

**TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

Ithaca, New York

FINANCIAL REPORT

**For the Year Ended
December 31, 2021**



TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Tompkins County Industrial Development Agency
Ithaca, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Tompkins County Industrial Development Agency (the Agency), a component unit of the County of Tompkins, New York, and its blended component unit, Tompkins County Development Corporation (the Corporation), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Agency's and the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Tompkins County Industrial Development Agency, and its blended component unit, the Tompkins County Development Corporation, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's and Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Agency's and Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's and Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-4c be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's and Corporation's basic financial statements. The Schedules of Indebtedness and Projects are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the Schedules of Projects and Indebtedness are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022, on our consideration of the Agency's and Corporation'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 and Corporation'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 and Corporation's internal control over financial reporting and compliance.

Respectfully submitted,



Inero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
March 28, 2022

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2021

The Tompkins County Industrial Development Agency (TCIDA) was created in 1971 to encourage economic growth in Tompkins County. The Tompkins County Development Corporation (TCDC) was created in 2010 for the same purpose as the TCIDA and is considered a blended component unit of the TCIDA. Together, they make up the primary government, which for the purposes of the Management's Discussion and Analysis (MD&A) is referred to as the Agency.

TCIDA Mission: The Tompkins County Industrial Development Agency delivers economic incentives to business and industry to diversify and strengthen Tompkins County's tax base and enhance community vitality by supporting job creation, business and industrial development, and community revitalization. We strive to develop the local economy in an organized, sustainable, and environmentally beneficial manner.

TCDC Mission: To promote economic development initiatives in Tompkins County by offering tax-exempt bonding opportunities to nonprofit organizations.

The following Management's Discussion and Analysis (MD&A) provides a comprehensive overview of the Agency's financial position as of December 31, 2021, and the result of its operations for the year then ended. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related footnotes of the Agency, which directly follow the MD&A.

FINANCIAL HIGHLIGHTS

- Net position at the close of the fiscal year ended December 31, 2021 was \$3,114,216 compared to \$940,712 on December 31, 2020.
- Total revenues in 2021 were \$2,727,677 compared to revenues of \$210,891 in 2020. In 2021, the Agency processed and closed on more projects than in 2020.
- Total expenses in 2021 were \$554,173 compared to expenses of \$823,674 in 2020. This decrease stems primarily due to a significant reduction in grants provided by TCDC compared to the prior year.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; a Statement of Cash Flows; and accompanying notes. These statements provide information on the financial position of the Agency and its blended component unit and the financial activity and results of its operations during the year. A description of these statements follows.

TOMPKINS COUNTY ***INDUSTRIAL DEVELOPMENT AGENCY***

MANAGEMENT'S DISCUSSION AND ANALYSIS **DECEMBER 31, 2021**

- **Statement of Net Position** presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.
- **Statement of Revenues, Expenses, and Changes in Net Position** presents information showing the change in the Agency's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses reported in this statement include all items that will result in cash received or disbursed in future fiscal periods.
- **Statement of Cash Flows** provides information on the major sources and uses of cash during the year. The cash flow statement portrays net cash provided or used by operating, non-capital financing, capital financing, and investing activities.

Component Unit

The Agency reports the Tompkins County Development Corporation as a blended component unit. Although legally separate, this component unit is based on the Agency's nature and significance of its relationship with TCDC. Statements of the two entities are shown starting on page 5.

FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE

Our analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the Agency's activities.

Figure 1

<i>Condensed Combined Statement of Net Position</i>	<i>Total Agency</i>		<i>Total</i>
	<i>2021</i>	<i>2020</i>	<i>Dollar Change</i>
<i>Cash and Cash Equivalents</i>	\$ 2,797,321	\$ 952,042	\$ 1,845,279
<i>Administrative Fees Receivable</i>	316,895	-	316,895
<i>Total Assets</i>	3,114,216	952,042	2,162,174
<i>Accounts Payable</i>	-	11,330	(11,330)
<i>Total Liabilities</i>	-	11,330	(11,330)
<i>Unrestricted Net Position</i>	3,114,216	940,712	2,173,504
<i>Total Net Position</i>	\$ 3,114,216	\$ 940,712	\$ 2,173,504

Total assets increased 227.11%, primarily based on a significant increase in administration fees.

