

**ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION**

NEW YORK

FINANCIAL STATEMENTS

For The Years Ended December 31, 2011 and 2010

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Raymond F. Wager, CPA, P.C.
Certified Public Accountants

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ontario County Local Development
Corporation, New York

We have audited the accompanying statement of net assets of the Ontario County Local Development Corporation, New York as of December 31, 2011 and 2010, and the related statements of revenue, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Ontario County Local Development Corporation, New York'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 the Ontario County Local Development Corporation, New York as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years 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 8, 2012 on our consideration of the Ontario County Local Development Corporation, New York's, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Corporation taken as a whole. The accompanying supplemental schedules as listed in the foregoing table of contents are not a required part of the financial statements. These schedules are the responsibility of the management of the Corporation. Such schedules have been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

Raymond F. Wager, CPA P.C.

March 8, 2012

ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Financial Position

December 31, 2011 and 2010

<u>ASSETS:</u>	<u>2 0 1 1</u>	<u>2 0 1 0</u>
<u>Current Assets -</u>		
Cash	\$ 242,095	\$ 295,421
Total Current Assets	<u>\$ 242,095</u>	<u>\$ 295,421</u>
TOTAL ASSETS	<u><u>\$ 242,095</u></u>	<u><u>\$ 295,421</u></u>
<u>LIABILITIES:</u>		
<u>Current Liabilities -</u>		
Accounts Payable	\$ 26,571	\$ -
Total Current Liabilities	<u>\$ 26,571</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u><u>\$ 26,571</u></u>	<u><u>\$ -</u></u>
<u>NET ASSETS:</u>		
Unrestricted	\$ 215,524	\$ 295,421
TOTAL NET ASSETS	<u>\$ 215,524</u>	<u>\$ 295,421</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 242,095</u></u>	<u><u>\$ 295,421</u></u>

(The accompanying notes are an integral part of these financial statements)

**ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK**

Statement of Activities

For The Years Ended December 31, 2011 and 2010

<u>OPERATING REVENUES:</u>	<u>2 0 1 1</u>	<u>2 0 1 0</u>
IDA allocation	\$ -	\$ 2,068
Fees	-	298,500
TOTAL OPERATING REVENUES	<u>\$ -</u>	<u>\$ 300,568</u>
<u>OPERATING EXPENSES:</u>		
<u>Management and General Expense -</u>		
Supplies	\$ -	\$ 103
Insurance	1,921	1,893
Professional services-other	5,650	-
Professional services-Ontario County	18,431	-
Total Management and General	<u>\$ 26,002</u>	<u>\$ 1,996</u>
<u>Program Expenses -</u>		
Economic assistance	\$ 54,174	\$ 3,238
Total Program Expenses	<u>\$ 54,174</u>	<u>\$ 3,238</u>
TOTAL OPERATING EXPENSES	<u>\$ 80,176</u>	<u>\$ 5,234</u>
NET OPERATING INCOME (LOSS)	<u>\$ (80,176)</u>	<u>\$ 295,334</u>
NONOPERATING REVENUES (EXPENSES)		
Interest income, other	\$ 279	\$ 87
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>\$ 279</u>	<u>\$ 87</u>
INCREASE (DECREASE) IN NET ASSETS	\$ (79,897)	\$ 295,421
NET ASSETS - BEGINNING OF YEAR	<u>295,421</u>	<u>-</u>
NET ASSETS - END OF YEAR	<u>\$ 215,524</u>	<u>\$ 295,421</u>

(The accompanying notes are an integral part of these financial statements)

ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Cash Flows

For The Years Ended December 31, 2011 and 2010

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	<u>2 0 1 1</u>	<u>2 0 1 0</u>
Fees	\$ -	\$ 298,500
Payments to contractors	(53,605)	(5,234)
IDA allocations	-	2,068
Net Cash Provided (Used) by Operating Activities	<u>\$ (53,605)</u>	<u>\$ 295,334</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Interest income	\$ 279	\$ 87
Net Cash Provided (Used) by Investing Activities	<u>\$ 279</u>	<u>\$ 87</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (53,326)	\$ 295,421
 BEGINNING CASH AND CASH EQUIVALENTS	 <u>295,421</u>	 <u>-</u>
 ENDING CASH AND CASH EQUIVALENTS	 <u>\$ 242,095</u>	 <u>\$ 295,421</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Net Operating Income (Loss)	\$ (80,176)	\$ 295,334
Adjustments to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:		
Increase (decrease) to accounts payable	26,571	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (53,605)</u>	<u>\$ 295,334</u>

(The accompanying notes are an integral part of these financial statements)

**ONTARIO COUNTY LOCAL DEVELOPMENT
CORPORATION, NEW YORK**

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

I. Summary of Significant Accounting Policies:

A. Organization

The Ontario County Local Development Corporation, New York (the Corporation) was incorporated on April 12, 2010 under Section 402 of the Not-For-Profit Corporation Law. The mission of the Ontario County LDC Corporation is to conduct activities that will relieve and reduce unemployment; promote and provide for additional and maximum employment; better and maintain job opportunities; instruct or train individuals to improve or develop their capabilities for such jobs; carry on scientific research for the purpose of aiding the County by attracting new industry in the County; and lessening the burdens of government and acting in the public interest.

