

**TOWN OF BABYLON INDUSTRIAL
DEVELOPMENT AGENCY**

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

Honorable Board of Directors
Town of Babylon Industrial Development Agency
Babylon, New York

Report on Financial Statements

We have audited the accompanying financial statements of the Town of Babylon Industrial Development Agency (the "Agency"), a component unit of the Town of Babylon, New York, as of and for the years ended December 31, 2016 and 2015 and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 Agency'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 Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the 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 opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Agency as of December 31, 2016 and 2015, and the respective changes in financial position, and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

In 2015 the Agency adopted new accounting guidance, Governmental Accounting Standard Board Statements ("GASB") No. 68 *Accounting and Financial Reporting for Pensions - Amendment to GASB Statement No. 27* and No. 71, *Pension Transition for contributions Made Subsequent to the Measurement date, an amendment to GASB 68*. Beginning in 2015, the Agency is required to report prospectively as a liability its portion of the collective net pension liability of the New York State Employees' Retirement System ("the System"). In addition, the Agency is also required to report a deferred outflow of resources for the effect of the net change in the Agency's proportionate share of the collective net pension liability and the difference during the measurement period between the Agency's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Also, included as a deferred outflow of resources, is the Agency's contribution to the System subsequent to the measurement date. Implementation of these changes were prospectively applied, however, there was a cumulative effect of applying this change in accounting principle, which resulted in a \$6,191 adjustment to beginning net position. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information other than the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying schedule of indebtedness-conduit debt, exemption information and employment information is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of indebtedness - conduit debt, exemption information and employment information is the responsibility of management and has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2017, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Albert Vignar, CPA & Co. P.C.

Hauppauge, New York
March 21, 2017

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2016 and 2015

This section presents management's analysis of the Town of Babylon Industrial Development Agency's (the "Agency"), a component unit of the Town of Babylon, New York (the "Town") financial condition and activity for the years ended December 31, 2016 and 2015. Please read this information in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Agency exceeded its liabilities and deferred inflows at the close of 2016 and 2015 by \$2,443,002 and \$1,802,477, respectively. The unrestricted net position represents the portion available to maintain the Agency's continuing obligations.
- The Agency's total net position increased by \$640,525 (or 36%) for year ended December 31, 2016 and by \$597,109 (or 49%) for the year ended December 31, 2015, after the cumulative effect adjustment due to a change in accounting principle was implemented.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis ("MD&A") serves as an introduction to the basic financial statements and supplementary information. The MD&A represents management's examination and analysis of the Agency's financial condition and performance. Summary financial statement data, key financial and operational indicators used in the Agency's strategic plan, operating plan, bond covenants and other management tools were used for this analysis.

The financial statements report information about the Agency, which is a self-supporting entity that follows enterprise-type fund reporting. The Agency applies full accrual accounting methods as used by similar business activities in the private sector. These statements offer short and long-term financial information.

The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, statements of cash flows and notes to the financial statements. The statements of net position include all of the Agency's assets, deferred outflows of resources, liabilities and deferred outflows of resources, with the difference reported as net position.

The statements of revenues, expenses, and changes in net position presents the results of the Agency's activities over the course of the year and information as to how the net position changed during the 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 the related cash flows. These statements also provide information about whether the Agency has successfully recovered its costs through its user fees and other charges, profitability and credit worthiness.

The statements of cash flows present changes in cash and cash equivalents resulting from operating and other activities.

The notes to the financial statements provide required disclosures and other information that is essential to a full understanding of material data provided in the statements. The notes present information about the Agency's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

In addition to the financial statements and accompanying notes, this report also presents required supplementary information concerning the Agency following the notes to the financial statements.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2016 and 2015

FINANCIAL ANALYSIS OF THE AGENCY

One of the most important objectives of the financial analysis is to determine if the Agency, as a whole, is better or worse off as a result of the year's activities. The statements of net position and the statements of revenues, expenses, and changes in net position provide useful information in this regard. The statements report the net position of the Agency and changes in these net positions.

The amount of net position, the difference between total assets, deferred outflows of resources, liabilities and deferred inflows of resources, is a significant measure of the financial health or financial position of the Agency.

Over time, increases or decreases in the Agency's net position is one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors, such as changes in economic conditions, population growth, zoning, and new government legislation or changes to existing government legislation should be considered in evaluating the financial condition of the Agency.

The following comparative condensed financial statements and other selected information serve as the financial data and indicators for management's monitoring and planning.

Net Position

A summary of the Agency's condensed statements of net position at December 31st is presented as follows:

	2016	2015	2014
Assets			
Current and other assets	\$ 4,313,463	\$ 4,535,872	\$ 3,275,572
Total Assets	4,313,463	4,535,872	3,275,572
Deferred Outflows of Resources			
Pensions	207,611	52,084	-0-
Total Deferred Outflows of Resources	207,611	52,084	-0-
Liabilities			
Current and other liabilities	1,205,936	2,138,848	1,485,889
Long-term liabilities	840,599	646,631	584,315
Total Liabilities	2,046,535	2,785,479	2,070,204
Deferred Inflows of Resources			
Pensions	31,537	-0-	-0-
Total Deferred Inflows of Resources	31,537	-0-	-0-
Net Position			
Unrestricted	2,443,002	1,802,477	1,205,368
Total Net Position	\$ 2,443,002	\$ 1,802,477	\$ 1,205,368

Reclassifications are made to the prior year's financial statements whenever necessary to conform to current year's presentation. Such reclassifications have had no effect on income as previously reported.

Total assets as of December 31, 2016 were \$4,313,463 and deferred outflows of resources were \$207,611, which exceeded total liabilities in the amount of \$2,046,535 and deferred inflows of resources of \$31,537 by \$2,443,002 (net position).

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2016 and 2015

FINANCIAL ANALYSIS OF THE AGENCY (continued)

Net Position (continued)

Net position is comprised of unrestricted net position, which is available to support operations. Total liabilities decreased by \$738,944 at December 31, 2016 compared to 2015, primarily due to decrease in due to other governments of \$912,899 and decrease in accounts payable and accrued expenses of \$20,013. This decrease was somewhat offset by an increase in other postemployment benefits accrual in the amount of \$37,588, an increase in net pension liability recognized in the current year of \$141,105, and an increase in compensated absences in the amount of \$15,275. Total deferred inflows of resources were \$31,537 related to pension amounts. The Agency's net position increased by \$640,525 in the current year.

Total assets as of December 31, 2015 were \$4,535,872 and total deferred outflows of resources were \$52,084, which exceeded total liabilities in the amount of \$2,138,848 by \$1,802,477 (net position). Net position is comprised of unrestricted net position in the amount of \$1,802,477, which is available to support operations. Total liabilities increased by \$715,275 at December 31, 2015 compared to 2014, primarily due to increase in due to other governments of \$651,378 and the other postemployment benefits accrual and the net pension liability recognized in the current year related to the implementation of Governmental Accounting Standard Board Statements ("GASB") No. 68. The Agency's net position increased by \$597,109 in 2015.

Operating Results

The Agency's condensed statements of revenues, expenses and changes in net position at December 31st are presented as follows:

	2016	2015	2014
Operating Revenues			
Charges for services	\$ 1,763,072	\$ 1,461,160	\$ 1,172,562
Total Operating Revenues	<u>1,763,072</u>	<u>1,461,160</u>	<u>1,172,562</u>
Operating Expenses			
Salary and related costs	614,622	536,601	589,259
Contractual goods and services	517,121	339,296	421,528
Total Operating Expenses	<u>1,131,743</u>	<u>875,897</u>	<u>1,010,787</u>
Operating Income	<u>631,329</u>	<u>585,263</u>	<u>161,775</u>
Non-Operating Revenue	<u>9,196</u>	<u>5,655</u>	<u>4,170</u>
Change in Net Position	<u>640,525</u>	<u>590,918</u>	<u>165,945</u>
Net Position at Beginning of Year	1,802,477	1,205,368	1,039,423
Cumulative Effect of Change in Accounting Principle *	<u>-0-</u>	<u>6,191</u>	<u>-0-</u>
Net Position at Beginning of Year, as Restated	<u>1,802,477</u>	<u>1,211,559</u>	<u>1,039,423</u>
Net Position at End of Year	<u>\$ 2,443,002</u>	<u>\$ 1,802,477</u>	<u>\$ 1,205,368</u>

*In the year ended December 31, 2015, the Agency implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – Amendment to GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – Amendment of GASB Statement No. 68*. The implementation of Statement No. 68 and 71 resulted in the reporting of a deferred outflow/inflow of resources and liability related to the Agency's participation in the New York State Employees' Retirement Systems. See Note 8 for more detail. The Agency did not retroactively apply GASB Statements No. 68 and 71; therefore, the condensed statement of changes in net position for the year ended December 31, 2014 was not restated. The cumulative effect of applying the change of accounting principle is shown as an adjustment to the 2015 beginning net position.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2016 and 2015

FINANCIAL ANALYSIS OF THE AGENCY (continued)

Operating Results (continued)

The Agency's operating revenues increased by \$301,912 from \$1,461,160 in 2015 to \$1,763,072 in 2016, an increase of 21%. The increase in 2016 operating revenues is attributable to more projects and closing fees, application fees and administration fees in 2016 as compared to 2015. The Agency's operating expenses increased from \$875,897 in 2015 to \$1,131,743 in 2016, an increase of \$255,846 or 29%. This is primarily due to increases in advertising, public relations & special projects costs, payroll and related employee benefit costs, professional fees, and other postemployment benefit costs.

The Agency's operating revenues increased \$288,598 from \$1,172,562 in 2014 to \$1,461,160 in 2015, an increase of 25%. The increase in 2015 operating revenues is attributable to more projects and closing fees, application fees and administration fees in 2015 as compared to 2014. The Agency's operating expenses decreased from \$1,010,787 in 2014 to \$875,897 in 2015, a decrease of \$134,890 or 13%. This is primarily due to decreases in advertising, public relations & special projects costs, payroll and related employee benefit costs and other postemployment benefit costs. This decrease was somewhat offset by an increase in professional fees and slight increase in office expenses for the year.

ECONOMIC FACTORS AND NEXT YEAR'S PLAN

The overall mission of the Agency is to promote, attract and encourage well planned economic sustainable growth in the Town.

The Town of Babylon Industrial Development Agency works at the intersection between local business and local government. By offering tax savings incentives and fast track permit processing for prospective and existing enterprises, we stimulate sustainable economic development and revitalization within the Town. This growth promotes job creation, additional economic activity for local businesses, Town beautification, rising property values, and a higher quality of life within the Town - which services all residents and businesses.

The Agency plans to continue and expand its assistance to the businesses located in the Town of Babylon through:

- Federally tax-exempt and taxable revenue bonds
- Local property tax abatement and exemptions
- Sales tax exemptions for construction materials and equipment
- Mortgage recording tax exemptions

The Agency has an aggressive marketing strategy that concentrates on business retention, expansion and attracting new businesses. The marketing activities reviewed and approved by the Board, may include site visits to strategic industries, print ads, brochures and direct mailing and extensive networking with business professionals. This comprehensive marketing plan is designed to brand Babylon Town as a good place to do business, and to inform the business public of the various economic incentives, including the Agency, that are available to them.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our readers with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town of Babylon Industrial Development Agency at 47 West Main Street Suite 3, Babylon, NY 11702, info@babylonida.org or call (631) 587-3679.

