

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**TABLE OF CONTENTS**

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<b><u>AUDITED FINANCIAL STATEMENTS</u></b>	<b><u>PAGE</u></b>
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 7
STATEMENT OF NET POSITION	8
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	9
STATEMENT OF CASH FLOWS	10
NOTES TO FINANCIAL STATEMENTS	11 - 18
<b><u>REQUIRED SUPPLEMENTARY INFORMATION</u></b>	
SCHEDULE OF AGENCY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	19
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS	20
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION	21
<b><u>SUPPLEMENTARY INFORMATION</u></b>	
PROJECT INFORMATION	22 - 23
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 <i>GOVERNMENT AUDITING STANDARDS</i>	24 - 25

## 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, 2020, 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, 2020, 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 19 and the schedule of employer's contributions on page 20 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 schedule of Project Information on pages 22 to 23 are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The supplementary 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 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 March 24, 2021, 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  
March 24, 2021

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**

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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, 2020. 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, 2020 by \$2,001,584. This amount 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 \$1,578,769 in unrestricted cash after a \$139,507 increase in that balance due to cash from operations.
- During 2020, the Agency transferred assets, including cash, loans receivable and allowance for loan loss to Wayne Economic Development Corporation (WEDC) totaling \$2,919,729. Of this amount, cash and loans receivable - net consisted of \$1,575,905 and \$1,343,824, respectively.

### **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, 2020. 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, 2020 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 2020 and how it affects the cash balance at December 31, 2020.
- **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 \$2,001,584 and \$4,657,699 at December 31, 2020 and 2019, respectively.

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**

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)

	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>	<u>% Change</u>	<u>2018</u>	<u>Dollar Change</u>	<u>% Change</u>
<b>Assets</b>							
Cash and cash equivalents	\$ 1,661.5	\$ 1,519.4	\$ 142.1	9.4	\$ 1,278.4	\$ 241.0	18.8
Restricted cash	-	1,575.9	(1,575.9)	(100.0)	1,998.4	(422.5)	(21.1)
Accounts receivable	97.2	-	97.2	100.0	-	-	-
Loans receivable - net	-	1,343.8	(1,343.8)	(100.0)	1,609.1	(265.3)	(16.5)
Property and equipment - net	407.6	407.9	(0.3)	(0.1)	410.6	(2.7)	(0.7)
Other assets	2.7	6.7	(4.0)	(59.7)	12.1	(5.4)	(44.6)
Total assets	<u>2,169.0</u>	<u>4,853.7</u>	<u>(2,684.7)</u>	<u>(150.4)</u>	<u>5,308.6</u>	<u>(454.9)</u>	<u>(64.1)</u>
<b>Deferred Outflows</b>	<u>15.8</u>	<u>34.1</u>	<u>(18.3)</u>	<u>(53.7)</u>	<u>48.8</u>	<u>(14.7)</u>	<u>(30.1)</u>
<b>Total Assets and Deferred Outflows</b>	<u>2,184.8</u>	<u>4,887.8</u>	<u>(2,703.0)</u>	<u>(55.3)</u>	<u>5,357.4</u>	<u>(469.6)</u>	<u>(8.8)</u>
<b>Liabilities</b>							
Accounts and grants payable	146.6	10.8	135.8	1,257.4	18.0	(7.2)	(40.0)
Contract advances	29.2	205.7	(176.5)	(85.8)	179.5	26.2	14.6
Net pension liability	-	7.3	(7.3)	(100.0)	3.9	3.4	87.2
Total liabilities	<u>175.8</u>	<u>223.8</u>	<u>(48.0)</u>	<u>1,071.6</u>	<u>201.4</u>	<u>22.4</u>	<u>61.8</u>
<b>Deferred Inflows</b>	<u>7.4</u>	<u>6.3</u>	<u>1.1</u>	<u>(17.5)</u>	<u>11.2</u>	<u>(4.9)</u>	<u>(43.7)</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>183.2</u>	<u>230.1</u>	<u>(46.9)</u>	<u>(20.4)</u>	<u>212.6</u>	<u>17.5</u>	<u>8.2</u>
Net investment in capital assets	407.6	407.9	(0.3)	(0.1)	410.6	(2.7)	(0.6)
Net position - restricted	-	2,919.7	(2,919.7)	(100.0)	3,613.0	(693.3)	(19.2)
Net position - unrestricted	1,594.0	1,330.1	263.9	19.8	1,121.2	208.9	18.6
Total net position	<u>\$ 2,001.6</u>	<u>\$ 4,657.7</u>	<u>\$ (2,656.1)</u>	<u>(80.3)</u>	<u>\$ 5,144.8</u>	<u>\$ (487.1)</u>	<u>(1.2)</u>

