

**COUNTY OF WESTCHESTER
INDUSTRIAL DEVELOPMENT AGENCY**

(A COMPONENT UNIT OF THE
COUNTY OF WESTCHESTER, NEW YORK)

FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

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Independent Auditors' Report

To the Board of Directors of the
County of Westchester Industrial Development Agency
(a component unit of the County of Westchester, New York)

We have audited the accompanying statements of financial position of the County of Westchester Industrial Development Agency (the "Agency") (a component unit of the County of Westchester, New York) as of December 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2010 and 2009 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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.

Our 2010 audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2010 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the 2010 basic financial statements and, accordingly, we express no opinion on it.

O'Connor Davies Murino & Dobbins, LLP

Harrison, New York
March 17, 2011

**County of Westchester
Industrial Development Agency
Management's Discussion and Analysis
For Year Ended December 31, 2010**

Compliance and Accountability

Since the County of Westchester Industrial Development Agency formed in 1977, the Agency's management was under the direction of the seven appointed members of the Board. Its by-laws required that Westchester County's Commissioner of Finance served as the Treasurer of the Agency. Following the passage of the 2005 Public Authority Accountability Act (PAAA), the Agency adopted new by-laws, policies and procedures consistent with the Act.

As a result, the Agency has established its own financial systems separate from those of Westchester County. To insure continuity in consistency with municipal best practices, the by-laws establishes the position of Comptroller as its chief financial officer responsible for financial management, compliance and good practices establishing internal controls, as well as investment of agency funds consistent with its investment policy; and reporting to the Treasurer (an elected board member) and Agency.

The Executive Director serves as compliance officer. The Compliance Officer is responsible for insuring that the Agency complies with all financial and other reporting requirements imposed by structure, including those requirements in the General Municipal Law and the PAAA. [see Agency bylaws and policies at www.westchestergov.com/ida]. Further the Executive Director is responsible for providing the Agency and its Committee with detailed budget information prior to adoption of the annual budget.

The Treasurer oversees the Comptroller. An Audit Committee of three Board members including the Treasurer is responsible for the appointment, compensation and oversight of the audit process. The Audit Committee offers its recommendations to the full Agency for action and/or adoption.

Financial Highlights

Change in net assets

The change in net assets of (\$295,799) for 2010 is an increase of \$1,196,074 over 2009 change in net assets of (\$1,491,873). This \$1,196,074 increase is primarily due to the increase in closing fees, application and administrative fees and other contractual fees of \$486,835, grant income of \$500,000 for a N.Y State grant and a \$62,874 reversal of a 2009 expense for the State Public Authority Assessment rescinded by New York State in 2010, and a decrease in operating expenses of \$171,920, partially offset by reduced interest income of \$24,743, and other revenue items of \$812.

Liquidity

Cash and equivalents decreased by \$71,354 in 2010. The overall decrease in cash and equivalents is primarily due to the 2010 cash payments to various grantees amounting to \$608,000, payments to employees for salaries and benefits of \$126,216 as well as other administrative costs of \$388,425, partially offset by receipts from customers of \$918,012, receipts due various governmental entities of \$88,080, receipts from rental activities of \$38,000 and interest of \$7,195. The County of Westchester Industrial Development Agency has sufficient cash and equivalents to fund future operating needs.

Recapture of sales tax benefits

A company, whose project was in place in 2010, was subject to an unanticipated takeover. As a result the project did not meet its December 31, 2010 employment goals and the company has advised the Agency that it is ceasing operations within Westchester County. In December 2010 the Board resolved to terminate this project, as such, in accordance with the project agreement (section 3.4), the Agency is pursuing the recapture of the sales tax benefits amounting to approximately \$3.2 million on behalf of the State, County and Local governments. The timing of the recapture is unknown at this time.

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

COMPARATIVE STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and equivalents	\$ 7,079,028	\$ 7,150,382
Accounts receivable (net of allowance of \$486,388 in 2010 and 2009)	3,389,859	82,114
Prepaid expenses	<u>7,029</u>	<u>41,821</u>
Total Current Assets	10,475,916	7,274,317
Capital assets - Land	<u>1,100,000</u>	<u>1,100,000</u>
Total Assets	<u>11,575,916</u>	<u>8,374,317</u>
LIABILITIES		
Accounts payable	55,829	97,635
Due to other governments	<u>5,758,150</u>	<u>2,218,946</u>
Total Liabilities	<u>5,813,979</u>	<u>2,316,581</u>
NET ASSETS		
Invested in capital assets	1,100,000	1,100,000
Unrestricted	<u>4,661,937</u>	<u>4,957,736</u>
	<u>\$ 5,761,937</u>	<u>\$ 6,057,736</u>