**BASIC FINANCIAL
STATEMENTS**

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
STATEMENTS OF NET POSITION
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets:		
Cash	\$ 3,801,197	\$ 4,109,718
Accounts receivable	492,245	406,167
Prepaid expenses	20,021	19,987
Total Assets	<u>4,313,463</u>	<u>4,535,872</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	207,611	52,084
Total Deferred Outflows of Resources	<u>207,611</u>	<u>52,084</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	597	20,610
Due to other governments	1,205,339	2,118,238
Total Current Liabilities	<u>1,205,936</u>	<u>2,138,848</u>
Non-current Liabilities:		
Compensated absences	73,736	58,461
Net pension liability - proportionate share	195,413	54,308
Other postemployment benefits	571,450	533,862
Total Non-current Liabilities	<u>840,599</u>	<u>646,631</u>
Total Liabilities	<u>2,046,535</u>	<u>2,785,479</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	31,537	-0-
Total Deferred Inflows of Resources	<u>31,537</u>	<u>-0-</u>
NET POSITION		
Unrestricted	2,443,002	1,802,477
Total Net Position	<u>\$ 2,443,002</u>	<u>\$ 1,802,477</u>

See notes to the financial statements.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES:		
Charges for services	\$ 1,763,072	\$ 1,461,160
OPERATING EXPENSES:		
Advertising, public relations, and special projects	177,553	77,770
Salary, benefits and payroll taxes	614,621	536,601
Professional fees	216,222	179,913
Telephone	4,542	3,918
Other postemployment benefit costs	37,588	9,191
Office expense	24,569	19,062
Rent	47,100	47,100
Dues and subscriptions	2,980	2,275
Miscellaneous	6,568	67
Total Operating Expenses	<u>1,131,743</u>	<u>875,897</u>
Income from Operations	<u>631,329</u>	<u>585,263</u>
NON-OPERATING REVENUES:		
Interest income	9,196	5,655
Total Non-Operating Revenues	<u>9,196</u>	<u>5,655</u>
Change in Net Position	<u>640,525</u>	<u>590,918</u>
Net Position at Beginning of Year	1,802,477	1,205,368
Cumulative Effect of Change in Accounting Principle	<u>-0-</u>	<u>6,191</u>
Net Position at Beginning of Year, as Restated	<u>1,802,477</u>	<u>1,211,559</u>
Net Position at End of Year	<u>\$ 2,443,002</u>	<u>\$ 1,802,477</u>

See notes to the financial statements.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and clients	\$ 1,748,871	\$ 1,545,477
Cash payments for contractual expenses	(538,314)	(344,736)
Cash payments for personal services and benefits	(543,498)	(520,178)
Net Cash Provided by Operating Activities	<u>667,059</u>	<u>680,563</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from payments in lieu of taxes	16,361,312	15,777,878
Cash paid for payments in lieu of taxes, interest and penalties	(17,346,088)	(15,159,635)
Net Cash (Used) Provided by Noncapital Financing Activities	<u>(984,776)</u>	<u>618,243</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>9,196</u>	<u>5,655</u>
Net Cash Provided by Investing Activities	<u>9,196</u>	<u>5,655</u>
Net (Decrease) Increase in Cash	(308,521)	1,304,461
Cash at Beginning of Year	4,109,718	2,805,257
Cash at End of Year	<u>\$ 3,801,197</u>	<u>\$ 4,109,718</u>
RECONCILIATION OF INCOME FROM OPERATING TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Income from operations	\$ 631,329	\$ 585,263
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) decrease in assets		
Prepaid expenses	(34)	(7,021)
Accounts receivable from operating activities	(14,201)	84,317
Increase (decrease) in deferred outflows of resources:		
Pensions	(155,527)	26,752
Increase (decrease) in liabilities		
Compensated absences	15,275	(1,183)
Other postemployment retirement benefits	37,588	9,191
Net pension liability - proportionate share	141,105	(18,337)
Accounts payable and accrued expenses	(20,013)	1,581
Increase in deferred inflows of resources:		
Pensions	31,537	-0-
Net Cash Provided by Operating Activities	<u>\$ 667,059</u>	<u>\$ 680,563</u>

See notes to the financial statements.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

The Town of Babylon Industrial Development Agency (the "Agency"), was created as a New York State public benefit corporation. The Agency was established on April 10, 1973 pursuant to Code Section 907-a of the New York State General Municipal Law. The Board of Directors have complete responsibility for the approval and adoption of policies of the Agency and accountability for fiscal matters. The Board of Directors appoints the Executive Director of the Agency who is the Chief Executive Officer. The Agency is a quasi-governmental, tax-exempt agency that was created to promote the economic welfare, recreation opportunities and prosperity of the inhabitants of the Town of Babylon. The Agency provides companies with the following incentives:

- Federally tax-exempt and taxable revenue bonds
- Local property tax abatement and exemptions
- Sales tax exemptions for construction materials and equipment
- Mortgage recording tax exemptions

Reporting Entity

The financial reporting entity includes all functions and activities over which the appointed officials exercise responsibility. No other governmental organization has been included or excluded from the reporting entity. The governing body of the Town of Babylon appoints the Agency's Board of Directors which results in interdependency with the Town of Babylon. Accordingly, the Agency has been determined to be a discretely presented component unit of the Town of Babylon.

Measurement Focus / Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Agency uses the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows.

Cash and Cash Equivalents

For purposes of reporting the statements of cash flows, the Agency considers all highly liquid investments with a maturity when purchased of three months or less to be cash equivalents. As of December 31, 2016 and 2015, the Agency did not have any cash equivalents. The statements of cash flows presented use the direct method.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Accounts Receivable

Accounts receivable include amounts due from businesses for project fees and legal and administrative fees incurred. These accounts receivable are recorded and revenues are recognized as earned or as specific expenditures are incurred. Accounts receivable also includes uncollected payment in lieu of taxes (PILOT) billings due to other governments. All accounts receivable are deemed collectible; therefore no allowance account has been established.

Prepaid Expenses

Prepaid expenses represent various Agency expenses paid in advance, including prepaid retirement and insurance. The cost of prepaid items is recorded as expense when consumed rather than when purchased.

Deferred Outflows and Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. The Agency has one item that qualifies for reporting in this category. This item relates to the pension reported in the statements of net position. This represents the effect of the net change in the Agency's proportion of the collective net pension liability and the difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension systems not included in pension expense. This amount also includes the Agency contributions to the pension systems subsequent to the measurement date.

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency reports a deferred inflow of resources which relates to changes in proportion and differences between the contributions and the proportionate share of the Agency's net pension liability as well as differences between expected and actual experience.

Due to Other Governments

The Agency bills and collects PILOTs from the project properties. Payments collected are not considered revenues of the Agency and are disbursed to the appropriate taxing jurisdictions. Due to other governments consists of these PILOT billings that have been collected but not yet disbursed and uncollected PILOT billings.

Compensated Absences

Agency employees earn vacation and sick leave in varying amounts. In the event of separation from service (except termination for cause), employees are paid for accumulated unused vacation and sick leave subject to certain limitations. The liability for these compensated absences is recorded as non-current liability in the statements of net position.

Net Pension Liability – Proportionate Share

The net pension liability represents the Agency's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System (the "System") which represents the Agency's portion of the excess of the total pension liability over the fiduciary net position of the System, measured as of the System's year end.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Net Pension Liability – Proportionate Share (continued)

Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the period incurred.

Other Postemployment Benefits

In addition to providing pension benefits, the Agency provides health insurance coverage, including reimbursement of Medicare Part B premiums, and survivor benefits for retired employees and their dependents. Substantially all of the Agency's employees may become eligible for these benefits if they reach normal retirement age while working for the Agency as well as meet certain years of service requirements.

Health care benefits are currently provided by the New York State Health Insurance Program NYSHIP (Empire Plan) whose premiums are based on the benefits paid throughout the State during the year.

The Agency recognizes the cost of providing benefits by recording its share of insurance premiums as an expense in the year paid. The liability for these other postemployment benefits ("OPEB") payable is recorded as a long-term liability in the statements of net position. The current year increase in the liability is based on the most recent actuarial report.

Net Position Classification

In the financial statements, equity is classified as net position, and can be displayed in three components:

- Net investment in capital assets - consists of capital assets including, restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributed to the acquisition, construction or improvement of those assets.
- Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – is the remaining net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as needed. As of December 31, 2016 and 2015, the Agency has unrestricted net position.

Revenue Recognition

The Agency's primary source of operating revenue is from straight lease fees and bond issuances fees, which are computed on a project basis as a percentage of the total costs and savings. Fees are recorded as income, when earned, at the time of closing, unless otherwise specified.

Advertising

The Agency follows the policy of charging the costs of advertising to expense as incurred. Advertising expense for the years ended December 31, 2016 and 2015 totaled approximately \$12,800 and \$12,000 respectively.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Reclassifications

Reclassifications are made to the prior year's financial statements whenever necessary to conform to current year's presentation. Such reclassifications have had no effect on income as previously reported.

Recent Accounting Pronouncements

The Agency has adopted all of the Statements of the Governmental Accounting Standards Board ("GASB") that are applicable for the year ended December 31, 2016. The GASB Statements that were adopted in the current year did not have a significant impact on the Agency's financial statements.

Subsequent Events

Management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

2. Cash

As of December 31, 2016 and 2015, cash consists of funds deposited in interest bearing accounts.

The Agency's investments are governed by a formal investment policy. The Agency's monies must be deposited in FDIC-insured commercial banks or trust companies located within New York State. The Agency is authorized to use certificates of deposit, and money market deposit accounts. Permissible investments include certificates of deposits, obligations of the United States, obligations of the State of New York, repurchase agreements, and obligations of agencies of the federal government where principal and interest are guaranteed by the United States.

Collateral is required for demand deposits and time deposits accounts at a minimum of 100% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral include obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. The Agency's collateral agreements are based on the Agency's available balance.

Custodial Credit Risk – Deposits/Investments – Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, the Agency may be unable to recover deposits, or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exists when, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Deposits are required to be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

- Uncollateralized,
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Agency's name.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

2. Cash (continued)

Custodial Credit Risk – Deposits/Investments – (continued)

At December 31, 2016 and 2015, the Agency's cash was insured by the Federal Depository Insurance Corporation or collateralized by securities held in the pledging bank's trust department in the Agency's name.

3. Accounts Receivable

As of December 31, 2016 and 2015, the Agency's receivables were \$492,245 and \$406,167, respectively.

4. Revenues

The Agency adopted new fee guidelines effective January 1, 2015 as follows:

- a) A one-time non-refundable application fee of \$1,500 per application.
- b) Public hearing notice fee related to newspaper publications.
- c) Single straight lease transactions: 1.25% of hard costs of total project costs plus 1% of savings (PILOT, estimated sales tax, mortgage recording) all payable at closing.
- d) Campus straight lease transactions: 1.25% of hard costs of the total project costs for newly acquired buildings plus 1% of savings (PILOT, estimated sales tax, mortgage recording) all payable at closing. Currently owned buildings are charged a fee equivalent to 1% of full value (per current statements of taxes) plus 1.25% on equipment and renovations plus 1% of combined savings (PILOT, estimated sales tax, mortgage recording) all payable at closing.
- e) Current owner or lease expansion/extension (of \$1 million plus): average per square footage rate estimated based on recent deals similar in size and applied to the project's square footage plus 1.25% of equipment and renovations plus 1% of savings.
- f) Large developments projects over \$30 million and bond schedule as follows:
 - 1% of the bond project amount on the first \$15 million
 - $\frac{3}{4}$ of 1% of the bond project amount between \$15 - \$25 million
 - $\frac{1}{4}$ of 1% of the bond project amount between \$25 - \$35 million
 - $\frac{1}{4}$ of 1% of the bond project amount over \$35 million

In addition, a 75% of estimated savings, and annual reporting/compliance fee of \$1,000 per year for duration of PILOT/Bond.

g) Administrative fees as follows:

- Fees for project related services, such as mortgage modifications and terminations of leases, are \$2,500
- Fees for amendments to leases, such as sales tax extensions and PILOT schedule changes, are \$5,000

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

4. Revenues (continued)

The following is a detail of the fee and service income received for the years ended December 31st:

	2016	2015
Closing Fee Income	\$ 1,639,030	\$ 1,308,648
Application Fee Income	33,000	31,500
Administrative Fee Income	66,000	72,500
Penalties and Interest Fee	25,004	48,512
Miscellaneous Income	38	-0-
Total Charges for Services	<u>\$ 1,763,072</u>	<u>\$ 1,461,160</u>

5. Payments in Lieu of Taxes

The Agency receives payments in lieu of taxes (PILOT) from each client project property. The Agency follows the Suffolk County Tax Act for collection of PILOT payments. PILOT payments are due in two equal installments; the first half is payable on December 1st preceding the year for which the same is levied and the second half is payable May 10th, with the first half payable without penalty to January 10th and the second half payable without penalty to May 31st. Penalties and interest are charged on late payments.

Receipts of PILOT payments are deposited into the PILOT bank account and subsequently are disbursed to the appropriate taxing jurisdictions, within 30 days of receipt by the Agency as required by law. PILOT payments are not considered revenues of the Agency.

At December 31, 2016 and 2015, the Agency collected \$779,354 and \$1,764,391 which are due to other governments for PILOT payments not yet remitted to the local municipalities.

6. Conduit Debt Obligations, Industrial Revenue Bonds and Note Transactions

The Agency has at times, issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Agency, the Town, nor any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2016 and 2015, there were series of Revenue Bonds and Notes outstanding with an aggregate principal amount payable of \$25,832,962 and \$33,943,087, respectively.

7. Lease Commitments

The Agency provides financial assistance to private-sector companies and certain not-for-profit organizations (the "companies") in connection with the acquisition, renovation, reconstruction or re-equipping of industrial and commercial facilities in accordance with its enabling legislation. In conjunction with providing financial assistance, the Agency takes a leasehold or fee title interest as a nominal owner in the facilities it is providing financial assistance to, which allows the Agency to pass through tax and other incentives to such facilities. The Agency then leases or sub-leases the facilities to the companies and the companies pay payments in lieu of taxes as part of its lease payments.