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**

Significant changes in the statement of net position from 2019 to 2020 include:

- Cash increased due to a positive change in net position.
- The Agency transferred assets, including cash, loans receivable and allowance for loan loss to Wayne Economic Development Corporation (WEDC) totaling \$2,919,729. Of this amount, cash and loans receivable - net consisted of \$1,575,905 and \$1,343,824, respectively.

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)

	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>	<u>% Change</u>	<u>2018</u>	<u>Dollar Change</u>	<u>% Change</u>
<b>Revenues</b>							
Contractual services and grants	\$ 256.2	\$ 162.0	\$ 94.2	58.1	\$ 195.4	\$ (33.4)	(17.1)
Agency fees	326.8	257.4	69.4	27.0	344.5	(87.1)	(25.3)
Interest - banks	3.1	3.2	(0.1)	(3.1)	1.8	1.4	77.8
Interest - loans	-	64.1	(64.1)	(100.0)	72.4	(8.3)	(11.5)
Other income	2.5	11.1	(8.6)	(77.5)	26.8	(15.7)	(58.6)
Total revenues	<u>588.6</u>	<u>497.8</u>	<u>(90.8)</u>	<u>(95.5)</u>	<u>640.9</u>	<u>(143.1)</u>	<u>(22.3)</u>
<b>Expenses</b>							
Personnel	12.2	17.9	(5.7)	(31.8)	66.3	(48.4)	(73.0)
Contractual services	212.9	196.9	16.0	8.1	132.7	64.2	48.4
Administrative and technical assistance	-	1.9	(1.9)	(100.0)	-	1.9	100.0
Program expense	97.2	-	97.2	100.0	-	-	-
Revolving loan cash transfer	-	753.7	(753.7)	(100.0)	-	753.7	100.0
Other expense	2.7	13.5	(10.8)	(80.0)	10.4	3.1	29.8
Total expenses	<u>325.0</u>	<u>983.9</u>	<u>(658.9)</u>	<u>(203.7)</u>	<u>209.4</u>	<u>774.5</u>	<u>369.9</u>
<b>Interfund Transfers</b>	<u>-</u>	<u>(1.0)</u>	<u>1.0</u>	<u>(100.0)</u>	<u>-</u>	<u>(1.0)</u>	<u>100.0</u>
<b>Transfer - WEDC</b>	<u>(2,919.7)</u>	<u>-</u>	<u>(2,919.7)</u>	<u>100.0</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in Net Position</b>	<u>(2,656.1)</u>	<u>(487.1)</u>	<u>(2,169.0)</u>	<u>(445.3)</u>	<u>431.5</u>	<u>(918.6)</u>	<u>(212.9)</u>
<b>Net Position - Beginning</b>	<u>4,657.7</u>	<u>5,144.8</u>	<u>(487.1)</u>	<u>(9.5)</u>	<u>4,713.3</u>	<u>431.5</u>	<u>9.2</u>
<b>Net Position - Ending</b>	<u>\$ 2,001.6</u>	<u>\$ 4,657.7</u>	<u>\$(2,656.1)</u>	<u>(57.0)</u>	<u>\$ 5,144.8</u>	<u>\$(487.1)</u>	<u>(9.5)</u>

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**

Significant changes in the statement of revenues, expenses and changes in net position from 2019 to 2020 include:

