<u>2,743</u>	<u>165</u>
Total income	<u>445,818</u>	<u>348,872</u>
Expenses		
Administrative expenses	-	25,000
Amortization	10,071	839
Conferences	3,810	425
Contract expense	74,000	65,867
Depreciation	6,844	7,157
Grant expense	-	16,579
Insurance	43,158	42,820
Maintenance	5,359	7,625
Office expense	36,908	25,888
Pension expense	24,663	24,419
Professional fees	20,120	17,920
Program expense	19,672	19,348
Salaries and wages	183,648	212,814
Travel and entertainment	2,285	11,442
Utilities and telephone	5,862	7,103
Vehicle	<u>11,583</u>	<u>-</u>
Total expenses	<u>447,983</u>	<u>485,246</u>
Change in Net Position	(2,165)	(136,374)
Net Position - Beginning	<u>3,729,490</u>	<u>3,865,864</u>
Net Position - Ending	<u>\$ 3,727,325</u>	<u>\$ 3,729,490</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, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities		
Cash received from operating income	\$ 517,297	\$ 398,031
Cash paid for operating expenses	<u>(446,259)</u>	<u>(459,320)</u>
Net cash flows from operating activities	<u>71,038</u>	<u>(61,289)</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of fixed assets	(4,125)	(1,581)
Purchase of other assets	<u>-</u>	<u>(30,212)</u>
Net cash flows from capital and related financing activities	<u>(4,125)</u>	<u>(31,793)</u>
Cash Flows from Investing Activities		
Interest received	<u>14,005</u>	<u>22,111</u>
Net Change in Cash and Cash Equivalents	80,918	(70,971)
Cash and Cash Equivalents - Beginning	<u>2,491,606</u>	<u>2,562,577</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,572,524</u>	<u>\$ 2,491,606</u>
Reconciliation of Change in Net Position to Net Cash Flows from Operating Activities		
Change in net position	\$ (2,165)	\$ (136,374)
Adjustments		
Depreciation and amortization	16,915	7,996
Interest income	(14,005)	(22,111)
Changes in assets and liabilities		
Note receivable	85,484	71,270
Accounts payable	(16,143)	16,143
Accrued liabilities	<u>952</u>	<u>1,787</u>
Net cash flow from operating activities	<u>\$ 71,038</u>	<u>\$ (61,289)</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.

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.

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.

Basis of Accounting - Beginning in 2012, the Agency adopted the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement codifies all sources of accounting principles generally accepted in the United States of America into the GASB's authoritative literature. The accounts of the Agency are maintained on the accrual basis of accounting. Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on the determination of operating income, financial position, changes in net position and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as, materials, contracts, personnel, and depreciation.

Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation - Beginning in 2012, the Agency adopted 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:

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

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

Restricted net position - This component of net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. At December 31, 2012 and 2011, the Agency had \$845,844 and \$739,749 in restricted net position. See Note 8 and Note 9 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 balance sheets and statements 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 Notes 8 and 9.

Income Taxes - The Agency is a not-for-profit public benefit corporation and is exempt from income taxes under the IRC.

Investments - The Agency's investments are currently held in certificates of deposits. See Note 4 for further detail regarding the investment policy.

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

Note 2. Note Receivable

The note receivable represents a loan to Transportation & Transit Associates, LLC through a U.S. Department of Housing and Urban Development Community Development Block Grant. Terms of the note are monthly payments of \$6,763 with an interest rate of 2% per annum, maturing October 2013. The balance of the note receivable as of December 31, 2012 and 2011 was \$65,321 and \$150,805, respectively. See Note 11 for additional information regarding the note receivable.

Note 3. 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.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 4. Deposits and Investments

The Agency's investment policies are governed by state law. Collateral is required for demand deposits, certificates of deposit, and repurchase agreements not covered by federal deposit insurance. Obligations which may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

The Agency has a formal investment policy which is in compliance with the laws of the State of New York, Chapter 838, Title 7, Section 2925. The Agency is permitted to invest funds in the following types of investments: special time deposit accounts, certificates of deposit, obligations of the United States of America, obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America and obligations of the State of New York. All deposits of the Agency are public funds and shall have a pledge of collateral by the bank or trust company in which the funds are deposited. The Agency may contract for the purchase of investments in the following manners: 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, 2012 are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand and savings deposits	\$ <u>2,572,524</u>	\$ <u>2,585,042</u>
Covered by FDIC insurance		\$ 973,023
Pledged collateral		<u>1,612,019</u>
Total deposits		\$ <u>2,585,042</u>

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 5. 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, 2012 and 2011 was \$98,818 and \$66,920, respectively.