The lease terms usually expire in conjunction with the expiration of the period that financial assistance is provided. The leasing transactions are not recorded in the accompanying financial statements of the Agency.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

7. Lease Commitments (continued)

As of December 31, 2016 and 2015, there were 180 and 182 of leases outstanding, at \$1 or less per year.

8. Related Party Transactions

The Agency is a component unit of the Town of Babylon. The Agency's office and storage space is leased from the Town of Babylon. The lease agreement is for five years and expires in December 31, 2019. During the years ended December 31, 2016 and 2015, rent expense totaled \$47,100 respectively. The lease commitment for the next three years will be paid in equal monthly installments of \$3,925, \$47,100 yearly.

9. Retirement System

Plan Description

The Agency participates in the New York State and Local Employees' Retirement System (NYSERS) (the "System"), which is a cost sharing multiple public employer defined benefit pension plan. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("RSSL"). Once a public employer elects to participate in the System, the election is irrevocable.

The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be found at <http://www.osc.state.ny.us/retire/publications/index.php> or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244-0001.

Benefits Provided

The System provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit, there is no minimum service requirement. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 and Tier 2, is 55 and 62, respectively.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2% of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

9. Retirement System (continued)

Benefits Provided (continued)

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20% of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit calculation: Generally the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4, and 5 members, each year of final average salary is limited to no more than 10% of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 members is age 63.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10% of the average of the previous four years.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 members, the accidental disability benefit is a pension of 75% of final average salary, with an offset for any workers' compensation benefits received. The benefit for eligible Tier 3, 4 and 5 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

9. Retirement System (continued)

Benefits Provided (continued)

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: 1) all pensioners who have attained age 62 and have been retired for five years; 2) all pensioners who have attained age 55 and have been retired for ten years; 3) all disability pensioners, regardless of age, who have been retired for five years; 4) recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and 5) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50% of the annual consumer price index as published by the U.S. Bureau of Labor, but cannot be less than 1% or exceed 3%.

Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 who contribute 3% of their salary for the first ten years of membership; and employees who joined on or after January 1, 2010, who generally contribute 3% of their salary for the entire length of service. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

The Agency is required to contribute at an actuarially determined rate. The required contributions for the current and two preceding years were as follows:

	<u>Required Contribution</u>	<u>Total Payment</u>
2016	\$ 49,778	\$ 49,778
2015	54,360	54,360
2014	78,836	78,836

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

At December 31, 2016 and 2015, the Agency reported a liability of \$195,413 and \$54,308, respectively, for its proportionate share of the net pension liability for the System. The net pension liability was measured as of March 31, 2016 and 2015, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2015 and 2014, respectively. The Agency's proportions of the net pension liability were based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

9. Retirement System (continued)

Pension Assets, Liabilities, Pension Expense, Deferred Inflows and Deferred Outflows of Resources Related to Pensions (continued)

Below is the Agency's proportionate shares of the net pension liability of the System and its related employer allocation percentage:

<u>Measurement Date</u>	<u>Net Pension Liability</u>	<u>Agency's Allocation of the System's Total Net Liability</u>
March 31, 2016	\$ 195,413	0.0012175%
March 31, 2015	\$ 54,308	0.0016076%

There was no significant change in the Agency's proportionate share from March 31, 2015 to March 31, 2016.

For the years ended December 31, 2016 and 2015, the Agency recognized pension expense of \$68,038 and \$49,185, respectively.

At December 31st the Agency reported deferred outflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	
	<u>2016</u>	<u>2015</u>
Differences between expected and actual experience	\$ 987	\$ 1,738
Changes of assumptions	52,111	-0-
Net difference between projected and actual earnings on pension plan investments	115,929	9,433
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	1,250	143
Agency's contribution subsequent to the measurement date	37,334	40,770
Total Deferred Outflow - Pension	<u>\$ 207,611</u>	<u>\$ 52,084</u>

At December 31st the Agency reported deferred inflows of resources related to pension from the following sources:

	<u>Deferred Inflows of Resources</u>	
	<u>2016</u>	<u>2015</u>
Differences between expected and actual experience	\$ 23,163	\$ -0-
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	8,374	-0-
Total Deferred Inflow - Pension	<u>\$ 31,537</u>	<u>\$ -0-</u>

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

9. Retirement System (continued)

The Agency's contribution subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan year ending March 31, 2017	\$	35,223
2018		35,223
2019		35,223
2020		33,071
	\$	<u>138,740</u>

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as of April 1, 2014 and April 1, 2015, respectively, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	Measurement Date	
	March 31, 2016	March 31, 2015
Actuarial valuation date	April 1, 2015	April 1, 2014
Interest rate	7.0%	7.5%
Salary scale	3.8%	4.9%
Decrement tables	April 1, 2010 - March 31, 2015 NYSERS's Experience *	April 1, 2005 - March 31, 2010 NYSERS's Experience **
Inflation rate	2.5%	2.7%

*Annuitant mortality rates are based on the April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.

**Annuitant mortality rates are based on the April 1, 2005 - March 31, 2010 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2015 and April 1, 2014 valuations are based on the results of an actuarial experience study for the periods April 1, 2010 - March 31, 2015 and April 1, 2005 - March 31, 2010, respectively.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

9. Retirement System (continued)

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2016 and 15 are summarized below:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Domestic equity	38.0%	7.30%
International equity	13.0%	8.55%
Private equity	10.0%	11.00%
Real estate	8.0%	8.25%
Absolute return strategies	3.0%	6.75%
Opportunistic portfolio	3.0%	8.60%
Real assets	3.0%	8.65%
Bonds and mortgages	18.0%	4.00%
Cash	2.0%	2.25%
Inflation indexed bonds	2.0%	4.00%
	100.0%	

Discount Rate

The discount rate used to calculate the total pension liability as of March 31, 2016 and 2015 was 7.0% and 7.5%, respectively. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.0% and 7.5% for the measurement date of March 31, 2016 and 2015, respectively, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0% / 6.5%) or 1-percentage point higher (8.0% / 8.5%) than the current rate:

	1% Decrease	Current Assumption	1% Increase
Agency's proportionate share of the net pension liability (asset) for:			
Plan year ended March 31, 2016	\$ 440,641	\$ 195,413	\$ (11,795)
Plan year ended March 31, 2015	361,990	54,308	(205,451)

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

9. Pension Plan (continued)

Pension Plan Fiduciary Net Position

The components of the current year net pension liability of the employers as of the respective valuation dates, were as follows (in thousands):

	April 1, 2015	April 1, 2014
Employers' total pension liability	\$ 172,303,544	\$ 164,591,504
Plan Fiduciary Net Position	156,253,265	161,213,259
Employers' net pension liability	<u>\$ 16,050,279</u>	<u>\$ 3,378,245</u>

Ratio of plan fiduciary net position to the		
Employers' total pension liability	90.68%	97.95%

Detailed information about the pension plan's fiduciary net position is available in the System's separately issued financial statements.

10. Non-Current Liabilities

A summary of changes in non-current liabilities for the year ended December 31, 2016 as follows:

	Balance 1/1/2016	Increases	Reductions	Balance 12/31/2016	Non-current liabilities due within one year	Non-current liabilities
Compensated absences	\$ 58,461	\$ 15,275	\$ -0-	\$ 73,736	\$ -0-	\$ 73,736
Other postemployment benefits	533,862	47,108	9,520	571,450	-0-	571,450
Net pension liability - proportionate share	54,308	227,001	85,896	195,413	-0-	195,413
Total non-current liabilities	<u>\$ 646,631</u>	<u>\$ 289,384</u>	<u>\$ 95,416</u>	<u>\$ 840,599</u>	<u>-0-</u>	<u>\$ 840,599</u>

A summary of changes in non-current liabilities for the year ended December 31, 2015 as follows:

	Balance 1/1/2015	Increases	Reductions	Balance 12/31/2015	Non-current liabilities due within one year	Non-current liabilities
Compensated absences	\$ 59,644	\$ -0-	\$ 1,183	\$ 58,461	\$ -0-	\$ 58,461
Other postemployment benefits	524,671	30,672	21,481	533,862	-0-	533,862
Net pension liability - proportionate share	-0-	54,308	-0-	54,308	-0-	54,308
Total non-current liabilities	<u>\$ 584,315</u>	<u>\$ 84,980</u>	<u>\$ 22,664</u>	<u>\$ 646,631</u>	<u>-0-</u>	<u>\$ 646,631</u>

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

11. Other Postemployment Benefits

In the basic financial statements, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the period in which the cost occurs, rather than in the future year when it will be paid. The Agency recognizes the cost of postemployment healthcare in the year when the employee services are received, and provides information useful in assessing potential demands on the Agency's future cash flows.

Plan Description

The Agency's employees are covered under the Town of Babylon's defined other postemployment benefit plan. Per the contract with employees, the Agency will pay the premium costs for medical insurance coverage (currently provided by through the New York State Empire Plan and HIP) and reimburse the Medicare Part B premiums at retirement for the retiree and covered spouse provided the employee has met certain eligibility requirements. Eligibility and the Agency's cost share vary upon employee designation and date of hire as described below.

For Civil Service Employees Association members, eligibility requirements for coverage upon retirement are: five consecutive years of service with the Agency and has attained the age of 55 years. The Agency will contribute 100% of the premium for these eligible employees hired prior to November 1, 2009 and 85% of the premium for those hired after November 1, 2009.

For defined administrative personnel eligibility requirements for coverage upon retirement are: five consecutive years of service with the Agency and has attained the age 55 for those hired prior to November 1, 2009 and for those hired after November 1, 2009 twenty-five years of service and have attained the age of 55 years. The Agency will contribute 100% of the premium for eligible retired administrative employees.

The number of participants as of January 1, 2015, the effective date of the OPEB valuation, is as follows:

Active employees	4
Retirees	2
Spouse of retired employee *	1

*The surviving spouse is considered a participant in the OPEB plan but there is no benefit cost or OPEB liability for this individual as the premiums paid by the Agency are reimbursed 100%.

There have been no significant changes in the type of coverage since that date. The Agency had two additional active employees and one less retiree as of December 31, 2016.

The Town of Babylon, as administrator of the plan, does not issue a separate report.

Funding Policy

The Agency currently pays for other postemployment benefits on a pay-as-you-go basis.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

11. Other Postemployment Benefits (continued)

Annual Other Postemployment Benefit Cost and Net Obligation

For the years ended December 31, 2016 and 2015, the Agency's annual other postemployment benefits costs (expenses) were \$47,108 and \$30,672, respectively. Considering the annual expenses as well as the payments of current health insurance premiums, which totaled \$9,520 and \$21,481, respectively, for retirees and their beneficiaries, the result were increases in the other postemployment benefits liability of \$37,588 and \$9,191, respectively, for the years ended December 31, 2016 and 2015.

Benefit Obligations and Normal Cost

The benefit obligations and normal cost as of January 1st are follows:

	2016	2015
Actuarial Accrued Liability (AAL)		
Retired Employees	\$ 239,354	\$ 278,552
Active Employees	276,627	215,827
Total Actuarial Accrued Liability (AAL)	515,981	494,379
Actuarial Value of Plan Assets	-0-	-0-
Unfunded Accrued Liability (UAAL)	<u>\$ 515,981</u>	<u>\$ 494,379</u>
Funded Ratio	0%	0%
Normal Cost at the Beginning of Year	\$ 22,820	\$ 34,312
Amortization Cost at the Beginning of Year	\$ 28,893	\$ 37,455
Annual Covered Payroll	452,564	386,557
UAAL as a Percentage of Covered Payroll	88%	78%

The Agency's annual other postemployment benefit cost is calculated based on the annual required contribution (ARC) of the employer, an amount which is actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The unfunded actuarial accrued liability for the Agency for the years ended December 31, 2016 and 2015 amounted to \$515,981 and \$494,379, respectively.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

11. Other Postemployment Benefits (continued)

Benefit Obligations and Normal Cost (continued)

The following table shows the components of the other postemployment benefits liability for years ended December 31st:

Level Percentage of Project Pay Amortization
Calculation of ARC under the Project Unit Credit Cost Method

	2016	2015
Normal Cost	\$ 23,391	\$ 22,820
Amortization of Unfunded Actuarial Liability over 30 years	30,916	28,893
Interest	1,715	1,639
Annual Requirement Contribution (ARC)	56,022	53,352
Interest on Net OPEB Obligation	21,354	20,389
Adjustment to ARC	(30,268)	(43,069)
Annual OPEB Cost	47,108	30,672
Less: Contributions	(9,520)	(21,481)
Increase in Other Postemployment Benefit Liability	37,588	9,191
Other Postemployment Liability at the Beginning of Year	533,862	524,671
Other Postemployment Liability at the End of Year	\$ 571,450	\$ 533,862
Percentage of Annual OPEB Cost Contribution	20.21%	70.03%

Funded Status and Funding Progress

The percentage contributed for the current year and preceding two years were:

	Annual OPEB Cost	Annual Contribution Made	Percentage Contributed	Net OPEB Obligation
2016	\$ 47,108	\$ 9,520	20%	\$ 571,450
2015	30,672	21,481	70%	533,862
2014	70,264	16,772	24%	524,671

The projected funded status of the plan as of December 31, 2016 and 2015, based on the January 1, 2015 valuation is as follows:

Actuarial Valuation Date	Year Ending	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
1/1/2015	2016*	\$ -0-	\$ 515,981	\$ 515,981	0%	N/A	N/A
1/1/2015	2015	-0-	494,379	494,379	0%	N/A	N/A

*Based on roll-forward information

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

11. Other Postemployment Benefits (continued)

Funded Status and Funding Progress (continued)

The required schedule of funding progress can be found immediately following the notes, in required supplementary information, and presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term liability in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the January 1, 2016 and 2015 actuarial valuation, the liabilities were computed using the projected unit credit cost method and level percentage of projected payroll of active plan members on a closed basis. The actuarial assumptions utilized a 4.00% discount rate and a 2.50% payroll growth rate. The valuation assumes a 9.0% (pre 65) and a 6.0% (post 65) healthcare cost trend for 2016 and 2015, with an ultimate medical trend rate of 5% to be reached in 2019 for both pre and post 65. The remaining amortization period at December 31, 2016 was twenty years.

