

**ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION**

NEW YORK

FINANCIAL STATEMENTS

For The Year Ended May 31, 2010

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1
<u>Statement 1</u> - Statement of Net Assets	2
<u>Statement 2</u> - Statement of Activities	3
<u>Statement 3</u> - Statement of Cash Flows	4
Notes to Financial Statements	5 - 6
Supplemental	
<u>Schedule 1</u> - Schedule of Investments	7
Supplemental	
<u>Schedule 2</u> - Project Reporting Information	8
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	9 - 10

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

Shareholders:

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

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

INDEPENDENT AUDITORS' REPORT

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

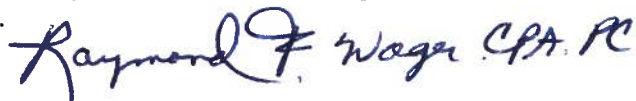
We have audited the accompanying statement of net assets of the Ontario County Local Development Corporation, New York as of December 31, 2010, and the related statements of revenue, expenses and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Ontario County Local Development Corporation, New York's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2011 on our consideration of the Ontario County Local Development Corporation, New York's, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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



March 22, 2011

ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Financial Position

December 31, 2010

ASSETS:

Current Assets -

Cash	\$ 295,421
Total Current Assets	\$ 295,421
TOTAL ASSETS	\$ 295,421

LIABILITIES:

Current Liabilities -

Accrued liabilities	\$ -
Total Current Liabilities	\$ -
TOTAL LIABILITIES	\$ -

NET ASSETS:

Unrestricted	\$ 295,421
TOTAL NET ASSETS	\$ 295,421
TOTAL LIABILITIES AND NET ASSETS	\$ 295,421

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

ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Activities

For The Year Ended December 31, 2010

OPERATING REVENUES:

IDA allocation	\$ 2,068
Fees	<u>298,500</u>
TOTAL OPERATING REVENUES	<u>\$ 300,568</u>

OPERATING EXPENSES:

<u>Management and General Expense</u>	
Supplies	\$ 103
Insurance	<u>1,893</u>
Total Management and General	<u>\$ 1,996</u>
<u>Program Expenses</u>	
Economic assistance	\$ 3,238
Total Program Expenses	<u>\$ 3,238</u>
TOTAL OPERATING EXPENSES	<u>\$ 5,234</u>

NET OPERATING INCOME \$ 295,334

NONOPERATING REVENUES (EXPENSES)

Interest income, other	\$ 87
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>\$ 87</u>

INCREASE (DECREASE) IN NET ASSETS \$ 295,421

NET ASSETS - BEGINNING OF YEAR -

NET ASSETS - END OF YEAR \$ 295,421

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

ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK

Statement of Cash Flows

For The Year Ended December 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES:

Fees	\$ 298,500
Payments to suppliers	(5,234)
IDA allocations	2,068
Net Cash Provided (Used) by Operating Activities	<u>\$ 295,334</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest income	\$ 87
Net Cash Provided (Used) by Investing Activities	<u>\$ 87</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 295,421
BEGINNING CASH AND CASH EQUIVALENTS	<u>-</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$ 295,421</u></u>

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Operating Income	<u>\$ 295,334</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 295,334</u></u>

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

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

I. Summary of Significant Accounting Policies:

A. Organization

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

B. Basis of Accounting

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

The Corporation reports information regarding its financial position and activities according to three classes of net assets, unrestricted, temporarily restricted, and permanently restricted net assets. At December 31, 2010 all of the Corporation's net assets were unrestricted.

C. Cash and Cash Equivalents

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

D. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

E. Income Taxes

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

II. Cash and Cash Equivalents:

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

The Ontario County LDC's bank balances were not fully covered by FDIC insurance.

III. Master Agreement with Ontario County:

Effective January 1, 2010, the OCLDC executed an agreement that in 2010 the OCLDC will reimburse Ontario County for costs incurred relating to professional and administrative services and rental of office space. A copy of the agreement can be obtained from the Ontario County Board of Supervisors office. In accordance with this agreement, the OCLDC paid \$3,170 to Ontario County for the 2010 year.

IV. Agreement with Ontario County Industrial Development Agency:

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

V. Commitments and Contingencies:

A. Litigation

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

VI. Subsequent Events:

Events and transactions which have occurred from January 1, 2010 through March 22, 2011, the date of these financials, have been evaluated by the Center's management for the purpose of determining whether there were any events that might require disclosure in these financial statements. No such events or transactions were noted.

ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION, NEW YORK
Schedule of Investments
For Year Ended December 31, 2010

Operating	\$	295,421
Total Investments	\$	295,421

Annual Report for Ontario County Local Development Corporation
Fiscal Year Ending 12/31/2010

Run Date: 03/22/2011
Status: UNSUBMITTED

Bond Information

1. Name of Recipient of Bond Proceeds: Frederick Ferris Thompson Hospital

Address Line1: 350 Parrish Street
Address Line2:

City: CANANDAIGUA

State: NY

Zip - Plus4: 14424

Province Region:

Country: USA

Amount of Bonds Issued: \$29,700,000.00

Date Bonds Issued: 08/01/2010

Bond Interest Rate: 4.64

Last Year Bonds Expected to be Retired: 2037

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

Amount of Bond Principal retired to date: \$0

Current Amount of Bonds Outstanding: \$29,700,000

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

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

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

If yes, how many jobs have been created to date?: 256

Have the bonds been fully retired?: No

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

Shareholders:

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

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

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance With
*Government Auditing Standards***

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

We have audited the financial statements of the Ontario County Local Development Corporation, New York as of and for the year ended December 31, 2010, and have issued our report thereon dated March 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the Ontario County Local Development Corporation, New York in a separate letter dated March 22, 2011.

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

Handwritten signature of Raymond F. Wager CPA PC in black ink.

March 22, 2011