- The County has appropriated funding to the Agency for business retention and attraction projects called contractual income/expenses. The amount of \$85,000 and \$135,000 was both received and expensed for 2020 and 2019, respectively. The contractual income/expense amount is determined each new budget year and is set to change in 2021 to \$50,000. 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 \$74,024 and \$27,000 for project planning funds for 2020 and 2019, respectively.
- Overall, revenues increased primarily due to the increase in the agency fees charged for projects.
- Program expenses increased reflecting a general increase 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)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Cash Flows from Operating Activities</b>			
Receipts from providing services	\$ 256.2	\$ 162.0	\$ 195.4
Payments to suppliers	(256.0)	(190.4)	(191.3)
Payments to employees	(12.2)	(17.9)	(66.3)
Other operating revenue (expense)	152.8	284.5	481.1
Net cash flows from operating activities	<u>140.8</u>	<u>238.2</u>	<u>418.9</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchases of property and equipment	<u>-</u>	<u>-</u>	<u>(4.5)</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of property and equipment	(1.9)	-	-
Investment income	3.1	2.8	1.3
Certificate of deposit	(2.5)	(2.1)	28.7
Net cash flows from investing activities	<u>(1.3)</u>	<u>0.7</u>	<u>30.0</u>
<b>Net Change in Cash and Cash Equivalents</b>	139.5	238.9	444.4
<b>Cash and Cash Equivalents - Beginning</b>	<u>1,439.3</u>	<u>1,200.4</u>	<u>756.0</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>\$ 1,578.8</u>	<u>\$ 1,439.3</u>	<u>\$1,200.4</u>



**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2020**

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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 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, 2020**

	<u>Operating</u>	<u>Non- Operating Revolving Loan</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 1,578,769	\$ -	\$ 1,578,769
Certificate of deposit	82,699	-	82,699
Prepaid expenses	2,715	-	2,715
Accounts receivable	<u>97,181</u>	<u>-</u>	<u>97,181</u>
Total current assets	1,761,364	-	1,761,364
<b>Property and Equipment - Net</b>	<u>407,618</u>	<u>-</u>	<u>407,618</u>
<b>Total Assets</b>	2,168,982	-	2,168,982
<b>DEFERRED OUTFLOWS</b>			
Pension	<u>15,792</u>	<u>-</u>	<u>15,792</u>
<b>Total Assets and Deferred Outflows</b>	<u>\$ 2,184,774</u>	<u>\$ -</u>	<u>\$ 2,184,774</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 146,549	\$ -	\$ 146,549
Contract advances	<u>29,197</u>	<u>-</u>	<u>29,197</u>
Total current liabilities	<u>175,746</u>	<u>-</u>	<u>175,746</u>
<b>DEFERRED INFLOWS</b>			
Pension	<u>7,444</u>	<u>-</u>	<u>7,444</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>183,190</u>	<u>-</u>	<u>183,190</u>
<b>Net Position</b>			
Net investment in capital assets	407,618	-	407,618
Unrestricted	<u>1,593,966</u>	<u>-</u>	<u>1,593,966</u>
Total net position	<u>2,001,584</u>	<u>-</u>	<u>2,001,584</u>
<b>Total Liabilities, Deferred Inflows and Net Position</b>	<u>\$ 2,184,774</u>	<u>\$ -</u>	<u>\$ 2,184,774</u>

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, 2020**

	<u>Operating</u>	<u>Non- Operating Revolving Loan</u>	<u>Total</u>
<b>Revenues</b>			
Contractual services and grants	\$ 256,205	\$ -	\$ 256,205
Agency and administrative fees	326,824	-	326,824
Interest - banks	3,059	-	3,059
Other revenue	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total revenues	<u>588,588</u>	<u>-</u>	<u>588,588</u>
<b>Expenses</b>			
Program expense	97,181	-	97,181
Contractual services	212,907	-	212,907
Employee benefits	12,173	-	12,173
Depreciation	2,135	-	2,135
Office expense	<u>578</u>	<u>-</u>	<u>578</u>
Total expenses	<u>324,974</u>	<u>-</u>	<u>324,974</u>
<b>Transfer - WEDC</b>	<u>-</u>	<u>(2,919,729)</u>	<u>(2,919,729)</u>
<b>Change in Net Position</b>	263,614	(2,919,729)	(2,656,115)
<b>Net Position - Beginning</b>	<u>1,737,970</u>	<u>2,919,729</u>	<u>4,657,699</u>
<b>Net Position - Ending</b>	<u>\$ 2,001,584</u>	<u>\$ -</u>	<u>\$ 2,001,584</u>