12. Recapture of Benefits Payments

The Agency is empowered by its enabling legislation to grant various benefits in connection with qualifying projects in order to provide financial assistance including 1) abatement of the property taxes 2) exemptions from the imposition of sales and use taxes on purchases of materials and equipment for use in connection with a project and 3) exemption from mortgage recording tax.

However, to accomplish the public purposes of the Act, it is the policy of the Agency to grant benefits with respect to a qualifying project only in return for a commitment from the business receiving the Agency benefits to operate and maintain the project and employment thresholds. Failure to do so could result in financial penalties being imposed on the business in the form of either reduction, suspension, or recapture of benefits (a return of public benefits conferred by the Agency); the severity of which is dependent upon the length of time the project is, in fact, operated and maintained pursuant to the applicable project agreement. As required under the 2013 Budget Law, effective beginning in March 2013, the Agency remits any applicable sales and use taxes recaptured to New York State. Recapture of payments in lieu of taxes and mortgage recording are distributed to the various taxing jurisdictions and mortgage recording is remitted to the County.

As of December 31, 2016 and 2015 the Agency recaptured approximately \$46,000 and \$291,000, respectively, all of which has been remitted to the State, County and various taxing jurisdictions.

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS

13. Litigation

The Agency is subject to litigation in the ordinary conduct of its affairs. Management does not believe, however, that such litigation, individually or in the aggregate, is likely to have a material adverse effect on the financial condition of the Agency.

14. Cumulative Effect of Change in Accounting Principle

For the year ended December 31, 2015, the Agency implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – Amendment to GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for contributions Made Subsequent to the Measurement date, an amendment to GASB 68*. The implementation of Statement No. 68 and No. 71 resulted in the retroactive reporting of a liability and deferred outflow of resources related to the Agency's participation in the NYS Local Employees Retirement System. As a result, the Agency's January 1, 2015 governmental activities net position was increased by \$6,191 from \$1,205,368 to \$1,211,559.

Net position beginning of year, as reported	\$ 1,205,368
GASB Statements No. 68 and 71 implementation	
Beginning System liability - Employees' Retirement System	(72,645)
Beginning deferred outflow of resources for contributions subsequent to the measurement date	
Employees' Retirement System	<u>78,836</u>
Net position beginning of year, as restated	<u><u>\$ 1,211,559</u></u>

15. Subsequent Events

Subsequent to year end, the Agency entered into four agreements with local businesses to provide certain financial assistance in the form of local property tax abatements, sales tax exemptions for construction materials and equipment, and mortgage recording tax exemptions. As a result the Agency recognizing approximately \$957,000 of fee income as of the date of this report.

16. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following Statements:

Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*," which outlines reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017.

Statement No. 82 "*Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*," the objective of which is to address issues regarding (a) the presentation of payroll-related measures in required supplementary information, (b) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (c) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of the Statement are effective for reporting beginning after June 15, 2016, except for the requirements for selection of assumptions in a certain circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

The Agency is currently evaluating the impact of the above pronouncements.

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MANAGEMENT'S DISCUSSION
AND ANALYSIS**

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF FUNDING PROGRESS FOR OTHER
POSTEMPLOYMENT BENEFITS COSTS
December 31, 2016 and 2015

Actuarial Valuation Date	Year Ending	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
1/1/2015	2016*	\$ -0-	\$ 515,981	\$ 515,981	0%	N/A	N/A
1/1/2015	2015	-0-	494,379	494,379	0%	N/A	N/A
1/1/2013	2014*	-0-	745,608	745,608	0%	N/A	N/A
1/1/2013	2013	-0-	753,576	753,576	0%	N/A	N/A
1/1/2011	2012*	-0-	753,855	753,855	0%	N/A	N/A
1/1/2011	2011	-0-	710,903	710,903	0%	N/A	N/A

* Based on roll-forward information

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
December 31, 2016 and 2015

<u>NYSERS</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Agency's proportion of the collective net pension liability	0.0012175%	0.0016076%	0.0016076%
Agency's proportionate share of the net collective pension liability	\$ 195,413	\$ 54,308	\$ 72,645
Agency's covered-employee payroll	\$ 386,404	\$ 386,183	\$ 379,236
Agency's proportionate share of the net collective pension liability as a percentage of its covered - employee payroll	50.57%	14.06%	19.16%
Plan fiduciary net position as a percentage of the total pension liability coming from plan	90.68%	97.95%	97.20%

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF PENSION CONTRIBUTIONS
December 31, 2016 and 2015

	NYSERS									
	Years Ended December 31,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Contractually required contribution	\$ 50,923	\$ 40,770	\$ 78,836	\$ 73,187	\$ 48,665	\$ 35,909	\$ 1,028	\$ 1,049	\$ 27,515	\$ 38,396
Contributions in relation to the contractually required contribution	50,923	40,770	78,836	73,187	48,665	35,909	1,028	1,049	27,515	38,396
Contribution deficiency (excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Agency's covered employee payroll	\$ 452,564	\$ 386,557	\$ 386,057	\$ 376,962	\$ 293,654	\$ 268,513	\$ 309,317	\$ 305,357	\$ 306,785	\$ 256,095
Contributions as a percentage of covered employee payroll	11.25%	10.55%	20.42%	19.41%	16.57%	13.37%	0.33%	0.34%	8.97%	14.99%

OTHER SUPPLEMENTARY INFORMATION

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF INDEBTEDNESS - CONDUIT DEBT
December 31, 2016 and 2015

Issue Date	Company Name	IDA Project Code	Interest Rates	Original Amount	Bal a/o 1/1/2016	Bal a/o 12/31/2016	Maturity Date
Dec-98	NASTRA Automotive Industries, Inc.	47019810A	5.20%	\$ 2,600,000	\$ 658,185	\$ 477,962	6/1/2019
Aug-09	Covanta Babylon, Inc. Project / Series A	47010909A	Variable	53,730,000	33,015,000	25,355,000	1/1/2019
Apr-96	Omni Recycling of Babylon, Inc.	47019601A	6.50%	10,150,000	269,902	0	4/1/2016
				<u>\$ 66,480,000</u>	<u>\$ 33,943,087</u>	<u>\$ 25,832,962</u>	

Issue Date	Company Name	IDA Project Code	Interest Rates	Original Amount	Bal a/o 1/2015	Bal a/o 12/2015	Maturity Date
Dec-98	NASTRA Automotive Industries, Inc.	47019810A	5.20%	\$ 2,600,000	\$ 829,261	\$ 658,185	6/1/2019
Aug-09	Covanta Babylon, Inc. Project / Series A	47010909A	Variable	53,730,000	40,310,000	33,015,000	1/1/2019
Apr-96	Omni Recycling of Babylon, Inc.	47019601A	6.50%	10,150,000	1,129,385	269,902	4/1/2016
				<u>\$ 66,480,000</u>	<u>\$ 42,268,646</u>	<u>\$ 33,943,087</u>	

Nov-85	Maffucci Storage	47018501A		\$ 1,450,000	-0-	-0-	11/01/05
Jul-94	D'Addario & Company, Inc.	47010204A	Variable	\$ 6,000,000	-0-	-0-	07/01/14
Aug-99	Town of Babylon 455 Albany Avenue Urban Renewal	47019701A	5.75%	\$ 560,000	-0-	-0-	08/01/11
Mar-04	Topiderm, Inc. Project / Series B	47010403A	5.35%	\$ 3,095,000	-0-	-0-	03/01/24
Mar-04	Topiderm, Inc. Project / Series A	47010403B	5.35%	\$ 5,275,000	-0-	-0-	03/01/24
Aug-09	Covanta Babylon, Inc. Project / Series B	47010909A	4.67%	\$ 12,665,000	-0-	-0-	1/1/2012

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
										County PILOT	Local PILOT	School District PILOT	County PILOT	Local PILOT	School District PILOT
47011005A	Lease	B, Kool Services, Inc. d/b/a Thermo King of Long Island / Bedonia, LP	-	-	7,471.95	8,279.02	38,642.65	-	-	4,482.38	4,966.56	23,181.49	4,482.38	4,966.56	23,181.49
47011319A	Lease	Bay Fastening Systems / CBMB Realty LLC	-	-	7,940.44	8,798.12	41,065.52	-	-	3,573.22	3,959.16	18,479.48	3,573.22	3,959.16	18,479.48
47011109A	Lease	Bellco Drug Corporation / Schuss Realty Associates, LLC	-	-	50,576.63	64,732.08	262,005.82	-	-	28,323.56	36,250.79	146,726.54	28,323.56	36,250.79	146,726.54
47019907A	Lease	Bellco Drug Corporation / Schuss Realty Associates, LLC	-	-	-	-	-	-	-	-	-	-	-	-	-
47011316A	Lease	Berenstein & Son Inc. d/b/a Berenstein Textiles / RCB Properties, LLC	-	-	6,399.99	6,290.94	33,662.70	-	-	2,878.41	2,829.38	15,139.87	2,878.41	2,829.38	15,139.87
47011615A	Lease	BKYE Properties, Inc. / Edward J. Young Inc. dba Stanley Steemer Carpet Cleaner	-	-	-	-	-	15,120.00	-	-	-	-	-	-	-
47011620A	Lease	BJI International dba Allegiant Health / E&B Assets LLC	-	-	-	-	-	-	-	-	-	-	-	-	-
47011318A	Lease	Buckle-Down, Inc. / Strong Island Properties LLC	-	-	7,606.95	8,428.61	29,890.49	-	-	3,422.33	3,791.99	13,447.60	3,422.33	3,791.99	13,447.60
47011405A	Lease	Bwld LLC / 110 Bi-County Boulevard LLC	-	-	8,146.90	9,026.87	42,133.22	-	-	3,664.52	4,060.33	18,951.73	3,664.52	4,060.33	18,951.73
47011302A	Lease	Catholic Health System of Long Island d/b/a Catholic Health Services of Long Island	-	-	19,958.28	22,114.09	103,218.19	-	-	2,596.54	2,876.99	13,428.43	2,596.54	2,876.99	13,428.43
47011617A	Lease	Century Carriers, Inc.	420.00	485.65	-	-	-	-	-	-	-	-	-	-	-
47010706A	Lease	Century Carriers, Inc. / 55 Farmingdale, LLC	-	-	24,448.62	27,089.40	96,067.63	-	-	22,002.96	24,379.59	86,457.75	22,002.96	24,379.59	86,457.75
47011209A	Lease	Check-Mate Industries, Inc. / T.J. Vieweg & E.J. Kruger as tenants in common	-	-	14,181.63	14,462.78	72,601.01	-	-	6,808.94	6,943.92	34,857.42	6,808.94	6,943.92	34,857.42
47011307A	Lease	Clear Flo Technologies, Inc./109 Properties LLC/1110A Equities LLC	7,129.90	8,243.95	29,935.47	33,168.91	154,817.01	-	-	14,237.21	15,775.04	73,630.48	14,237.21	15,775.04	73,630.48
47011519A	Lease	Club Pro Manufacturing USA	-	-	6,558.81	6,447.05	34,498.00	-	-	2,624.31	2,579.61	13,803.38	2,624.31	2,579.61	13,803.38
47010605A	Lease	Club Pro Manufacturing USA, Ltd/Golf Gear, Ltd / 10 Lucon Drive LLC	-	-	-	-	-	-	-	-	-	-	-	-	-
47011001A	Lease	CMB Wireless Group, LLC d/b/a Communications Wireless Group	-	-	-	-	-	-	-	-	-	-	-	-	-
47011517A	Lease	Copiague Commons	79,737.36	92,196.32	9,472.95	10,664.77	49,073.39	-	-	9,472.95	10,664.77	49,073.39	9,472.95	10,664.77	49,073.39
47010606A	Lease	Corinthian Cast Stone, Inc. / 115 Wyandanch Realty, LLC	-	-	4,676.94	6,285.75	27,677.64	-	-	4,208.44	5,656.14	24,905.18	4,208.44	5,656.14	24,905.18