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

COMPARATIVE STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Operating Revenues:		
Charges for Services:		
Closing fees	\$ 539,110	\$ 24,234
Application and administrative fees	20,126	4,000
Other contractual fees	1,008	45,175
Refund of prior year expenditure	62,874	-
Miscellaneous	1,344	2,156
Grant (pass-through)	500,000	-
	<u>1,124,462</u>	<u>75,565</u>
Total Operating Revenues		
Operating Expenses:		
Salaries	246,152	390,982
Employee benefits	110,768	110,700
Professional fees	269,895	315,952
Office	79,545	83,186
Travel	5,264	6,982
Grants and contributions	608,000	108,000
Advertising	92,696	19,412
Membership dues	29,850	33,900
State Public Authority Assessment	4,286	62,874
Bad Debt	-	486,388
	<u>1,446,456</u>	<u>1,618,376</u>
Total Operating Expenses		
Loss from Operations	<u>(321,994)</u>	<u>(1,542,811)</u>
Non-Operating Revenues:		
Rental fees	19,000	19,000
Interest income	7,195	31,938
	<u>26,195</u>	<u>50,938</u>
Total Non-Operating Revenues		
Change in Net Assets	(295,799)	(1,491,873)
Net Assets - Beginning of Year	<u>6,057,736</u>	<u>7,549,609</u>
Net Assets - End of Year	<u>\$ 5,761,937</u>	<u>\$ 6,057,736</u>

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

COMPARATIVE STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Cash Flows From Operating Activities:		
Receipts from customers	\$ 918,012	\$ 80,728
Cash paid to grantees	(608,000)	(108,000)
Cash paid to employees and for benefits	(126,216)	(490,864)
Cash paid for administrative costs	(388,425)	(508,973)
Receipts due to primary government	88,080	(1,623,428)
Net Cash From Operating Activities	<u>(116,549)</u>	<u>(2,650,537)</u>
Cash Flows From Investing Activities:		
Receipts from rental activities	38,000	-
Interest income	7,195	31,938
Net Cash From Investing Activities	<u>45,195</u>	<u>31,938</u>
Net Change in Cash and Equivalents	(71,354)	(2,618,599)
Cash and Equivalents - Beginning of Year	<u>7,150,382</u>	<u>9,768,981</u>
Cash and Equivalents - End of Year	<u>\$ 7,079,028</u>	<u>\$ 7,150,382</u>
Reconciliation of Loss From Operations to Net Cash From Operating Activities:		
Loss from operations	\$ (321,994)	\$ (1,542,811)
Adjustments to reconcile net loss to net cash from operating activities:		
Bad Debt Expense	-	486,388
Changes in operating assets and liabilities:		
Accounts receivable	(3,326,745)	5,164
Prepaid assets	34,792	(717)
Accounts payable	(41,806)	14,621
Due to other governments	3,539,204	(1,613,182)
	<u>\$ (116,549)</u>	<u>\$ (2,650,537)</u>

NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization

The County of Westchester Industrial Development Agency (the "Agency") was created in 1977 by the New York State Legislature under the provisions of Chapter 788 for the purpose of encouraging economic growth in the County of Westchester (the "County"). The Agency is exempt from Federal, State and local income taxes. The Agency, although established by the State, is a separate entity and operates independently of the County. The governing board consists of seven members appointed by the County Executive with confirmation by the Board of Legislators.

Note 2 - Summary of Significant Accounting Policies

Financial Reporting Entity

The Agency has been identified as a component unit of the County. In accordance with the criteria enumerated in Governmental Accounting Standards Board (GASB) Statement No. 14, the Agency's financial statements have been discretely presented in the County's financial statements.

Basis of Accounting

The accounting policies of the Agency conform to generally accepted accounting principles as applicable to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Agency reports its operations on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Agency applies all applicable Financial Accounting Standards Board (FASB) guidance issued after November 30, 1989 in its accounting and reporting.

Cash and Equivalents

Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with maturities of three months or less at the time of purchase. Collateral is required for these deposits at 100% of all deposits not covered by Federal deposit insurance. The Agency has entered into custodial agreements with the depositories which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Land

Land was contributed to the Agency by the City of Yonkers, City of New York and the County to effectively and economically develop the Austin Avenue Office Park located in Yonkers, New York. The land is recorded at fair market value (\$1,100,000) as of the date received. The parcel of land is leased to the developer of the Austin Avenue Park, Morris Industrial Builders, under a long-term developmental lease. The lease expires in the year 2045, with two subsequent renewal options for 30 additional years, each. For the term of the lease, the Agency will be the owner of the premises and the landlord under the lease.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use. Net assets on the statement of financial position include the amount invested in capital assets and the balance is classified as unrestricted.

NOTES TO FINANCIAL STATEMENTS (Concluded)

Note 2 - Summary of Significant Accounting Policies (Continued)

Due to Other Governments

During the course of its operations, the IDA collects and remits funds to other governments. To the extent that certain transactions between other governments have not been paid as of December 31, 2010, these amounts have been recorded in the financial statements.

Use of Estimates

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

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statement were available to be issued, which date is March 17, 2011.

Note 3 - Litigation

In the normal course of business there are a number of actions against the Agency that involve personal injury and/or contractual disputes between the plaintiff's and the project beneficiary. In each such case, the Agency has been indemnified by the project beneficiary and, in the opinion of the Agency's management, the project beneficiary has insurance in place to mitigate any losses that may ultimately result from the resolution of such litigation. While the Agency has been named in many of these actions, in the opinion of management based upon consultation with legal counsel, the ultimate resolution of such litigation matters should not result in any liability to the Agency.

