

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2010**

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Wayne County Industrial Development Agency  
Lyons, New York

We have audited the accompanying financial statements of Wayne County Industrial Development Agency as of and for the year ended December 31, 2010, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Wayne County Industrial Development Agency's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wayne County Industrial Development Agency as of December 31, 2010, and the changes in its financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2011, on our consideration of Wayne 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* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of Revolving Loan Funds on pages 17 to 18 and the schedule of Project Information on pages 19 to 20 are presented for purpose of additional analysis and are not a required part of the financial statements of Wayne County Industrial Development Agency. The supplemental schedule of Revolving Loan Funds and the schedule of Project Information 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements taken as a whole.

*EFP Rotenberg, LLP*

EFP Rotenberg, LLP  
Rochester, New York  
March 28, 2011

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2010**

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As management of the Wayne County Industrial Development Agency (the "Agency") we offer readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the year ended December 31, 2010. This narrative should be read in conjunction with the Agency's audited financial statements.

### **Financial Highlights**

- The assets of the Agency exceed its liabilities (net assets) at December 31, 2010 by \$4,574,354. Of this amount, \$1,059,684 is *unrestricted net assets*, meaning that these amounts are available for use in furthering the Agency's mission.
- The Agency's liquidity remains strong with \$576,803 in unrestricted cash.
- An increase in loan demand resulted in a net increase of \$496,417 or 26.4% in loans receivable.

### **Overview of the Financial Statements**

This discussion and analysis are 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 Assets** - Presents all assets, liabilities and net assets of the Agency at December 31, 2010. The statement provides information about the amounts and investments in resources (assets) and the obligations to creditors (liabilities).
- **Statements of Activities** - Presents the financial activity for the years ended December 31, 2010 and displays how this activity changed the Agency's net assets. The statement provides 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** - Presents the cash provided and used in operations, investments and financing activities during 2010 and how it affects the cash balance at December 31, 2010.
- **Notes to Financial Statements** - Provide information regarding the Agency and explain in more detail information included in the financial statements.

### **Financial Analysis**

The Agency provides financial incentives and technical assistance to businesses moving to or expanding in Wayne County where job and capital creation will help improve the economic climate of the County. The Agency's net assets may serve over time as a useful indicator of its financial position. In the case of the Agency, assets exceeded liabilities by \$4,574,354 and \$4,566,275 at December 31, 2010 and 2009 respectively.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2010**

By far the Agency's largest types of assets are its cash and loans receivable. A condensed version of the Agency's statement of net assets follows:

**Table 1**  
**Condensed Statements of Net Assets**  
(In thousands of dollars)

	<u>2010</u>	<u>2009</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>2008</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
<b>Assets</b>							
Cash	576.8	677.7	(100.9)	(14.9)	661.1	16.6	2.5
Restricted cash	1,128.6	1,572.6	(444.0)	(28.2)	1,570.9	1.7	0.1
Loans receivable	2,378.5	1,882.1	496.4	26.4	1,819.3	62.8	3.5
Property and equipment - net	431.1	431.8	(0.7)	(0.2)	428.6	3.2	0.7
Other assets	84.9	52.7	32.2	61.1	28.4	24.3	85.6
<b>Total Assets</b>	<b>4,599.9</b>	<b>4,616.9</b>	<b>(17.0)</b>	<b>(0.4)</b>	<b>4,508.3</b>	<b>108.6</b>	<b>2.4</b>
<b>Liabilities</b>							
Line of credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	25.6	50.6	(49.4)	(38.9)	29.6	21.0	70.9
Deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Liabilities</b>	<b>25.6</b>	<b>50.6</b>	<b>(25.0)</b>	<b>(38.9)</b>	<b>29.6</b>	<b>21.0</b>	<b>70.9</b>
Net Assets - Unrestricted	1,059.6	1,069.7	(10.1)	(0.9)	1,051.5	18.2	1.7
Net Assets - Restricted	3,514.7	3,496.6	18.1	0.5	3,427.2	69.4	2.0
<b>Total Net Assets</b>	<b>4,574.3</b>	<b>4,566.3</b>	<b>8.0</b>	<b>0.2</b>	<b>4,478.7</b>	<b>87.6</b>	<b>2.0</b>

Significant changes in the statement of net assets from 2009 to 2010 include:

- Cash decreased due to the funding of incentives associated with increased economic development activity.
- Restricted cash decreased due to the funding of new loans.
- Loans receivable increased as a result of increased loan demand during the year.
- The Agency's line of credit was at a zero balance at the end of 2009 and 2010.
- Accounts payable decreased due to a reduction in the amount billed by New York State as a cost recovery assessment.
- The Agency's largest asset is its loan portfolio. Management assesses the quality of the loans on an ongoing basis. As a result, provisions are made for impaired loans as needed. At December 31, 2010 and 2009, based on management's evaluation, the loan loss reserve was adequate to cover projected loan losses.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2010**

A condensed version of the Agency's statements of revenues, expense and changes in net assets follows:

**Table 2**  
**Condensed Statements of Revenues, Expenses and Changes in Net Assets**  
**(In Thousands of Dollars)**

	<u>2010</u>	<u>2009</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>2008</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
<b>Revenues</b>							
Contractual services and grants	550.0	570.9	(20.9)	(3.7)	550.0	20.9	3.8
Agency and administrative fees	90.2	58.1	32.1	55.2	74.7	(16.6)	(22.2)
Interest – banks	6.3	12.7	(6.4)	(50.4)	31.8	(19.1)	(60.1)
Interest – loans	85.5	79.1	6.4	8.1	108.8	(29.7)	(27.3)
Other income	27.4	75.6	(48.2)	(63.8)	101.5	(25.9)	(25.5)
Loss on sale of assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Revenues</b>	<b>759.4</b>	<b>796.4</b>	<b>(37.0)</b>	<b>(4.6)</b>	<b>866.8</b>	<b>(70.4)</b>	<b>(8.1)</b>
<b>Expenses</b>							
Personnel	324.8	300.4	24.4	8.1	294.6	5.8	2.0
Program expense	201.4	96.0	105.4	109.8	114.6	(18.6)	(16.2)
Contractual services	136.7	223.0	(86.3)	(38.7)	275.1	(52.1)	(18.9)
Administrative and technical assistance	1.3	2.1	(0.8)	(38.1)	2.0	0.1	5.0
Loan loss	67.1	9.5	57.6	606.3	23.3	(13.8)	(59.2)
Land donation	0.0	0.0	0.0	0.0	342.7	(342.7)	100.0
Other expense	20.1	77.8	(57.7)	(74.2)	17.2	60.6	352.3
<b>Total Expenses</b>	<b>751.4</b>	<b>708.8</b>	<b>42.6</b>	<b>6.0</b>	<b>1,069.5</b>	<b>(360.7)</b>	<b>(33.7)</b>
<b>Change in Net Assets</b>	<b>8.0</b>	<b>87.6</b>	<b>(79.6)</b>	<b>(90.9)</b>	<b>(202.7)</b>	<b>290.3</b>	<b>(143.2)</b>
Beginning Net Assets	4,566.3	4,478.7	87.6	2.0	4,681.4	(202.7)	(4.3)
<b>Ending Net Assets</b>	<b>4,574.3</b>	<b>4,566.3</b>	<b>8.0</b>	<b>0.2</b>	<b>4,478.7</b>	<b>87.6</b>	<b>2.0</b>