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
										County PILOT	Local PILOT	School District PILOT	County PILOT	Local PILOT	School District PILOT
47010407A	Lease	Cousins Furniture & Home Improvements Corp. / R. Cousins Realty LLC	-	-	5,566.24	5,471.39	29,277.36	-	-	5,566.24	5,471.39	29,277.36	5,566.24	5,471.39	29,277.36
47010909A	Bonds/Notes Issuance	Covanta Babylon, Inc.	-	-	456.58	505.88	2,701.98	-	-	-	-	-	-	-	-
47010909B	Bonds/Notes Issuance	Covanta Babylon, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-
47010514A	Lease	Creative Juice Printing & Graphics, Inc. / Gazzilla Corp.	-	-	2,711.66	3,004.56	10,655.12	-	-	1,830.52	2,139.40	7,289.61	2,576.67	2,854.99	10,124.70
47011602A	Lease	Crescent Packing Corp.	50,451.62	58,334.69	-	-	-	32,340.00	-	-	-	-	-	-	-
47010803A	Lease	Crescent Packing, Corp. / Liberators Inc.	-	-	17,461.03	19,347.07	68,610.82	-	-	-	-	-	7,857.07	8,705.75	30,873.31
47011401A	Lease	Crescent Packing, Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-
47011511A	Lease	Crystal Fusion Technologies, Inc.	9,245.35	10,689.93	-	-	-	-	-	-	-	-	-	-	-
47011508A	Lease	Crystal Graphics Equipment, Inc.	-	-	9,865.99	13,260.20	58,386.20	-	-	3,946.40	5,304.09	23,354.48	3,946.40	5,304.09	23,354.48
47010303A	Lease	Curtiss Wright Flow Control Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-
47011416A	Lease	Curtiss-Wright Flow Control Corporation	-	-	64,786.07	71,783.87	254,568.31	-	-	4,339.44	4,808.19	17,051.30	4,339.44	4,808.19	17,051.30
47011321A	Lease	D'Addario & Company, Inc. - 590 Smith Street	10,870.73	12,569.29	11,410.41	12,642.90	44,835.72	-	-	762.29	844.64	2,995.29	762.29	844.64	2,995.29
47019401A	Bonds/Notes Issuance	D'Addario & Company, Inc. / D'Addario Realty Company	-	-	-	-	-	-	-	-	-	-	-	-	-
47010904A	Lease	D'Addario & Company, Inc. / D'Addario Realty Company LLC	-	-	36,728.51	40,695.71	144,319.86	-	-	2,449.63	2,714.21	9,625.49	2,449.63	2,714.21	9,625.49
47010902A	Lease	D'Addario & Company, Inc. / Minmilt Realty Corp.	-	-	12,260.04	13,584.29	48,174.22	-	-	817.86	906.21	3,213.69	817.86	906.21	3,213.69
47010908A	Lease	Dae Jin America, Inc. / Dubon Group LLC	-	-	13,736.95	15,220.74	53,977.59	-	-	8,929.03	9,893.50	35,085.43	8,929.03	9,893.50	35,085.43
47011504A	Lease	Dale Transfer Corp.	1,711.78	1,979.24	3,402.46	3,769.99	20,135.60	-	-	1,361.79	1,508.89	8,058.94	1,361.79	1,508.89	8,058.94
47010005A	Lease	Die Boards, Inc. / CRS Family LLC	-	-	19,057.05	18,732.33	100,236.34	-	-	10,232.06	10,691.82	54,969.95	19,057.05	18,732.33	100,236.34
47011309A	Lease	Double R. Contracting, Inc. / Dana Frances Enterprises, LLC	-	-	6,789.07	6,673.40	35,709.19	-	-	3,053.10	3,001.08	16,058.70	3,053.10	3,001.08	16,058.70

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**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
										County PILOT	Local PILOT	School District PILOT	County PILOT	Local PILOT	School District PILOT
47010710A	Lease	H & M Leasing Corp. / Jemcal Management, LLC			6,352.35	7,105.63	32,907.56			4,844.94	5,438.48	25,147.01	5,304.22	5,933.20	27,477.80
47011210A	Lease	Harold Levinson Associates, Inc.	36,178.00	41,830.00	93,157.24	103,219.55	481,780.68						48,440.66	53,672.93	250,520.21
47010203A	Lease	Harold Levinson Associates, Inc. / ERB LLC, Inc.													
47010207A	Lease	Harold Levinson Associates, Inc. / REB LLC, Inc.													
47011102A	Lease	Heritage Mechanical Services, Inc. / REP A10, LLC			22,523.06	24,955.87	88,501.41			12,613.39	13,975.83	49,562.66	12,613.39	13,975.83	49,562.66
47011414A	Lease	Human First, Inc.			13,097.76	14,512.49	67,737.57			5,764.76	6,387.44	29,813.57	5,764.76	6,387.44	29,813.57
47010505A	Lease	I. L. S. Offset Printing, Inc. / E. L. S. Holdings, Inc.			2,386.10	2,643.84	14,120.77						2,266.98	2,511.87	13,415.90
47011403A	Lease	ICON Central Laboratories, Inc.			67,454.04	74,740.03	265,051.81			4,518.11	5,006.13	17,753.32	4,518.11	5,006.13	17,753.32
47010211A	Lease	Icon Laboratories Inc. / Davrick, LLC; MSM Realty Co., LLC and Sholom Blau Co., LLC; tenants in common													
47011301A	Lease	Industrial Threaded Products Corp. / JOEE Holding Inc.			8,206.46	10,912.37	48,565.10			4,101.25	5,453.57	24,270.80	4,101.25	5,453.57	24,270.80
47011310A	Lease	Inter-County Bakers, Inc. / Inter County Realty, LLC			32,575.65	32,020.58	171,341.49			14,332.50	14,088.29	75,386.07	14,332.50	14,088.29	75,386.07
47010703A	Lease	Island Container Corp / 44 Realty Corp													
47011501A	Lease	Island Container Corporation	890.77	1,029.95	31,047.16	41,284.47	183,734.42			8,539.74	11,641.63	51,401.37	12,418.86	16,513.78	73,493.77
47011402A	Lease	J.M. Haley Corp.			3,390.57	3,756.79	17,534.98			1,357.81	1,504.49	7,022.20	1,357.81	1,504.49	7,022.20
47011515A	Lease	Jamco Aerospace, Inc.			13,038.19	12,816.04	68,578.36			5,216.86	5,128.00	27,439.70	5,216.86	5,128.00	27,439.70
47010405A	Lease	Jamco Aerospace, Inc. / ARL Properties, LLC													
47011509A	Lease	Jaxson LLC	6,621.03	7,655.56											
47011409A	Lease	Jesco, Inc.			10,652.10	10,470.59	56,027.94			4,260.05	4,187.46	22,406.99	4,260.05	4,187.46	22,406.99
47011313A	Lease	K. Sidrane, Inc. / KSX Realty Group, LLC			8,365.25	9,268.82	43,262.53			3,763.77	4,170.32	19,465.06	3,763.77	4,170.32	19,465.06

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
										County PILOT	Local PILOT	School District PILOT	County PILOT	Local PILOT	School District PILOT
47010811A	Lease	Kabco Pharmaceuticals, Inc. / 8200 New Horizons Realty LLC	-	-	9,774.68	12,510.44	50,636.50	-	-	7,622.82	9,756.31	39,489.07	7,622.82	9,756.31	39,489.07
47011619A	Lease	Kelvin L.P. / Hadar Real Estate Co., LLC	-	-	-	-	-	10,200.00	-	-	-	-	-	-	-
47010004A	Lease	Kelvin L.P. / Hadar Real Estate Company	-	-	7,225.80	9,030.51	37,432.34	-	-	7,225.80	9,030.51	37,432.34	7,225.80	9,030.51	37,432.34
47010507A	Lease	Kirch Industrial Co. Ltd. / KLS Holding, Inc.	-	-	21,518.58	23,842.89	84,554.49	-	-	20,335.48	22,531.99	79,905.56	20,335.48	22,531.99	79,905.56
47011614A	Lease	L. and S. Packing Co., Inc. / 4 Scaramelli LLC / FACI Assoc. Inc.	-	-	-	-	-	32,625.00	-	-	-	-	-	-	-
47011207A	Lease	Lifetime Design Corp. / Romanelli Realty Holding, LLC	-	-	4,970.72	4,886.01	26,144.97	-	-	2,485.35	2,443.02	13,072.49	2,485.35	2,443.02	13,072.49
47010806A	Lease	Linear Signs Inc. & Bahadir USA Corp. / GNK Reaty Corp.	-	-	5,125.55	1,851.89	29,292.35	-	-	3,998.02	1,444.50	22,848.49	3,998.02	1,444.50	22,848.49
47010510A	Lease	M & A Imports Ltd. / Dishi & Floman LLC	-	-	17,159.30	21,961.86	88,891.53	-	-	16,301.73	20,864.27	84,449.01	16,301.73	20,864.27	84,449.01
47011415A	Lease	M&D Millwork LLC / 178 New Highway Realty LLC	2,363.96	2,733.32	7,205.95	9,222.75	37,329.51	-	-	2,882.38	3,689.11	14,931.80	2,882.38	3,689.11	14,931.80
47018501A	Bonds/Notes Issuance	Maffucci Storage Corp. / PSL Leasing Associates	-	-	7,829.26	10,020.55	40,558.56	-	-	7,829.26	10,020.55	40,558.56	7,829.26	10,020.55	40,558.56
47019808A	Lease	Manhattan Beer Distributors, Inc. / Wyandanch-Washington Realty, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-
47011002A	Lease	Manhattan Beer Distributors, LLC / Wyandanch-Washington Realty LLC	-	-	47,805.41	63,568.54	282,908.72	-	-	32,464.49	43,169.17	192,122.30	32,464.49	43,169.17	192,122.30
47010711A	Lease	Marksman Manufacturing Corp. / Marksman Realty LLC	-	-	12,585.60	12,371.15	66,197.75	-	-	10,509.18	10,330.12	55,276.16	10,509.18	10,330.12	55,276.16
47010402A	Lease	Matura Insulation, Inc. / Babylon Industrial LLC	-	-	8,281.87	10,599.81	42,903.22	-	-	8,281.87	10,599.81	42,903.22	8,281.87	10,599.81	42,903.22
47011105A	Lease	MC Packaging Corporation / Marc-Robert Industrial, LLC	-	-	64,496.23	80,604.77	334,114.50	-	-	36,121.08	45,142.66	187,120.57	36,121.08	45,142.66	187,120.57
47011407A	Lease	Merola Sales Co., Inc. dba Merola Tile / Mero Realy Inc.	1,356.06	1,567.94	29,280.39	37,571.05	145,280.34	-	-	11,712.14	15,028.44	58,112.14	11,712.14	15,028.44	58,112.14
47011006A	Lease	Mid Island Die Cutting Corp. / R & R Partnership	-	-	19,291.30	21,375.04	75,802.63	-	-	11,573.18	12,823.27	45,475.34	11,573.18	12,823.27	45,475.34
47019909A	Lease	Mid Island Die Cutting Corp. / R & R Partnership	-	-	-	-	-	-	-	-	-	-	-	-	-
47010401A	Lease	Modern Packaging, Inc. / Modern Packaging Systems, Inc.	-	-	17,611.88	17,311.81	92,635.08	-	-	17,611.88	17,311.81	92,635.08	17,611.88	17,311.81	92,635.08

