WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FINANCIAL STATEMENTS

DECEMBER 31, 2019

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

Report on the Financial Statements

We have audited the accompanying financial statements of Wayne County Industrial Development Agency (the Agency) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 financial position of Wayne County Industrial Development Agency as of December 31, 2019, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7, schedule of the agency's proportionate share of the net pension liability on page 20 and the schedule of employer's contributions on page 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The supplementary schedules of Revolving Loan Funds on pages 23 to 24 and the schedule of Project Information on pages 25 to 26 are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The supplementary schedules of Revolving Loans 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules of Revolving Loans and the schedule of Project Information 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 April 30, 2020, on our consideration of 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 solely 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 effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

EFPR Group, CPAs, PLLC
Rochester, New York
April 30, 2020

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, 2019. This narrative should be read in conjunction with the Agency's audited financial statements.

Financial Highlights

- The assets and deferred outflows of the Agency exceed its liabilities and deferred inflows (net position) at December 31, 2019 by $4,657,699. Of this amount, $1,330,062 is *unrestricted net position,* meaning that these amounts are available for use in furthering the Agency's mission.
- The Agency's liquidity remains strong with $1,439,262 in unrestricted cash after a $238,837 increase in that balance due to cash from operations.
- A decrease in loan demand together offset by regularly scheduled repayments resulted in a decrease of $265,244 or 16.5% in loans receivable, net of the allowance.
- The Agency transferred $753,699 of CDBG funds to Wayne County as a result of the loan program ending.

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:

- **Statement of Net Position** - Presents all assets, deferred outflows, liabilities, deferred inflows and net position of the Agency at December 31, 2019. The statement provides information about the amounts and investments in resources (assets) and the obligations to creditors (liabilities).
- **Statement of Revenues, Expenses and Changes in Net Position** - Presents the financial activity for the year ended December 31, 2019 and displays how this activity changed the Agency's net position. 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.
- **Statement of Cash Flows** - Presents the cash provided and used in operations, investments and financing activities during 2019 and how it affects the cash balance at December 31, 2019.
- **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 position may serve over time as a useful indicator of its financial position. In the case of the Agency, assets and deferred outflows exceeded liabilities and deferred inflows by $4,657,699 and $5,144,793 at December 31, 2019 and 2018, respectively.

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

Table 1
Condensed Statement of Net Position
(In thousands of dollars)

	2019	2018	Dollar Change	% Change	2017	Dollar Change	% Change
Assets							
Cash and cash equivalents	$ 1,519.4	$ 1,278.4	$ 241.0	18.8	$ 833.9	$ 444.5	53.3
Restricted cash	1,575.9	1,998.4	(422.5)	(21.1)	1,878.9	119.5	6.4
Loans receivable - net	1,343.8	1,609.1	(265.3)	(16.5)	1,696.4	(87.3)	(5.1)
Property and equipment - net	407.9	410.6	(2.7)	(0.7)	408.5	2.1	0.1
Other assets	6.7	12.1	(5.4)	(44.6)	13.4	(1.3)	(9.7)
Total assets	4,853.7	5,308.6	(454.9)	(64.1)	4,831.1	477.5	9.9
Deferred Outflows	34.1	48.8	(14.7)	(30.1)	58.3	(9.5)	(16.3)
Total Assets and Deferred Outflows	4,887.8	5,357.4	(469.6)	(8.8)	4,889.4	(468.0)	9.6
Liabilities							
Accounts and grants payable	10.8	18.0	(7.2)	(40.0)	78.2	(60.2)	(77.0)
Contract advances	205.7	179.5	26.2	14.6	75.0	104.5	139.3
Net pension liability	7.3	3.9	3.4	87.2	18.2	(14.3)	(78.6)
Total liabilities	223.8	201.4	22.4	61.8	171.4	30.0	17.5
Deferred Inflows	6.3	11.2	(4.9)	(43.7)	4.7	6.5	138.3
Total Liabilities and Deferred Inflows	230.1	212.6	17.5	8.2	176.1	36.5	20.7
Net investment in capital assets	407.9	410.6	(2.7)	(0.6)	408.5	2.1	0.5
Net position - restricted	2,919.7	3,613.0	(693.3)	(19.2)	3,582.2	30.8	0.9
Net position - unrestricted	1,330.1	1,121.2	208.9	18.6	722.5	398.7	55.2
Total net position	$ 4,657.7	$ 5,144.8	$ (487.1)	(1.2)	$ 4,713.2	$ 431.6	9.2

Significant changes in the statement of net position from 2018 to 2019 include:

- Cash increased due to an increase in income and a reduction in expenses.
- Loans receivable decreased as principal repayments received exceeded new loan advances.
- One of the Agency's largest assets 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, 2019, based on management's evaluation, the loan loss reserve was adequate to cover projected loan losses.