Austin Avenue Project Rent Dispute

Pursuant to a certain Five Party Agreement among the Agency, the County of Westchester ("County"), the City of Yonkers ("Yonkers"), the City of Yonkers Industrial Development Agency and Morris Industrial Builders, dated October 24, 1985, the Agency receives certain rent from Morris and distributes it to the County and/or Yonkers. The Agency, the County and Yonkers are in disagreement as to the proper division of the rent under the Five Party Agreement. It is the position of the Agency and the County that all rent is payable to the County until September 2006, after which date the rent is to be divided approximately 2/3rd to the County and 1/3rd to Yonkers. It is the position of Yonkers that the foregoing division of the rent was to begin on or about September 1999. During the period from September 1999 through September 2006 the Agency had received rent in the amount of \$81,250 per month. In the opinion of management there is no disagreement regarding the distribution of the rent commencing September 2006, therefore the Agency paid to Yonkers on or about April 3, 2009, 1/3rd of the rent received from Morris for the period September 2006 through March 31, 2009. Subsequent to March 2009 Yonkers has been receiving 1/3rd of the monthly rent. To determine the proper distribution of the rent for the period prior to September 2006, the Agency has commenced an action in the nature of an interpleader or declaratory judgment against the County and Yonkers in the Supreme Court of the State of New York, County of Westchester. In the event that the position of Yonkers were to prevail, it is likely that the Agency would assert a claim against the County to return the excess rent previously paid to the County.

NOTES TO FINANCIAL STATEMENTS (Concluded)

Note 4 - Due to Other Governments

Due to other governments as of December 31, consists of the following:

	<u>2010</u>	<u>2009</u>
Sales tax benefit recapture	\$ 5,111,179	\$ 1,928,010
Mortgage tax benefit recapture	124,938	124,938
Rent collected	29,360	-
Operating costs	<u>492,673</u>	<u>165,998</u>
	<u>\$ 5,758,150</u>	<u>\$ 2,218,946</u>

Approximately \$1.9 million of the sales tax benefit recapture was remitted to appropriate taxing jurisdictions subsequent to December 31, 2010. The remaining amount of approximately \$3.2 million pertains to funds included within accounts receivable to be collected by the IDA on behalf of State, County and Local governments. When these funds are collected, they will be remitted to the other governments.

Note 5 - Revenue Bonds, Notes, Straight-Lease Transactions and Grants

Certain revenue bonds and notes issued by the Agency are secured by property, which is leased to companies. The bonds and notes are not obligations of the Agency or the State. The Agency does not record the assets or liabilities resulting from completed bond and note issues in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising there-from are controlled by trustees or banks acting as fiscal agents.

In exchange for providing this service, the Agency receives closing fees from the borrowing companies. The fee received by the Agency is one percent for the first \$10 million and one quarter of one percent of the amount over \$10 million for for-profit corporations. The fee for not-for-profit corporations is one half of the previously mentioned calculation. In addition, the Agency receives closing fees for straight lease transactions of five percent of the expected savings of mortgage recording, sales, and use taxes. Such administrative fee income is recognized immediately upon issuance of bonds and notes or closing on leases.

The Agency acts as a pass-through conduit for certain grants issued by New York State (NYS). The grant funds are reflected as revenues when received from NYS and expenses when distributed to the grantee. In connection with the grant arrangement the Agency received a letter of credit in the amount of the grant and a security interest in equipment owned by the grantee.

Note 6 - Rental Revenue Under Operating Leases

Future minimum lease income to be received pursuant to the Austin Avenue Park land discussed in Note 2 for each of the years in the period ended December 31, as of December 31, 2010 is as follows:

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
 (A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

NOTES TO FINANCIAL STATEMENTS (Concluded)

Note 6 - Rental Revenue Under Operating Leases (Continued)

2011	\$ 1,056,956
2012	1,056,956
2013	1,056,956
2014	1,056,956
2015	1,077,463
Thereafter	<u>44,337,400</u>
	<u>\$ 49,642,687</u>

The Austin Avenue Park lease provides for periodic lease escalations based upon increases defined in the Amended Agreement of May, 2007. The escalations are enacted at the 20th, 25th, 30th, 35th, 45th and 55th anniversary of the lease. During the years ended December 31, 2010 and 2009, the Agency received \$988,660 and \$975,000, respectively, of rental income under the aforementioned lease arrangement. The terms of the Austin Avenue Park original land contribution agreement provide that the Agency must remit all rental income received from the aforementioned lease to the County. Consequently, amounts due to the County for each year have been netted against rental fees in the accompanying Statement of Activities.

Note 7 - Related Party Transaction

During 2010 and 2009 the Agency and the County entered into an agreement for personnel, space, supplies, and equipment of the County commencing on January 1 and ending on December 31. The parties currently intend to enter into annual renewals on financial terms to be negotiated each year, as approved by the members of the Agency and by the Westchester County Board of Acquisition.