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
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47011506A	Lease	MT Group LLC	1,600.93	1,851.07	12,454.59	13,799.85	48,938.65	-	-	12,454.59	13,799.85	48,938.65	12,454.59	13,799.85	48,938.65
47010804A	Lease	Nanz Custom Hardware, Inc. d/b/a The Nanz Company / 21-29 Belvidere Realty, LLC	-	-	10,850.61	10,665.72	57,072.06	-	-	8,464.51	8,320.27	44,521.64	8,464.51	8,320.27	44,521.64
47011101A	Lease	Nash Granites and Marble, Inc. / Nash Broad Hollow Capital, LLC	-	-	7,888.84	8,740.92	40,798.59	-	-	4,732.51	5,243.68	24,475.05	4,732.51	5,243.68	24,475.05
47019810A	Bonds/Notes Issuance	Nastra Automotive Industries, Inc. / Nastra Development, LLC	-	-	13,756.81	15,242.74	71,146.02	-	-	12,242.00	13,653.34	63,524.08	13,756.81	15,242.74	71,146.02
47011510A	Lease	National Computer Liquidators, Inc.	-	-	6,836.72	7,575.18	35,357.41	-	-	2,735.47	3,030.94	14,147.07	2,735.47	3,030.94	14,147.07
47011505A	Lease	New Frontier II LLC	275,823.81	318,921.29	-	-	-	737,457.00	-	-	-	-	-	-	-
47011311A	Lease	New York Value Club Ltd. / Adams Blvd. Realty LLC	-	-	24,603.45	30,748.40	127,455.06	-	-	10,826.78	13,530.88	56,086.81	10,826.78	13,530.88	56,086.81
47011502A	Lease	Nicolas LLC / Roman Development LLC / S. Nicola & Sons Realty Corp.	7,854.02	9,081.22	48,436.71	51,645.79	264,673.73	-	-	19,374.68	20,658.32	105,869.48	19,374.68	20,658.32	105,869.48
47011618A	Lease	NY Lounge Décor Inc. / 11 Michael Management LLC	485.97	561.90	-	-	-	27,035.00	-	-	-	-	-	-	-
47019503A	Bonds/Notes Issuance	Ogden Martin Systems of Babylon, Inc. (Covanta Babylon, Inc.)	-	-	-	-	-	-	-	-	-	-	-	-	-
47019601A	Bonds/Notes Issuance	Omni Recycling of Babylon, Inc.	-	-	865.51	958.99	5,122.00	-	-	-	-	-	-	-	-
47011609A	Lease	Optima Foods, Inc. / Optima Realty LLC	14,211.19	16,431.69	-	-	-	-	-	-	-	-	-	-	-
47010903A	Lease	Optima Foods, Inc. and Domna's Bakery Inc. / Optima Realty LLC	-	-	11,890.80	11,688.20	62,543.30	-	-	8,631.25	8,484.21	45,398.71	8,631.25	8,484.21	45,398.71
47010805A	Lease	Orics Industries, Inc. / Orics Realty Associates, LLC	-	-	10,306.69	11,419.97	40,498.80	-	-	8,190.69	9,088.51	32,206.82	7,833.26	8,679.35	30,779.71
47010206A	Lease	Orlandi, Inc. / Dobler Realty II, LLC	-	-	-	-	-	-	-	-	-	-	-	-	-
47011108A	Lease	Orlandi, Inc. / Dobler Realty, LLC; DR3 LLC; Dobler Realty II, LLC	-	-	35,180.10	38,980.07	181,940.79	-	-	19,049.10	21,106.70	98,516.19	19,049.10	21,106.70	98,516.19
47011208A	Lease	P&L Marble, Inc. / JKI Marine LLC	-	-	13,856.07	17,316.75	71,779.60	-	-	6,928.03	8,658.37	35,889.79	6,928.03	8,658.37	35,889.79
47010511A	Lease	P. C. Richard & Sons Long Island Corp / A. J. Richard & Sons, Corp	-	-	66,195.48	73,345.53	260,106.47	-	-	62,554.79	69,311.58	245,800.85	62,554.79	69,311.58	245,800.85
47019702A	Lease	P. C. Richard & Sons Long Island Corp. / A. J. Richard & Sons, Inc.	-	-	158,356.20	175,460.90	622,239.95	-	-	158,356.20	175,460.90	622,239.95	158,356.20	175,460.90	622,239.95

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
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47010504A	Lease	P. C. Richard & Sons Long Island Corp. / A. J. Richard & Sons, Inc.	-	-	15,464.00	17,134.35	60,763.78	-	-	15,328.63	16,992.35	60,246.90	15,464.00	17,134.35	60,763.78
47010412A	Lease	Pinelawn Power, LLC	-	-	5,193.04	5,753.98	30,732.05	-	-	124,396.75	137,833.30	736,169.95	124,396.75	137,833.30	736,169.95
47011410A	Lease	Pintail Coffee, Inc. / MSM Realty Co. III, LLC	-	-	6,010.92	6,660.18	23,619.09	-	-	2,405.96	2,665.83	9,453.88	2,405.96	2,665.83	9,453.88
47011213A	Lease	Piping Rock Health Products, LLC / 298 Adams Realty, LLC	63,479.00	73,398.00	9,199.00	11,496.54	47,654.25	-	-	4,414.89	5,517.55	22,870.74	4,414.89	5,517.55	22,870.74
47011106A	Lease	Piping Rock Health Products, LLC / 51 Executive Realty, LLC	15,039.00	17,390.00	22,650.10	25,096.63	117,139.40	-	-	22,650.10	25,096.63	117,139.40	22,650.10	25,096.63	117,139.40
47011412A	Lease	Pole Position Raceway	6,830.61	7,897.90	55,265.46	61,234.92	217,158.40	-	-	22,106.20	24,493.98	86,863.36	22,106.20	24,493.98	86,863.36
47011303A	Lease	Posillico / 1750 New Highway LLC / DMJ Realty Associates LLC / Farmingdale Properties LLC	-	-	59,025.25	65,400.84	231,932.06	-	-	28,331.49	31,391.73	111,324.89	28,331.49	31,391.73	111,324.89
47010801A	Lease	Posillico Civil, Inc. / 1750 New Highway, LLC	-	-	-	-	-	-	-	-	-	-	-	-	-
47011110A	Lease	Precipart Group, Inc.	-	-	25,945.39	28,747.87	101,949.01	-	-	13,490.78	14,948.02	53,010.38	13,490.78	14,948.02	53,010.38
47011205A	Lease	Premier Rubber Co. Inc./61 Carolyn Boulevard LLC	-	-	7,178.15	7,953.49	37,123.23	-	-	3,589.08	3,976.77	18,561.62	3,589.08	3,976.77	18,561.62
47010501A	Lease	Premium Supply Co., Inc. / 960 Grand LLC	-	-	9,500.73	9,338.84	49,971.99	-	-	9,500.73	9,338.84	49,971.99	9,500.73	9,338.84	49,971.99
47010809A	Lease	Promotional Solutions, Inc. / Jontay, LLC	-	-	8,603.47	9,532.76	33,806.19	-	-	6,884.37	7,627.97	27,051.20	6,884.37	7,627.97	27,051.20
47010907A	Lease	R & J Graphics, Inc. / Gabriella LI Realty, LLC	-	-	10,902.22	12,079.83	42,838.87	-	-	7,630.77	8,454.99	29,984.08	7,630.77	8,454.99	29,984.08
47010901A	Lease	RD America, LLC / JMDH Real Estate of Babylon, LLC	-	-	53,899.71	59,721.64	211,791.85	-	-	34,497.24	38,223.43	135,552.40	34,497.24	38,223.43	135,552.40
47011201A	Lease	Rejuvenol Laboratories, Inc. / 130 Lincoln Ave. Realty LLC	-	-	13,014.39	16,264.84	67,419.35	-	-	7,158.31	8,946.16	37,082.70	7,158.31	8,946.16	37,082.70
47010513A	Lease	Rosemont Press, Inc. / 35 West Jefryn Blvd, LLC	-	-	11,724.06	11,524.28	61,666.23	-	-	11,080.86	10,892.07	58,283.25	11,080.86	10,892.07	58,283.25
47011606A	Lease	Rugs America Corporation / Daniel Street Holdings LLC	898.58	1,038.95	-	-	-	29,400.00	-	-	-	-	-	-	-
47010701A	Lease	Runway Hotel II LLC	-	-	51,358.76	56,906.23	265,611.79	-	-	23,067.61	25,559.24	119,298.60	23,067.61	25,559.24	119,298.60
47010601A	Lease	Runway Hotel LLC	-	-	54,090.27	59,932.79	279,738.32	-	-	30,392.76	33,675.64	157,182.11	30,392.76	33,675.64	157,182.11

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EXEMPTION INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* State Sales Tax Exemption	* Local Sales Tax Exemption (Sum of City/Town/Village)	County Real Property Tax Exemption	Local Property Tax Exemption	School Property Tax Exemption	Mortgage Recording Tax Exemption	Total Exemptions Net of RPTL Section 485-b Exemptions	Actual Payment Made			Payment Due Per Agreement		
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47011413A	Lease	S.W. Anderson Sales Corp.	29,786.92	34,441.13	46,916.08	48,385.63	222,630.08	-	-	18,767.23	19,355.01	89,056.21	18,767.23	19,355.01	89,056.21
47010707A	Lease	Sam Tell and Son, Inc. / Tell Realty LLC	-	-	27,442.16	30,406.31	107,830.38	-	-	22,503.21	24,933.88	88,423.41	22,503.21	24,933.88	88,423.41
47011204A	Lease	Shanker Industries Realty, Inc./SID Realty Corp.	-	-	3,644.67	3,582.55	19,170.20	-	-	756.96	771.67	3,927.78	1,822.33	1,791.29	9,585.10
47010905A	Lease	Sharon Manufacturing Co., Inc. / 540 Brook Ave LLC	-	-	7,392.54	7,266.60	38,883.35	-	-	4,803.97	4,722.12	25,267.91	4,803.97	4,722.12	25,267.91
47011314A	Lease	Sovran Self Storage (Amityville) / Sovran Acquisition Limited Partnership	-	-	8,223.99	11,312.15	155,346.55	-	-	4,112.00	5,656.09	77,673.28	4,112.00	5,656.09	77,673.28
47011315A	Lease	Sovran Self Storage (Deer Park) / Sovran Acquisition Limited Partnership	-	-	21,284.35	20,921.67	111,951.46	-	-	10,640.18	10,458.88	55,965.28	10,640.18	10,458.88	55,965.28
47011306A	Lease	Sovran Self Storage / Sovran Acquisition Limited Partnership	-	-	20,625.29	7,452.02	117,872.78	-	-	10,310.66	3,725.29	58,925.05	10,310.66	3,725.29	58,925.05
47011206A	Lease	Specialty Hearse & Ambulance Sales Corp. / 60 Engineers Lane LLC	-	-	5,073.95	5,622.00	19,937.38	-	-	2,536.97	2,811.00	9,968.70	2,536.97	2,811.00	9,968.70
47011607A	Lease	Stellae International, Inc.	14,307.43	16,542.96	-	-	-	207,570.00	-	-	-	-	-	-	-
47011317A	Lease	Subzero Insulation and Refrigeration Technologies LLC / 45 E. INDUSTRY COURT LLC	-	-	5,463.03	5,369.94	28,734.42	-	-	2,457.57	2,415.68	12,926.31	2,457.57	2,415.68	12,926.31
47010503A	Lease	Sundial Fragrances & Flavors Inc. / Sundial Buildings, LLC	-	-	3,759.52	5,171.23	71,015.01	-	-	3,759.52	5,171.23	71,015.01	3,759.52	5,171.23	71,015.01
47010604A	Lease	Superior Electromechanical Component Service Inc / 40 Smith Street LLC	-	-	9,540.44	10,570.94	37,487.91	-	-	8,587.59	9,515.17	33,743.80	8,587.59	9,515.17	33,743.80
47011212A	Lease	T&L Creative Salads, Inc. / 148 Allen Blvd., LLC	-	-	6,022.82	6,673.39	31,148.20	-	-	3,009.44	3,334.47	15,563.84	3,009.44	3,334.47	15,563.84
47010603A	Lease	Tanger Outlet Center at the Arches / Deer Park Enterprises, LLC	-	-	874,095.56	859,201.51	4,597,569.26	-	-	562,044.20	552,467.32	2,956,241.02	562,044.20	552,467.32	2,956,241.02
47010413A	Lease	Telephonics Corp. / ISC Farmingdale Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-
47011514A	Lease	Telephonics Corporation	28,274.34	32,692.21	69,494.73	77,001.13	359,405.43	-	-	-	-	-	-	-	-
47011411A	Lease	The Marcus Organization / MSM Realty Co. III, LLC	-	-	2,961.78	3,281.71	11,637.95	-	-	1,183.13	1,310.93	4,648.94	1,183.13	1,310.93	4,648.94
47010403A	Bonds/Notes Issuance	Topiderm, Inc. / Black Elk Real Estate Corp.	-	-	20,847.63	26,682.49	107,998.47	-	-	20,847.63	26,682.49	107,998.47	20,847.63	26,682.49	107,998.47
47010403B	Bonds/Notes Issuance	Topiderm/Bursh Distributors, Inc.	-	-	23,122.57	24,709.60	126,349.18	-	-	23,122.57	24,709.60	126,349.18	23,122.57	24,709.60	126,349.18

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
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For Year Ended December 31, 2016**