Note 6. 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	\$ 1,001,903	\$ -	\$ -	\$ 1,001,903
Machinery and equipment	54,441	2,475	-	56,916
Buildings, building improvements, and railroads	<u>541,794</u>	<u>1,650</u>	-	<u>543,444</u>
Sub-total	1,598,138	4,125	-	1,602,263
Less, accumulated depreciation	<u>(522,292)</u>	<u>(6,844)</u>	-	<u>(529,136)</u>
Property and equipment - net	<u>\$ 1,075,846</u>	<u>\$ (2,719)</u>	<u>\$ -</u>	<u>\$ 1,073,127</u>

Depreciation expense amounted to \$6,844 and \$7,157 for the years ended December 31, 2012 and 2011, respectively.

Note 7. Other Assets

Other assets consist of costs to design and implement the Agency's website. These costs are being amortized over 3 years. Amortization expense amounted to \$10,071 and \$839 for the years ended December 31, 2012 and 2011, respectively.

Note 8. Restricted Asset - CDBG

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. See Note 2 for further details of the note receivable.

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

The balance in the restricted net assets of this grant money at December 31, 2012 and 2011 is \$495,000.

Note 9. Restricted Asset - 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 balance in the restricted net position of this commitment as of December 31, 2012 and 2011 was \$350,844 and \$244,749, respectively.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 10. Employee Benefit Plan

Plan Description - The Agency participates in the New York State and Local Employee' Retirement System (ERS) a cost-sharing multiple-employer retirement system. The ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of the ERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of business of the ERS and for the custody and control of the ERS funds. The ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred E. Smith, State Office Building, Albany, NY 12244.

Funding Policy - The ERS Tiers I through IV are non-contributory except for employees with less than 10 years of service who contribute 3% of their salary and Tier V employees who contribute 3% of their salary. Under the authority of NYSRSSL, the Comptroller shall certify annually the rate expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Agency is required to contribute at an actuarially determined rate. The required contributions for the current and two preceding years were:

2012	\$	24,663
2011	\$	24,419
2010	\$	16,420

Note 11. Related Party Transactions

The note receivable referred to in Note 2 of these financial statements is due from Transportation & Transit Associates, LLC. The president of the company is a member of the board of directors for the Agency.

Note 12. 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.

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

Note 13. Bond Issues

The Agency has entered into the following conduit financing arrangements where the primary function of the Agency was to arrange financing through the issuance of Industrial Revenue Bonds between the companies identified below and the bond holders. As conduit financing arrangements, the assets and liabilities resulting from the transactions are not recorded in these financial statements.

Although not part of the accounting system, New York State statute requires disclosure of these bond issues which consist of the following at December 31:

	<u>2012</u>	<u>2011</u>
Southern Tier Library bond issued February, 2002. Current interest rate of 1.09%, subject to annual fluctuation. Final maturity at February 2022.	\$ <u>425,476</u>	\$ <u>467,867</u>



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*

INDEPENDENT AUDITORS' REPORT

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, 2012, 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 20, 2013.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York
March 20, 2013

STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Bonds and Notes
For the Year Ended December 31, 2012

Name of Project	Southern Tier Library System
Project Owner	Ristina Wigg Painted Post, NY 14870
Project Purpose	Services
Bond Amount	\$1,000,000
Issue Date	February 2002
Interest Date	1.09%
Maturity Date	February 2022
Federal Tax Status	Tax Exempt
Sales Tax Exemptions	-
Real Property Exemptions	-
Payments in Lieu of Taxes:	
County	-
Local	-
School	-
Estimate of Full Time Equivalent Jobs:	
Created	21
Retained	21