A condensed version of the Agency's statements of activities follows:

Table 2

Condensed Statement of Revenues, Expenses and Changes in Net Position

(In thousands of dollars)

	2019	2018	Dollar Change	% Change	2017	Dollar Change	% Change
Revenues							
Contractual services and grants	$ 162.0	$ 195.4	$ (33.4)	(17.1)	$ 468.0	$ (272.6)	(58.2)
Agency fees	257.4	344.5	(87.1)	(25.3)	5.5	339.0	6,163.6
Interest - banks	3.2	1.8	1.4	77.8	1.1	0.7	63.6
Interest - loans	64.1	72.4	(8.3)	(11.5)	79.3	(6.9)	(8.7)
Other income	11.1	26.8	(15.7)	(58.6)	47.9	(21.1)	44.0
Total revenues	497.8	640.9	(143.1)	(22.3)	601.8	39.1	6.5
Expenses							
Personnel	17.9	66.3	(48.4)	(73.0)	109.5	(43.2)	(39.4)
Contractual services	196.9	132.7	64.2	48.4	324.0	(191.3)	59.0
Administrative and technical assistance	1.9	-	1.9	100.0	93.7	(93.7)	(100.0)
Loss on disposal	-	-	-	-	6.0	(6.0)	(100.0)
Revolving loan cash transfer	753.7	-	753.7	100.0	-	-	-
Other expense	13.5	10.4	3.1	29.8	29.1	(18.7)	64.3
Total expenses	983.9	209.4	774.5	369.9	562.3	(352.9)	(62.8)
Interfund Transfers	(1.0)	-	(1.0)	100.00	-	-	-
Change in Net Position	(487.1)	431.5	(918.6)	(212.9)	39.5	392.0	992.4
Net Position - Beginning	5,144.8	4,713.3	431.5	9.2	4,673.8	39.5	0.8
Net Position - Ending	$ 4,657.7	$ 5,144.8	$ (487.1)	(9.5)	$ 4,713.3	$ 431.5	9.2

Significant changes in the statement of revenues, expenses and changes in net position from 2018 to 2019 include:

- The County of Wayne has engaged the Agency, through various contracts, to foster and encourage the location and/or expansion of manufacturing and industrial companies in the County. For this activity the County appropriated $0 and $51,437 to the Agency for payments to Agency employees in 2019 and 2018, respectively. All Agency employees retired in 2018 and there will be no future appropriations sent to Agency directly for employee salary payments. All current and future staff of the Agency will be employees of the County of Wayne.

  In addition, the County has appropriated funding to the Agency for business retention and attraction projects called contractual income/expenses. The amount of $135,000 was both received and expensed for 2019 and 2018. The contractual income/expense amount is determined each new budget year and is set to change in 2020 to $85,000. In addition, the County also budgets a separate line item for Agency Project Planning Funds. Agency requests certain projected expenses from the County and in turn expenses them to specific projects/vendors. For this activity, the Agency expensed $27,000 and $9,000 for project planning funds for 2019 and 2018, respectively.

- Overall, revenues increased primarily due to the increase in the agency fees charged for projects.

- Program expenses decreased reflecting a general decrease in operating expenses.

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 - operating fund follows:

Table 3
Condensed Statement of Cash Flows - Operating
(In thousands of dollars)

	2019	2018	2017
Cash Flows from Operating Activities			
Receipts from providing services	$ 162.0	$ 195.4	$ 468.1
Payments to suppliers	(190.4)	(191.3)	(336.8)
Payments to employees	(17.9)	(66.3)	(109.5)
Other operating revenue (expense)	284.5	481.1	(36.1)
Net cash flows from operating activities	238.2	418.9	(14.3)
Cash Flows from Capital and Related Financing Activities			
Purchases of property and equipment	-	(4.5)	(6.6)
Cash Flows from Investing Activities			
Investment income	2.8	1.3	0.6
Certificates of deposit	(2.1)	28.7	(0.2)
Net cash flows from investing activities	0.7	30.0	0.4
Net Change in Cash and Cash Equivalents	238.9	444.4	(20.5)
Cash and Cash Equivalents - Beginning	1,200.4	756.0	776.5
Cash and Cash Equivalents - Ending	$ 1,439.3	$1,200.4	$ 756.0

Significant changes in the statement of cash flows include:

- Receipts from providing services decreased as a result of a decrease in grant income.

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 enters into conduit financing agreements. These transactions are not recorded on the Agency's financial statements but are disclosed in the notes to the financial statements.

Economic and Other Factors

The Agency was formed to promote Wayne County using appropriate resources to help create and retain jobs by attracting new businesses and through expansion of existing businesses. In 2015, New York State's Upstate Revitalization Initiative (URI) awarded $500 million to the Finger Lakes Region which will provide the area with an opportunity to advance transformational initiatives throughout the region and advance targeted initiatives which is intended to include projects throughout Wayne County in advanced manufacturing, innovation and R&D, downtown development, agriculture, and tourism.

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, 9 Pearl Street, Lyons, New York 14489 - Attention: Executive Director.

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Statement of Net Position
December 31, 2019

	Operating	Non-Operating Revolving Loan	Total
ASSETS			
Current Assets			
Cash and cash equivalents	$ 1,439,262	$ -	$ 1,439,262
Certificate of deposits	80,187	-	80,187
Restricted cash	-	1,575,905	1,575,905
Prepaid expenses	6,606	-	6,606
Loans receivable - net of allowance for loan losses	-	1,343,824	1,343,824
Total current assets	1,526,055	2,919,729	4,445,784
Property and Equipment - Net	407,908	-	407,908
Total Assets	1,933,963	2,919,729	4,853,692
DEFERRED OUTFLOWS			
Pension	34,100	-	34,100
Total Assets and Deferred Outflows	$ 1,968,063	$ 2,919,729	$ 4,887,792
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
Current Liabilities			
Accounts payable	$ 10,793	$ -	$ 10,793
Contract advances	205,722	-	205,722
Total current liabilities	216,515	-	216,515
Long Term Liabilities			
Net pension liability	7,297	-	7,297
Total liabilities	223,812	-	223,812
DEFERRED INFLOWS			
Pension	6,281	-	6,281
Total Liabilities and Deferred Inflows	230,093	-	230,093
Net Position			
Net investment in capital assets	407,908	-	407,908
Restricted for revolving funds	-	2,919,729	2,919,729
Unrestricted	1,330,062	-	1,330,062
Total net position	1,737,970	2,919,729	4,657,699
Total Liabilities, Deferred Inflows and Net Position	$ 1,968,063	$ 2,919,729	$ 4,887,792