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, 2020**

	<u>Operating</u>	<u>Non- Operating Revolving Loan</u>	<u>Total</u>
<b>Cash Flows from Operating Activities</b>			
Receipts from providing services	\$ 256,205	\$ -	\$ 256,205
Payments to suppliers for goods and services	(256,025)	-	(256,025)
Payments to employees	(12,173)	-	(12,173)
Other operating revenue (expense)	152,799	-	152,799
Net cash flows from operating activities	140,806	-	140,806
<b>Cash Flow From Capital and Related Financing Activities</b>			
<b>Cash Flows from Investing Activities</b>			
Purchase of property and equipment	(1,846)	-	(1,846)
Sale of certificates of deposit	(2,512)	-	(2,512)
Investment income	3,059	-	3,059
Cash transfer - WEDC	-	(1,575,905)	(1,575,905)
Net cash flows from investing activities	(1,299)	(1,575,905)	(1,577,204)
<b>Net Change in Cash and Cash Equivalents</b>	139,507	(1,575,905)	(1,436,398)
<b>Cash and Cash Equivalents - Beginning</b>	1,439,262	1,575,905	3,015,167
<b>Cash and Cash Equivalents - Ending</b>	\$ 1,578,769	\$ -	\$ 1,578,769
<b>Reconciliation of Change in Net Position to Net Cash Flows from Operating Activities</b>			
Change in net position	\$ 263,614	\$ (2,919,729)	\$ (2,656,115)
Adjustments			
Depreciation	2,135	-	2,135
Investment income	(3,059)	-	(3,059)
Transfer - WEDC	-	2,919,729	2,919,729
Change in assets and liabilities			
Prepaid expenses	3,891	-	3,891
Accounts receivable	(97,181)	-	(97,181)
Accounts payable	135,757	-	135,757
Contract advances	(176,524)	-	(176,524)
Net pension liability	12,173	-	12,173
<b>Net Cash Flows from Operating Activities</b>	\$ 140,806	\$ -	\$ 140,806

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 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 State 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, 2020, the Agency had \$- 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.

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

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**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 through 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. See Note 8.

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

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**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 one item that qualify for reporting in this category, 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 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.

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. This 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 June 15, 2021.

Statement No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*. Effective for periods beginning after December 15, 2020.

Statement No. 91 - *Conduit Debt Obligations*. Effective for periods beginning after December 15, 2021.

Statement No. 92 - *Omnibus 2020*. Effective for periods beginning after June 15, 2021.

Statement No. 93 - *Replacement of Interbank Offered Rates*. Effective for fiscal years beginning June 15, 2021.

Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. Effective for fiscal years beginning June 15, 2022.

Statement No. 96 - *Subscription-Based Information Technology Arrangements*. Effective for fiscal years beginning June 1, 2022.

Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Effective for fiscal years beginning after June 15, 2021.

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

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

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**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, 2020, the Agency had a certificate of deposit as follows:

**Unrestricted**

A 29 month certificate of deposit at Canandaigua National Bank with interest at 0.53% maturing on May 31, 2023. \$ 82,699

The certificate of deposit is fully collateralized as of December 31, 2020.

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, 2020 excluding certificates of deposit are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand and savings deposits	\$ <u>1,578,769</u>	\$ <u>1,596,655</u>
Covered by FDIC insurance		\$ 694,348
Pledged collateral		<u>902,307</u>
Total deposits		\$ <u>1,596,655</u>

**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 \$256,205 to the Agency for contractual services at December 31, 2020.