Significant changes in the statement of revenues and expenses from 2009 to 2010 include:

- The County of Wayne has engaged the Agency to foster and encourage the location and/or expansion of manufacturing and industrial companies in the County. For this activity the County appropriated \$257,400 to the Agency for contractual services in 2009 and 2010. The County has also appropriated funding to the Agency for business retention and attraction projects in the amount of \$292,600 for 2009 and 2010.
- Overall, revenues decreased. 2009 revenues included a one-time state grant of \$20,950. The reduction in other income reflects the reduction in reimbursement by New York State for Empire Zone expenses due to the sunseting of that program and a decrease in reimbursements by other County municipalities for membership in the region's public-private economic development partnership.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2010**

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- Program expenses in 2010 increased due to the increase in the number of studies and projects assisted through the Agency's site readiness program.
- Contractual expenses were down reflecting fewer incentives to businesses for relocation.
- Loan loss expense increased based on management's continuing analysis of the quality of the loan portfolios in light of changing economic conditions.
- Other expenses decreased due to lower membership fees offsetting the reduction in membership reimbursement for the regional economic development partnership as well as the reduction in the New York State cost recovery assessment.

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>2010</u>	<u>2009</u>	<u>2008</u>
<b>Cash Flows from Operating Activities</b>			
Receipts from providing services	550.0	570.9	550.0
Payments to suppliers	(437.3)	(350.5)	(386.3)
Payments to employees	(324.8)	(300.4)	(294.6)
Payments received on notes	0.0	0.0	0.0
Other operating revenue	108.5	120.7	137.2
Net cash flows from operating activities	(103.6)	40.7	6.3
<b>Cash Flows from Investing Activities:</b>			
Investment income	4.2	7.8	14.6
Certificates of deposit	(3.2)	(5.2)	(145.6)
Proceeds from sale of assets	0.0	0.0	0.0
Property and equipment additions	(1.1)	(4.5)	(404.2)
Construction in process	0.0	0.0	0.0
Net cash flows from investing activities	(0.1)	(1.9)	(535.2)
<b>Net Change in Cash and Cash Equivalents</b>	<b>(103.7)</b>	<b>38.8</b>	<b>(528.9)</b>
Beginning Cash and Cash Equivalents	412.9	374.1	903.0
<b>Ending Cash and Cash Equivalents</b>	<b>309.2</b>	<b>412.9</b>	<b>374.1</b>

Significant changes in the statement of cash flows include:

- Investments or redemption of certificates of deposit from year to year.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2010**

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**Capital Assets**

The Agency's major capital asset is approximately forty-two acres of land that was purchased in 2008 for \$400,238 in order to expand the Agency's Industrial Sustainability Park.

**Long-Term Debt**

The Agency has no direct long-term debt but has entered into conduit financing agreements with two companies with a total of \$7,017,500 in bonds outstanding at the end of 2010. These transactions are not recorded on the Agency's financial statements but are disclosed in the notes to the financial statements.

**Economic Factors**

The Agency's basic purpose is to assist business growth and expansion in Wayne County, New York. The business and economic climate in the County have been relatively steady over the past two years despite more adverse conditions facing other parts of the United States.

**Contacting the Agency**

This financial report is designed to provide a general overview of the Agency's finances for interested individuals. Questions regarding this report or requests for additional information should be directed to the Wayne County Industrial Development Agency, 16 William Street, Lyons, New York 14489 - Attention: Executive Director.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Statement of Net Assets**  
**December 31, 2010**

	<u>Operating Fund</u>	<u>Non- Operating Revolving Loan Funds</u>	<u>Total All Funds</u>
<b>ASSETS</b>			
<b>Assets</b>			
Cash and cash equivalents	\$ 309,282	\$ -	\$ 309,282
Certificate of deposits	267,521	-	267,521
Restricted cash	-	1,100,717	1,100,717
Restricted certificate of deposit	27,875	-	27,875
Prepaid expenses	10,833	-	10,833
Loans receivable - net of allowance for loan losses	-	2,378,543	2,378,543
Interest receivable	-	11,742	11,742
Other receivables	62,300	-	62,300
Property and equipment - net	<u>407,471</u>	<u>23,668</u>	<u>431,139</u>
<b>Total Assets</b>	<b>\$ <u>1,085,282</u></b>	<b>\$ <u>3,514,670</u></b>	<b>\$ <u>4,599,952</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts payable	\$ 6,686	\$ -	\$ 6,686
Accrued state cost recovery assessment	<u>18,912</u>	-	<u>18,912</u>
Total liabilities	<u>25,598</u>	-	<u>25,598</u>
<b>Net Assets</b>			
Unrestricted	1,059,684	-	1,059,684
Restricted for revolving funds	<u>-</u>	<u>3,514,670</u>	<u>3,514,670</u>
Total net assets	<u>1,059,684</u>	<u>3,514,670</u>	<u>4,574,354</u>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>1,085,282</u></b>	<b>\$ <u>3,514,670</u></b>	<b>\$ <u>4,599,952</u></b>

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

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Statement of Activities**  
**For the Year Ended December 31, 2010**