The following amounts were charged by the County to the Agency for the years ended December 31:

	<u>2010</u>	<u>2009</u>
Salaries and Employee Benefits	\$ 356,920	\$ 504,134
Space, supplies, equipment and other administrative expenses	<u>77,033</u>	<u>90,445</u>
Total	<u>\$ 433,953</u>	<u>\$ 594,579</u>
Year end balance due to the County	<u>\$ 492,673</u>	<u>\$ 165,998</u>

SUPPLEMENTAL INFORMATION

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

SUPPLEMENTARY INFORMATION
SCHEDULE OF INDEBTEDNESS - BONDS AND NOTES ISSUED, OUTSTANDING OR RETIRED
DECEMBER 31, 2010

Project	Year of Issue	Original Issue Value	Outstanding Balance at January 1, 2010	New Issues	Payments	Outstanding Balance at December 31, 2010	Project Address
American Red Cross	1992	\$ 1,600,000	\$ 1,055,000	\$ -	\$ 50,000	\$ 1,005,000	106 North Broadway White Plains, NY 10603
Airport Parking Associates - Series A	1994	14,455,000	11,530,000	-	395,000	11,135,000	115 Stevens Avenue Valhalla, NY 10580
Airport Parking Associates - Series B	1994	3,535,000	2,585,000	-	85,000	2,500,000	115 Stevens Avenue Valhalla, NY 10580
Beth Abraham Hospital - Series B	1995	1,870,000	1,870,000	-	60,000	1,810,000	385 Old Tarrytown Road White Plains, NY 10603
Andrus Memorial Julia Dyckman	1996	5,840,000	3,000,000	-	355,000	2,645,000	1156 North Broadway Yonkers, NY 10701
Hendrick Hudson Free Library	1996	2,300,000	1,587,566	-	85,976	1,501,590	185 Kings Ferry Road Montrose, NY 10548
BWP Distributors	1997	7,420,000	3,600,000	-	200,000	3,400,000	215 Business Park Drive Armonk, NY 10504
Boys and Girls Club of Northern Westchester	1998	7,000,000	4,170,000	-	200,000	3,970,000	351 Main Street Mt. Kisco, NY 10549
Lawrence Hospital - Series A	1998	8,095,000	6,125,000	-	555,000	5,570,000	55 Palmer Avenue Bronxville, NY 10708
Lawrence Hospital - Series B	1998	10,810,000	9,905,000	-	330,000	9,575,000	55 Palmer Avenue Bronxville, NY 10708
Westchester Jewish Community Services	1998	3,450,000	1,685,000	-	90,000	1,595,000	Cedar Knolls School Hawthorne, NY 10532
Rippowam Cisqua School	1999	6,365,000	5,340,000	-	150,000	5,190,000	P.O. Box 488 Bedford, NY 10506
Music Conservatory of Westchester	1999	4,500,000	3,330,000	-	70,000	3,260,000	216 Central Avenue White Plains, NY 10606
The Children's Village (Redeemed 2010)	1999	8,480,000	5,760,000	-	5,813,750	(53,750)	Echo Hills Dobbs Ferry, NY 10522
Westchester Meadows - Series I (Redeemed 2010)	2000	18,120,000	17,480,000	-	17,480,000	-	61 Grasslands Road Valhalla, NY 10595
Jacob Burns	2000	4,500,000	3,765,000	-	110,000	3,655,000	39 Washington Avenue Pleasantville, NY 10570
Panorama Flight Services	2000	5,260,000	4,255,000	-	175,000	4,080,000	67 Tower Road White Plains, NY 10604
Windward School	2001	20,000,000	17,265,000	-	455,000	16,810,000	5 Winward Avenue White Plains, NY 10605
Community Housing Innovations	2001	4,860,000	4,020,000	-	135,000	3,885,000	Various - Mount Vernon, New Rochelle, Yonkers
Levister Redevelopment	2001	34,000,000	26,070,064	-	454,156	25,615,908	1 Eastchester Lane Mount Vernon, NY 10550
Living Independently for the Elderly	2001	10,525,000	9,455,000	-	210,000	9,245,000	62 Springvale Road Croton-on-Hudson, NY 10520
Rye YMCA (Redeemed 2010)	2001	4,000,000	2,250,000	-	2,250,000	-	21 Locust Avenue Rye, NY 10580
Catharine Fieldhome	2001	16,645,000	14,870,000	-	400,000	14,470,000	2300 Catherine Street Cortlandt Manor, NY 10567
The Children's Village	2002	4,860,000	3,750,000	-	200,000	3,550,000	Echo Hills Dobbs Ferry, NY 10522
SUNY Purchase	2002	19,885,000	17,620,000	-	440,000	17,180,000	735 Anderson Hill Road Purchase, NY 10577
Ardsley Housing, LLC	2002	7,195,000	7,035,000	-	40,000	6,995,000	Silvia Avenue Ardsley, NY 10502