**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.



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

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**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, 2020**

	<b><u>Level 3</u></b>	<b><u>Total</u></b>
Loans receivable - beginning balance	\$ 1,385,965	\$ 1,385,965
Loan transfers	<u>(1,385,965)</u>	<u>(1,385,965)</u>
Loans receivable - ending balance	<u>\$ -</u>	<u>\$ -</u>

**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.

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

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During 2020, the Agency transferred assets, including cash, loans receivable and allowance for loan loss to WEDC totaling \$2,919,729. Of this amount, cash and loans receivable - net consisted of \$1,575,905 and \$1,343,824, respectively.

At December 31, 2020, 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, 2020:

	<b>WCIDA Revolving Loan</b>	<b>Other Loan</b>
Balance at beginning of year	\$ 1,361,858	\$ 24,107
Add, loans issued	-	-
Add, loans transferred	-	-
Less, amounts paid	-	-
Less, amounts transferred	<u>(1,361,858)</u>	<u>(24,107)</u>
Balance at end of year	<u>\$ -</u>	<u>\$ -</u>

**Note 6. Property and Equipment**

Property and equipment consists of the following at December 31, 2020:

Land	\$ 400,238
Equipment	<u>32,590</u>
Sub-total	432,828
Less - accumulated depreciation	<u>(25,210)</u>
Property and equipment - net	<u>\$ 407,618</u>

**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 35 organizations participated in the PILOTs program and \$1,504,646 in payments were administered by the Agency for the year ended December 31, 2020. The PILOT payments are not recorded on the financial statements.

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

**Note 8. Employee Benefit Plan**

**Plan Description and Funding Policy**

The Agency participated 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](http://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.

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.

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

2020	\$	-
2019	\$	4,755
2018	\$	14,232

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

At December 31, 2020, 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, 2020:

Actuarial valuation date	4/1/2019
Net pension liability	\$ -
Agency's portion of the Plan's total net pension liability	N/A

For the year ended December 31, 2020, the Agency's recognized pension expense for ERS of \$12,173. At December 31, 2020 the Agency's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	15,792	7,444
Employer contributions subsequent to the measurement date	-	-
Total	<u>\$ 15,792</u>	<u>\$ 7,444</u>

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

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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:		
2021		\$ 6,064
2022		3,957
2023		<u>2,835</u>
Total		<u>\$ 12,856</u>

**Note 9. Budget Comparison**

The following is a comparison of budgeted expenditures to actual expenditures for the year ended December 31, 2020:

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Program/contractual services/other	\$ 250,000	\$ 310,666	\$ (60,666)
Employee benefits	-	12,173	(12,173)
Depreciation	<u>2,500</u>	<u>2,135</u>	<u>365</u>
Total	<u>\$ 252,500</u>	<u>\$ 324,974</u>	<u>\$ (72,474)</u>

**Note 10. Subsequent Events**

The United States is presently in the midst of a national health emergency related to COVID-19 virus. The overall consequences of 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, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
The Agency's proportion of the net pension liability	-	0.0001030 %	0.0001202 %
The Agency's proportionate share of the net pension liability	\$ -	\$ 7,297	\$ 3,880
The Agency's covered payroll	\$ -	\$ -	\$ 40,523
The Agency's proportionate share of the net pension liability as a percentage of covered payroll	N/A	N/A	9.57 %
Plan fiduciary net position as a percentage of the total pension liability	86.40 %	96.30 %	98.20 %

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Schedule of Employer's Contributions**  
**For The Year Ended December 31, 2020**

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	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ -	\$ 4,755	\$ 14,232	\$ 19,980	\$ 25,458	\$ 17,033	\$ 36,704	\$ 51,604	\$ 49,831	\$ 39,619
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
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution as a percentage of covered payroll	N/A	N/A	35.12 %	30.07 %	21.94 %	12.49 %	27.04 %	23.54 %	20.84 %	16.32 %
Covered payroll	\$ -	\$ -	\$ 40,523	\$ 66,450	\$ 116,061	\$ 136,369	\$ 135,732	\$ 219,233	\$ 239,102	\$ 242,818

**WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Note to Required Supplementary Information**  
**For The Year Ended December 31, 2020**

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**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.

