

**ONTARIO COUNTY ECONOMIC DEVELOPMENT
CORPORATION**

ONTARIO COUNTY, NEW YORK

FINANCIAL STATEMENTS

For Years Ended December 31, 2019 and 2018

MENGEL METZGER BARR & CO. LLP

RAYMOND F. WAGER, CPA, P.C. DIVISION

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1 – 2
<u>Statement 1</u> - Statement of Financial Position	3
<u>Statement 2</u> - Statement of Activities	4
<u>Statement 3</u> - Statement of Functional Expenses	5
<u>Statement 4</u> - Statement of Cash Flows	6
Notes to Financial Statements	7 – 13
<u>Supplemental Schedule 1</u> - Project Reporting Information	14 - 27
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	28 - 29

INDEPENDENT AUDITORS' REPORT

To the Board Members
Ontario County Economic
Development Corporation
Ontario County, New York

Report on the Financial Statements

We have audited the accompanying financial statements of Ontario County Economic Development Corporation, Ontario County, New York which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, in 2019, the Corporation adopted new accounting guidance for recognition of revenue. Our opinion is not modified with respect to this matter.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ontario County Economic Development Corporation, Ontario County, New York as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The project reporting information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 9, 2020 on our consideration of Ontario County Economic Development Corporation, Ontario County, New York'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 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 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 Ontario County Economic Development Corporation, Ontario County, New York's internal control over financial reporting and compliance.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
March 9, 2020

ONTARIO COUNTY ECONOMIC DEVELOPMENT CORPORATION

ONTARIO COUNTY, NEW YORK

STATEMENT OF FINANCIAL POSITION

	December 31,	
	2019	2018
<u>ASSETS:</u>		
<u>Current Assets -</u>		
Cash and cash equivalents	\$ 760,413	\$ 788,201
Accounts receivable	11,372	13,531
Loans receivable	801,661	716,813
Total Current Assets	\$ 1,573,446	\$ 1,518,545
<u>Noncurrent Assets -</u>		
Loans receivable, net	\$ 3,255,257	\$ 2,660,460
Deferred notes/interest receivable	86,672	78,889
Total Noncurrent Assets	\$ 3,341,929	\$ 2,739,349
<u>Capital Assets -</u>		
Equipment	\$ 10,945	\$ 10,945
(Accumulated depreciation)	(9,121)	(6,378)
Total Capital Assets, Net	\$ 1,824	\$ 4,567
TOTAL ASSETS	\$ 4,917,199	\$ 4,262,461
<u>LIABILITIES:</u>		
<u>Current Liabilities -</u>		
Accounts payable	\$ 14,599	\$ 30,276
Unearned revenues	1,107,284	421,954
Total Current Liabilities	\$ 1,121,883	\$ 452,230
TOTAL LIABILITIES	\$ 1,121,883	\$ 452,230
<u>NET ASSETS:</u>		
<u>Without Donor Restrictions -</u>		
Net investment in capital assets	\$ 1,824	\$ 4,567
Operating	662,377	490,252
Designated	2,723,291	2,709,665
Total Without Donor Restrictions	\$ 3,387,492	\$ 3,204,484
<u>With Donor Restrictions -</u>		
TOTAL NET ASSETS	\$ 3,795,316	\$ 3,810,231
TOTAL LIABILITIES AND NET ASSETS	\$ 4,917,199	\$ 4,262,461