See Independent Auditors' Report

Owner	Owner Address	Project Purpose Code	Interest Rate	Maturity Date	Federal Tax Status
American Red Cross	Same as project address	Services	Variable Rate Demand Obligation	5/1/2022	Tax Exempt
Cappelli Enterprises	Same as project address	Transportation, Communication, Electric, Gas, and Sanitary Services	Yields from 5.10% to 5.95%	8/1/2024	Tax Exempt
Cappelli Enterprises	Same as project address	Transportation, Communication, Electric, Gas, and Sanitary Services	Yields from 5.10% to 5.95%	8/1/2024	Tax Exempt
Beth Abraham Health Services	612 Allerton Avenue Bronx, NY 10469	Services	7.25%	12/1/2025	Tax Exempt
Julia Dyckman Memorial	Same as project address	Other	Variable Rate Demand Obligation	4/1/2016	Tax Exempt
Hendrick Hudson Free Library	Same as project address	Other	Variable Rate Demand Obligation	3/1/2021	Tax Exempt
BWP Distributors	Same as project address	Transportation, Communication, Electric, Gas, and Sanitary Services	Variable Rate Demand Obligation	10/1/2028	Taxable
Boys and Girls Club	Same as project address	Services	Variable Rate Demand Obligation	2/1/2024	Tax Exempt
Lawrence Hospital	Same as project address	Services	Yields from 4.3% to 5.3%	1/1/2018	Tax Exempt
Lawrence Hospital	Same as project address	Services	Yields from 4.3% to 5.3%	1/1/2028	Tax Exempt
Westchester Jewish Community Services	120 West 57th Street New York, NY 10019	Other	6.95%	12/15/2012	Tax Exempt
Rippowam Cisqua School	Same as project address	Construction	5.90%	6/1/2029	Tax Exempt
Music Conservatory	Same as project address	Other	Variable Rate Demand Obligation	7/1/2029	Tax Exempt
Children's Village	Same as project address	Construction	Yields from 4.55% to 5.60%	6/1/2022	Tax Exempt
Westchester Meadows - Hebrew Hospital	Same as project address	Construction	Yields from 7.00% to 7.829%	7/1/2030	Tax Exempt
Jacob Burns Center	Same as project address	Services	Variable Rate Demand Obligation	7/1/2030	Tax Exempt
Panorama Flight Services	Same as project address	Transportation, Communication, Electric, Gas, and Sanitary Services	Variable Rate Demand Obligation	12/1/2025	Tax Exempt
Windward School	Same as project address	Other	Yields from 2.53% to 5.31%	10/1/2031	Tax Exempt
Community Housing Innovations	190 East Post Road - STE. 401 White Plains, NY 10601	Construction	Variable Rate Demand Obligation	8/1/2026	Tax Exempt
All County Management	31-10 37th Avenue, Suite 500 Long Island City, NY 11101	Construction	Variable Rate Demand Obligation	8/1/2033	Tax Exempt
Bethel Springvale Inn	Same as project address	Construction	4.00%	8/1/2032	Tax Exempt
Rye YMCA	Same as project address	Construction	Variable Rate Demand Obligation	6/1/2031	Tax Exempt
Catherine Fieldhome	Same as project address	Construction	Variable Rate Demand Obligation	1/1/2031	Tax Exempt
Children's Village	Same as project address	Construction	Yields from 4.55% to 5.60%	6/1/2022	Tax Exempt
SUNY Purchase	Same as project address	Construction	Yields from 3.10% to 5.35%	12/1/2034	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
See Independent Auditors' Report					(Continued)

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

SUPPLEMENTARY INFORMATION
SCHEDULE OF INDEBTEDNESS - BONDS AND NOTES ISSUED, OUTSTANDING OR RETIRED (Continued)
DECEMBER 31, 2010