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

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2019

	Operating	Non-Operating Revolving Loan	Total
Revenues			
Contractual services and grants	$ 162,000	$ -	$ 162,000
Agency and administrative fees	257,441	-	257,441
Interest - loans	-	64,127	64,127
Interest - banks	2,779	400	3,179
Other revenue	2,500	8,590	11,090
Total revenues	424,720	73,117	497,837
Expenses			
Contractual services	196,936	-	196,936
Employee benefits	17,945	-	17,945
Administrative and technical assistance	-	1,934	1,934
Depreciation	2,687	-	2,687
Loan loss	-	10,796	10,796
Revolving loan cash transfer	-	753,699	753,699
Total expenses	217,568	766,429	983,997
Interfund Transfers	(934)	-	(934)
Change in Net Position	206,218	(693,312)	(487,094)
Net Position - Beginning	1,531,752	3,613,041	5,144,793
Net Position - Ending	$ 1,737,970	$ 2,919,729	$ 4,657,699

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

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Statement of Cash Flows
For the Year Ended December 31, 2019

	Operating	Non-Operating Revolving Loan	Total
Cash Flows from Operating Activities			
Receipts from providing services	$ 162,000	$ -	$ 162,000
Payments to suppliers for goods and services	(190,364)	-	(190,364)
Payments to employees	(17,945)	-	(17,945)
Other operating revenue (expense)	284,479	8,590	293,069
Net cash flows from operating activities	238,170	8,590	246,760
Cash Flow From Capital and Related Financing Activities			
Cash Flows from Investing Activities			
Sale of certificates of deposit	(2,112)	-	(2,112)
Investment income	2,779	400	3,179
Loan interest received	-	68,738	68,738
Development loans repaid	-	265,244	265,244
Loan loss	-	(11,730)	(11,730)
Revolving loan cash transfer	-	(753,699)	(753,699)
Net cash flows from investing activities	667	(431,047)	(430,380)
Net Change in Cash and Cash Equivalents	238,837	(422,457)	(183,620)
Cash and Cash Equivalents - Beginning	1,200,425	1,998,362	3,198,787
Cash and Cash Equivalents - Ending	$ 1,439,262	$ 1,575,905	$ 3,015,167
Reconciliation of Change in Net Position to Net Cash Flows from Operating Activities			
Change in net position	$ 206,218	$ (693,312)	$ (487,094)
Adjustments			
Depreciation	2,687	-	2,687
Investment income	(2,779)	(400)	(3,179)
Loan interest income	-	(64,127)	(64,127)
Loan loss	-	10,796	10,796
Revolving loan cash transfer	-	753,699	753,699
Change in assets and liabilities			
Prepaid expenses	(464)	-	(464)
Accounts receivable	363	-	363
Accounts payable	(7,265)	-	(7,265)
Due to other government	-	1,000	1,000
Contract advances	26,222	-	26,222
Due to other funds	-	934	934
Net pension liability	13,188	-	13,188
Net Cash Flows from Operating Activities	$ 238,170	$ 8,590	$ 246,760

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

Note 1. Summary of Significant Accounting Policies and Nature of Organization

Nature of Organization - Wayne County Industrial Development Agency (the Agency) of Lyons, New York is a nonprofit 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 Sate general municipal law. The purpose of the Agency 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. The Agency is considered a related organization of the County of Wayne, New York.

The Agency 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.

Basis of Accounting - The Agency complies with 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 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.

Basis of Presentation - The Agency complies with 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 represents 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:

Net investment in 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 its use is constrained to a particular purpose. Restrictions are imposed by federal or state laws or external organizations. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. At December 31, 2019, the Agency had $2,919,729 in 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 statement of financial position and statement 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 - The Agency has a formal investment policy approved by the Board of Directors that defines permitted investments and establishes collateralization requirements for all investments. See Note 2 for further information regarding the Agency's investment policy.

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

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

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.

Conduit Financing - One of the activities of the Agency is to provide low-cost financing, through the issuance of tax exempt or taxable obligations, for commercial enterprises. In the normal arrangement the Agency 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 though a trustee bank. The obligations are not obligations of the Agency; the primary function of the Agency is to arrange financing between borrowing companies and the bond note holders. Consequently in these conduit financing arrangements the Agency does not record bond proceeds, the assets acquired, liabilities incurred or debt service payments in the financial statements.

Contract Advances - Contract advances are stated at the amount specified in the contract agreements.

Accounting and Financial Reporting for Pensions - The Agency complies with GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. The primary objective of the Statements is to improve accounting and financial reporting by state and local governments for pensions. The implementation of the Statements requires the Agency to report as a liability its portion of the collective pension liability in the New York State and Local Employees' Retirement System. The implementation of the Statements also requires the Agency to report a deferred outflow and/or inflow for the effect of the net change in the Agency's proportion of the collective net pension liability and difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension systems not included in pension expense. Also included as a deferred outflow is the Agency contributions to the pension system subsequent to the measurement date.