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2012

Project Name	Corning Inc. Diesel Plant	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. Glass Center / Steuben Plant	Corning Inc. Sullivan Park Phase III	Corning Inc. Sullivan Park Renovation & New	Empire Pipeline Inc.	NYSEG - Diesel Plant	NYSEG - Sullivan Park
Project Code	4603 02 01A	AR011	4603 00 06A	4603 00 04A	4603 01 01A	AR016	4603 98 02A	4603 07 03A	4603 07 01A	4603 02 02A	AR004
Project Owner	Corning	Corning	Corning	Corning	Corning	Corning	Corning	Corning	same	Iberdrola	Iberdrola
Project Address	Painted Post	Painted Post	Painted Post	Painted Post	Corning	Corning	Painted Post	Painted Post	Corning	Painted Post	Painted Post
Project Purpose Code	Mfg	Mfg	Mfg	Mfg		Mfg	Mfg	Mfg	Transp.	Electric	Electric
Not for Profit											
New Tax Revenue if no Exemptions Granted											
Total Project Amount	\$ 193,000,000	\$ 4,000,000	\$ 7,500,000	\$ 16,750,000	\$ 9,800,000	\$ 788,470	\$ 25,600,000	\$ 275,000,000	\$ 3,200,000	\$ 4,600,000	\$ 1,428,000
Benefited Project Amount	192,987,044	3,986,000	7,484,900	16,734,500	9,788,523	774,418	25,585,000	274,974,000	3,170,000	4,581,500	1,409,413
Lease Amount	193,000,000	4,000,000	7,500,000	16,750,000	9,800,000	788,470	25,600,000	275,000,000	3,200,000	4,600,000	1,428,000
Tax Exemptions:											
State Sales Tax	-	-	-	-	-	-	-	2,065,469	- #	-	-
Local Sales Tax	-	-	-	-	-	-	-	2,065,469	-	-	-
County Real Property Tax	153,317	6,697	8,923	1,544	44,149	138,424	38,825	37,323	26,228	23,177	29
Local Property Tax	143,668	6,275	8,362	1,447	55,664	174,528	36,381	30,150	19,270	21,718	27
School Property Tax	546,259	28,601	38,111	6,596	120,883	379,015	165,819	137,419	108,973	82,580	122
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	-	-
Total Exemptions	843,244 #	41,573	55,396	9,587	220,696	691,967	241,025	4,335,830	154,471	127,475	178
County PILOT	153,317	5,305	6,692	1,120	32,661	145,582	27,747	3,826	6,058	17,615	-
Local PILOT	143,668	4,971	6,271	1,049	40,129	182,339	25,324	3,585	4,922	16,506	-
School District PILOT	546,259	22,658	28,583	4,782	89,429	395,977	118,781	16,341	26,883	62,760	-
Total PILOTS	843,244	32,934	41,546	6,951	162,219	723,898	171,852	23,752	37,863	96,881	-
Net Exemptions	\$ -	\$ 8,639	\$ 13,850	\$ 2,636	\$ 58,477	\$ (31,931)	\$ 69,173	\$ 4,312,078	\$ 116,608	\$ 30,594	\$ 178
Date Project Approved	3/28/2002	10/16/1997	9/28/2000	3/31/2001	3/29/2001	6/25/1998	10/22/1998	9/27/2001	4/26/2007	10/24/2002	10/16/1997
Date IDA Took Title of Property	4/1/2002	10/16/1997	10/1/2000	5/1/2001	3/1/2001	2/1/1996	10/22/1998	9/27/2007	7/1/2007	8/1/2002	12/18/1997
# of FTE's Employees at Project Location before IDA Status:	-	-	-	73	54	169	-	-	-	-	-
Original Estimate of Jobs to be Created	250	80	-	235	350	-	-	300	-	-	-
Average Estimated Salary of Jobs to be Created	45,701	79,651	79,651	18,000	84,742	52,912	87,000	-	50,000	-	-
Original Estimate of Jobs to be Retained	50	-	-	73	54	-	-	-	-	-	-
Average Estimated Salary of Jobs to be Retained	45,701	79,651	79,651	26,000	84,742	52,912	-	-	-	-	-
# of Current FTE Employees	459	33	-	452	-	30	117	258	-	-	-
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	-	-	-	-	-	-	-	-	-	-
# of FTE Construction Jobs during 2012	-	-	-	-	-	-	-	136.00	-	-	-