Project	Year of Issue	Original Issue Value	Outstanding Balance at January 1, 2010	New Issues	Payments	Outstanding Balance at December 31, 2010	Project Address
Ardley Housing, LLC	2002	\$ 3,145,000	\$ 3,085,000	\$ -	\$ 20,000	\$ 3,065,000	Silvia Avenue Ardley, NY 10502
Ardley Housing, LLC	2002	6,330,000	6,190,000	-	35,000	6,155,000	Silvia Avenue Ardley, NY 10502
Ardley Housing, LLC	2002	3,590,000	3,510,000	-	20,000	3,490,000	Silvia Avenue Ardley, NY 10502
Ardley Housing, LLC	2002	8,470,000	8,285,000	-	50,000	8,235,000	Silvia Avenue Ardley, NY 10502
The Masters School	2002	17,650,000	15,305,000	-	395,000	14,910,000	49 Clinton Avenue Dobbs Ferry, NY 10522
Banksville Independent Fire Company (Redeemed 2010)	2003	2,700,000	1,670,000	-	1,670,000	-	33 Bedford-Banksville Road Bedford, NY 10506
Hackley School	2003	16,000,000	7,125,000	-	375,000	6,750,000	293 Beekman Avenue Tarrytown, NY 10591
LC White Plains	2003	27,245,000	25,720,000	-	310,000	25,410,000	1 City Center Place White Plains, NY 10601
Rye Country Day School (Redeemed 2010)	2003	9,800,000	7,550,000	-	7,550,000	-	Ceder Street Rye Brook, NY 10580
Schnurmacher Center for Rehabilitation and Nursing	2003	3,980,000	1,175,000	-	570,000	605,000	12 Tibbits Avenue White Plains, NY 10605
Schnurmacher Center for Rehabilitation and Nursing	2003	1,320,000	1,320,000	-	-	1,320,000	12 Tibbits Avenue White Plains, NY 10605
Schnurmacher Center for Rehabilitation and Nursing	2003	2,310,000	2,310,000	-	-	2,310,000	12 Tibbits Avenue White Plains, NY 10605
Young Adult Institute	2003	2,870,000	1,435,000	-	135,000	1,300,000	Multiple Locations
YWCA of White Plains and Central Westchester	2003	4,640,000	3,685,000	-	690,000	2,995,000	515 North Street White Plains, NY 10605
Northern Westchester Hospital Association	2004	16,000,000	13,610,000	-	660,000	12,950,000	400 East Main Street Mt. Kisco, NY 10549
Ardley Housing, LLC	2004	8,155,000	7,935,000	-	45,000	7,890,000	Silvia Avenue Ardley, NY 10502
Ardley Housing, LLC	2004	6,290,000	6,150,000	-	35,000	6,115,000	Silvia Avenue Ardley, NY 10502
Ardley Housing, LLC	2004	6,865,000	6,710,000	-	40,000	6,670,000	Silvia Avenue Ardley, NY 10502
Young Adult Institute	2004	1,210,000	890,000	-	75,000	815,000	Multiple Locations
Guiding Eyes for the Blind	2004	2,055,000	855,000	-	275,000	580,000	611 Granite Springs Road Yorktown Heights, NY 10598
Guiding Eyes for the Blind	2004	5,065,000	5,065,000	-	-	5,065,000	611 Granite Springs Road Yorktown Heights, NY 10598
Westchester Arts Council	2004	3,265,000	2,950,000	-	70,000	2,880,000	31 Mamaroneck Avenue White Plains, NY 10601
Clearview School - Series A	2005	320,000	180,000	-	40,000	140,000	550 Albany Post Road Briarcliff Manor, NY 10510
Clearview School - Series B	2005	1,215,000	1,215,000	-	-	1,215,000	550 Albany Post Road Briarcliff Manor, NY 10510
Mercy College	2005	10,140,000	8,245,000	-	540,000	7,705,000	555 Broadway Dobbs Ferry, NY 10522
Westchester Community Revitalization - Series A	2005	4,170,000	4,025,000	-	80,000	3,945,000	Multiple Locations

See Independent Auditors' Report

Owner	Owner Address	Project Purpose Code	Interest Rate	Maturity Date	Federal Tax Status
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
Masters School	Same as project address	Construction	Variable Rate Demand Obligation	12/1/2032	Tax Exempt
Banksville Independent Fire Company	Same as project address	Other	Yields from 1.70% to 4.70%	2/1/2033	Tax Exempt
The Hackley School	Same as project address	Construction	Auction Rate	12/1/2028	Tax Exempt
Cappelli Enterprises	115 Stevens Avenue Valhalla, NY 10580	Construction	6.00%	10/15/2027	Taxable
Rye County Day School	Same as project address	Construction	Variable Rate Demand Obligation	5/1/2029	Tax Exempt
Schnurmacher Center for Rehabilitation and Nursing	612 Allerton Avenue Bronx, NY 10467	Other	6.00%	11/1/2013	Tax Exempt
Schnurmacher Center for Rehabilitation and Nursing	612 Allerton Avenue Bronx, NY 10467	Other	6.00%	11/1/2013	Tax Exempt
Schnurmacher Center for Rehabilitation and Nursing	612 Allerton Avenue Bronx, NY 10467	Other	6.00%	11/1/2013	Tax Exempt
Young Adult Institute	460 West 34th Street New York, NY 10001	Other	Yields from 5.50% to 6.50%	7/1/2021	Tax Exempt
YWCA of White Plains	Same as project address	Other	Variable Rate Demand Obligation	7/1/2023	Tax Exempt
Northern Westchester Hospital Association	Same as project address	Services	Variable Rate Demand Obligation	11/1/2024	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
OLSL Ardsley LLC	30 Rockefeller Plaza, 50th Floor New York, NY 10020	Construction	7.90%	11/1/2044	Tax Exempt
Young Adult Institute	460 West 34th Street New York, NY 10001	Other	Yields from 5.50% to 6.50%	7/1/2021	Tax Exempt
Guiding Eyes for the Blind	Same as project address	Other	Yields from 4.00% to 5.375%	8/1/2024	Tax Exempt
Guiding Eyes for the Blind	Same as project address	Other	Yields from 4.00% to 5.375%	8/1/2024	Tax Exempt
Westchester Arts Council	Same as project address	Other	Variable Rate Demand Obligation	5/1/2034	Tax Exempt
Clearview School	Same as project address	Other	6.60%	1/1/2035	Tax Exempt
Clearview School	Same as project address	Other	7.25%	1/1/2035	Tax Exempt
Mercy College	Same as project address	Construction	Variable Rate Demand Obligation	7/1/2030	Tax Exempt
Westhab Community Revitalization	85 Executive Boulevard Elmsford, NY 10523	Construction	Yields from	6/1/2032	Tax Exempt (Continued)