TOMPKINS COUNTY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Our analysis in *Figure 2* considers the operations of the Agency's activities.

Figure 2

Combined Changes in Net Position	Total Agency		Total Dollar Change
	2021	2020	
<i>Operating Revenues:</i>			
<i>Administrative Fees</i>	\$ 2,727,180	\$ 209,966	\$ 2,517,214
Total Operating Revenues	2,727,180	209,966	2,517,214
<i>Non-Operating Revenues:</i>			
<i>Interest and Earnings</i>	497	925	(428)
Total Non-Operating Revenues	497	925	(428)
<i>Operating Expenses:</i>			
<i>Contractual, Professional, and Administrative Expenses</i>	459,579	455,594	3,985
Total Operating Expenses	459,579	455,594	3,985
<i>Non-Operating Expenses:</i>			
<i>Grant Expense</i>	94,594	368,080	(273,486)
Total Non-Operating Expenses	94,594	368,080	(273,486)
CHANGE IN NET POSITION	\$ 2,173,504	\$ (612,783)	\$ 2,786,287

Total revenues for the Agency's activities increased substantially. As noted in the financial highlights, the increase in revenues is related to a significant increase in projects processed and closed during 2021 compared to the previous year.

Total expenses for the Agency decreased by 32.72%. This decrease stems from a significant reduction in grants provided by TCDC compared to the prior year

FACTORS BEARING ON THE AGENCY'S FUTURE

The Agency's capacity to support economic development activities has been challenged by the economic cycle. The Agency has committed \$452,226 to Ithaca Area Economic Development (IAED) for administrative and economic development services to the County in 2022. The Agency committed to approximately thirty five percent of IAED's funding in 2020 to 2023 to provide a sustainable funding model for countywide economic development activities. The Agency may wish to encumber funds for this purpose to ensure adequate support for economic development should project deal flow diminish.

Tompkins County established a complementary economic development entity, Tompkins County Development Corporation, which has the authority to finance public facilities for nonprofit organizations. Fees generated by the Development Corporation will supplement economic development activities. The Development Corporation has not committed any financial support to Ithaca Area Economic Development for economic development in 2022.

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

The Development Corporation's authority to finance certain public facilities might be exposed to legislative curtailment in the future, as the NYS Dormitory Authority provides similar services. Currently, the NYS Dormitory Authority aggressively pursues deals throughout the state, which has diminished TCDC deal flow.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Agency's clients, investors, and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Tompkins County Industrial Development Agency, at 401 E. MLK Jr. Street/401 E. State Street, Suite 402B, Ithaca, New York 14850.

***TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY***

**STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	Industrial Development Agency	Development Corporation	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 2,538,328	\$ 258,993	\$ 2,797,321
Administrative Fees Receivable	316,895	-	316,895
Total Assets	\$ 2,855,223	\$ 258,993	\$ 3,114,216
 NET POSITION			
Net Position			
Unrestricted Net Position	\$ 2,855,223	\$ 258,993	\$ 3,114,216
Total Net Position	\$ 2,855,223	\$ 258,993	\$ 3,114,216

See Notes to Financial Statements

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Industrial Development Agency</u>	<u>Development Corporation</u>	<u>Total</u>
Operating Revenues			
Administrative Fees	\$ 2,726,180	\$ 1,000	\$ 2,727,180
Total Operating Revenues	<u>2,726,180</u>	<u>1,000</u>	<u>2,727,180</u>
Operating Expenses			
Contractual Expense - IAED	444,829	-	444,829
Professional and Administrative Expenses	8,000	6,750	14,750
Total Operating Expenses	<u>452,829</u>	<u>6,750</u>	<u>459,579</u>
Gain (Loss) from Operations	<u>2,273,351</u>	<u>(5,750)</u>	<u>2,267,601</u>
Non-Operating Revenues (Expenses)			
Interest and Earnings	382	115	497
Grant Expense	<u>(75,094)</u>	<u>(19,500)</u>	<u>(94,594)</u>
Total Non-Operating Revenues (Expenses)	<u>(74,712)</u>	<u>(19,385)</u>	<u>(94,097)</u>
Change in Net Position	2,198,639	(25,135)	2,173,504
Unrestricted Net Position, January 1, 2021	<u>656,584</u>	<u>284,128</u>	<u>940,712</u>
Unrestricted Net Position, December 31, 2021	<u><u>\$ 2,855,223</u></u>	<u><u>\$ 258,993</u></u>	<u><u>\$ 3,114,216</u></u>