	<u>Operating Fund</u>	<u>Non- Operating Revolving Loan Funds</u>	<u>Total All Funds</u>
<b>Revenues</b>			
Contractual services and grants	\$ 550,000	\$ -	\$ 550,000
Agency and administrative fees	90,200	-	90,200
Interest - loans	-	85,544	85,544
Interest - banks	4,154	2,159	6,313
Other revenue	18,326	50	18,376
In-kind income	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total revenues	<u>671,680</u>	<u>87,753</u>	<u>759,433</u>
<b>Expenses</b>			
Program expense	201,406	-	201,406
Contractual services	136,735	-	136,735
Salaries	238,010	-	238,010
Employee benefits	86,810	-	86,810
Administrative and technical assistance	-	1,349	1,349
Depreciation	1,752	-	1,752
Occupancy	9,000	-	9,000
State cost recovery assessment (refund)	(22,063)	-	(22,063)
Contributions	30,000	-	30,000
Loan loss	-	67,100	67,100
Interest expense	-	1,255	1,255
Total expenses	<u>681,650</u>	<u>69,704</u>	<u>751,354</u>
<b>Change in Net Assets</b>	(9,970)	18,049	8,079
<b>Net Assets - Beginning</b>	<u>1,069,654</u>	<u>3,496,621</u>	<u>4,566,275</u>
<b>Net Assets - Ending</b>	<u>\$ 1,059,684</u>	<u>\$ 3,514,670</u>	<u>\$ 4,574,354</u>

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

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Statement of Cash Flows**  
**Operating Fund**  
**For the Year Ended December 31, 2010**

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<b>Cash Flows from Operating Activities</b>	
Receipts from providing services	\$ 550,000
Payments to suppliers for goods and services	(437,284)
Payments to employees	(324,820)
Other operating revenue	<u>108,526</u>
Net cash flow from operating activities	<u>(103,578)</u>
<b>Cash Flows from Investing Activities</b>	
Certificates of deposit	(3,155)
Property and equipment additions	(1,059)
Investment income	<u>4,154</u>
Net cash flow from investing activities	<u>(60)</u>
<b>Net Change in Cash and Cash Equivalents</b>	(103,638)
<b>Cash and Cash Equivalents - Beginning</b>	<u>412,920</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>\$ 309,282</u>
<b>Reconciliation of Change in Net Assets to Net Cash Flows from Operating Activities</b>	
Change in net assets	\$ (9,970)
Adjustments	
Depreciation	1,752
Investment income	(4,154)
Change in assets and liabilities	
Prepaid expense	(3,887)
Other receivables	(62,300)
Accounts payable	(2,956)
Accrued state cost recovery assessment	<u>(22,063)</u>
<b>Net Cash Flows from Operating Activities</b>	<u>\$ (103,578)</u>

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

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

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**Note 1. Summary of Significant Accounting Policies and Scope of Organization**

**Scope of Organization** - Wayne County Industrial Development Agency (WCIDA) of Lyons, New York is a not-for-profit public benefit corporation which was established May 22, 1969, under the mandate of Article 18-A, "New York State Industrial Development Agency Act" of New York State general municipal law. The purpose of WCIDA is to advance the job opportunities, health, general propensity and economic welfare of the people of Wayne County, New York (the County) and improve their recreation opportunities and standard of living. WCIDA is a component unit of the County of Wayne, New York.

WCIDA meets this purpose by providing conduit financing through the issuance of tax exempt or taxable obligations, financing projects through the use of revolving loans that are normally secured by a mortgage or lien on the property, and by use of payments in lieu of taxes (PILOT) programs which allow for the full or partial exemption from real property, sales and mortgage taxes.

**Measurement Focus and Method of Accounting** - The accounts of WCIDA are maintained on the accrual basis of accounting, in conformity with the Uniform System of Accounts for Industrial Development Agencies published by the New York State Office of the State Comptroller.

In June of 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis of State and Local Governments." This statement was adopted as of January 1, 2004 and is reflected in these financial statements. A Management's Discussion and Analysis (MD&A) is not a required part of the financial statements but is supplementary information required by GASB.

**Estimates** - The preparation of financial statements in conformity 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 disclosure 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.

**Cash and Cash Equivalents** - For the purposes of the statements of financial position and statements of cash flows, cash and cash equivalents include deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

**Investment Policy** - WCIDA has a formal investment policy approved by the Board of Directors that defines permitted investments and establishes collateralization requirements for all investments.

**Restricted Cash** - This account is used to record cash transactions and show cash balances restricted for use as part of WCIDA revolving loan funds.

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

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**Restricted Certificate of Deposit** - WCIDA has elected not to participate in the New York State Unemployment Insurance program and has established a restricted certificate of deposit for the purpose of funding unemployment claims, if any.

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

**Property and Equipment** - Property and equipment is stated at the lower of cost or fair market value at the date of donation or the date of purchase, less accumulated depreciation. Routine maintenance and repairs are charged to operations as they are incurred. Expenditures in excess of \$1,000 which extend the useful life of an asset are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are eliminated and the resulting gain or loss, if any, is included in operations. Depreciation is computed using the straight-line method over the following estimated useful lives.

Equipment	5 - 7 Years
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Depreciation expense amounted to \$1,752 for the year ended December 31, 2010.

**Allowance for Loan Losses** - The allowance for loan losses consists of the provision for loan losses charged to operations based upon management's evaluation of the loan portfolio considering such factors as historical loan experience, review of specific loans, current economic conditions and such other factors as management considers appropriate to estimate loan losses. Loan losses and the recovery of loans previously charged off are charged or credited to the allowance as incurred or realized, respectively.

The allowance for loan losses is maintained at a level believed by management to be adequate to provide for the inherent risk of loss in the current loan portfolio. While management uses available information to recognize losses on loans, future additions to the allowance may be necessary based on changes in economic conditions. A loan is considered to be impaired when, based on current information and events, it is probable that WCIDA will be unable to collect all contractual interest and principal payments according to the terms of the loan agreement. As a practical expedient, valuation of an impaired loan may be based on the loan's observable market price or the fair value of collateral if the loan is collateral dependent. An impairment loss exists if the recorded investment in the loan exceeds the value of the loan as measured by the aforementioned methods. Impairment losses are included as a component of the allowance for loan losses.

**Conduit Financing** - One of the activities of WCIDA is to provide low-cost financing, through the issuance of tax exempt or taxable obligations, for commercial enterprises. In the normal arrangement WCIDA retains title to the property, equipment, or improvement and enters into a lease or mortgage agreement with the benefited enterprise. Lease or mortgage payments are structured to coincide with debt service payments. Proceeds of obligations as well as debt service payments are administered by the benefited enterprise through a trustee bank. The obligations are not obligations of WCIDA; the primary function of WCIDA is to arrange financing between borrowing companies and the bond note holders.