See Independent Auditors' Report

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

SUPPLEMENTARY INFORMATION
SCHEDULE OF INDEBTEDNESS - BONDS AND NOTES ISSUED, OUTSTANDING OR RETIRED (Continued)
DECEMBER 31, 2010

Project	Year of Issue	Original Issue Value	Outstanding Balance at January 1, 2010	New Issues	Payments	Outstanding Balance at December 31, 2010	Project Address
Young Adult Institute	2005	\$ 3,340,000	\$ 1,950,000	\$ -	\$ 230,000	\$ 1,720,000	460 West 34th Street New York, NY 10001
Young Adult Institute	2006	3,735,000	3,040,000	-	250,000	2,790,000	460 West 34th Street New York, NY 10001
Greenburgh Housing, LLC	2006	12,240,000	12,190,000	-	115,000	12,075,000	90 Manhattan Avenue Greenburgh, NY 10607
Soundview School	2007	2,880,000	2,746,758	-	55,132	2,691,626	370 Underhill Avenue Yorktown Heights, NY 10598
YMCA of Central & Northern Westchester	2007	3,555,336	3,555,336	-	-	3,555,336	250 Mamaroneck Avenue White Plains, New York 10601
YMCA of Central & Northern Westchester	2007	529,210	324,924	-	94,743	230,181	250 Mamaroneck Avenue White Plains, New York 10601
Kendal on Hudson	2007	41,350,000	41,350,000	-	-	41,350,000	1010 Kendal Way Sleepy Hollow, NY 10591
Symphony Knoll (2007)	2007	1,786,595	1,758,695	-	-	1,758,695	15 Mount Airy Road Croton-on-Hudson, NY 10520
Westchester Meadows/Hebrew Hospital - Series 2008	2008	14,995,000	14,670,000	-	245,000	14,425,000	61 Grasslands Road Valhalla, NY 10595
Catherine Fieldhome	2008	3,945,000	3,475,000	-	345,000	3,130,000	2300 Catherine Street Cortlandt Manor, NY 10567
Catherine Fieldhome	2008	3,705,000	3,705,000	-	-	3,705,000	2300 Catherine Street Cortlandt Manor, NY 10567
Total Indebtedness		<u>\$ 502,431,141</u>	<u>\$ 424,338,343</u>	<u>\$ -</u>	<u>\$ 45,803,757</u>	<u>\$ 378,534,586</u>	

<u>Owner</u>	<u>Owner Address</u>	<u>Project Purpose Code</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Federal Tax Status</u>
Young Adult Institute	Same as project address	Other	Yields from 5.50% to 6.50%	7/1/2021	Tax Exempt
Young Adult Institute	Same as project address	Other	Yields from 5.50% to 6.50%	7/1/2021	Tax Exempt
Marathon Development	901 Main Street, Suit 300 Peekskill, NY 10566	Construction	5.75%	7/1/2039	Tax Exempt
Soundview School	Same as Project	Other	5.87%	8/1/2027	Tax Exempt
YMCA of Central & Northern Westchester	Same as Project	Other	5.40%	12/4/2027	Tax Exempt
YMCA of Central & Northern Westchester	Same as Project	Other	5.40%	12/4/2012	Taxable
Kendal on Hudson	Same as Project	Other	Variable 4.374% at Issuance	1/1/2034	Tax Exempt
Croton Housing Network	132 Old Post Road North Croton-on-Hudson, NY 10520	Construction	6.72%	12/31/2039	Tax Exempt
Westchester Meadows - Hebrew Hospital	Same as project address	Other	Variable	7/1/2038	Tax Exempt
Catherine Fieldhome	Same as project address	Other	6%	8/15/2017	Tax Exempt
Catherine Fieldhome	Same as project address	Other	6.45%	8/15/2022	Tax Exempt

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

SUPPLEMENTARY INFORMATION
SCHEDULE OF STRAIGHT-LEASE TRANSACTIONS EXECUTED IN 2010
DECEMBER 31, 2010

<u>Project</u>	<u>Project Address</u>	<u>Owner</u>	<u>Owner Address</u>
Magnetic Analysis Corporation	103 Fairview Park Drive, Elmsford, NY 10523	Magnetic Analysis Corporation	535 South 4th Avenue Mount Vernon, NY 10550
Hudson Valley Medical Building, LLC	1968 Crompond Road Cortlandt Manor, NY 10567	Hudson Valley Medical Building, LLC	P.O. Box 170 Garrison, NY 10524

See Independent Auditors' Report

<u>Approximate Cost</u>	<u>Benefit (Sales Tax)</u>	<u>Benefit (Mortgage Tax)</u>	<u>Jobs at Location</u>	<u>Jobs to be Created</u>	<u>Jobs to be Retained</u>
\$5,000,000	\$2,548,750	-	-	10	75
\$13,000,000	\$400,000	156,000	-	15	65