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.

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 in the property?	Data IDA Took Title or Leasehold Interest in Property	Year Financial Assistance is Planned to End	Notes
5401-18-02a	1000 Silver Hill LLC/IEC	N		Manufacturing	18,140,000	12,887,700			N		02/27/2019	Y	02/27/2019	2020	6810-19-021172 Manufacturing Facility at Silver Hill for IEC Electronics as tenant. JC 2021 (2020) FISCAL
5401-18-02a	1000 Silver Hill, LLC	N		Finance, Insurance	3,600,000	2,880,000			N		09/25/2015	Y	11/12/2015	2022	Acquisition of 77,000 sq. ft. facility, FLCC. 6810-14-408363. **Note for 2020 filing year (2019) Fiscal Repo
5401-18-02a	AEY Development, LLC	N		Finance, Insurance	707,000	687,000			N		03/23/2012	Y	04/04/2012	2023	Construction and equipping 10,000 sq. ft. facility. 6211-00-151809. **Note for 2020 filing year (2019) Fiscal Repo
5401-18-02a	AEY Development, LLC	N		Finance, Insurance	600,000	580,000			N		03/23/2012	Y	04/04/2012	2023	Construction and equipping 10,000 sq. ft. facility. 6211-00-151809. **Note for 2020 filing year (2019) Fiscal Repo
5401-18-04A	Atlas Rental and Supply, Inc.	N		Service/Trade	845,000	615,000			N		12/16/2016	Y	12/20/2016	2027	Construction and equipping 44,000 sq. ft. facility. 6211-00-151809. **Note for 2020 filing year (2019) Fiscal Repo
5401-18-04A	Beckchurch Solar LLC	N		Transportation, Con	3,126,264	922,708			N		02/27/2020	Y	02/27/2020	2025	7116-00-648694.1 **NOTE THIS PILOT AGREEMENT CONTAINS AN ADDITIONAL OF PER MWAC PA
5401-18-04A	CDG Huxon Solar 1, LLC	N		Transportation, Con	2,976,000	1,100,000			N		10/01/2019	Y	10/01/2019	2025	7516-00-297975 (only 8.6 acres of 45.44 acres). New tax parcel on 2020 roll: 7516-00-297975.1. **NOT
5401-18-04A	CDG Huxon Solar 2, LLC	N		Transportation, Con	1,875,000	750,000			N		07/25/2020	Y	07/25/2020	2025	1117-00-328684 AND 0117-00-328685. PILOT AGREEMENT CONTAINS AN ADDITIONAL OF PER MWAC PA
5401-18-04A	CDG Huxon Solar 3, LLC	N		Transportation, Con	8322,860	2,955,500			N		07/25/2020	Y	07/25/2020	2025	1117-00-328684 AND 0117-00-328685. PILOT AGREEMENT CONTAINS AN ADDITIONAL OF PER MWAC PA
5401-18-05A	DNT Rally Express	N		Transportation, Con	2,437,849	2,347,000			N		09/24/2014	Y	09/24/2014	2024	Construction and equipping of 37,500 sq. ft. addition to existing facility. 74112-15-582352. **Note for 2020 F
5401-18-05A	Genlock Sealing Technologies	N		Manufacturing	37,000,000	37,000,000			N		03/27/2006	Y	03/27/2006	2025	Acquisition of existing facility and construction and equipping 170,000 sq. ft. addition. 64111-00-839937. **Nc
5401-18-05A	Hollygrove Solar LLC	N		Transportation, Con	3,776,000	1,076,000			N		12/21/2018	Y	12/21/2018	2024	7819-00-263961. **NOTE THIS PILOT AGREEMENT CONTAINS AN ADDITIONAL OF PER MWAC PA
5401-18-05A	Hollygrove Solar LLC	N		Transportation, Con	4,778,417	3,946,769			N		06/03/2011	Y	06/03/2011	2022	Construction and equipping 37,500 sq. ft. addition to existing facility. 65117-00-801892. **Note for 2020 filing year (
5401-18-07A	K.M. Davis - 2	N		Manufacturing	654,000	654,000			N		08/17/2020	Y	08/17/2020	2021	Sales Tax Financial Assistance Agreement 8/17/20 PILOT agreement 11/30/20. **Note for 2021 report: 2020 F
5401-18-07A	K.P. Industrial, Inc. (C&C Autom	N		Manufacturing	1,900,000	1,735,000			N		04/25/2016	Y	04/25/2016	2027	Construction and equipping a 3,500 sq. ft. addition to existing facility. 65117-00-400874. **Note for 2020 fil