Deferred Outflows and Inflows - In addition to assets, the statement of net position will report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense / expenditure) until then. The Agency has two items that qualify for reporting in this category, with both related to pensions reported in the statement of net position. One represents the effect of the net change in the Agency's proportion of the collective net pension asset or liability and difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension systems not included in pension expense, difference between expected and actual experience, changes of assumptions and difference between projected and actual investment earnings on pension plan investments. The second item is the Agency's contributions to the pension system subsequent to the measurement date.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has one item that qualify for reporting in the category. The item is related to pensions reported in the statement of net position. This represents the effect of the net change in the Agency's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the Agency's contributions and its proportion share of total contributions to the pension system not included in pension expense.

Future Changes in Accounting Standards

GASB has issued Statement No. 87 - “Leases”, effective for periods beginning after December 15, 2019.

GASB has issued Statement No. 89 - "*Accounting for Interest Cost Incurred before the End of a Construction Period*", effective for periods beginning after December 15, 2019.

GASB has issued Statement No. 91 - "Conduit Debt Obligations", effective for periods beginning after December 15, 2020.

GASB has issued Statement No. 92 - "Omnibus 2020", effective for periods beginning after June 15, 2020.

The Agency will evaluate the impact these pronouncements may have on its financial statements and will implement it as applicable and when material.

Note 2. Deposit and Investments

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 required to be collateralized. The Agency may contract for the purchase of investments through the following: 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.

As of December 31, 2019, the Agency had certificates of deposit held at banks as follows:

Unrestricted

A six month certificate of deposit at Savannah Bank with interest at 0.25% maturing on December 29, 2020.	$ 80,187

The certificates of deposit are fully collateralized as of December 31, 2019.

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, 2019 excluding certificates of deposit are as follows:

	Carrying Amount	Bank Balance
Demand and savings deposits	$ 3,015,167	$ 3,016,667
Covered by FDIC insurance		$ 694,186
Pledged collateral		2,322,481
Total deposits		$ 3,016,667

Note 3. Related Party Transactions

Contractual Services - The County has engaged the Agency to foster and encourage business retention and attraction projects. For this activity the County appropriated $137,000 to the Agency for contractual services at December 31, 2019.

Related Entities - The Agency is related through common management and Board of Directors membership with Wayne Economic Development Corporation (WEDC) and through common management with Wayne County Civic Facility Development Corporation (WCFDC), which also promote economic development in the County.

Note 4. Fair Value Measurements

In accordance with GASB Statement No. 72, Fair Value Measurement and Application, a framework has been established for measuring fair value of loans receivable. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Agency has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.
The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

	December 31, 2019	
	Level 3	**Total**
Loans receivable - beginning balance	$ 1,672,084	$ 1,672,084
Loan advances	-	
Loan repayments	(286,119)	(286,119)
Loans receivable - ending balance	$ 1,385,965	$ 1,385,965

Note 5. Revolving Loans

A common function of the Agency 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 the Agency itself. Whether the loan funds are restricted by a grant agreement or funded from the Agency monies, they are established directly from net position and reported as a reservation of net position. 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 position.

Total revolving loans receivable from various commercial enterprises as of December 31, 2019 were $1,385,965. The loans have an associated allowance for loan losses of $42,141 resulting in net loans receivable of $1,343,824.

At December 31, 2019, there was no interest receivable due on revolving loans. Interest on these loans is recorded when paid to the Agency.

The table that follows presents a summary of changes in the fair value of each organizations level 3 assets (loans receivable) for the year end December 31, 2019:

	WCIDA Revolving Loan	Small Cities Loan Fund - Micro	Small Cities Loan Fund - Main St.	Agri Business Loan	Other Loan
Balance at beginning of year	$ 1,645,235	$ 11,867	$ 3,981	$ 8,668	$ 2,333
Add, loans issued	-	-	-	-	-
Add, loans transferred	-	-	-	-	24,516
Less, amounts paid	(283,377)	-	-	-	(2,742)
Less, amounts transferred	-	(11,867)	(3,981)	(8,668)	-
Balance at end of year	$ 1,361,858	$ -	$ -	$ -	$ 24,107

During 2019, the CDBG-based loan portfolio of three Small Cities loans, administered by the Agency were purchased by the Wayne Economic Development Corporation, at a discount.

Note 6. Property and Equipment

Property and equipment consists of the following at December 31, 2019:

Land	$ 400,238
Equipment	30,744
Sub-total	430,982
Less - accumulated depreciation	(23,074)
Property and equipment - net	$ 407,908

Note 7. Payments in Lieu of Taxes (PILOTs)

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

The Agency is responsible for tracking all PILOT payments whether made by the Agency in connection with property it owns or made directly to the taxing authorities by the organizations participating in the program. A total of 38 organizations participated in the PILOTs program and $1,867,182 in payments were administered by the Agency for the year ended December 31, 2019. The PILOT payments are not recorded on the financial statements.