See Independent Auditors' Report

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

SUPPLEMENTARY INFORMATION
SCHEDULE OF PAYMENTS IN LIEU OF TAXES
DECEMBER 31, 2010

Project	Project Address	Pilot Payments City	Pilot Payments School	Pilot Payments County
Morgan Stanley DW, Morgan Stanley & Co.	2000 Westchester Avenue Harrison, NY 10650	469,378	1,173,552	357,069
New York Life Insurance, Co.	1 Rockwood Road Sleepy Hollow, NY 10591	75,221	945,276	147,296
Levister Redevelopment Company, LLC	1 Eastchester Lane Mount Vernon, NY 10550	19,816	51,344	8,840
BWP Distributors	215 Business Park Drive Armonk, NY 10504	29,471	121,264	31,571
Snowden House	35 Snowden Avenue Ossining, NY 10562	13,515	30,280	6,205
Westchester Wheelabrator	One Charles Point Avenue Peekskill, NY 10566	4,389,852	4,139,852	N/A
800-60 Westchester Avenue/ 760-24 Westchester Avenue	800 / 760 Westchester Avenue Rye Brook, NY 10573	433,998	1,152,715	199,628
Avon Products, Inc.	601 Midland Avenue Rye, NY 10580	93,925	341,519	106,455
Doral / Pfizer	975 Anderson Hill Road Rye Brook, NY 10574	89,153	240,621	87,688
FC Bellefair, LLC	1104 King Street Rye Brook, NY 10573	169,330	554,283	82,922
360 Hamilton Avenue (Project Closed)	360 Hamilton Avenue White Plains, NY 10601	-	-	-
Bank Street Commons	10 Main Street White Plains, NY 10601	476,609	1,518,349	320,835
Clayton Park	2 Canfield Avenue White Plains, NY 10601	188,798	601,459	127,091
Cohen Brothers	333 Westchester Avenue White Plains, NY 10605	220,297	701,809	148,296
Fortunoff / UBS Investors	100 Bloomingdale Road White Plains, NY 10601	318,858	1,015,797	214,643
LC White Plains, LLC (A)	1 City Center Place White Plains, NY 10601	235,825	773,411	-
City Center Residential, LLC (B)	1 City Place White Plains, NY 10601	136,648	435,324	91,986
SubTerrain Parking (C)	1 City Place White Plains, NY 10601	17,056	55,113	11,862
Kensico Terrace, LLC	24 South Kensico Terrace White Plains, NY 10601	3,961	12,617	2,666
1133 Westchester Avenue	1133 Westchester Avenue White Plains, NY 10605	365,009	1,162,820	245,710
AvalonBay White Plains	Barker Avenue White Plains, NY 10601	200,679	639,311	135,090

See Independent Auditors' Report

COUNTY OF WESTCHESTER INDUSTRIAL DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE COUNTY OF WESTCHESTER, NEW YORK)

SUPPLEMENTARY INFORMATION (CONTINUED)
SCHEDULE OF PAYMENTS IN LIEU OF TAXES
DECEMBER 31, 2010

Project	Project Address	Pilot Payments City	Pilot Payments School	Pilot Payments County
LCOR 55 Bank Street	55 Bank Street White Plains, NY 10601	11,412	36,355	7,682
Nokia	102 Corporate Park Drive Harrison, NY 10604	100,484	103,740	85,547
Symphony Knoll	15-17 Mount Airy Road Croton-on-Hudson, NY	1	-	-
422 Warburton, LLC	422 Warburton Street Hastings-on-Hudson, NY 10706	-	-	-
Lafarge North America	350 Broadway, Buchanan, NY 10511	7,682	287,679	58,637
Fairview Housing/Greenburgh Housing	Oak Street/Manhattan Ave Greenburgh, NY 10607	36,239	89,711	22,492
Westchester Meadows - Westchester Inc. Hebrew Hospital Home of Westchester, Inc.	61 Grasslands Road Valhalla, NY 10595	177,840	534,343	110,378
Kendal on Hudson	1 Kendal Way Sleepy Hollow, NY 10591	-	425,115	76,882
Tarrytown Corporate Center	520 White Plains Road Greenburgh, NY 10591	188,432	609,442	99,203

See Independent Auditors' Report



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

**Independent Accountants' Report on Compliance with Section 2925(3)(1)
Of the New York State Public Authorities Law**

The Board of Directors
Westchester County Industrial Development Agency
(a component unit of the County of Westchester, New York)
White Plains, New York:

We have examined the Westchester County Industrial Development Agency's (the "Agency's") compliance with Section 2925(3)(1) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations during the year ended December 31, 2010. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining on a test basis evidence supporting the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the year ended December 31, 2010.

This report is intended solely for the information and use of management, the Board of Directors, officials of the County of Westchester, and the Office of the State Comptroller of the State of New York. It is not intended to be and should not be used by anyone other than these specified parties.

O'Connor Davies Munns & Dobbins, LLP

Harrison, New York
March 17, 2011