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

ONTARIO COUNTY ECONOMIC DEVELOPMENT CORPORATION

ONTARIO COUNTY, NEW YORK

STATEMENT OF ACTIVITIES

	Year Ended December 31,					
	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:						
Program income	\$ 156,207	\$ -	\$ 156,207	\$ 128,074	\$ -	\$ 128,074
Application income	2,000	-	2,000	2,000	-	2,000
Miscellaneous income	-	-	-	1,635	-	1,635
Grants	72,390	-	72,390	30,000	-	30,000
Net assets released from restriction	197,923	(197,923)	-	183,830	(183,830)	-
TOTAL REVENUES	\$ 428,520	\$ (197,923)	\$ 230,597	\$ 345,539	\$ (183,830)	\$ 161,709
EXPENSES:						
Program Services-						
Loans	\$ 150,272	\$ -	\$ 150,272	\$ 138,434	\$ -	\$ 138,434
Total Program Services	\$ 150,272	\$ -	\$ 150,272	\$ 138,434	\$ -	\$ 138,434
Supporting Services -						
Management and general	\$ 53,134	\$ -	\$ 53,134	\$ 56,382	\$ -	\$ 56,382
Total Supporting Services	\$ 53,134	\$ -	\$ 53,134	\$ 56,382	\$ -	\$ 56,382
TOTAL EXPENSES	\$ 203,406	\$ -	\$ 203,406	\$ 194,816	\$ -	\$ 194,816
Excess (deficiency)	\$ 225,114	\$ (197,923)	\$ 27,191	\$ 150,723	\$ (183,830)	\$ (33,107)
Bad debt adjustment	(42,106)	-	(42,106)	(3,394)	-	(3,394)
CHANGE IN NET ASSETS	\$ 183,008	\$ (197,923)	\$ (14,915)	\$ 147,329	\$ (183,830)	\$ (36,501)
NET ASSETS - BEGINNING OF YEAR	3,204,484	605,747	3,810,231	3,057,155	789,577	3,846,732
NET ASSETS - END OF YEAR	\$ 3,387,492	\$ 407,824	\$ 3,795,316	\$ 3,204,484	\$ 605,747	\$ 3,810,231

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

ONTARIO COUNTY ECONOMIC DEVELOPMENT CORPORATION

ONTARIO COUNTY, NEW YORK

STATEMENT OF FUNCTIONAL EXPENSES

	Supporting Services		Year Ended December 31,	
	Program Services	Management and	Total	
	Loans	general	2019	2018
Advertising & public relations	\$ -	\$ 6,864	\$ 6,864	\$ 3,198
Grants	65,938	-	65,938	68,333
Insurance	-	3,106	3,106	3,083
Legal costs	4,460	-	4,460	14,438
Mileage and travel	-	1,282	1,282	1,553
Miscellaneous	292	1,661	1,953	1,844
Ontario County services	31,129	40,145	71,274	81,612
Professional fees	48,453	-	48,453	18,814
Training and conferences	-	76	76	1,941
TOTAL	\$ 150,272	\$ 53,134	\$ 203,406	\$ 194,816

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

ONTARIO COUNTY ECONOMIC DEVELOPMENT CORPORATION

ONTARIO COUNTY, NEW YORK

STATEMENT OF CASH FLOWS

	Year Ended December 31,	
	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from providing services	\$ 136,819	\$ 151,862
Cash payments contractual expenses	(200,402)	(148,422)
Cash payments grants	-	34,937
Net Cash Provided (Used) by Operating Activities	\$ (63,583)	\$ 38,377
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Loans made to companies	\$ (1,776,390)	\$ (865,161)
Principal payments received on loans	1,033,508	897,889
Purchases of equipment	-	(5,473)
Net Cash Provided (Used) by Investing Activities	\$ (742,882)	\$ 27,255
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Economic development grant	\$ -	\$ 70,000
Federal Grant received for loan program	778,677	-
Net Cash Provided (Used) by Financing Activities	\$ 778,677	\$ 70,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (27,788)	\$ 135,632
BEGINNING CASH AND CASH EQUIVALENTS	788,201	652,569
ENDING CASH AND CASH EQUIVALENTS	\$ 760,413	\$ 788,201

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

ONTARIO COUNTY ECONOMIC DEVELOPMENT CORPORATION

ONTARIO COUNTY, NEW YORK

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

(Note 1) Summary of Significant Accounting Policies:

A. Organization

The Ontario County Economic Development Corporation, Ontario County, New York (OCEDC) was incorporated as a nonprofit local development corporation on January 11, 2010. The purposes for which the OCEDC is to be formed and operated, are exclusively for charitable purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code, to relieve and reduce unemployment, to better and maintain job opportunities, promote and provide for additional employment, to help increase the tax base of Ontario County through the attraction of private sector investment, lessen the burdens of government and otherwise act in the public interest. In accordance with its by-laws, the Ontario County Board of Supervisors appoints three Directors to the OCEDC Board, however, the Board of Supervisors exercises no oversight responsibility for members of the OCEDC or accountability for fiscal matters. The OCEDC is reported as a related entity by the County.