B. Basis of Accounting

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States. Revenues are recognized when earned and expenses are recognized when incurred.

The Corporation reports information regarding its financial position and activities according to three classes of net assets; unrestricted, temporarily restricted, and permanently restricted net assets. At December 31, 2011 all of the Corporation's net assets were unrestricted.

C. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Corporation considers all highly liquid cash accounts and other temporary investments of three months or less as cash equivalents.

D. Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

E. Income Taxes

The Corporation is a not-for-profit corporation organized pursuant to Sections 402 and 1411 of the New York State Not-for-Profit Corporation law and is, therefore, exempt from income taxes. The Corporation is also exempt from Federal reporting requirements under Internal Revenue Procedure 95-48, 1995-2 C.B. 418 as a governmental unit or affiliate of a governmental unit described in the procedure.

II. Cash and Cash Equivalents:

Custodial credit risk is the risk that in the event of a bank failure, the Corporation's deposits may not be returned to it. While the Corporation does not have a specific policy for custodial credit risk, New York State statutes govern the Corporation's investment policies, as discussed previously in these notes.

III. Master Agreement with Ontario County:

The Corporation executed an agreement to reimburse Ontario County for costs incurred relating to professional and administrative services and rental of office space at a minimum amount totaling \$35,549, however, actual amounts in excess of the minimum amount will be reimbursed to Ontario County. A copy of the agreement can be obtained from the Ontario County Board of Supervisors office. In accordance with this agreement, the Corporation paid \$35,549 and \$3,170 to Ontario County for the 2011 and 2010, respectively.

IV. Agreement with Ontario County Industrial Development Agency:

Effective February 1, 2010, the OCLDC and OCIDA entered into an agreement that in 2010 the OCIDA contracted with the OCEDC for economic development services in an amount not to exceed \$20,000. This agreement is effective for one year from the effective date of the agreement. A copy of the agreement can be obtained from the Ontario County Industrial Development Agency. In accordance with this agreement, the Corporation was reimbursed for the specified costs in the amount of \$2,068 from OCIDA for the 2010 year.

V. Agreement with Canandaigua Area Development Corporation:

Effective October 31, 2011, the OCLDC and CADC entered into an agreement for the redevelopment study of the lakefront of Canandaigua Lake in the City of Canandaigua to stimulate economic growth in Ontario County. In consideration of the services provided by the CADC, the OCLDC shall pay the CADC up to the sum of \$40,000. The CADC shall submit invoices to the OCLDC on a monthly basis for services rendered in furtherance of the Study for the preceding month. In accordance with this agreement, the OCLDC paid the CADC \$5,600 for services performed in the 2011 year.

VI. Grant Allocation:

The Corporation entered into an agreement with the Research Foundation of SUNY to support the development of a high-tech campus on the property surrounding the existing facility at 5450 Campus Drive, Canandaigua, New York. The grant amount totaled \$75,000 in which \$24,121 has been recognized as of December 31, 2011.

VI. Commitments and Contingencies:

A. Litigation

As of the balance sheet date management is not aware of any pending litigation.

VII. Subsequent Events:

Events and transactions which have occurred from January 1, 2011 through March 8, 2012, the date of these financials, have been evaluated by the Corporation's management for the purpose of determining whether there were any events that might require disclosure in these financial statements. No such events or transactions were noted.



Annual Report for Ontario County Local Development Corporation
Fiscal Year Ending:12/31/2011

Run Date: 03/19/2012
Status: UNSUBMITTED

Bond Information

1. Name of Recipient of Bond Proceeds: Frederick Ferris Thompson Hospital
Address Line1: 350 Parrish Street
Address Line2:

City: CANANDAIGUA
State: NY
Zip - Plus4: 14424
Province/Region:
Country: USA

Amount of Bonds Issued: \$29,700,000.00
Date Bonds Issued: 08/01/2010
Bond Interest Rate: 4.64

Last Year Bonds Expected to be Retired: 2037

Amount of Bond Principal retired during the reporting year: \$0

Amt of Bond Principal retired prior to reporting year: \$0
Current Amount of Bonds Outstanding: \$29,700,000

Purpose of project requiring the Bond Issuance: Commercial Property Construction/Acquisition/Revitalization/Improvement

Was the bond issuance expected to result in new jobs being created? Yes

If yes, how many jobs were planned to be created? 14

If yes, how many jobs have been created to date? 0

Have the bonds been fully retired? No

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**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
Ontario County Local Development Corporation, New York

We have audited the financial statements of the Ontario County Local Development Corporation, New York as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated March 8, 2012. 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.

Internal Control Over Financial Reporting

The management of the Ontario County Local Development Corporation, New York is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Ontario County Local Development Corporation New York'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 the Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 Corporation's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of 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 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 the Ontario County Local Development Corporation, New York'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*.

We noted certain matters that we reported to the management of the Ontario County Local Development Corporation, New York in a separate letter dated March 8, 2012.

This report is intended solely for the information and use of the audit committee, management, Board of Directors, and the Federal Awarding Agencies and is not intended to be and should not be used by anyone other than these specified parties.

Raymond F. Wager, CPA P.C.

March 8, 2012