See Notes to Financial Statements

***TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY***

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Industrial Development Agency	Development Corporation	Total
Cash Flows From Operating Activities			
Cash Received from Providing Services	\$ 2,409,285	\$ 1,000	\$ 2,410,285
Cash Payments - Contractual Expenses	(460,909)	(10,000)	(470,909)
Net Cash Provided (Used) by Operating Activities	<u>1,948,376</u>	<u>(9,000)</u>	<u>1,939,376</u>
Cash Flows From Non-Capital Financing Activities			
Grant (Expense)	(75,094)	(19,500)	(94,594)
Cash Flows Provided (Used) by Non-Capital Financing Activities	<u>(75,094)</u>	<u>(19,500)</u>	<u>(94,594)</u>
Cash Flows From Investing Activities			
Interest Income Received	382	115	497
Net Cash Provided (Used) by Investing Activities	<u>382</u>	<u>115</u>	<u>497</u>
Net Change in Cash and Equivalents	1,873,664	(28,385)	1,845,279
Cash and Cash Equivalents, January 1, 2021	664,664	287,378	952,042
Cash and Cash Equivalents, December 31, 2021	<u><u>\$ 2,538,328</u></u>	<u><u>\$ 258,993</u></u>	<u><u>\$ 2,797,321</u></u>
Reconciliation of Operating Gain to Net Cash Provided (Used) by Operating Activities:			
Operating Gain (Loss)	\$ 2,273,351	\$ (5,750)	\$ 2,267,601
Adjustments to Reconcile Operating Gain to Net Cash Provided (Used) by Operating Activities:			
(Increase) Decrease in Administrative Fees Receivable	(316,895)	-	(316,895)
Increase (Decrease) in Accounts Payable	(8,080)	(3,250)	(11,330)
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 1,948,376</u></u>	<u><u>\$ (9,000)</u></u>	<u><u>\$ 1,939,376</u></u>

See Notes to Financial Statements

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

***Note 1* Summary of Significant Accounting Policies**

The financial statements of Tompkins County Industrial Development Agency (Agency) and its component unit have been prepared in conformity with generally accepted accounting principles (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Agency's accounting policies are described below.

Financial Reporting Entity

The Agency was created in 1971 by the Tompkins County Legislature under the provisions of Chapter 535 of the 1971 Laws of New York State for the purpose of encouraging economic growth in Tompkins County. The Agency is exempt from federal, state, and local income taxes. The Agency, although established by the Tompkins County Legislature, is a separate entity and operates independently from the County. The Agency is considered a component unit of the County. The County Legislature appoints four board members. Additionally, the County provides administrative support at no cost to the Agency.

All Governmental Activities and functions performed by the Agency are its direct responsibility.

The financial reporting entity consists of (a) the primary government which is the Tompkins County Industrial Development Agency; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended.

The decision to include a potential component unit in the Agency's reporting entity is based on several criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended; including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is included as a blended component unit:

- Tompkins County Development Corporation (Corporation) - Similar to the Agency, the Corporation was formed, during 2010, for the purpose of encouraging economic growth in Tompkins County. Because New York State has legislated industrial development agencies can no longer serve nonprofit entities, the Corporation serves that segment of the economy in Tompkins County.

Basis of Accounting

The accounts of the Agency and Corporation are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned. Material revenues accrued include administrative fees. Expenses are recorded when the liability is incurred.

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 1 **Summary of Significant Accounting Policies - Continued**

Cash and Cash Equivalents

The Agency and Corporation consider all highly liquid investments having an original maturity of three months or less to be cash equivalents.