The OCEDC has established a revolving loan fund from grants obtained from Federal Grants that Pass-Through Ontario County. The OCEDC offers low interest loans to businesses who are located or wish to relocate to Ontario County. Loans are approved by the governing board after consideration of various criteria. As the loans are repaid to the OCEDC the program income is considered defederalized and unrestricted.

B. Basis of Presentation

The OCEDC financial statements have been prepared on the accrual basis of accounting. The OCEDC reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the OCEDC is required to present a Statement of Cash Flows. The OCEDC reports only net assets without donor restrictions and net assets with donor restrictions at December 31, 2019.

C. Cash and Cash Equivalents

Cash and cash equivalents are carried at cost plus accrued interest, which approximates fair value. For purposes of presenting the statement of cash flows, the OCEDC considers all highly liquid short-term investments with maturities of three months or less from the date of purchase to be cash or cash equivalents.

D. Income Taxes

The OCEDC is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code. Under Accounting Standards Codification (ASC) Section 740, the tax status of tax-exempt entities is an uncertain tax position since events could potentially occur that jeopardize tax-exempt status. Management is not aware of any events that could jeopardize the Corporation's tax-exempt status. Therefore, no liability or provision for income tax has been reflected in the financial statements. The Corporation has received a determination letter from the IRS.

(Note 1) (Continued)

E. Allocation of Expenses

The costs of providing the program and supporting services have been summarized on the functional basis in the financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited.

F. Loans Receivable

Loans receivable are stated at principal balances net of the amounts deemed by management and the Board to be potentially uncollectible.

Interest on loans is recognized over the term of the loan and is calculated using the simple-interest method on principal amounts outstanding.

G. Unearned Revenue

Unearned revenue primarily consists of revolving loan funds received from the New York State Empire Development Corporation to implement a Growing the Agriculture Industry Now (GAIN) revolving loan program.

H. Use of Estimates

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

I. Revenues

The OCEDC receives revenue from Federal and State grants from the County of Ontario and other granting authorities which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures, or issued loans, in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures, or in satisfaction of the terms of loan agreements, are reported as unearned revenues in the statement of financial position. The OCEDC has received cost-reimbursable grants totaling \$20,000 that have not been recognized at December 31, 2019 because qualifying expenditures have not yet been incurred. Grants received for establishing revolving loans totaling \$1,083,163 have not been recognized at December 31, 2019 because certain measurable performance requirements have not been achieved in accordance with the contract terms. Unearned revenues for grants totaling \$1,103,163 are reported on the statement of financial position.

The OCEDC recognizes revenues from application fees during the period in which the application is received.

The OCEDC recognizes interest revenue on its revolving loans monthly as earned.

(Note 1) (Continued)

The OCEDC provides economic development grants in the form of loans, the principal and any accumulated interest may be forgiven after the grantee achieves certain performance goals. Interest on the loans is accrued but revenue is not recognized unless performance goals are not met, and the loan becomes receivable. For the years ended December 31, 2019 and 2018 the balance of deferred loans and any accrued interest was \$86,672 and \$78,889, respectively. Deferred revenue related to interest on the loans was \$4,121 and \$2,791 for the years ended December 31, 2019 and 2018, respectively.

J. Foreign Trade Zone

On March 7, 2014, Ontario County received a Grant of Authority from the United States Foreign-Trade Zones Board to operate Foreign-Trade Zone 289 (FTZ 289) with the Ontario County Economic Development Corporation as the designated administrator of the zone. The Foreign-Trade Zone was established for the benefit of companies engaged in international trade located within Ontario, Wayne, Seneca, Yates and Livingston Counties. Companies may apply for foreign trade zone status if they are within 60 miles or 90 minutes from the local port of entry, which for FTZ 289 is the Rochester International Airport. As of December 31, 2019 there was one approved company within FTZ 289.

(Note 2) Change in Accounting Principle:

A. Contributions Received and Contributions Made

In June 2018, FASB issued Accounting Standards Update (ASU) 2018-08, "Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made". ASU 2018-08 assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. For most resource recipients, this standard is effective for annual reporting periods beginning after December 15, 2018. The Corporation adopted the provisions of ASU 2018-08 applicable to contributions received with a date of initial application of January 1, 2019 under a modified prospective basis. Accordingly, there is no effect on net assets.