Although the form of these transactions would seem to be that of a lessor/lessee arrangement, it is merely a financing agreement in which WCIDA merely acts as the financing conduit. To record the assets and liabilities resulting from the transactions would tend to overstate and inflate the operations of WCIDA. Consequently in these conduit financing arrangements WCIDA does not record bond proceeds, the assets acquired, liabilities incurred or debt service payments in the financial statements.

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

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**Note 2. Certificates of Deposit**

As of December 31, 2010, WCIDA had certificates of deposit held at banks as follows:

**Unrestricted**

A six month certificate of deposit at Canandaigua National Bank with interest at .35% maturing on May 25, 2011. \$ 113,550

A nine month certificate of deposit at Savannah Bank with interest at .45% maturing on January 9, 2011. 77,709

A six month certificate of deposit at Savannah Bank with interest at .50% maturing on April 20, 2011. 76,262

Total \$ 267,521

**Restricted**

A twelve month certificate of deposit at Lyons National Bank with interest at .90% maturing on February 17, 2011. Use of funds is restricted to unemployment insurance claims. \$ 27,875

The certificates of deposit are fully collateralized as of December 31, 2010.

**Note 3. Related Party Transactions**

**Contractual Services** - The County has engaged WCIDA to foster and encourage the location and/or expansion of industrial or manufacturing plants in the County. The 2010 Wayne County budget appropriated \$257,400 for WCIDA for contractual services, which was paid through quarterly installments. The County also has appropriated funding to WCIDA for business retention and attraction projects in the amount of \$292,600 during the year ended December 31, 2010.

At December 31, 2010, no outstanding amounts were owed by the County.

**Agency Fees** - Agency fees, resulting from the establishment of PILOT agreements, amounted to \$85,700 for the year ended December 31, 2010.

See Note 12 for additional related party transaction.

**Note 4. Revolving Loan Funds**

A common function of WCIDA is to administer revolving loan funds for the purpose of fostering economic development. The source of funds to finance the loan payment may be from state, federal, or private grants or from funds of WCIDA itself. Whether the loan funds are restricted by a grant agreement or funded from WCIDA monies, they are established directly from retained earnings and reported as a reservation of retained earnings. Thus, grants received from outside sources which will be used to make loans from a revolving fund are recorded as a non-operating revenue.

Loans to commercial enterprises and principal repayments are not recorded through revenue and expenses. Any interest income is restricted to making future loans and is credited to revenues and closed to the restricted net assets.

Total revolving loans receivable from various commercial enterprises as of December 31, 2010 were \$2,569,863. The loans have an associated allowance for loan losses of \$191,320 resulting in net loans receivable of \$2,378,543.

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

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At December 31, 2010, total interest receivable due on revolving loans amounted to \$11,742. In addition, at December 31, 2010, total loans included in the revolving loan funds on a non-accrual status amounted to approximately \$261,500. Interest on these loans is recorded when paid to WCIDA. At December 31, 2010 interest not received or recorded amounted to \$33,283.

**Note 5. Property and Equipment**

Property and equipment consists of the following at December 31, 2010:

<b>Operating Fund</b>	
Land	\$ 400,238
Equipment	<u>15,523</u>
Sub-total	415,761
Less - accumulated depreciation	<u>(8,290)</u>
Property and equipment - net	<u>\$ 407,471</u>
<b>Revolving Loan Fund</b>	
Land	<u>\$ 23,668</u>

The land reported in the Revolving Loan Fund resulted from the transfer of a deed in lieu of payment of a loan receivable.

In 2008, a deed was recorded for land donated by WCIDA (recorded at \$342,700) to the Town of Macedon ("the Town"). This transfer was approved by the Board of Directors in 2007. The donation of the land required the Town to commence construction of a municipal/emergency services facility on the site on or before January 15, 2009. If this obligation was not met, WCIDA reserved the right to either require payment from the Town of the fair market value of the property, as determined by a licensed real estate appraiser, or receiving the property back. Construction did not commence by January 15, 2009. As of March 28, 2011, WCIDA is still reviewing this matter and waiting upon a resolution from the Town.

**Note 6. Line of Credit**

WCIDA maintains a \$1,000,000 line of credit with Lyons National Bank that bears interest at the prime rate minus 1%, or 2.25% at December 31, 2010. At December 31, 2010, there was no outstanding principal balance. The line of credit is collateralized by the loans receivable generated by the Revolving Loan Fund. WCIDA also has a second line of credit with Lyons National Bank in the amount of \$500,000 that also bears interest at the prime rate minus 1%. At December 31, 2010, there was no outstanding principal balance. This line is also collateralized by the loans receivable generated by the Revolving Loan Fund and requires that the loan aging report be submitted to the bank quarterly.

**Note 7. Industrial Revenue Bonds**

WCIDA has entered into the following conduit financing arrangements where the primary function of WCIDA 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 transactions listing all bonds as follows:

<u>Company</u>	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Outstanding End of Year</u>
Seneca Foods Corporation	1992	2112	\$ 5,060,000
Wayne Hostels Holding	1993	2018	<u>1,957,500</u>
Total			<u>\$ 7,017,500</u>

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

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**Note 8. Payments in Lieu of Taxes (PILOT's)**

A significant inducement in WCIDA projects is exemption from real property, sales, and mortgage taxes. By law, all property titled to WCIDA is exempt from these taxes. In practice, however, payments in lieu of taxes (PILOT) are often negotiated with the private developer. PILOT's may represent full or partial remuneration to one or more of the real property tax jurisdictions involved.

WCIDA is responsible for tracking all PILOT payments whether made by WCIDA in connection with property it owns or made directly to the taxing authorities by the organizations participating in the program. A total of 43 organizations participated in the PILOT's program and \$1,250,850 in payments were administered by WCIDA for the year ended December 31, 2010.

**Note 9. In-Kind Contributions**

WCIDA records various types of in-kind contributions, including contributed tangible assets and services. The contributions of tangible assets are recognized at the date of the contribution and are recorded at fair market value. Contributed services are recognized if the services received either create or enhance long-lived assets, or require specialized skills that are provided by individuals possessing those skills that typically would need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind contributions are recorded by the gross method with offsetting amounts included in expenses or property and equipment.