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47019701A	Bonds/Notes Issuance	Town of Babylon 455 Albany Avenue Urban Renewal	-	-	12,347.37	15,431.25	63,964.05	-	-	-	-	-	-	-	-
47011513A	Lease	Tri-Supreme Optical, LLC	-	-	10,219.34	11,323.19	52,851.32	-	-	4,089.33	4,531.03	21,148.75	4,089.33	4,531.03	21,148.75
47019904A	Lease	Tri-Supreme Optical, LLC	-	-	-	-	-	-	-	-	-	-	-	-	-
47011603A	Lease	Ultra Thin Ready to Bake Pizza Shells, NY, LLC / Real Thin, LLC	13,861.35	16,027.19	-	-	-	23,906.00	-	-	-	-	-	-	-
47010708A	Lease	Unlimited Screw Products, Inc. / L. M. Borek Realty LLC	-	-	6,777.17	6,661.69	35,646.55	-	-	-	-	-	6,777.17	6,661.69	35,646.55
47011009A	Lease	Vicom Computer Services, Inc. / Verola Bros. II, LLC	-	-	18,540.92	20,543.61	95,887.99	-	-	10,382.11	11,503.55	53,693.16	10,382.11	11,503.55	53,693.16
47010812A	Lease	Visual Citi, Inc. / Devijani, LLC	-	-	9,580.14	10,237.69	52,348.99	-	-	7,662.54	8,188.45	41,870.52	7,662.54	8,188.45	41,870.52
47011404A	Lease	Visual Citi, Inc. / Kiyan Hasan LLC	-	-	36,581.63	38,894.40	199,893.76	-	-	14,634.24	15,559.45	79,966.17	14,634.24	15,559.45	79,966.17
47011610A	Lease	Visual Millwork & Fixture Mfg., Inc. / 95 Marcus Blvd LLC	4,232.58	4,893.90	-	-	-	82,478.00	-	-	-	-	-	-	-
47011406A	Lease	Wesco Manufacturing Inc.	-	-	3,835.23	3,769.88	20,172.56	-	-	1,532.50	1,506.39	8,060.67	1,532.50	1,506.39	8,060.67
47011613A	Lease	Winters Bros. Waste System of Long Island LLC	90,350.00	104,467.00	-	-	-	12,600.00	-	-	-	-	-	-	-
47011103A	Lease	Wm Erath & Son, Inc. / Central Realty of Amityville, LLC	-	-	1,503.81	2,068.49	28,406.00	-	-	826.98	1,137.53	15,621.33	826.98	1,137.53	15,621.33
47011312A	Lease	WR Communities - A	5,161.61	5,968.12	39,043.14	51,917.04	231,054.25	-	-	9,044.17	12,026.34	53,522.63	9,044.17	12,026.34	53,522.63
47011320A	Lease	WR Communities - B	26,782.12	30,966.83	-	-	-	-	-	-	-	-	-	-	-
47011322A	Lease	Zwanger Pesiri Radiology Group LLP	-	-	6,332.49	7,016.50	32,749.75	-	-	3,041.19	3,369.67	15,728.10	3,041.19	3,369.67	15,728.10
Totals			\$ 1,059,788.93	\$ 1,225,381.41	\$ 3,560,413.89	\$ 3,866,838.31	\$ 17,745,650.24	\$ 1,670,904.00	0.00	\$2,119,128.41	\$2,299,303.41	\$10,686,066.94	\$2,265,497.24	\$2,457,742.12	\$11,414,791.02

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EMPLOYMENT INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* # of FTEs before IDA status	* Original estimate of jobs to be created	* Average estimated annual salary of jobs to be created (at current market rate).	* Annualized salary range of jobs to be created. FROM	* Annualized salary range of jobs to be created. TO	* Original estimate of jobs to be retained	* Estimated average annual salary of jobs to be retained (at current market rate).	* Current # of FTEs	* # of FTE construction jobs during the fiscal year	Current year is the last year that project information needs to be reported	There is no debt outstanding for this project	IDA does not hold title to the property	The project receives no tax exemptions
47010602A	Lease	A & Z Pharmaceuticals, Inc. / E & B Assets, LLC	0	50	40,000	18,000	115,000	0	0	0	0	Y	Y	Y	Y
47011608A	Lease	A&T Tranding US Inc. / 7 Islands Holding LLC	0	2	24,000	24,000	48,000	0	0	2	2	N	N	N	N
47011503A	Lease	AARCO Environmental Service Corp.	35	2	85,000	60,000	100,000	35	80,000	43	5	N	N	N	N
47011512A	Lease	Able Weldbuilt Industries, Inc.	0	45	67,000	35,000	80,000	0	0	37	0	N	N	N	N
47010810A	Lease	Accommodation Plus Inc. & Lodging Solutions, LLC / 1200 Lindenhurst LLC	0	75	38,667	24,960	300,000	0	0	0	0	Y	Y	Y	Y
47011612A	Lease	Ace Global Trading Ltd./ RDZ Group LLC	16	4	40,000	30,000	50,000	16	40,000	18	15	N	N	N	N
47011010A	Lease	Action Envelope & Printing Company, Inc.	33	5	35,000	25,000	45,000	33	78,500	92	0	N	N	N	N
47010807A	Lease	ALA Scientific Instruments / Double A Properties, LLC	0	15	56,667	35,000	75,000	0	0	13	0	N	N	N	N
47011516A	Lease	All Pro Horticulture, Inc.	16	0	0	0	0	16	38,479	22	0	N	N	N	N
47011507A	Lease	All Star Specialties Corp.	0	8	40,000	21,000	31,200	0	0	15	0	N	N	N	N
47011604A	Lease	Allen Boulevard Corporation	0	40	31,200	20,800	50,440	0	0	39	0	N	N	N	N
47011518A	Lease	Andress Plaza Preservation, L.P.	0	1	47,000	47,000	47,000	0	0	1	0	N	N	N	N
47010404A	Lease	Andrea Systems, LLC / 140 Finn Court LLC	0	44	50,000	0	0	0	0	15	0	N	N	N	N
47010906A	Lease	Anita Logistics, LLC / Mackson Inc.	0	8	30,000	25,000	35,000	0	0	13	0	N	N	N	N
47011408A	Lease	Apogee Translite, Inc. / JVM Acorn Realty LLC	26	8	71,500	25,000	100,000	26	71,500	44	0	N	N	N	N
47010712A	Lease	Ariola Foods Corp. / Best Holdings LLC	0	37	10,174	14,872	20,800	0	0	35	0	N	N	N	N
47011211A	Lease	Ausco, Inc. / RSK Realty LLC	0	63	80,000	80,000	80,000	0	0	78	0	N	N	N	N
47011417A	Lease	B & G Industries Ltd. / JCA Liberty Realty Corp.	0	0	0	0	0	0	0	224	86	N	N	N	N
47010304A	Lease	B & G Industries Ltd. / JCA Liberty Realty Corp.	150	20	75,000	0	0	150	66,667	0	0	N	N	N	N
47011005A	Lease	B. Kool Services, Inc. d/b/a Thermo King of Long Island / Bedonia, LP	18	3	47,650	35,000	55,000	18	47,650	22	0	N	N	N	N
47011319A	Lease	Bay Fastening Systems / CBMB Realty LLC	0	20	49,072	22,880	200,000	0	0	21	0	N	N	N	N
47011109A	Lease	Belco Drug Corporation / Schuss Realty Associates, LLC	0	0	0	0	0	0	0	117	0	N	N	N	N
47019907A	Lease	Belco Drug Corporation / Schuss Realty Associates, LLC	125	75	54,000	0	0	125	36,800	0	0	N	N	N	N
47011316A	Lease	Berenstein & Son Inc. d/b/a Berenstein Textiles / RCB Properties, LLC	0	6	45,000	25,000	55,000	0	0	6	0	N	N	N	N
47011615A	Lease	BKYE Properties, Inc. / Edward J. Young Inc. dba Stanley Steamer Carpet Cleaner	50	5	37,500	25,000	50,000	50	35,000	0	0	N	N	N	N

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
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47011620A	Lease	BLI International dba Allegiant Health / E&B Assets LLC	120	10	47,000	24,960	47,000	120	47,000	135	0	N	N	N	N
47011318A	Lease	Buckle-Down, Inc. / Strong Island Properties LLC	0	30	35,000	35,000	35,000	0	0	35	0	N	N	N	N
47011405A	Lease	Bwild LLC / 110 Bi-County Boulevard LLC	0	9	32,500	15,000	50,000	0	0	12	0	N	N	N	N
47011302A	Lease	Catholic Health System of Long Island d/b/a Catholic Health Services of Long Island	0	688	67,626	28,170	293,882	0	0	678	0	N	N	N	N
47011617A	Lease	Century Carriers, Inc.	0	0	0	0	0	0	0	0	0	N	N	N	N
47010706A	Lease	Century Carriers, Inc. / 55 Farmingdale, LLC	0	39	43,770	20,800	31,200	0	0	31	0	N	N	N	N
47011209A	Lease	Check-Mate Industries, Inc. / T.J. Vieweg & E.J. Kruger as tenants in common	90	25	45,000	20,000	48,000	90	49,124	206	0	N	N	N	N
47011307A	Lease	Clear Flo Technologies, Inc./109 Properties LLC/1110A Equities LLC	15	0	0	0	0	15	50,000	18	0	N	N	N	N
47011519A	Lease	Club Pro Manufacturing USA	32	5	20,800	20,800	30,800	32	21,000	34	0	N	N	N	N
47010605A	Lease	Club Pro Manufacturing USA, Ltd/Golf Gear, Ltd / 10 Lucon Drive LLC	17	6	21,167	18,500	21,750	17	28,824	0	0	N	N	N	N
47011001A	Lease	CMB Wireless Group, LLC d/b/a Communications Wireless Group	0	30	21,000	16,000	26,000	0	0	0	0	N	N	N	N
47011517A	Lease	Copague Commons	0	2	42,500	40,000	45,000	0	0	0	141	N	N	N	N
47010606A	Lease	Corinthian Cast Stone, Inc. / 115 Wyandanch Realty, LLC	0	52	48,077	18,720	72,681	0	0	92	0	Y	Y	Y	Y
47010407A	Lease	Cousins Furniture & Home Improvements Corp. / R. Cousins Realty LLC	32	20	37,500	0	0	20	37,500	47	0	N	N	N	N
47010909A	Bonds/Notes Issuance	Covanta Babylon, Inc.	0	0	0	0	0	0	0	42	0	N	N	N	N
47010909B	Bonds/Notes Issuance	Covanta Babylon, Inc.	0	0	0	0	0	0	0	0	0	N	N	N	N
47010514A	Lease	Creative Juice Printing & Graphics, Inc. / Gazzilla Corp.	4	10	30,000	0	0	4	45,000	2	0	N	N	N	N
47011602A	Lease	Crescent Packing Corp.	61	10	35,000	33,000	45,000	61	37,000	74	1	N	N	N	N
47010803A	Lease	Crescent Packing, Corp. / Liberators Inc.	63	8	42,450	0	0	63	41,595	0	0	Y	Y	Y	Y
47011401A	Lease	Crescent Packing, Corporation	0	2	35,000	35,000	45,000	0	0	0	0	Y	Y	Y	Y
47011511A	Lease	Crystal Fusion Technologies, Inc.	11	2	70,800	41,600	100,000	11	93,398	16	0	N	N	N	N
47011508A	Lease	Crystal Graphics Equipment, Inc.	0	8	25,000	25,000	25,000	0	0	1	0	N	N	N	N
47010303A	Lease	Curtiss Wright Flow Control Corp.	204	106	60,585	0	0	204	62,230	0	0	N	N	N	N
47011416A	Lease	Curtiss-Wright Flow Control Corporation	0	0	0	0	0	0	0	338	0	N	N	N	N
47011321A	Lease	D'Addario & Company, Inc. - 590 Smith Street	0	40	40,000	40,000	40,000	0	0	0	0	N	N	N	N