(Note 3) Detail Notes on All Funds and Account Groups:

A. Assets

1. Cash and Investments

For purposes of reporting cash flow, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity. The Statement of Cash Flows uses the direct method of reporting cash flows.

Deposits at year-end were not entirely covered by federal depository insurance. The deposits and investments consisted of:

(Note 3) (Continued)

Deposits - All deposits are carried at cost and with FDIC insurance coverage as follows:

	2019	
	Canandaigua National Bank	Lyons National Bank
Cash	\$ 655,444	\$ 104,969
Less: FDIC Insurance	(250,750)	(104,969)
Under (Over) Insured	\$ 404,694	\$ -

	2018	
	Canandaigua National Bank	Lyons National Bank
Cash	\$ 583,469	\$ 204,732
Less: FDIC Insurance	(320,750)	(204,732)
Under (Over) Insured	\$ 262,719	\$ -

2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31, 2019 and 2018:

	2019	2018
Cash and cash equivalents	\$ 760,413	\$ 788,201
Accounts receivable	11,372	13,531
Current portion of loans receivable	801,661	716,813
Total	\$ 1,573,446	\$ 1,518,545

Net assets with donor restrictions are not available for spending until repaid by the borrower at which time those funds are defederalized and available for operations.

3. Accounts Receivable

The balance of accounts receivable is stated at net realizable value and at year end is comprised of the following:

	2019	2018
Administrative Fees	\$ -	\$ 2,000
Ontario County	11,372	11,531
Total	\$ 11,372	\$ 13,531

(Note 3) (Continued)

4. **Capital Assets**

The following is a summary of capital assets for the OCEDC at December 31, 2019:

	Balance @ 1/1/19	Additions	Deletions	Balance @ 12/31/19
<u>Depreciable Assets</u>				
Equipment	\$ 10,945	\$ -	\$ -	\$ 10,945
Total Depreciable Assets	\$ 10,945	\$ -	\$ -	\$ 10,945
<u>Accumulated Depreciation</u>				
Equipment	\$ (6,378)	\$ (2,743)	\$ -	\$ (9,121)
Total Accumulated Depreciation	\$ (6,378)	\$ (2,743)	\$ -	\$ (9,121)
Total Capital Assets	\$ 4,567	\$ (2,743)	\$ -	\$ 1,824

Equipment is depreciated by the OCEDC using the straight-line method with an estimated useful life of 5 years.

5. **Loan Receivables**

The OCEDC has 23 outstanding notes receivable from the revolving loan program that have interest rates from 1%-4.125% and various maturities through 2029. All notes receivable are collateralized by assets of the respective companies. As of December 31st the OCEDC had the following:

	2019	2018
Notes Receivable	\$ 4,301,281	\$ 3,580,789
Interest Receivable	7,009	5,749
Subtotal	\$ 4,308,290	\$ 3,586,538
<u>Less: Current Portion</u>	<u>(801,661)</u>	<u>(716,813)</u>
Total Long-Term Notes Receivable	\$ 3,506,629	\$ 2,869,725
<u>Less: Allowance for loan impairment</u>	<u>(251,372)</u>	<u>(209,265)</u>
Total Long-Term Notes Receivable, net	\$ 3,255,257	\$ 2,660,460

An allowance for loan impairment has been established based upon a review of the repayment status of outstanding loans. This allowance, which totals \$251,372 is considered by management to be sufficient for any losses.

Principal maturities are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 794,652
2021	1,013,336
2022	751,576
2023	623,161
2024	425,448
Thereafter	693,108
Total	\$ 4,301,281

(Note 4) **Net Assets:**

A. **Net Assets without Donor Restrictions**

Operating – represents funds available for operations.

Designated – represents funds which have been designated to offset outstanding loan balances made with local dollars.