WCIDA offices are housed in a building owned by the County. The County does not charge rents to WCIDA for the use of the facility. Based upon office square footage of 1,054 square feet and a rate of \$8.54 per square foot, total rents of \$9,000 have been recorded as rent expense and a corresponding amount is included in revenue as part of grants revenue.

**Note 10. Employee Benefit Plan**

**Plan Description** - WCIDA 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 is contributory except for employees who joined the ERS after July 27, 1976, who contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. 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.

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

2010	\$	28,289
2009	\$	16,670
2008	\$	19,066

The ERS plan year ends March 31st. The required contribution noted above for 2010 is for the plan year ending March 31, 2011. The contribution was paid before December 31, 2010, resulting in a prepaid expense of \$7,072 at December 31, 2010.

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

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**Note 11. 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 amounts on deposit in banking institutions and the related collateral as of December 31, 2010 excluding certificates of deposit are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand and savings deposits	\$ <u>1,409,999</u>	\$ <u>1,416,448</u>
Covered by FDIC insurance		\$ <u>1,416,448</u>

**Note 12. Contributions**

Wayne Industrial Sustainability Park (WISP) is an entity that was created by WCIDA during 2006. WISP's primary purpose is to enhance the economic development located in pods of sustainable industrial communities throughout the County. Currently, the land donated at Silver Hills is a pod and the land purchased in Ontario (the 84 Lumber site) is a pod. During 2006 WCIDA contributed \$60,000 in cash along with paying for legal and set-up costs, including legal, mapping and engineering, totaling \$27,154. During 2010, WCIDA contributed an additional \$30,000 in various expenses related to the project. WCIDA does not expect to be reimbursed for any of these costs and therefore expensed them in the year contributed.

**Note 13. State Cost Recovery Assessment**

Public Authorities Law Section 2975 was passed in 2009 and established a cost recovery of central government services provided to public authorities by New York State. The 2010-2011 administrative services assessment for the Agency is \$18,912, and is due by the Agency to the New York State Department of Taxation by March 31, 2011. The cost recovery assessment was accrued in the 2010 financial statements. The cost recovery assessment amounting to \$40,975 paid for 2009, was refunded by New York State in 2010.

**Note 14. Budget Comparison**

The following is a comparison of actual expenditures to budgeted expenditures for the year ended December 31, 2010:

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Program/contractual services/other	\$ 397,830	\$ 346,078	\$ 51,752
Salaries	235,000	238,010	(3,010)
Employee benefits	86,500	86,810	(310)
Depreciation	1,691	1,752	(61)
Occupancy	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Total	<u>\$ 730,021</u>	<u>\$ 681,650</u>	<u>\$ 48,371</u>

The differences in salaries and employee benefits result from classification. Depreciation is a non-cash expenditure and the difference results from asset additions in 2010.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Supplemental Schedule of Revolving Loan Funds**  
**December 31, 2010**

	<u>WCIDA Revolving Loan Fund</u>	<u>Small Cities Loan Fund</u>	<u>Agri Business Loan Fund</u>	<u>Other Loan Fund</u>	<u>Total Revolving Loan Funds</u>
<b>ASSETS</b>					
<b>Assets</b>					
Restricted cash	\$ 26,345	\$ 587,871	\$ 382,365	\$ 104,136	\$ 1,100,717
Loans receivable - net of allowance for loan losses	2,096,363	78,911	131,920	71,349	2,378,543
Interest receivable	5,516	1,679	3,989	558	11,742
Property and equipment - net	<u>          -</u>	<u>23,668</u>	<u>          -</u>	<u>          -</u>	<u>23,668</u>
<b>Total Assets</b>	<u>\$ 2,128,224</u>	<u>\$ 692,129</u>	<u>\$ 518,274</u>	<u>\$ 176,043</u>	<u>\$ 3,514,670</u>
<b>NET ASSETS</b>					
<b>Net Assets</b>					
Restricted revolving funds	<u>\$ 2,128,224</u>	<u>\$ 692,129</u>	<u>\$ 518,274</u>	<u>\$ 176,043</u>	<u>\$ 3,514,670</u>
<b>Total</b>	<u>\$ 2,128,224</u>	<u>\$ 692,129</u>	<u>\$ 518,274</u>	<u>\$ 176,043</u>	<u>\$ 3,514,670</u>

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Supplemental Schedule of Revolving Loan Funds**  
**For the Year Ended December 31, 2010**

	<u>WCIDA Revolving Loan Fund</u>	<u>Small Cities Loan Fund</u>	<u>Agri Business Loan Fund</u>	<u>Other Loan Fund</u>	<u>Total Revolving Loan Funds</u>
<b>Revenues</b>					
Interest - loans	\$ 74,163	\$ 3,838	\$ 5,589	\$ 1,954	\$ 85,544
Interest - banks	318	1,050	592	199	2,159
Miscellaneous income	-	50	-	-	50
Total revenues	<u>74,481</u>	<u>4,938</u>	<u>6,181</u>	<u>2,153</u>	<u>87,753</u>
<b>Expenses</b>					
Administrative and technical assistance	15	620	622	92	1,349
Loan loss (recovery)	32,000	4,600	30,000	500	67,100
Interest expense	1,255	-	-	-	1,255
Total expenses	<u>33,270</u>	<u>5,220</u>	<u>30,622</u>	<u>592</u>	<u>69,704</u>
<b>Change in Net Assets</b>	41,211	(282)	(24,441)	1,561	18,049
<b>Net Assets - Beginning</b>	<u>2,087,013</u>	<u>692,411</u>	<u>542,715</u>	<u>174,482</u>	<u>3,496,621</u>
<b>Net Assets - Ending</b>	<u>\$ 2,128,224</u>	<u>\$ 692,129</u>	<u>\$ 518,274</u>	<u>\$ 176,043</u>	<u>\$ 3,514,670</u>