Equity Classifications

Equity is classified as net position and displayed in two components:

- Restricted - Consists of net resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation. The Agency had no restricted resources at year end.
- Unrestricted - Consists of all other resources that do not meet the definition of “restricted.”

Related Parties

Ithaca Area Economic Development, Inc. (IAED) is a private, nonprofit organization founded in 1964 that provides the Ithaca area with innovative services to strengthen the economy. The President of IAED serves as the Administrative Director of the Agency. During the year ended December 31, 2021, one additional member of the IAED Board of Directors served on the Board of Directors of the Tompkins County Industrial Development Agency.

Revenues

The Agency and Corporation first utilize restricted resources to finance qualifying activities.

Note 2 **Operating Revenues and Expenses**

Operating revenues of the Agency and Corporation consist of administrative fees. Interest and earnings are reported as non-operating revenues. Operating expenses of the Agency and Corporation consist of contractual, professional, and administration expenses. Grant expense is reported as a non-operating expense.

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

***Note 3* Industrial Revenue Bond and Note Transactions**

Certain industrial development revenue bonds and notes issued by the Agency and Corporation are secured by property leased to companies and retired by lease payments. The bonds and notes are not obligations of the Agency, Corporation, or state. The Agency and Corporation do not record assets or liabilities resulting from completed bond and note issues in their accounts, because their primary function is to arrange financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. For providing this service, the Agency and Corporation receive bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes. At December 31, 2021, the outstanding value of bonds and notes issued aggregated \$28,472,521 and \$200,776,353 for the Agency and Corporation, respectively.

***Note 4* Tax Abatements**

During the time in which property is leased to a company, the property is exempt from taxes other than special ad valorem levies and special assessments. However, the Agency executes Payment in Lieu of Taxes (PILOT) agreements, wherein a company is required to make annual payments to the county, local municipalities, and school districts.

In 2021, \$3,379,432 was received in PILOT payments compared to the \$9,532,351 which would have been received if businesses paid the full amount of property taxes; for a total property tax abatement of \$6,095,091.

In addition to PILOTs above, \$1,397,997 of sales tax and \$487,929 of mortgage tax abatements were awarded.

***Note 5* Deposits and Investments**

State statutes govern the Agency's and Corporation's investment policies. In addition, the Agency and the Corporation each have their own written investment policy. Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit for the Agency and Corporation at 105% and 100%, respectively, of all deposits not covered by federal deposit insurance. Obligations that 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.

Total bank balances of the Agency and Corporation were \$2,538,328 and \$258,993, respectively, at December 31, 2021 and are covered by FDIC insurance up to \$250,000. As of December 31, 2021, all deposits with financial institutions were either insured or collateralized with securities held by the pledging financial institution in the entities' name.

TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 6 **Related Party Transactions**

During 2021, the Agency paid IAED \$444,829 for economic development and marketing services.

Note 7 **Commitments**

During the year ended December 31, 2021, the Board of Directors of the Agency passed a resolution authorizing a 2022 budgetary commitment to IAED of \$452,226.

In addition to the commitment to IAED in 2022, there is an additional \$500,000 committed to contractual services/equipment (by the Agency) and \$50,000 remains for an ARC grant match (by the Corporation) that was committed in 2020 but not yet paid out.

Note 8 **Contingencies**

The Agency is exposed to various risks of loss related to, but not limited to, torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Note 9 **Uncertainty**

In March 2020, the COVID-19 coronavirus outbreak was declared a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the area in which the Agency exists. While it is unknown how long these conditions will last and what the complete financial effect will be, the Agency expects disruptions to businesses and residents, which could negatively impact operating results in future periods.