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2012

Project Name	Corning Inc. Headquarters Expansion	Corning Inc. Photonics Facility	Corning Inc. Photonics Plan Expansion	Corning Inc. Refractories	Corning Inc. Sullivan Park Phase II	Corning Inc. Sullivan Park Phase II Expansion	Peter L. Krog	SWP Environmental LLC	T&K Realty LLC	TMS Properties LLC	Southern Tier Library System
Project Code	AR009	AR008	4603 00 05A	AR010	12	4603 00 07A	4603 05 03A	4603 02 05A	4603 06 06A	4603 00 08A	4603 01 05A
Project Owner	Corning	Corning	Corning	Corning	Corning	Corning	Peter Krog	Carl Meyers	T & K Realty	TMS Properties	same
Project Address	Corning	Painted Post	Painted Post	Corning	Painted Post	Painted Post	Corning	Wayland	Painted Post	Painted Post	Painted Post
Project Purpose Code	Other	Mfg	Mfg	Mfg	Mfg	Mfg	Services	Mfg	Services	Services	Civic Fac.
Not for Profit											
New Tax Revenue if no Exemptions Granted											
Total Project Amount	\$ 25,000,000	\$ 7,650,000	\$ 28,700,000	\$ 2,665,000	\$ 65,115,000	\$ 65,115,000	\$ 1,500,000	\$ 450,000	\$ 1,500,000	\$ 561,000	\$ 1,000,000
Benefited Project Amount	24,986,000	7,625,627	27,784,900	2,651,000	65,101,000	65,100,900	1,498,500	435,500	1,485,000	548,900	963,000
Lease Amount	<u>25,000,000</u>	<u>7,650,000</u>	<u>28,700,000</u>	<u>2,665,000</u>	<u>65,115,000</u>	<u>65,115,000</u>	<u>1,500,000</u>	<u>450,000</u>	<u>1,500,000</u>	<u>561,000</u>	<u>-</u>
Tax Exemptions:											
State Sales Tax	-	-	-	-	-	-	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	-	-	-	-	-	-
County Real Property Tax	392,928	36,729	8,102	22,525	61,347	20,020	31,158	3,323	6,292	1,253	-
Local Property Tax	495,412	34,471	7,592	28,400	57,486	18,760	39,285	1,884	5,896	1,174	-
School Property Tax	1,075,864	156,867	34,603	61,675	262,011	85,505	85,314	8,778	26,873	5,350	-
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	-	-
Total Exemptions	<u>1,964,204</u>	<u>228,067</u>	<u>50,297</u>	<u>112,600</u>	<u>380,844</u>	<u>124,285</u>	<u>155,757</u>	<u>13,985</u>	<u>39,061</u>	<u>7,777</u>	<u>-</u>
County PILOT	322,623	18,902	6,076	16,206	48,843	15,858	10,000	2,483	5,029	908	-
Local PILOT	406,770	17,713	5,694	20,433	40,015	14,474	12,500	1,408	4,713	851	-
School District PILOT	883,365	80,731	25,952	11,373	187,688	67,812	27,500	6,558	22,325	3,879	-
Total PILOTS	<u>1,612,758</u>	<u>117,346</u>	<u>37,722</u>	<u>48,012</u>	<u>276,546</u>	<u>98,144</u>	<u>50,000</u>	<u>10,449</u>	<u>32,067</u>	<u>5,638</u>	<u>-</u>
Net Exemptions	\$ 351,446	\$ 110,721	\$ 12,575	\$ 64,588	\$ 104,298	\$ 26,141	\$ 105,757	\$ 3,536	\$ 6,994	\$ 2,139	\$ -
Date Project Approved	10/16/1997	6/26/1997	9/28/2000	10/16/1997	10/16/1997	9/28/2000	10/29/2007	10/24/2002	2/26/2006	11/13/2000	8/9/2001
Date IDA Took Title of Property	10/16/1997	7/1/1997	10/1/2000	10/16/1997	10/16/1997	10/1/2000	3/30/1998	10/1/2002	6/1/2006	11/1/2000	10/1/2001
# of FTE's Employees at Project Location before IDA Status:	300	-	-	-	-	-	-	2	12	12	21
Original Estimate of Jobs to be Created	300	1,000	-	7	300	544	5	2	-	5	-
Average Estimated Salary of Jobs to be Created	80,188	-	-	51,457	58,762	58,762	47,270	29,000	38,000	43,000	25,000
Original Estimate of Jobs to be Retained	300	-	-	-	-	-	-	2	12	12	21
Average Estimated Salary of Jobs to be Retained	80,188	-	-	51,457	58,762	28,762	-	29,000	-	60,000	-
# of Current FTE Employees	755	165	-	30	316	631	63	5	12	32	18
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	-	-	-	-	-	-	-	-	-	-
# of FTE Construction Jobs during 2012	-	-	-	-	-	-	-	-	-	-	-