**Wayne County Industrial Development Agency  
Project Information  
December 31, 2010**

Project Code	Project Type	Project Name	Related to an existing multi-phase project?	If Yes: What is the original project code?	Project Purpose Category	Total Project Amount	Benefited Project Amount	Bond/Note Amount	Annual Lease Payment	Federal Tax Status of Bonds	Is the applicant a Not for Profit corporation?	Date Project Approved	Did the IDA take title or leasehold interest to the property?	Date IDA Took Title or Leasehold Interest in Property	Year Financial Assistance is Planned to End	State Sales Tax Exemption
5401-02-03A	Lease	Acadia Polymers Corp	N		Manufacturing	1,277,000	750,000	-	-	N	N	08/21/2002	Y	02/17/2004	2014	-
5401-07-03AB	Lease	Bella Design	N		Manufacturing	568,132	540,000	-	-	N	N	04/27/2007	Y	08/01/2007	2018	-
5401-02-04A	Lease	Cahoon Farms Leasing	N		Manufacturing	2,443,200	1,677,040	-	-	N	N	10/28/2002	Y	02/22/2003	2014	-
5401-08-01A	Lease	CIDC	N		Other Categories	417,500	417,500	-	-	N	N	02/22/2008	Y	02/01/2008	2018	-
5401-04-02A	Lease	CL Enterprises LLC	N		Manufacturing	220,000	206,000	-	-	N	N	09/01/2004	Y	02/27/2006	2016	-
5401-05-02A/02B	Lease	Colony Realty-Wine & Liquor	N		Wholesale Trade	8,540,000	8,540,000	-	-	N	N	12/09/2005	Y	02/22/2006	2016	-
5401-05-01A	Lease	DJ Property Management	N		Manufacturing	6,600,000	6,300,000	-	-	N	N	10/28/2005	Y	11/17/2005	2016	-
5401-10-04A	Lease	Empire Fruit Growers Cooperative	N		Agriculture, Forestry and Fishing	5,722,500	5,580,000	-	-	N	N	09/24/2010	Y	01/11/2011	2021	-
5401-98-05A	Lease	ERM Associates	N		Manufacturing	1,420,500	1,356,500	-	-	N	N	10/27/1998	Y	03/01/1999	2014	-
5401-07-01A	Lease	ERM Associates - 2	Y	5401-98-05A	Manufacturing	4,956,980	4,906,980	-	-	N	N	04/02/2007	Y	05/17/2007	2018	-
5401-98-07A	Bonds/Notes Issuance	Friend/Division Partners	N		Manufacturing	3,450,000	3,285,000	3,800,000	-	T/E	N	12/28/1998	Y	05/01/1999	2010	-
5401-05-03A	Lease	Garlock Sealing Technologies	N		Manufacturing	37,000,000	37,000,000	-	-	N	N	12/28/2005	Y	03/27/2006	2025	-
5401-00-02A	Lease	Halstead Machine	N		Manufacturing	560,000	427,000	-	-	N	N	07/31/2000	Y	11/28/2000	2014	-
5401-07-06A	Lease	Halstead Machine - 2	Y	5401-00-02A	Manufacturing	291,000	279,500	-	-	N	N	10/22/2007	Y	10/22/2007	2019	-
5401-00-01A	Lease	Information packaging Corp.	N		Manufacturing	1,400,400	1,300,000	-	-	N	N	06/30/2000	Y	12/27/2000	2015	-
5401-08-04AB	Lease	JAMKO	N		Manufacturing	1,230,000	1,200,000	-	-	N	N	10/24/2008	Y	11/01/2008	2019	-
5401-07-02A	Lease	K.M. Davies Co., Inc.	N		Agriculture, Forestry and Fishing	3,400,000	3,400,000	-	-	N	N	05/25/2007	Y	06/22/2007	2019	-
5401-10-05A	Lease	Kairos, LLC/Ankom 2	Y	5401-02-01A	Manufacturing	627,500	600,000	-	-	N	N	09/25/2010	Y	12/15/2010	2021	15,798.71
5401-02-01A	Lease	Kairos, LLC/Ankom Technology	N		Manufacturing	837,500	750,000	-	-	N	N	02/22/2002	Y	12/23/2002	2014	-
5401-06-01A	Lease	Koch Acquisitions/Ariel Optics	N		Manufacturing	428,400	340,000	-	-	N	N	02/13/2006	Y	03/29/2006	2017	-
5401-07-05A	Lease	Legendary Auto	N		Manufacturing	1,800,000	1,800,000	-	-	N	N	04/16/2009	Y	06/01/2009	2020	-
LD97009-02A9	Lease	Leggio d/b/a Skyline North	N		Manufacturing	1,100,000	885,000	-	-	N	N	09/22/1997	Y	10/31/1997	2018	-
5401-04-01A	Lease	Maco Bag/Miller Holding	N		Manufacturing	1,555,000	1,525,000	-	-	N	N	07/28/2004	Y	10/01/2004	2015	-
5401-08-06A	Lease	Marshall Farms Group	N		Agriculture, Forestry and Fishing	2,021,000	2,000,000	-	-	N	N	11/21/2008	Y	06/01/2009	2020	-
5401-08-03A	Lease	Marshall Farms - Pet Products	N		Agriculture, Forestry and Fishing	696,000	675,000	-	-	N	N	10/24/2008	Y	11/01/2008	2019	-
5401-10-03A	Lease	Marshall Ingredients	N		Agriculture, Forestry and Fishing	1,950,000	1,880,000	-	-	N	N	08/24/2010	Y	10/25/2010	2021	34,684.33
5401-98-01A	Lease	Maxpro	N		Manufacturing	2,500,000	2,336,364	-	-	N	N	02/12/1998	Y	05/01/1998	2011	-
5401-01-01A	Lease	Micro Tech Machine	N		Manufacturing	654,000	600,000	-	-	N	N	05/16/2001	Y	09/28/2001	2012	-
5401-10-02A	Lease	Midland Asphalt Materials, Inc.	N		Manufacturing	5,967,951	5,908,852	-	-	N	N	06/25/2010	Y	12/29/2010	2021	1,800.00
5401-98-02A	Lease	Mobil Chemical	N		Manufacturing	8,000,000	5,750,000	-	-	N	N	08/28/1998	Y	02/01/1999	2019	-
5401-99-03A	Lease	Murphy Co., Inc.	N		Manufacturing	800,000	800,000	-	-	N	N	07/30/1999	Y	03/01/2000	2011	-
5401-06-05A	Lease	N. Development - Biodiesel	N		Manufacturing	915,470	840,000	-	-	N	N	07/24/2006	Y	10/11/2006	2022	-
5401-99-02A	Lease	N. Development - Harbec	N		Manufacturing	1,785,000	1,541,000	-	-	N	N	5/10/1999	Y	11/1/1999	2020	-
5401-04-03A	Lease	Palmira Inn Investment, LLC	N		Services	3,400,000	318,300	-	-	N	N	10/18/2004	Y	02/23/2005	2015	-
5401-98-03A	Lease	Parkwood Heights	N		Continuing Care	9,309,000	8,400,000	-	-	N	N	8/28/1998	Y	11/1/1999	2049	-
5401-06-04A	Lease	Parkwood Heights - Cottages	Y	5401-98-03A	Continuing Care	3,098,957	2,500,000	-	-	N	N	05/10/2006	Y	06/01/2006	2017	-
5401-04-04A	Lease	Photon Gear, nc.	N		Manufacturing	461,720	441,150	-	-	N	N	11/12/2004	Y	01/03/2006	2016	-
5401-10-01A	Lease	Pomona Packing, LLC	N		Agriculture, Forestry and Fishing	6,689,900	5,315,000	-	-	N	N	04/30/2010	Y	02/24/2011	2021	188,324.23
ED9227901A	Bonds/Notes Issuance	Seneca Foods Corp	N		Manufacturing	7,000,000	5,060,000	5,060,000	-	T/E	N	10/26/1981	Y	06/01/1992	2012	-
5401-06-03A	Lease	Silver Hill - FLCC	N		Other Categories	750,000	700,000	-	-	Y	Y	05/01/2006	Y	08/04/2006	2022	-
5401-03-02A	Lease	Spoon Exhibit Services	N		Manufacturing	2,450,500	2,095,000	-	-	N	N	10/07/2003	Y	11/14/2003	2013	-
5401-98-06A	Lease	The Guild (Permar)	N		Manufacturing	989,000	949,000	-	-	N	N	10/27/1998	Y	03/01/1999	2020	-
5401-99-04A	Lease	Thomas Electromics	N		Manufacturing	1,755,000	1,633,000	-	-	N	N	08/20/1999	Y	02/01/2000	2010	815.31
5401-07-04A	Lease	Upstate Refractory Services	N		Manufacturing	1,100,000	1,080,000	-	-	N	N	05/17/2007	Y	10/29/2007	2019	-
ED9327801A	Bonds/Notes Issuance	Wayne Hostels Holding (ARC)	N		Civic Facility	3,990,000	3,850,000	3,850,000	-	T/E	Y	01/22/1993	Y	03/30/1993	2018	-
5401-06-02A	Lease	Wayne Industrial Sustainability	N		Other Categories	481,400	481,400	-	-	Y	Y	02/22/2006	Y	02/22/2006	2011	-
5401-08-05AB	Lease	Weslor Enterprises	N		Manufacturing	1,500,000	1,500,000	-	-	N	N	10/24/2008	Y	11/01/2008	2019	-