Note 8. Employee Benefit Plan

Plan Description and Funding Policy

The Agency participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer defined benefit retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2019	$	4,755
2018	$	14,232
2017	$	19,980

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System in reports provided to the Agency. At December 31, 2019, the Agency reported the following liability for its proportionate share of the net pension liability for the System, which was measured as of March 31, 2019:

Actuarial valuation date	4/1/2018
Net pension liability	$ 7,297
Agency's portion of the Plan's total net pension liability	0.0001030 %
Change in Agency's portion of the Plan's total pension liability from December 31, 2018	(0.0000172)%

For the years ended December 31, 2019, the Agency's recognized pension expense for ERS of $17,945. At December 31, 2019 the Agency's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 1,437	$ 490
Changes of assumptions	1,834	-
Net difference between projected and actual investment earnings on pension plan investments	-	1,873
Changes in proportion and differences between employer contributions and proportionate share of contributions	26,074	3,918
Employer contributions subsequent to the measurement date	4,755	-
Total	$ 34,100	$ 6,281

Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the fiscal year ended:		
2020	$	10,208
2021		6,064

2022	3,957
2023	2,835
Total	$ 23,064

During 2018, and subsequent to the March 31, 2018 measurement date, the one employee covered under the pension plan retired. The impact of this on the plan information to be reported in subsequent measurement periods has not been determined.

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Significant actuarial assumptions used in the valuations were as follows:

Measurement date	3/31/2019
Actuarial valuation date	4/1/2018
Interest rate	7.0%
Salary scale	4.2%
Inflation	2.5%
Cost-of-living adjustments	1.3%
Decrement table	April 1, 2010 - March 31, 2015 System's Experience

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2017 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset Type	Long Term Expected Real Rate*	Target Allocation
Domestic equity	4.6 %	36.0 %
International equity	6.4	14.0
Private equity	7.5	10.0
Real estate	5.6	10.0
Absolute return strategies	3.8	2.0
Opportunistic portfolio	5.7	3.0
Real assets	5.3	3.0
Bonds and mortgages	1.3	17.0
Cash	(0.3)	1.0
Inflation-indexed bonds	1.3	4.0
		100.0 %

* the long term expected real rate is net of the long term inflation assumption of 2.50%

Discount Rate

The discount rate used to calculate the total pension liability was 7.0% for the year ended December 31, 2019. The projection of cash flows used to determine the discount rate assumes that contributions form plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate assumption

The following presents the Agency's proportionate share of the net pension liability as of December 31, 2019, calculated using the discount rate of 7.0% per annum (the "current rate"), as well as what the Agency's proportionate share of the net position liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1% point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Wayne County Industrial Development Agency's proportionate share of the Net Pension (Liability) Asset	$ (31,903)	$ (7,297)	$ 13,374

Pension Plan Fiduciary Net Position

The components (in millions) of the current year net pension liability of the employers as of valuation date was as follows:

Valuation date	4/1/2018
Employers' total pension liability	$ 189,803
Plan net position	(182,718)
Employers' net pension liability	$ 7,085
Ratio of plan net position to the employers' total pension liability	96.3 %

Note 9. Budget Comparison

The following is a comparison of budgeted expenditures to actual expenditures for the year ended December 31, 2019:

	Budget	Actual	Difference
Program/contractual services/other	$ 245,000	$ 210,600	$ 34,400
Employee benefits	3,500	17,945	(14,445)
Depreciation	2,000	2,687	(687)
Total	$ 250,500	$ 231,232	$ 19,268

Note 10. Subsequent Events

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on the Agency and its future results and financial position is not presently determinable.

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Agency's Proportionate Share of the Net Pension Liability
For The Year Ended December 31, 2019

	2019	2018	2017
The Agency's proportion of the net pension liability	0.0001030 %	0.0001202 %	0.0001935 %
The Agency's proportionate share of the net pension liability	$ 7,297	$ 3,880	$ 18,180
The Agency's covered payroll	$ -	$ 40,523	$ 66,450
The Agency's proportionate share of the net pension liability as a percentage of covered payroll	N/A	9.57 %	27.36 %
Plan fiduciary net position as a percentage of the total pension liability	96.30 %	98.20 %	94.70 %

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Schedule of Employer's Contributions
For The Year Ended December 31, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	$ 4,755	$ 14,232	$ 19,980	$ 25,458	$ 17,033	$ 36,704	$ 51,604	$ 49,831	$ 39,619	$ 28,289
Contribution in relation to the contractually required contribution	4,755	14,232	19,980	25,458	17,033	36,704	51,604	49,831	39,619	28,289
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contribution as a percentage of covered payroll	N/A	35.12 %	30.07 %	21.94 %	12.49 %	27.04 %	23.54 %	20.84 %	16.32 %	11.89 %
Covered payroll	$ -	$ 40,523	$ 66,450	$ 116,061	$ 136,369	$ 135,732	$ 219,233	$ 239,102	$ 242,818	$ 238,010

Note 1. Schedule of Agency's Proportionate Share of the Net Pension Liability and Schedule of Employer's Contributions

The information presented in these required supplementary schedules was determined as part of the audit of the New York State Employees' Retirement System Plan. Additional information for the pension schedules can be found in the notes to the financial statements.

Both schedules are required to illustrate information for ten years. Information is presented for years that are available.