5401-18-07A	LBP Properties of Sussex, NY	N		Manufacturing	1,600,000	1,350,000			N		10/10/2011	Y	10/10/2011	2022	Acquisition and equipping of 130,000 sq. ft. facility. 6114-00-863593. **Note for 2021 report: 2020 F
5401-18-07A	Lyons Logistics, LLC	N		Manufacturing	1,641,500	1,250,000			N		06/03/2011	Y	06/03/2011	2022	Acquisition, renovation and equipping of 131,810 sq. ft. facility. 71111-18-395153. **Note for 2021 report: 2020 F
5401-18-07A	Maxpro LLC/Optimax Systems	Y	5401-11-07Ab	Manufacturing	23,500,000	22,600,000			N		12/10/2018	Y	12/10/2018	2029	Please also see original project code: 5401-11-01a. New project. Maxpro reported the following for 2018 (20
5401-18-07A	McAllen Industries Inc	N		Manufacturing	5,000,000	5,000,000			N		02/02/2016	Y	02/02/2016	2027	Construction and equipping of 120,000 sq. ft. facility. 6114-00-863593. **Note for 2021 report: 2020 F
5401-18-07A	McAllen Industries Inc	N		Manufacturing	500,000	500,000			N		06/26/2012	Y	06/26/2012	2023	Construction and equipping of 40,000 sq. ft. facility. 6111-00-158569. KTK Company. **Note for 2021 report: 2020 F
5401-18-07A	Murphy/Drau	N		Manufacturing	1,730,000	1,730,000			N		08/31/2020	Y	08/31/2020	2026	61113-00-627151.2 (subdivided on 2021 tax rolls). **NOTE THIS PILOT AGREEMENT CONTAINS AN ADDI
5401-18-07A	NY Macdonald 1, LLC	N		Transportation, Con	2,751,813	1,606,846			N		08/31/2020	Y	08/31/2020	2026	61113-00-627151.2 (subdivided on 2021 tax rolls). **NOTE THIS PILOT AGREEMENT CONTAINS AN ADDI
5401-18-07A	NY Macdonald 2, LLC	N		Transportation, Con	3,922,000	3,922,000			N		08/24/2012	Y	08/24/2012	2023	61113-00-627151.2 (subdivided on 2021 tax rolls). **NOTE THIS PILOT AGREEMENT CONTAINS AN ADDI
5401-18-07A	Optipro Systems LLC/Brightlid	Y	5401-14-03A	Manufacturing	1,324,850	1,283,350			N		11/01/2018	Y	11/01/2018	2024	Acquisition of 16.87 acres of land and construction of 20,000 sq. ft. manufacturing facility. 67111-00-792020
5401-18-07A	Optipro Systems LLC/Brightlid	Y	5401-14-03A	Manufacturing	893,000	850,000			N		08/07/2013	Y	08/07/2013	2025	Construction; reconstruction 3,000 sq. ft. facility. 64111-17-27682. Note for 2021 filing year (2020) fiscal ye
5401-18-07A	Palmira Properties, LLC	N		Retail Trade	2,444,270	2,444,270			N		02/27/2019	Y	02/27/2019	2024	Construction and equipping 76,570 sq. ft. facility. 61117-00-238600. Also see ref
5401-18-07A	Reform Logistics, LLC	N		Transportation, Con	2,444,270	2,444,270			N		02/27/2019	Y	02/27/2019	2024	Construction and equipping 76,570 sq. ft. facility. 61117-00-238600. Also see ref
5401-18-07A	SAD Macdonald	N		Transportation, Con	2,702,200	2,520,000			N		02/27/2019	Y	02/27/2019	2024	61111-00-656633. **NOTE THIS PILOT AGREEMENT CONTAINS AN ADDITIONAL OF PER MWAC PA
5401-18-07A	SAD Macdonald	N		Transportation, Con	2,842,200	2,520,000			N		02/27/2019	Y	02/27/2019	2025	As per contractor office files we are updating the previous two IRS jobs and creating a new c
5401-18-07A	Wayne County Dyalisis Progr	N		Manufacturing	8,735,000	8,735,000			N		01/10/2014	Y	01/10/2014	2024	Construction and equipping 7,500 sq. ft. facility. 67111-20-912177
5401-18-07A	Wayne County Dyalisis Progr	N		Services	2,232,600	2,017,700			N		03/03/2013	Y	03/03/2013	2025	Construction and equipping 7,500 sq. ft. facility. 67111-20-912177