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2012

Project Name	The Gunlocke Company	736 Addison Road LLC	Automated Cells & Equipment Inc.	B&H Railroad Corp	BLW Properties	Corning Inc. Upgrade of Intg. Die Manuf.	Corning Children's Center	Millennium Pipeline LLC	Arlington Storage Co LLC	Ecogen Wind LLC	Canandaigua Power Partners LLC
Project Code	4603 98 01A	4603 05 04A Lexington	4603 98 03A	4603 01 07A	4603 05 01A	4603 10 06A	4603 08 06A	4603 08 06A	4603 08 05A	4603 08 07A	4603 08 01A
Project Owner	HON	Corp.	Automated	B & H Rail	B. Wilkins	Corning	Corning	same	Inergy	same	UPC Wind
Project Address	Wayland	Painted Post	Painted Post	Transport.	Bath	Painted Post	Corning	Corning	Bath	Prattsburgh	Cohocton
Project Purpose Code	Mfg	transport.	Mfg	Transport.	Other	Mfg	Services	Transport.	Transport.	Electric	Electric
Not for Profit											
Net Tax Revenue if no Exemptions Granted											
Total Project Amount	\$ 10,000,000	\$ 11,852,000	\$ 1,710,000	\$ 2,163,087	\$ 5,250,000	\$ 11,500,000	\$ 7,500,000	\$ 27,400,000	\$ 66,925,000	\$ 64,400,000	\$ 145,200,000
Benefited Project Amount	9,987,900	11,836,000	1,699,117	2,151,087	5,226,500	11,500,000	7,500,000	27,348,250	66,913,500	64,337,500	145,129,000
Lease Amount	10,000,000	11,852,000	1,710,000	2,163,087	5,250,000	11,500,000	7,500,000	27,400,000	66,925,000	64,400,000	145,200,000
Tax Exemptions:											
State Sales Tax	-	-	-	-	-	76,768	-	-	-	-	-
Local Sales Tax	-	-	-	-	-	76,768	-	-	-	-	-
County Real Property Tax	98,359	54,340	5,114	15,430	32,221	10,525	27,030	231,316	609,086	-	895,070
Local Property Tax	55,992	50,920	4,792	9,572	14,824	9,863	34,080	171,848	313,693	-	268,244
School Property Tax	259,413	232,085	21,840	35,452	62,738	37,501	74,010	955,929	1,202,824	-	1,564,803
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	-	-
Total Exemptions	413,764	337,345	31,746	60,454	109,783	211,425	135,120	1,359,093	2,125,603	-	2,728,117
County PILOT	52,726	39,848	4,799	6,248	20,566	2,110	13,380	33,366	317,570	-	114,343
Local PILOT	29,893	37,341	4,380	3,835	9,462	1,977	16,439	24,870	162,487	-	34,335
School District PILOT	139,267	170,289	20,554	14,219	40,044	7,518	36,635	126,783	624,855	-	201,322
Total PILOTS	221,886	247,478	29,733	24,302	70,072	11,605	66,454	185,019	1,104,912	-	350,000
Net Exemptions	\$ 191,878	\$ 89,867	\$ 2,013	\$ 36,152	\$ 39,711	\$ 199,820	\$ 68,666	\$ 1,174,074	\$ 1,020,691	\$ -	\$ 2,378,117
Date Project Approved	3/26/1998	10/27/2005	2/25/1998	9/27/2001	5/19/2005	10/21/2010	5/15/2008	7/30/2008	7/30/2008	12/18/2008	1/24/2008
Date IDA Took Title of Property	2/26/1998	11/1/2005	7/1/1998	12/31/2001	7/1/2005	10/21/2010	6/1/2008	11/1/2008	-	1/1/2009	2/1/2008
# of FTE's Employees at Project Location before IDA Status:	400	-	10	7	42	105	46	13	-	-	-
Original Estimate of Jobs to be Created	450	45	10	-	30	52	-	-	3	8	7
Average Estimated Salary of Jobs to be Created	38,000	-	59,000	40,000	30,000	43,094	-	100,000	62,000	18,750	73,500
Original Estimate of Jobs to be Retained	400	-	-	7	42	105	46	13	-	-	-
Average Estimated Salary of Jobs to be Retained	35,000	-	-	43,882	31,950	55,708	-	100,000	-	-	-
# of Current FTE Employees	838	35	37	7	54	132	52	-	5	-	2.5
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	-	-	-	-	-	-	-	-	-	-
# of FTE Construction Jobs during 2012	-	-	-	-	-	-	-	-	-	-	-

Steuben County Industrial Development Agency
 Straight Lease Projects
 For the Year Ended December 31, 2012