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revolving Loans
Combining Statement of Net Position
December 31, 2019

	WCIDA Revolving Loan	Small Cities Loan - Micro	Small Cities Loan - Main St.	Small Cities Loan - Optimax	Agri Business Loan	Other Loans	Total Revolving Loans
ASSETS							
Assets							
Restricted cash	$ 1,280,494	$ -	$ -	$ -	$ -	$ 295,411	$ 1,575,905
Due from other governments	-	-	-	-	-	-	-
Loans receivable - net of allowance for loan losses	1,320,486	-	-	-	-	23,338	1,343,824
Interest receivable	-	-	-	-	-	-	-
Total Assets	$ 2,600,980	$ -	$ -	$ -	$ -	$ 318,749	$ 2,919,729
LIABILITIES AND NET POSITION							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Net Position							
Restricted revolving funds	2,600,980	-	-	-	-	318,749	2,919,729
Total net position	2,600,980	-	-	-	-	318,749	2,919,729
Total Liabilities and Net Position	$ 2,600,980	$ -	$ -	$ -	$ -	$ 318,749	$ 2,919,729

WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revolving Loans
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2019

	WCIDA Revolving Loan	Small Cities Loan - Micro	Small Cities Loan - Main St.	Small Cities Loan - Optimax	Agri Business Loan	Other Loans	Total Revolving Loans
Revenues							
Interest - loans	$ 63,564	$ 123	$ -	$ -	$ 30	$ 410	$ 64,127
Interest - banks	273	20	7	23	-	77	400
Miscellaneous income	8,575	15	-	-	-	-	8,590
Total revenues	72,412	158	7	23	30	487	73,117
Expenses							
Administrative and technical assistance	-	-	934	1,000	-	-	1,934
Loan loss	-	11,178	(1,084)	-	-	702	10,796
Revolving loan cash transfer	-	186,973	64,268	222,888	279,570	-	753,699
Total expenses	-	198,151	64,118	223,888	279,570	702	766,429
Interfund Transfers	(100)	-	-	-	-	100	-
Change in Net Position	72,312	(197,993)	(64,111)	(223,865)	(279,540)	(115)	(693,312)
Net Position - Beginning	2,528,668	197,993	64,111	223,865	279,540	318,864	3,613,041
Net Position - Ending	$ 2,600,980	$ -	$ -	$ -	$ -	$ 318,749	$ 2,919,729