***TOMPKINS COUNTY
INDUSTRIAL DEVELOPMENT AGENCY***

**SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2021**

	<u>Month and Year</u>	<u>Current Interest Rate</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity</u>
CDP, Ithaca	12/2003	3.0%	\$ 10,215,000	\$ -	\$ 10,215,000	\$ -	03/2030
Community Recreational Center, Inc.	01/2002	3.03%	200,484	-	72,018	128,466	12/2022
Cornell Heat and Power	01/2008	2.0% - 5.0%	-	-	-	-	07/2037
Cornell University, Lake Source Cooling	Various	.064%-.71%	26,350,000	-	2,145,000	24,205,000	07/2030
Family & Children's Services of Ithaca	01/2008	4.75%	1,686,574	-	102,519	1,584,055	02/2033
Transonic Systems	12/2010	3.6%	2,790,000	-	235,000	2,555,000	12/2030
TOTAL			<u>\$ 41,242,058</u>	<u>\$ -</u>	<u>\$ 12,769,537</u>	<u>\$ 28,472,521</u>	

See Independent Auditors' Report

***TOMPKINS COUNTY
DEVELOPMENT CORPORATION***

**SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2021**

	<u>Month and Year</u>	<u>Current Interest Rate</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Fiscal Year</u>	<u>Paid During Fiscal Year</u>	<u>Outstanding End of Fiscal Year</u>	<u>Final Maturity</u>
Cayuga Medical Center at Ithaca, Inc.	08/2010	64.1% of LIBOR + 1.04%	\$ 2,800,000	\$ -	\$ 1,375,000	\$ 1,425,000	08/2022
Cayuga Medical Center at Ithaca, Inc.	04/2013	2.69%	17,269,553	-	1,035,534	16,234,019	04/2023
Ithaca College	09/2015	Fixed	27,075,000	-	4,045,000	23,030,000	07/2038
Ithaca College (Refinanced)	12/2017	Fixed	20,420,000	-	580,000	19,840,000	07/2041
Ithaca College	12/2018	Fixed	17,295,000	-	875,000	16,420,000	07/2034
Ithacare Center Service Company (Refinanced)	12/2018	3.02%	11,798,922	-	380,200	11,418,722	01/2043
Franziska Racker Center	10/2011	4.0%	1,309,786	-	173,553	1,136,233	06/2027
TC3 Foundation	01/2013	5.0%	36,130,000	-	-	36,130,000	12/2038
Kendal	11/2012	2.0%-4.5%	7,625,000	-	205,000	7,420,000	07/01/2042
Kendal	12/2014	4.0%-5.0%	30,190,000	-	-	30,190,000	07/01/2044
Kendal	12/2014	Variable	761,757	-	761,757	-	07/01/2025
The William George Agency	12/2015	2.8%	1,383,410	-	333,486	1,049,924	12/2031
The William George Agency	12/2016	3.1%	2,760,000	-	300,352	2,459,648	12/2031
Ithaca College	06/2020	Variable	35,274,000	-	1,251,193	34,022,807	07/2050
TOTAL			<u>\$ 212,092,428</u>	<u>\$ -</u>	<u>\$ 11,316,075</u>	<u>\$ 200,776,353</u>	