**Wayne County Industrial Development Agency  
Project Information  
December 31, 2010**

City/Town/Village)	Local Real Property Tax Exemption	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b	County PILOT - PAID	Local PILOT - PAID	School District PILOT - PAID	County PILOT - DUE	Local PILOT - DUE	School District PILOT - DUE	# of FTEs before IDA status	* Original estimate of jobs to be created	* Average estimated annual salary of jobs to be created (at current market rate).	* Annualized salary range of jobs to be created, FROM	* Annualized salary range of jobs to be created, TO	* Original estimate of jobs to be retained	* Estimated average annual salary of jobs to be retained (at current market rate).	* Current # of FTEs	* # of FTE construction jobs during the fiscal year
-	5,592.02	3,641.83	15,763.11	-	-	16,984.67	4,537.66	2,955.17	12,791.02	4,537.66	2,955.17	12,791.02	38	32	41,875	33,500	50,250	-	-	52	-
-	5,584.10	2,249.42	20,506.69	-	-	11,978.20	1,279.27	515.32	5,793.47	1,279.27	515.32	5,793.47	5	4	37,500	30,000	45,000	-	-	9	-
-	16,328.25	6,702.26	33,323.88	-	-	987.60	12,258.70	5,031.83	-	12,258.70	5,031.83	25,018.44	85	20	25,000	20,000	30,000	-	-	105	-
-	4,421.70	11,434.42	13,432.22	-	-	29,288.34	2,425.76	977.16	8,791.85	2,425.76	977.16	8,791.85	11	5	30,000	24,000	36,000	-	-	11	-
-	-	-	14,066.47	-	-	7,786.40	-	-	-	-	-	-	-	80	36,375	29,000	45,000	-	-	-	-
-	-	-	44,379.45	-	-	49,537.24	10,584.75	3,666.26	27,717.73	10,584.75	3,666.26	27,717.73	65	8	55,125	45,000	65,000	-	-	65	-
-	16,947.47	5,870.13	10,999.87	-	-	52,379.64	4,994.69	3,590.76	23,167.30	1,728.98	3,590.76	23,167.30	25	15	15,933	14,440	104,000	-	-	27	8
-	31,757.38	10,999.87	83,161.36	-	-	2,087.77	3,488.60	2,087.77	30,216.00	3,488.60	2,087.77	30,216.00	99	69	34,493	25,000	40,000	-	-	102	-
-	9,488.14	5,678.22	30,215.99	-	-	1,011.90	3,488.60	2,087.77	30,216.00	3,488.60	2,087.77	30,216.00	80	29	24,912	20,000	30,000	-	-	57	-
-	37,127.94	17,818.20	105,433.73	-	-	160,379.87	37,127.94	17,818.20	105,433.75	37,127.94	17,818.20	105,433.75	548	-	-	-	-	548	50,730	549	-
-	4,597.94	8,191.67	12,172.16	-	-	24,961.76	3,139.83	5,593.89	8,312.30	3,139.83	5,593.89	8,312.30	23	4	20,000	16,000	24,000	-	-	50	-
-	-	-	-	-	-	-	-	-	-	-	-	-	50	5	40,000	32,000	48,000	-	-	-	-
-	10,159.16	4,092.37	36,110.15	-	-	45,755.52	7,818.52	3,149.50	28,865.40	7,818.52	3,149.50	28,865.40	50	25	29,960	20,000	36,000	-	-	55	-
-	1,911.96	1,886.10	28,624.22	-	-	28,080.57	247.75	244.40	683.56	247.75	244.40	683.56	24	8	31,200	25,000	37,500	-	-	9	-
-	29,291.63	15,118.19	85,782.36	-	-	58,586.48	-	-	-	-	-	-	20	7	16,343	13,000	20,000	-	-	28	-
15,798.71	-	-	10,007.50	-	-	41,604.64	-	-	-	-	-	-	17	3	66,667	62,500	75,000	-	-	24	1
-	6,385.40	2,572.20	22,681.85	-	-	7,225.98	3,921.76	1,579.78	15,664.33	3,921.76	1,579.78	15,664.33	-	16	59,375	47,500	71,500	-	-	24	-
-	3,345.76	1,158.88	8,761.36	-	-	4,643.10	546.69	189.36	1,431.60	546.69	189.36	1,431.60	3	5	16,625	12,000	20,000	-	-	5	-
-	-	-	20,678.85	-	-	10,339.42	-	-	5,008.78	-	-	5,008.78	60	10	39,500	31,500	47,500	-	-	51	-
-	6,394.77	2,575.98	19,793.14	-	-	2,840.06	5,685.24	2,290.16	19,793.13	5,685.24	2,290.16	17,596.99	-	14	26,667	20,000	32,000	-	-	15	-
-	6,835.19	12,177.56	18,094.87	-	-	27,419.66	3,452.75	6,151.40	9,140.71	3,452.75	6,151.40	9,140.71	-	175	32,000	25,000	38,400	-	-	145	-
-	-	-	8,159.59	-	-	8,159.59	-	-	1,402.15	-	-	1,402.15	206	6	33,333	25,000	40,000	-	-	240	-
-	6,296.50	-	11,339.01	-	-	7,935.98	4,979.42	-	8,967.15	4,979.42	-	8,967.15	19	2	55,556	42,500	70,000	-	-	28	-