Wayne County Industrial Development Agency
Project Information
December 31, 2019

* Project Code	* Project Name	* Is this project part of or 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	Notes
5401-19-03a	1000 Silver Hill LV LLC-IEC	N		Manufacturing	19,140,000	12,887,700		0		N	02/27/2019	Y	02/27/2019	2030	68110-19-521172 Manufacturing Facility at Silver Hill for IEC Electronics as tenant
5401-15-02A	1000 Silverhill, LLC	N		Finance, Insurance	3,600,000	2,880,000		0		N	09/25/2015	Y	11/12/2015	2022	Acquisition of 77,000 sq. ft. facility. 68110-14-408363. **Note/Reminder for 2020 filing y
5401-12-02A	AEY Development, LLC	N		Finance, Insurance	707,000	667,000		0		N	03/23/2012	Y	04/04/2012	2023	Construction and Equipping 10,000 sq. ft. facility. 62111-00-151809
5401-14-07A	Advanced Atomization Technol	N		Manufacturing	30,000,000	6,002,600		0		N	09/25/2014	Y	10/03/2014	2026	Construction 25,000 sq. ft. addition and renovation and equipping exisiting 67,020 sq.ft. fa
5401-16-04A	Altra Rental and Supply, Inc.	N		Services	845,000	815,000		0		N	12/16/2016	Y	12/20/2016	2027	Acquisition of 6.04 acres, building improvements 4400 sq. ft building, 11,500 sq ft additior
5401-19-04A	CDG Huron Solar 1, LLC	N		Transportation, Cor	2,576,000	1,100,000		0		N	10/01/2019	Y	10/01/2019	2035	75116-00-297975
5401-14-05A	DNT Ralty Express	N		Transportation, Cor	2,437,849	2,247,000		0		N	09/17/2014	Y	09/24/2014	2024	Construction and equipping of 37,500 sq.ft. addition to existing facility. 74112-15-582352
5401-10-04A	Empire Fruit Growers Coopera	N		Agriculture, Forestry	5,722,500	5,580,000		0		N	09/24/2010	Y	01/11/2011	2021	Construction and equipping 70,000 sq.ft. facility. 74117-00-026538
5401-05-03A	Garlock Sealing Technologies	N		Manufacturing	37,000,000	37,000,000		0		N	12/28/2005	Y	03/27/2006	2025	Acquisition of exisitng facility and construction and eqipping 170,000 sq.ft. addition. 6411
5401-18-05A	Hollygrove Solar LLC	N		Transportation, Cor	3,176,400	1,976,000		0		N	12/21/2018	Y	12/21/2018	2034	78118-00-263761. 2018 year (2019 reporting year): Company reported to IDA $0 sales ta
5401-18-01a	Intergrow East Inc.	N		Agriculture, Forestry	40,700,000	36,070,425		0		N	02/27/2018	Y	02/27/2018	2028	61117-00-433805 (61117-00-696707 and 61117-00-433804). 61117-00-524965. 61117-
5401-11-03A	K.M. Davis - 2	N		Agriculture, Forestry	4,476,417	3,846,769		0		N	06/03/2011	Y	08/01/2011	2022	Construction, Renovation and equipping 37,368 sq.ft. facility 65117-00-801992
5401-10-05A	Kairos, LLC/Ankom 2	N		Manufacturing	627,500	600,000		0		N	09/25/2010	Y	12/15/2010	2021	Construction and equipping 8,000 sq.ft. addition to exisiting facility. 63112-00-158493
5401-16-02A	L&P Properties of Socus, NY	N		Manufacturing	1,900,000	1,735,000		0		N	04/22/2016	Y	04/25/2016	2027	Construction and equipping a 3,500 sq ft addition to existing facility. 68117-00-400974
5401-09-05A	Legendary Auto	N		Manufacturing	1,800,000	1,800,000		0		N	04/16/2009	Y	06/01/2009	2020	Construction and equipping 50,000 sq.ft. facility. 68111-18-270101. Original Assessed V
5401-11-02A	Lyons Logistics, LLC	N		Manufacturing	1,641,500	1,250,000		0		N	06/03/2011	Y	10/10/2011	2022	Acquisition, renovation and equipping of 131,610 sq.ft. facility 71111-18-355133
5401-08-06A	Marshall Farms Group	N		Agriculture, Forestry	2,021,000	2,000,000		0		N	11/21/2008	Y	06/01/2009	2020	Construction and equipping two 11,746 buildings at existing facility. 73117-00-434342
5401-18-04a	Maxpro LLC/ Optimax Systems	Y	5401-11-01Ab	Manufacturing	23,500,000	22,600,000		0		N	12/10/2018	Y	12/10/2018	2029	Please also see original project code: 5401-11-01a. New project: Maxpro reported the fol
5401-16-01A	McAlpin Industries Inc	N		Manufacturing	5,090,000	5,000,000		0		N	03/15/2016	Y	03/29/2016	2027	Construction and equipping of 120,000 sq ft facility. 61114-00-886393
5401-10-02A	Midland Asphalt Materials, Inc.	N		Manufacturing	5,967,951	5,908,852		0		N	06/25/2010	Y	12/29/2010	2021	Construction and equipping processing and storage improvements at existing facility 711
5401-15-01A	Murphy 2	N		Finance, Insurance	801,000	801,000		0		N	01/16/2015	Y	02/25/2015	2025	Acquisition and improvement of 30,000 sq. ft. facility. 61111-00-206883
5401-12-03A	Murphy/Dau	N		Manufacturing	550,000	550,000		0		N	08/24/2012	Y	09/26/2012	2023	Addition of 20,000 sq.ft. to 40,000 sq.ft. facility. 61111-00-115859
5401-06-05A	N. Development - Biodiesel	N		Manufacturing	915,470	840,000		0		N	07/24/2006	Y	10/11/2006	2022	Construction and equipping of 20,000 sq.ft. facility 61117-00-232664
5401-99-02A	N. Development - Harbec	N		Manufacturing	1,785,000	1,541,000		0		N	05/10/1999	Y	11/01/1999	2020	Construction and equipping 17,000 sq. ft. addition to exisitng facility. 61117-00-282664
5401-12-04A	NMM Properties, LLC	N		Retail Trade	1,904,000	1,840,000		0			09/28/2012	Y	11/08/2012	2023	Acquisition and improvement of 73.278 sq.ft. retail space. 62111-10-303700; 62111-00-
5401-16-03A	Newchem Inc	N		Manufacturing	3,767,000	3,522,000		0			09/25/2014	Y	09/23/2016	2027	Acquisition of 6.87 acres of land and construction of 20,000 sq ft manufacturing facility. 6
5401-12-01A	Northern Development - Wind	N		Other Categories	-	-		1,000		N	02/24/2012	Y	02/24/2012	2021	Lease of property for wind turbine project. 61117-00-341669
5401-18-02A	Optipro Systems LLC/Brightsid	Y	5401-14-03A	Manufacturing	1,324,850	1,293,350		0		N	11/01/2018	Y	11/01/2018	2024	Addition to existing property/ purchase of additional land. 61117-00-240801. 61117-00-2
5401-04-03A	Palmyra Inn Investment, LLC	N		Services	3,400,000	318,300		0		N	10/18/2004	Y	02/23/2005	2021	Construction and equipping 40,000 sq.ft. facility 64110-00-642983
5401-13-02A	Palmyra Properties, LLC	N		Retail Trade	893,000	850,000		0		N	08/07/2013	Y	08/07/2013	2025	Construction, reconstruction 3,000 sq.ft. facility 64111-11-737682
5401-18-03A	Parkwood Heights, LLC.	N		Civic Facility	6,542,000	5,550,000		0		N	09/13/2018	Y	09/13/2018	2029	62111-00-518490 2018= Beginning of PILOT. PILOT Tax bills/payments begin with 2019
5401-10-01A	Pomona Packing, LLC	N		Agriculture, Forestry	6,689,900	5,315,000		0		N	04/30/2010	Y	02/24/2011	2021	Acquisition, renovation and equipping of 64,500 sq.ft. facility 75117-15-582379
5401-14-03A	Ranger Design	N		Manufacturing	2,444,570	2,414,570		0		N	02/21/2014	Y	02/26/2014	2024	Purchase and equipping 78,570 sq. ft. facility. 61117-0-181842 2018 reporting: JC- asse
5401-19-02A	SAD Macedon	N		Transportation, Cor	2,702,200	2,520,000		0		N	02/27/2019	Y	02/27/2019	2034	61111-00-605633 prior, new parcel number as of 2020 61111-00-639550
5401-19-01A	SAD Williamson	N		Transportation, Cor	2,842,200	2,520,000		0		N	02/27/2019	Y	02/27/2019	2035	66117-00-856853
5401-14-04Ab	Upstate Refractory Service	Y	5401-07-04A	Manufacturing	1,300,000	1,154,000		0		N	04/25/2014	Y	05/30/2014	2026	As per comptroller office this morning, we are eliminating the previous two URS projects a
5401-14-01A	Walworth Plaza LLC	N		Finance, Insurance	8,735,000	8,600,000		0		N	12/20/2013	Y	01/10/2014	2024	Construction and Equipping of 49,174 sq. ft. Retail Shopping Center. 63114-00-498420
5401-13-01A	Wayne County Dialysis Proper	N		Services	2,232,600	2,017,700		0		N	01/11/2013	Y	03/08/2013	2025	Construction and equipping 7,500 sq.ft. facility. 67111-20-912177