B. **Net Assets with Donor Restrictions**

Net assets with donor restrictions represents community development block grants drawn down from Ontario County and loaned to other organizations that are restricted until they are defederalized when repaid. At December 31st, the outstanding balance net of any applicable share of the loan impairment allowance is as follows:

	<u>2019</u>	<u>2018</u>
HUD	\$ 400,313	\$ 601,299
GAIN	7,511	4,448
Total	<u>\$ 407,824</u>	<u>\$ 605,747</u>

(Note 5) **Master Agreement with Ontario County**

The OCEDC executed an agreement with Ontario County in which the County would provide office, parking, and storage space and managerial and administrative services. The County would also arrange to host and update a webpage for the OCEDC on the same website used by the ED Department. In exchange for the services rendered by the County a \$71,274 and \$58,633 retainer was paid to the County in 2019 and 2018, and was payable in equal monthly installments of \$5,940 for 2019. A copy of the agreement can be obtained from the Ontario County Board of Supervisors office. In accordance with this agreement, the OCEDC paid \$71,274 and \$58,633 to Ontario County for 2019 and 2018, respectively.

(Note 6) **Commitment and Contingencies**

Management is not aware of any pending or threatening litigation as of the balance sheet date.

(Note 7) **Leases**

In February 2016, the FASB issued a new standard related to leases to increase transparency and comparability among entities by requiring the recognition of right-of-use (“ROU”) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases under current U.S. GAAP. For nonpublic entities, the guidance in this new standard is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Corporation is currently evaluating the provisions of this standard to determine the impact the new standard will have on the Corporation’s financial position or results of operations.

(Note 9) Functional Expenses

The financial statements report certain categories of expenses that are attributable to the program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses are allocated on the basis of estimates of time and effort.

(Note 10) Subsequent Events

Events and transactions which have occurred from December 31, 2019 to March 9, 2020 the date of these financials, have been evaluated by the Corporation's management for the purpose of determining whether there were any events that might require disclosure in these financial statements.

Due to the economic conditions arising from our nation's response to the COVID-19 outbreak at the Federal, State, and local levels, management is continuously evaluating the viability of the companies with which the Corporation conducts business. As of the date of this report, management cannot reasonably determine the impact that this issue may have on the collectability of its outstanding loans.

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

 Run Date: 03/18/2020
 Status: UNSUBMITTED
 Certified Date: N/A

Loan Information

Source of Loan Funds	State	Original Amount of Loan	\$149,163.00
Name of Loan Recipient	AGRO International	Date Loan Awarded	8/28/2018
Address Line1	1133 Route 5&20	Interest Rate (%)	1
Address Line2		Length of Loan(# of years to repay)	5
City	GENEVA	Amount of Loan Principal Repaid to Date	\$39,050.64
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	5
Province/Region		If Yes, how many jobs have been created to date?	2
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$80,837.00
Name of Loan Recipient	AGRO International	Date Loan Awarded	8/28/2018
Address Line1	1133 Route 5&20	Interest Rate (%)	3.75
Address Line2		Length of Loan(# of years to repay)	5
City	GENEVA	Amount of Loan Principal Repaid to Date	\$20,098.85
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	5
Province/Region		If Yes, how many jobs have been created to date?	2
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$90,000.00
Name of Loan Recipient	AV Bristol	Date Loan Awarded	1/19/2017
Address Line1	7910 Rae Blvd	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	5
City	VICTOR	Amount of Loan Principal Repaid to Date	\$90,000.00
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	3
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	Yes

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$250,000.00
Name of Loan Recipient	Amcore Power Supply	Date Loan Awarded	8/6/2018
Address Line1	783 Wagnum Road	Interest Rate (%)	3.75
Address Line2		Length of Loan(# of years to repay)	5
City	FISHERS	Amount of Loan Principal Repaid to Date	\$250,000.00
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14453	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	5
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	Yes

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$100,000.00
Name of Loan Recipient	Assured Edge Solutions	Date Loan Awarded	7/19/2019
Address Line1	500 Technology Farm Drive	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	7
City	GENEVA	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Equipment and Fixed Asset Acquisition
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	10
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	Berryfield Bottling, LLC	Date Loan Awarded	1/31/2014
Address Line1	3655 Berryfield Rd.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	5
City	GENEVA	Amount of Loan Principal Repaid to Date	\$400,000.00
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	15
Province/Region		If Yes, how many jobs have been created to date?	8
Country	United States	Have the terms of the loan been completed?	Yes



Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	BioWorks, Inc.	Date Loan Awarded	1/13/2015
Address Line1	100 Rawson Rd	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	5
City	VICTOR	Amount of Loan Principal Repaid to Date	\$200,000.00
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	5
Province/Region		If Yes, how many jobs have been created to date?	5
Country	United States	Have the terms of the loan been completed?	Yes