See Independent Auditors' Report

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

SCHEDULE OF PROJECTS DECEMBER 31, 2021

Project Name	Exemption Period	2020 Exemption Type	Project Purpose*
Asteri Conference	2021-2024	STE/MRT	Services
Asteri Ithaca (Apts)	2021-2024	STE/MRT	Real Estate
Asteri Parking	2021-2024	STE/MRT	Other
Carpenter Park Apartments	2021-2023	STE/MRT	Real Estate
Carpenter Park Medical Office Building (MOB)	2021-2023	STE/MRT	Services
327 W Seneca (Visum Development Group)	2020-2021	STE	Real Estate
BVSHF III (401 E State Street)	2021-2023	STE	Real Estate
Carpenter Park Mixed Use	2021-2023	STE	Real Estate
City Harbor	2021-2025	STE	Real Estate
DataPoint Labs	2021	STE	Manufacturing
Incodema	2021	STE	Manufacturing
Knickerbocker Bed Company	2021-2022	STE	Manufacturing
Arnot Ithaca 2	2021-2034	PILOT/STE/MRT	Real Estate
Green Street Development Partners/The Ithacan	2021-2053	PILOT/STE/MRT	Real Estate
DRS NY Newfield IV	2018-2039	PILOT/STE	Electric/Solar
DRS NY Newfield V	2018-2039	PILOT/STE	Electric/Solar
Dryden Tompkins Solar II	2021-2050	PILOT/STE	Electric/Solar
Ex Libris, LLC	2019-2033	PILOT/STE	Real Estate
Ithaca Arthaus	2019-2052	PILOT/STE	Real Estate
Lansing Renewables Solar	2019-2021	PILOT/STE	Electric/Solar
Salt Point Brewing Company	2021-2029	PILOT/STE	Manufacturing
15 Royal Road (Emmy's Organics)	2021-2030	PILOT	Manufacturing
209-215 Dryden Assoc., LLC	2015-2066	PILOT	Real Estate
318 South Albany Street, LLC. (Beech Tree Nursing Home)	2013-2024	PILOT	CCRC
323T, LLC	2021-2030	PILOT	Real Estate
330 Main Street Holdings (Incodema3D)	2017-2023	PILOT	Manufacturing
AES Cayuga (Heorot Power)	2009-2028	PILOT	Electric/Power Plant
Carey Building	2019-2028	PILOT	Real Estate
Cascade Plaza	2005-2025	PILOT	Services
City Centre	2020-2029	PILOT	Real Estate
College Circle Association	2003-2043	PILOT	Real Estate
Cornell University - 35 Thornwood	2006-2021	PILOT	Real Estate
Dairy One	2015-2022	PILOT	Services
DRS NY Dryden I	2020-2039	PILOT	Electric/Solar
DRS NY Dryden II	2020-2039	PILOT	Electric/Solar
DRS NY Newfield I	2019-2038	PILOT	Electric/Solar
DRS NY Newfield II	2019-2038	PILOT	Electric/Solar
DRS NY Newfield III	2017-2038	PILOT	Electric/Solar
Dryden Tompkins Solar I	2020-2048	PILOT	Electric/Solar
Enfield Solar	2020-2039	PILOT	Electric/Solar
Hancock and First	2019-2046	PILOT	Real Estate
Harolds Holding	2020-2031	PILOT	Real Estate
Hilton Canopy (Ithaca Downtown Assoc., LLC)	2019-2028	PILOT	Services
Hotel Ithaca (Holiday Inn/Lenroc)	2019-2025	PILOT	Services
Hotel Ithaca (Marriott)	2016-2026	PILOT	Services
Ital Thai	2012-2022	PILOT	Real Estate
Ithaca Beer	2014-2027	PILOT	Manufacturing
Ithacare (Longview)	2019-2029	PILOT	CCRC
Lansing Market Realty	2012-2025	PILOT	Services
Mecklenburg Solar	2019-2038	PILOT	Electric/Solar
Nine Brown Road (Odyssey)	2007-2025	PILOT	Manufacturing
Nineteen Brown Road (Q Squared Solutions BioScience)	2007-2025	PILOT	Manufacturing
Organic Nature, LLC (Green Star Coop)	2021-2027	PILOT	Retail
Therm, Inc.	2019-2025	PILOT	Manufacturing
Tompkins Trust HQ	2020-2029	PILOT	Finance
Transonic Systems	2011-2031	PILOT	Manufacturing
Twenty Thornwood (Macom)	2017-2023	PILOT	Real Estate
Arrowhead Ventures	2013-2027	PIF	Real Estate

Total

STE = Sales Tax Exemption; MRT = Mortgage Recording Tax
PIF = PILOT Incremental Financing; PILOT = Payment in Lieu of Taxes