Wayne County Industrial Development Agency
Project Information
December 31, 2019

* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	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 Exemptions	County PILOT	Local PILOT	School District PILOT	* # of FTEs before IDA status	* Original estimate of jobs to be created	* Original estimate of jobs to be retained	* Current # of FTEs	* # of FTE construction jobs during the fiscal year	Current year is the last year that project information needs to be reported	There is no debt outstanding for this project	IDA does not hold title to the property	The project receives no tax exemptions
124,083	124,083	3,666	7,636	10,506	0	0	3,666	7,636	10,506	440	344	421	0	65				
0	0	29,325	61,088	83,987	0	0	8,797	18,326	25,216	0	0	0	11	0				
0	0	3,830	1,783	12,635	0	0	2,387	1,111	7,875	20	10	0	20	0				
0	0	26,554	56,237	72,284	0	0	9,244	19,577	25,163	317	29	0	0	0				
0	0	6,015	2,353	16,366	0	0	1,181	462	3,214	9	6	9	14	0				
23,520	23,520	0	0	0	0	0	0	0	0	0	0	0	0	4.5				
0	0	10,094	21,378	27,479	0	0	2,448	5,184	6,663	21	6	0	38	0				
0	0	14,030	6,871	25,307	0	0	7,137	3,495	12,873	25	15	0	46	0				
0	0	78,911	39,275	260,795	0	0	52,310	25,104	148,546	548	0	548	500	0				
0	0	16,990	7,457	27,727	0	0	3,885	1,705	6,340	0	1	0	0	0				
0	0	2,880	1,127	7,836	0	0	2,880	1,127	7,836	0	50	0	119	0				
0	0	82,238	35,689	272,805	0	0	71,592	31,069	237,490	25	0	0	26	0				
0	0	12,428	5,785	40,996	0	0	10,892	5,070	35,931	17	3	0	38	0				
0	0	10,482	5,028	28,475	0	0	7,747	3,716	21,045	35	10	35	53	0				
0	0	8,175	17,030	23,432	0	0	5,089	11,071	14,585	60	10	60	50	0				
0	0	20,857	14,539	57,864	0	0	14,576	10,161	40,439	0	70	0	144	0				
0	0	3,631	1,778	6,550	0	0	2,147	1,052	3,873	206	6	0	220	0				
102,291	102,291	28,290	11,067	76,977	0	0	22,866	8,945	62,218	291	59	291	359	3				
0	0	44,341	23,699	183,707	0	0	653	349	2,706	0	23	0	0	0				
0	0	32,583	22,713	90,396	0	0	32,195	22,442	89,320	13	7	0	92	0				
0	0	9,191	4,278	30,318	0	0	4,442	2,068	14,654	0	0	0	0	0				
0	0	13,370	6,223	44,105	0	0	11,583	5,392	38,209	15	20	0	0	0				
0	0	3,276	1,296	8,915	0	0	3,276	1,296	16,913	0	8	0	4	0				
0	0	10,410	4,072	28,326	0	0	8,435	3,337	22,951	105	20	0	157	0				
0	0	21,942	10,213	72,381	0	0	21,942	10,213	72,381	54	55	0	0	0				
0	0	22,603	47,085	64,785	0	0	990	2,062	2,837	21	6	21	30	0				
0	0	22,165	8,671	60,312	0	0	279	109	760	0	0	0	0	0				
0	0	9,702	3,795	26,399	0	0	8,322	3,256	22,646	78	8	78	96	0				
0	0	19,801	9,855	59,013	0	0	12,282	6,113	36,605	0	11	0	17	0				
0	0	1,672	3,057	4,863	0	0	915	1,673	2,662	15	0	15	31	0				
35,623	35,623	1,857	864	6,125	0	0	1,857	864	6,125	31	6	31	47	0				
0	0	10,280	17,806	19,151	0	0	8,211	14,384	15,471	0	32	0	37	0				
0	0	14,221	5,563	38,696	0	0	14,221	5,563	38,696	0	34	0	24	0				
0	0	1,574	733	5,191	0	0	3,883	1,807	12,808	0	0	0	0	0				
0	0	23,356	10,136	74,856	0	0	3,540	1,536	11,742	0	0	0	0	0				
0	0	15,314	31,901	43,894	0	0	8,146	16,969	23,348	32	3	0	36	0				
0	0	52,343	27,976	142,746	0	0	26,534	14,182	72,362	0	81	0	48	0				
0	0	8,309	17,308	23,815	0	0	4,236	8,824	12,141	0	16	0	20	0				

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INDEPENDENT AUDITORS' 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, 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 Wayne County Industrial Development Agency (the Agency) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated April 30, 2020.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free 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 results of that testing, and not to provide an opinion on the effectiveness of the Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

EFPR Group, CPAs, PLLC
Rochester, New York
April 30, 2020