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	Bioworks	Date Loan Awarded	7/22/2019
Address Line1	100 Rawson Road, Suite 205	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	5
City	VICTOR	Amount of Loan Principal Repaid to Date	\$12,090.57
State	NY	Purpose of Loan	Equipment and Fixed Asset Acquisition
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	18
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	No



Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

 Run Date: 03/18/2020
 Status: UNSUBMITTED
 Certified Date: N/A

Source of Loan Funds	Federal	Original Amount of Loan	\$221,500.00
Name of Loan Recipient	CCN International, Inc.	Date Loan Awarded	6/6/2014
Address Line1	200 Lehigh St.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	7
City	GENEVA	Amount of Loan Principal Repaid to Date	\$167,258.31
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	2
Province/Region		If Yes, how many jobs have been created to date?	6
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	Construction Robotics	Date Loan Awarded	1/11/2018
Address Line1	7385 Willowbrook Road	Interest Rate (%)	3.19
Address Line2		Length of Loan(# of years to repay)	7
City	VICTOR	Amount of Loan Principal Repaid to Date	
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	



Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	Construction Robotics	Date Loan Awarded	10/24/2017
Address Line1	7385 Willowbrook Road	Interest Rate (%)	3.19
Address Line2		Length of Loan(# of years to repay)	7
City	VICTOR	Amount of Loan Principal Repaid to Date	\$100,824.38
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	11
Province/Region		If Yes, how many jobs have been created to date?	4
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	Grosslockner, Inc./Artisen Meat	Date Loan Awarded	12/10/2015
Address Line1	2640 Brickyard Rd	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	7
City	CANANDAIGUA	Amount of Loan Principal Repaid to Date	\$213,436.68
State	NY	Purpose of Loan	Equipment and Fixed Asset Acquisition
Postal Code	14424	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	7
Province/Region		If Yes, how many jobs have been created to date?	36
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	Janiwary/Zoetek	Date Loan Awarded	9/25/2015
Address Line1	668 Phillips Rd	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	10
City	VICTOR	Amount of Loan Principal Repaid to Date	\$152,248.89
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	6
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$500,000.00
Name of Loan Recipient	L & D Acquisition Corp. LLC	Date Loan Awarded	9/10/2010
Address Line1	One Lake Niagara Lane	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	10
City	NAPLES	Amount of Loan Principal Repaid to Date	\$457,823.59
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14512	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	26
Province/Region		If Yes, how many jobs have been created to date?	36
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$175,000.00
Name of Loan Recipient	LaBarge Media	Date Loan Awarded	8/15/2018
Address Line1	236 Gorham Street	Interest Rate (%)	3.75
Address Line2		Length of Loan(# of years to repay)	7
City	CANANDAIGUA	Amount of Loan Principal Repaid to Date	\$27,983.13
State	NY	Purpose of Loan	Equipment and Fixed Asset Acquisition
Postal Code	14424	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	2
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$225,000.00
Name of Loan Recipient	Landyhan LLC	Date Loan Awarded	8/1/2016
Address Line1	PO Box 642	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	10
City	VICTOR	Amount of Loan Principal Repaid to Date	\$69,425.57
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	6
Province/Region		If Yes, how many jobs have been created to date?	37
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$220,000.00
Name of Loan Recipient	Modern Manufacturing	Date Loan Awarded	4/13/2016
Address Line1	1111 Corporate Drive	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	10
City	FARMINGTON	Amount of Loan Principal Repaid to Date	\$71,375.23
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	14425	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	5
Province/Region		If Yes, how many jobs have been created to date?	7
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	PhillipsVictor, LLC/Swiftlift	Date Loan Awarded	1/1/2015
Address Line1	820 Phillips Rd	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	10
City	VICTOR	Amount of Loan Principal Repaid to Date	\$174,186.42
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	4
Province/Region		If Yes, how many jobs have been created to date?	1
Country	United States	Have the terms of the loan been completed?	No



Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	Real Eats	Date Loan Awarded	4/25/2019
Address Line1	122 N Genessee St., Building 5	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	5
City	GENEVA	Amount of Loan Principal Repaid to Date	\$21,268.03
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	88
Province/Region		If Yes, how many jobs have been created to date?	16
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	State	Original Amount of Loan	\$734,000.00
Name of Loan Recipient	Real Eats	Date Loan Awarded	6/7/2019
Address Line1	122 N Genessee St., Building 5	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	5
City	GENEVA	Amount of Loan Principal Repaid to Date	\$15,222.28
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14456	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	88
Province/Region		If Yes, how many jobs have been created to date?	16
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

 Run Date: 03/18/2020
 Status: UNSUBMITTED
 Certified Date: N/A

Source of Loan Funds	Federal	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	Rochester Regional Recycling Recovery	Date Loan Awarded	10/29/2010
Address Line1	7318 Victor Mendon Road	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	15
City	VICTOR	Amount of Loan Principal Repaid to Date	\$222,813.76
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	12
Province/Region		If Yes, how many jobs have been created to date?	74
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$20,000.00
Name of Loan Recipient	Star Cider	Date Loan Awarded	2/21/2019
Address Line1	5157 Emerson Road	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	10
City	CANANDAIGUA	Amount of Loan Principal Repaid to Date	\$1,370.37
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14424	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	4
Province/Region		If Yes, how many jobs have been created to date?	4
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

 Run Date: 03/18/2020
 Status: UNSUBMITTED
 Certified Date: N/A

Source of Loan Funds	State	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	Star Cider	Date Loan Awarded	2/21/2019
Address Line1	5157 Emerson Road	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	10
City	CANANDAIGUA	Amount of Loan Principal Repaid to Date	\$15,913.70
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14424	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	4
Province/Region		If Yes, how many jobs have been created to date?	4
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$462,591.94
Name of Loan Recipient	Surmotech	Date Loan Awarded	10/26/2017
Address Line1	7676 Netlin Drive	Interest Rate (%)	3.19
Address Line2		Length of Loan(# of years to repay)	10
City	VICTOR	Amount of Loan Principal Repaid to Date	\$37,427.74
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	4
Province/Region		If Yes, how many jobs have been created to date?	18
Country	United States	Have the terms of the loan been completed?	No



Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$300,000.00
Name of Loan Recipient	Vertex Optics	Date Loan Awarded	1/11/2019
Address Line1	90 Victor Heights Parkway	Interest Rate (%)	4.13
Address Line2		Length of Loan(# of years to repay)	7
City	VICTOR	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	8
Province/Region		If Yes, how many jobs have been created to date?	9
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$50,000.00
Name of Loan Recipient	Victor LDC	Date Loan Awarded	12/16/2015
Address Line1	85 East Main St	Interest Rate (%)	0
Address Line2		Length of Loan(# of years to repay)	2
City	VICTOR	Amount of Loan Principal Repaid to Date	\$27,383.00
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14564	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Annual Report for Ontario County Economic Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 03/18/2020

Status: UNSUBMITTED

Certified Date: N/A

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	Young Lion Brewery	Date Loan Awarded	1/27/2017
Address Line1	1080 Pittsford Victor Road	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	5
City	PITTSFORD	Amount of Loan Principal Repaid to Date	\$166,003.82
State	NY	Purpose of Loan	Equipment and Fixed Asset Acquisition
Postal Code	14534	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	19
Province/Region		If Yes, how many jobs have been created to date?	14
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$440,000.00
Name of Loan Recipient	Z-AXIS, Inc.	Date Loan Awarded	1/16/2014
Address Line1	1916 State Rt. 96	Interest Rate (%)	4
Address Line2		Length of Loan(# of years to repay)	7
City	PHELPS	Amount of Loan Principal Repaid to Date	\$363,608.34
State	NY	Purpose of Loan	Business Expansion/Startup
Postal Code	14532	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	13
Province/Region		If Yes, how many jobs have been created to date?	32
Country	United States	Have the terms of the loan been completed?	No



**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**

Independent Auditors' Report

To the Board Members
Ontario County Economic
Development Corporation, Ontario County, 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 Ontario County Economic Development Corporation, Ontario County, New York, which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements and have issued our report thereon dated March 9, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Ontario County Economic Development Corporation, Ontario County, New York's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Ontario County Economic Development Corporation, Ontario County, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ontario County Economic Development Corporation, Ontario County, New York'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 Corporation's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
March 9, 2020