* Project Purpose
as defined by NYS ABO

Sales Tax Cap	2021 Sales Tax Exemptions	2021 Mortgage Tax Exemptions	2021 Payments in Lieu of Taxes	2021 Property Taxes if not Exempt	2021 Property Taxes Abated	2021 Total Exemptions	Existing Retained Jobs	Current Employment 12/31/2021
\$ 1,360,000	\$ 2,002	\$ 86,263	\$ -	\$ -	\$ -	\$ 88,265	-	-
2,640,000	5,709	80,187	-	-	-	85,896	-	-
720,000	28,298	37,413	-	-	-	65,711	-	-
520,000	-	20,178	-	-	-	20,178	-	-
1,100,000	113,136	76,000	-	-	-	189,136	-	-
49,600	-	-	-	-	-	-	-	1
2,682,120	-	-	-	-	-	-	-	-
2,400,000	-	-	-	-	-	-	-	-
1,839,257	26,472	-	-	-	-	26,472	-	-
64,000	26,394	-	-	-	-	26,394	20	21
32,000	9,205	-	-	-	-	9,205	47	50
200,000	-	-	-	-	-	-	-	-
1,421,202	588,266	63,795	62,376	62,376	-	652,061	-	-
2,800,000	271,525	124,093	20,792	20,792	-	395,618	-	-
251,160	-	-	9,792	54,566	44,774	44,774	-	-
251,160	-	-	9,792	54,566	44,774	44,774	-	-
770,494	-	-	108,000	61,823	(46,177)	(46,177)	-	-
1,300,224	-	-	32,055	66,708	34,653	34,653	-	-
960,000	319,044	-	15,248	277,228	261,980	581,024	-	-
797,535	-	-	21,500	144,362	122,862	122,862	-	-
16,144	7,946	-	15,880	15,880	-	7,946	3	8
-	-	-	36,072	55,641	19,569	19,569	27	33
-	-	-	213,633	169,802	(43,831)	(43,831)	1	143
-	-	-	62,376	103,961	41,585	41,585	101	70
-	-	-	7,104	90,965	83,861	83,861	-	-
-	-	-	33,177	54,388	21,211	21,211	9	49
-	-	-	-	57,828	-	-	94	-
-	-	-	38,119	190,594	152,475	152,475	24	14
-	-	-	616,139	880,199	264,060	264,060	-	392
-	-	-	62,376	1,323,764	1,261,388	1,261,388	-	7
-	-	-	285,769	923,407	637,638	637,638	-	-
-	-	-	96,243	128,325	32,082	32,082	-	28
-	-	-	122,058	148,112	26,054	26,054	255	227
-	-	-	9,792	61,823	52,031	52,031	-	-
-	-	-	5,702	61,823	56,121	56,121	-	-
-	-	-	16,646	60,023	43,377	43,377	-	-
-	-	-	16,646	60,023	43,377	43,377	-	-
-	-	-	16,646	60,023	43,377	43,377	-	-
-	-	-	112,363	51,960	(60,403)	(60,403)	-	-
-	-	-	16,320	54,161	37,841	37,841	-	-
-	-	-	32,751	211,386	178,635	178,635	2	3
-	-	-	58,045	589,110	531,065	531,065	-	-
-	-	-	62,376	397,822	335,446	335,446	-	22
-	-	-	148,897	413,603	264,706	264,706	78	46
-	-	-	229,822	574,555	344,733	344,733	-	65
-	-	-	33,267	41,584	8,317	8,317	-	-
-	-	-	63,023	100,836	37,813	37,813	14	38
-	-	-	1	378,135	378,134	378,134	37	66
-	-	-	10,134	28,151	18,017	18,017	-	23
-	-	-	14,982	59,577	44,595	44,595	-	-
-	-	-	29,151	42,512	13,361	13,361	-	12
-	-	-	86,253	132,697	46,444	46,444	125	146
-	-	-	60,644	138,614	77,970	77,970	240	145
-	-	-	30,965	86,013	55,048	55,048	158	113
-	-	-	155,941	639,357	483,416	483,416	300	288
-	-	-	138,587	138,587	-	-	116	94
-	-	-	58,909	68,322	9,413	9,413	57	16
-	-	-	103,068	196,367	93,299	93,299	-	-
\$ 22,174,896	\$ 1,397,997	\$ 487,929	\$ 3,379,432	\$ 9,532,351	\$ 6,095,091	\$ 7,981,017	1,708	2,120

**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***

Board of Directors
Tompkins County Industrial Development Agency
Ithaca, 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 the Tompkins County Industrial Development Agency (Agency), a component unit of the County of Tompkins, New York, and its blended component unit, Tompkins County Development Corporation (Corporation), which comprise the Statement of Net Position as of December 31, 2021, and the related Statements of Activities and Cash Flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 28, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's and Corporation'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's or Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's or Corporation'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 a 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's and Corporation'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 financial statements. 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 or the Corporation'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 or Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
March 28, 2022