34,684.33	-	-	-	-	-	-	-	-	-	-	-	-	26	14	32,143	30,000	37,500	-	-	28	3
-	16,165.70	5,599.35	42,332.27	-	-	4,293.12	8,610.80	2,982.54	22,548.65	8,610.80	2,982.54	22,548.65	47	79	32,803	25,000	40,000	-	-	141	-
-	5,874.36	10,485.74	15,551.24	-	-	3,952.49	4,000.52	7,127.31	10,590.86	4,000.52	7,127.31	10,590.86	32	10	33,000	26,500	40,000	-	-	41	-
1,800.00	-	-	-	-	-	3,600.00	-	-	-	-	-	-	13	7	49,886	45,000	51,000	-	-	18	26
-	61,360.28	24,717.49	190,693.46	-	-	190,693.46	40,842.03	16,452.22	127,139.74	40,842.03	16,452.22	127,139.74	100	193	23,316	17,500	28,000	-	-	107	-
-	8,240.26	3,319.39	28,002.41	-	-	5,595.51	4,808.96	1,937.17	15,626.86	4,808.96	1,937.17	15,626.86	-	68	18,000	12,500	21,500	-	-	10	-
-	3,237.98	1,123.92	8,484.10	-	-	12,846.58	3,237.98	1,123.92	8,484.09	3,237.98	1,123.92	8,484.09	-	8	25,000	20,000	30,000	-	-	5	-
-	-	-	10,141.93	-	-	1,654.70	6,565.78	2,274.20	17,193.46	6,565.78	2,274.20	17,193.46	105	20	20,500	16,500	24,500	-	-	115	-
-	30,030.74	17,467.10	48,015.33	-	-	58,642.55	30,030.74	17,467.10	46,015.33	30,030.74	17,467.10	46,015.33	-	11	15,208	12,500	18,250	-	-	11	-
-	30,849.22	12,426.86	95,484.73	-	-	29,383.30	11,836.35	95,395.73	29,383.30	11,836.35	95,395.73	29,383.30	-	22	18,364	15,000	23,000	-	-	34	-
-	17,884.74	7,204.43	55,356.97	-	-	18,598.15	3,006.82	1,211.23	9,306.74	3,006.82	1,211.23	9,306.74	-	27	17,704	15,500	22,500	-	-	-	-
-	3,672.99	1,272.22	9,618.27	-	-	5,886.40	546.69	189.36	1,431.60	546.69	189.36	1,431.60	6	2	75,000	60,000	90,000	-	-	11	-
188,324.23	-	-	-	-	-	-	-	-	-	-	-	-	-	32	15,560	13,750	26,170	-	-	32	4
-	28,963.71	18,862.76	81,644.54	-	-	28,963.71	18,862.76	81,644.54	28,963.71	18,862.76	81,644.54	28,963.71	125	6	20,000	16,000	24,000	-	-	65	-
-	5,324.42	9,485.97	14,095.72	-	-	28,906.11	3,180.03	5,665.52	8,418.72	3,180.03	5,665.52	8,418.72	-	4	-	-	-	-	-	4	-
-	18,896.13	7,611.84	85,182.23	-	-	50,649.44	1,714.28	690.56	45,760.36	1,714.28	690.56	45,760.36	-	49	43,878	35,000	55,000	-	-	31	-
-	12,115.01	19,009.94	22,076.64	-	-	6,943.02	6,943.02	10,894.45	17,341.73	6,943.02	10,894.45	17,341.73	73	68	28,571	20,000	35,000	-	-	96	-
815.31	2,241.71	5,797.02	9,455.47	-	-	14,692.23	1,499.81	3,878.49	7,104.28	1,499.81	3,878.49	7,104.28	130	28	35,143	27,500	42,500	-	-	121	-
-	7,811.65	13,917.21	20,680.34	-	-	19,084.14	293.72	521.02	777.58	293.72	521.02	777.58	18	5	30,000	24,000	36,000	-	-	27	-
-	-	-	-	-	-	-	-	-	-	-	-	-	63	35	22,464	15,000	27,000	-	-	102	-
-	3,760.53	6,699.74	9,955.51	-	-	20,415.79	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	3,040.02	2,998.89	8,387.60	-	-	7,179.84	236.56	260.00	727.19	236.56	260.00	727.19	19	2	40,000	32,000	48,000	-	-	16	-



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

To the Board of Directors  
Wayne County Industrial Development Agency  
Lyons, New York

We have audited the financial statements of Wayne County Industrial Development Agency as of and for the year ended December 31, 2010, and have issued our report thereon dated March 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Wayne County Industrial Development Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wayne County Industrial Development Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Wayne County Industrial Development Agency's internal control over financial reporting.

*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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*EFP Rotenberg, LLP*

EFP Rotenberg LLP  
Rochester, New York  
March 28, 2011