State Sales Tax Exemption	City/Town/Village	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Exemptions	Total Exemptions Net of RPTL Section 485-b	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
152,820.40	152,820.40	3,980.87	7,748.52	10,701.42	0	0	0	0	3,980.87	7,748.52	10,701.42	440	344	421	701	82	0	0	0
0	0	31,846.54	61,588.15	85,611.42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	3,844.64	1,819.11	12,876.44	0	0	0	0	0	0	0	20	10	0	0	0	0	0	0
0	0	2,965.12	1,819.11	12,876.44	0	0	0	0	0	0	0	20	10	0	0	0	0	0	0
0	0	6,201.81	2,388.45	16,776.50	0	0	0	0	0	0	0	9	6	9	27	0	0	0	0
0	0	16,768.82	8,052.57	33,548.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	23,121.65	12,002.16	44,731.06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	19,566.95	10,368.24	40,338.81	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	17,622.96	6,095.70	40,338.81	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30,784.73	30,784.73	0	28,731.23	29,246.60	0	354.67	0	0	0	0	0	16	19	146	157.5	44	0	0	0
0	0	69,842.55	38,818.49	235,748.33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	7,762.38	4,762.38	20,460.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	13,894.04	13,894.04	40,338.81	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	76,155.31	33,677.67	253,137.70	0	0	0	0	0	0	0	25	0	0	0	0	0	0	0
8,110.50	8,110.50	0	0	0	6,000	0	0	0	0	0	0	12	3	12	10.5	4	0	0	0
0	0	10,518.99	5,043.67	28,635.95	0	0	0	0	0	0	0	35	10	35	35	0	0	0	0
24,980.00	24,980.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	20,505.03	14,535.71	59,262.86	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22,424.50	22,424.50	29,591.96	11,092.73	79,723.80	0	0	0	0	0	0	0	291	59	291	340	0	0	0	0
0	0	46,441.57	24,271.31	184,457.12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	8,492.82	6,349.86	44,946.91	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	13,420.28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
64,960.50	64,960.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
53,876.50	53,876.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
104,586.50	104,586.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	24,546.91	47,779.09	65,987.39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	10,146.55	3,804.25	26,958.31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	1,478.87	2,865.84	4,848.31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30,015.96	30,015.96	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	14,872.73	5,576.28	39,574.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	16,184.55	7,657.82	54,205.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	23,433.74	10,382.95	77,852.98	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	1,478.87	2,865.84	4,848.31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	56,823.01	28,653.82	151,176.38	0	0	0	0	0	0	0	32	1	32	32	0	0	0	0
0	0	9,023.30	17,563.31	24,256.57	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**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, 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 24, 2021.

**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) as a basis for designing 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  
March 24, 2021