Project Name	Canandaigua Power Partners II LLC	Wyckoff Gas Storage Co LLC	Guthrie Corning Dev. Company, Inc.	Howard Wind LLC	NYSEG Corp Corning Valley Transmission	Klujgo / Erwin LLC	Corning Inc. Expansion of Glass Research	RM14 Holdings LLC	Corning Museum of Glass Renovation & Expansion	Howard Wind 2 turbine Expan.
Project Code	4603 08 02A	4603 09 01A	4603 00 09A	4603 10 03A	4603 10 01A	4603 10 05 A	4603 10 04A	4603 11 01A	4603 12 01A	4603 12 02A
Project Owner	UPC Wind	SemGas	Guthrie Corning Dev.	Howard Wind	Iberdrola	C.Klugo	Corning	RM14 Holdings	Corning Property Mgmt	Everpower
Project Address	Cohocton	Jasper	Painted Post	Howard	Erwin	Painted Post	Painted Post	Town of Erwin	City of Corning	Town of Howard
Project Purpose Code	Electric	Trans.	Civic facility	Electric	Electric	other	Mfg.	Sr. Housing	Other	Electric
Not for Profit										
New Tax Revenue if no Exemptions Granted										
Total Project Amount	\$ 74,800,000	\$ 50,000,000	\$ 6,800,000	\$ 90,000,000	\$ 53,000,000	\$ 1,014,000	\$ 9,200,000	\$ 9,108,163	\$ 64,000,000	\$ 6,800,000
Benefited Project Amount	74,739,000	49,985,500	6,742,000	90,000,000	53,000,000	1,014,000	9,200,000	9,108,163	63,995,186	6,759,592.00
Lease Amount	74,800,000	50,000,000		90,000,000	53,000,000	-	9,200,000	9,108,163	1.00	1.00
Tax Exemptions:										
State Sales Tax	-	-	-	6,636	-	-	123,095	92,550	707,433	282,426.00
Local Sales Tax	-	-	-	6,636	-	-	123,095	92,550	707,433	282,426.00
County Real Property Tax	364,125	195,039	12,300	-	77,889	-	14,300	16,588	138,424	-
Local Property Tax	109,125	196,526	10,884	-	53,225	-	13,400	15,544	174,528	-
School Property Tax	651,375	437,111	46,853	-	237,694	-	61,075	70,847	379,015	-
Mortgage Recording Tax	-	-	-	-	-	-	-	-	-	-
Total Exemptions	1,124,625	828,676	70,037	13,272	368,808	-	334,965	288,079	2,106,833	564,852
County PILOT	48,581	4,600	-	-	-	-	5,720	-	-	-
Local PILOT	14,531	4,800	-	-	-	-	5,360	-	-	-
School District PILOT	86,889	10,600	-	-	-	-	24,430	-	-	-
Total PILOTS	150,001	20,000	-	-	-	-	35,510	-	-	-
Net Exemptions	\$ 974,624	\$ 808,676	\$ 70,037	\$ 13,272	\$ 368,808	\$ -	\$ 299,455	\$ 288,079	\$ 2,106,833	\$ 564,852
Date Project Approved	1/24/2008	6/22/2006	10/25/2001	3/11/2011	4/29/2010	7/22/2010	8/26/2010	6/21/2011	2/23/2012	8/12/2011
Date IDA Took Title of Property	2/1/2008	2/1/2009	12/18/2001	11/1/2010	2/23/2011	7/22/2010	10/1/2010	7/1/2011	6/1/2012	10/1/2012
# of FTE's Employees at Project Location before IDA Status:										
Original Estimate of Jobs to be Created	3	6	7	5	-	1	20	2	110	-
Average Estimated Salary of Jobs to be Created	73,500	50,000	42,817	-	-	35,000	60,000	35,000.00	59,000	-
Original Estimate of Jobs to be Retained	-	-	-	-	-	1	-	-	110	-
Average Estimated Salary of Jobs to be Retained	-	-	-	-	-	38,086	-	-	59,000	-
# of Current FTE Employees	2.5	5	29	6	-	3	-	1	143	-
# of FTE's Jobs Created During the Fiscal Year	-	-	-	-	-	-	-	-	-	-
# of FTE's Jobs Retained During the Fiscal Year	-	-	-	-	-	-	-	-	-	-
# of FTE Construction Jobs during 2012	-	-	-	-	-	-	69	-	33	7