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
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47019401A	Bonds/Notes Issuance	D'Addario & Company, Inc. / D'Addario Realty Company	293	46	23,530	0	0	293	25,075	0	0	N	N	N	N
47010904A	Lease	D'Addario & Company, Inc. / D'Addario Realty Company LLC	407	0	0	0	0	0	0	804	0	N	N	N	N
47010902A	Lease	D'Addario & Company, Inc. / Minmilt Realty Corp.	0	0	0	0	0	0	0	0	0	N	N	N	N
47010908A	Lease	Dae Jin America, Inc. / Dubon Group LLC	0	7	60,000	10,000	198,000	0	0	14	0	N	N	N	N
47011504A	Lease	Dale Transfer Corp.	0	5	50,000	40,000	80,000	0	0	2	2	N	N	N	N
47010005A	Lease	Die Boards, Inc. / CRS Family LLC	0	50	35,000	0	0	0	0	38	0	Y	Y	Y	Y
47011309A	Lease	Double R. Contracting, Inc. / Dana Frances Enterprises, LLC	38	4	60,000	60,000	60,000	38	60,000	48	0	N	N	N	N
47011004A	Lease	DWS Associates, Inc. / DWS Realty, LLC	0	32	62,500	20,000	75,000	0	0	42	0	N	N	N	N
47011304A	Lease	E.C. Wood & Company Inc. / Fonco III Realty, LLC	0	15	40,575	19,840	49,992	0	0	35	0	N	N	N	N
47011203A	Lease	E.Clips USA Inc. / JDP LLC	0	9	27,650	25,000	35,000	0	0	5	0	N	N	N	N
47010802A	Lease	East Coast Orthotic & Prosthetic Corp. / 75 Burt Drive LLC	0	60	52,500	23,500	143,000	0	0	67	0	N	N	N	N
47011611A	Lease	EB at West Babylon	0	30	32,000	32,000	32,000	0	0	0	60	N	N	N	N
47010406A	Lease	EDO Corporation / Winona Realty Ventures III, LLC and Morgan Steel, LLC	276	0	0	0	0	276	69,200	164	0	Y	Y	Y	Y
47019902A	Lease	EDO Marine & Aircraft Systems / Amity Steel, LLC	130	14	58,300	0	0	130	54,600	332	0	Y	Y	Y	Y
47011007A	Lease	Educational Bus Transportation, Inc. / Babylon Bus Lot Property LLC	20	100	20,378	18,900	45,170	20	40,000	149	0	N	N	N	N
47011605A	Lease	Educational Bus Transportation, Inc. / Lamar Lot LLC / Lamar Park LLC	0	0	0	0	0	0	0	0	0	N	N	N	N
47010512A	Lease	Edushape Ltd. / Zitelny Estates LLC	9	4	26,750	0	0	9	22,556	7	0	N	N	N	N
47011308A	Lease	EnCon Industries Corp. / Rose Real Estate Holdings, LLC	62	0	0	0	0	62	38,900	74	0	N	N	N	N
47010516A	Lease	Ferrandino & Sons, Inc. / KAF Realty Inc., Ferrandino & Son Realty Inc., & Giavanna Realty, Inc.	0	75	41,333	0	0	0	0	27	0	N	N	N	N
47011008A	Lease	Florio Food Corp. d/b/a Cannoli Factory / Marsala Realty Group LLC	60	40	25,000	20,000	30,000	60	20,000	130	0	N	N	N	N
47010509A	Lease	Flow X-Ray Corp / 100 Industry Associates, LLC	0	114	43,750	0	0	0	0	68	0	Y	Y	Y	Y
47011003A	Lease	FragranceNet.com, Inc. / Jaser Realty LLC	0	107	36,900	14,500	60,000	0	0	214	0	N	N	N	N
47011418A	Lease	Fusion Auto Finance LLC	0	14	75,000	15,400	170,000	0	0	43	0	N	N	N	N
47010704A	Lease	Gabila Food Products Inc / Gabila & Sons Manufacturing, Inc.	0	40	29,500	26,000	82,000	0	0	55	0	N	N	N	N
47011202A	Lease	Gallant & Wein LI Corp. / SHJ Realty LLC	0	6	60,000	25,000	75,000	0	0	8	0	N	N	N	N

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47011601A	Lease	Gershow Recycling Corp / Kelpam Realt Corp / Two Brothers Scrap Metal Recycling Co LLC	6	12	50,000	50,000	75,000	6	56,000	35	0	N	N	N	N
47010710A	Lease	H & M Leasing Corp. / Jemcal Management, LLC	28	5	49,200	24,500	55,000	28	37,090	25	0	Y	Y	Y	Y
47011210A	Lease	Harold Levinson Associates, Inc.	381	8	63,000	40,000	80,000	381	61,000	477	0	N	N	N	N
47010203A	Lease	Harold Levinson Associates, Inc. / ERB LLC, Inc.	0	400	55,000	0	0	0	0	0	0	N	N	N	N
47010207A	Lease	Harold Levinson Associates, Inc. / REB LLC, Inc.	0	0	0	0	0	0	0	0	0	N	N	N	N
47011102A	Lease	Heritage Mechanical Services, Inc. / REP A10, LLC	74	46	95,800	29,866	111,475	74	95,800	182	0	N	N	N	N
47011414A	Lease	Human First, Inc.	11	40	36,500	24,544	58,500	11	35,500	41	0	N	N	N	N
47010505A	Lease	I. L. S. Offset Printing, Inc. / E. L. S. Holdings, Inc.	0	2	20,000	0	0	0	0	2	0	N	N	N	N
47011403A	Lease	ICON Central Laboratories, Inc.	0	0	0	0	0	0	0	238	0	N	N	N	N
47010211A	Lease	Icon Laboratories Inc. / Davrick, LLC; MSM Realty Co., LLC and Sholom Blau Co., LLC; tenants in common	221	179	55,865	0	0	221	45,250	0	0	N	N	N	N
47011301A	Lease	Industrial Threaded Products Corp. / JOEE Holding Inc.	0	30	69,164	72,720	77,000	0	0	36	0	N	N	N	N
47011310A	Lease	Inter-County Bakers, Inc. / Inter County Realty, LLC	82	2	75,000	75,000	75,000	82	73,000	114	0	N	N	N	N
47010703A	Lease	Island Container Corp / 44 Realty Corp	51	25	52,000	30,746	56,680	51	78,430	0	0	N	N	N	N
47011501A	Lease	Island Container Corporation	68	11	35,860	31,200	40,518	68	54,116	136	10	N	N	N	N
47011402A	Lease	J.M. Haley Corp.	0	105	52,988	24,000	180,000	0	0	133	0	N	N	N	N
47011515A	Lease	Jamco Aerospace, Inc.	0	0	0	0	0	0	0	34	0	N	N	N	N
47010405A	Lease	Jamco Aerospace, Inc. / ARL Properties, LLC	45	30	31,295	0	0	45	44,803	0	0	N	N	N	N
47011509A	Lease	Jaxson LLC	31	24	48,774	12,500	130,000	31	34,859	60	0	N	N	N	N
47011409A	Lease	Jesco, Inc.	0	15	67,800	45,750	110,000	0	0	16	0	N	N	N	N
47011313A	Lease	K. Sidrane, Inc. / KSX Realty Group, LLC	0	37	42,500	19,760	182,036	0	0	50	0	N	N	N	N
47010811A	Lease	Kabco Pharmaceuticals, Inc. / 8200 New Horizons Realty LLC	0	20	32,500	16,640	40,000	0	0	0	0	Y	Y	Y	Y
47011619A	Lease	Kelvin L.P. / Hadar Real Estate Co., LLC	10	5	32,800	28,000	45,000	10	42,000	13	0	N	N	N	N
47010004A	Lease	Kelvin L.P. / Hadar Real Estate Company	0	22	30,000	0	0	0	0	0	0	Y	Y	Y	Y
47010507A	Lease	Kirch Industrial Co. Ltd. / KLS Holding, Inc.	3	12	23,560	0	0	3	23,560	23	0	N	N	N	N
47011614A	Lease	L. and S. Packing Co., Inc. / 4 Scaramelli LLC / FACIL Assoc. Inc.	73	15	43,800	35,000	67,000	73	60,350	78	0	N	N	N	N

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47011207A	Lease	Lifetime Design Corp. / Romanelli Realty Holding, LLC	11	3	48,218	20,000	80,000	11	47,933	19	0	N	N	N	N
47010806A	Lease	Linear Signs Inc. & Bahadir USA Corp. / GNK Reaty Corp.	9	4	25,000	30,000	60,000	9	30,000	16	0	N	N	N	N
47010510A	Lease	M & A Imports Ltd. / Dishi & Floman LLC	0	25	28,000	0	0	0	0	12	0	N	N	N	N
47011415A	Lease	M&D Millwork LLC / 178 New Highway Realty LLC	27	3	40,000	21,800	60,000	27	57,000	32	0	N	N	N	N
47018501A	Bonds/Notes Issuance	Maffucci Storage Corp. / PSL Leasing Associates	0	35	10,000	0	0	0	0	27	2	N	N	N	N
47019808A	Lease	Manhattan Beer Distributors, Inc. / Wyandanch-Washington Realty, Inc.	0	15	20,000	0	0	0	0	0	0	N	N	N	N
47011002A	Lease	Manhattan Beer Distributors, LLC / Wyandanch-Washington Realty LLC	234	0	0	0	0	234	50,737	299	0	N	N	N	N
47010711A	Lease	Marksmen Manufacturing Corp. / Marksmen Realty LLC	50	12	35,000	20,800	45,760	50	21,843	50	0	N	N	N	N
47010402A	Lease	Matura Insulation, Inc. / Babylon Industrial LLC	0	20	50,000	0	0	0	0	28	0	N	N	N	N
47011105A	Lease	MC Packaging Corporation / Marc-Robert Industrial, LLC	94	21	58,000	23,400	65,625	94	41,000	106	0	N	N	N	N
47011407A	Lease	Merola Sales Co., Inc. dba Merola Tile / Mero Realy Inc.	55	37	42,583	36,867	37,900	55	30,365	95	0	N	N	N	N
47011006A	Lease	Mid Island Die Cutting Corp. / R & R Partnership	0	20	39,150	17,680	41,600	0	0	110	0	N	N	N	N
47019909A	Lease	Mid Island Die Cutting Corp. / R & R Partnership	130	30	26,667	0	0	130	33,850	0	0	N	N	N	N
47010401A	Lease	Modern Packaging, Inc. / Modern Packaging Systems, Inc.	55	15	33,333	0	0	55	36,364	97	0	N	N	N	N
47011506A	Lease	MT Group LLC	56	3	32,500	31,500	100,000	56	61,400	67	0	N	N	N	N
47010804A	Lease	Nanz Custom Hardware, Inc. d/b/a The Nanz Company / 21-29 Belvidere Realty, LLC	0	137	22,885	16,640	35,360	0	0	113	0	N	N	N	N
47011101A	Lease	Nash Granites and Marble, Inc. / Nash Broad Hollow Capital, LLC	6	1	26,000	4,000	31,000	6	36,000	12	0	N	N	N	N
47019810A	Bonds/Notes Issuance	Nastra Automotive Industries, Inc. / Nastra Development, LLC	110	23	21,740	0	0	110	21,590	75	0	N	N	N	N
47011510A	Lease	National Computer Liquidators, Inc.	0	38	80,000	40,000	110,000	0	0	36	0	N	N	N	N
47011505A	Lease	New Frontier II LLC	0	3	60,000	60,000	60,000	0	0	2	0	N	N	N	N
47011311A	Lease	New York Value Club Ltd. / Adams Blvd. Realty LLC	45	1	60,000	20,000	75,000	45	65,000	79	0	N	N	N	N
47011502A	Lease	Nicolas LLC / Roman Development LLC / S. Nicola & Sons Realty Corp.	51	15	63,900	27,000	96,096	51	61,400	84	0	N	N	N	N
47011618A	Lease	NY Lounge Décor Inc. / 11 Michael Management LLC	0	12	42,100	21,730	67,400	0	0	10	0	N	N	N	N
47019503A	Bonds/Notes Issuance	Ogden Martin Systems of Babylon, Inc. (Covanta Babylon, Inc.)	0	0	0	0	0	0	0	0	0	N	N	N	N
47019601A	Bonds/Notes Issuance	Omni Recycling of Babylon, Inc.	17	17	20,000	0	0	17	20,000	65	0	N	N	N	N

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EMPLOYMENT INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* # of FTEs before IDA status	* Original estimate of jobs to be created	* Average estimated annual salary of jobs to be created (at current market rate).	* Annualized salary range of jobs to be created. FROM	* Annualized salary range of jobs to be created. TO	* Original estimate of jobs to be retained	* Estimated average annual salary of jobs to be retained (at current market rate).	* Current # of FTEs	* # of FTE construction jobs during the fiscal year	Current year is the last year that project information needs to be reported	There is no debt outstanding for this project	IDA does not hold title to the property	The project receives no tax exemptions
47011609A	Lease	Optima Foods, Inc. / Optima Realty LLC	25	1	29,070	29,070	29,070	25	29,070	63	0	N	N	N	N
47010903A	Lease	Optima Foods, Inc. and Domna's Bakery Inc. / Optima Realty LLC	25	40	15,600	15,600	19,600	25	31,200	0	0	N	N	N	N
47010805A	Lease	Orics Industries, Inc. / Orics Realty Associates, LLC	0	82	36,585	27,040	226,200	0	0	20	0	N	N	N	N
47010206A	Lease	Orlandi, Inc. / Dobler Realty II, LLC	110	70	38,570	0	0	110	30,000	0	0	N	N	N	N
47011108A	Lease	Orlandi, Inc. / Dobler Realty, LLC; DR3 LLC; Dobler Realty II, LLC	46	18	52,386	26,000	120,000	0	0	130	0	N	N	N	N
47011208A	Lease	P&L Marble, Inc. / JKI Marine LLC	10	5	35,000	18,720	50,000	10	26,500	14	0	N	N	N	N
47010511A	Lease	P. C. Richard & Sons Long Island Corp. / A. J. Richard & Sons, Corp	0	34	36,950	0	0	0	0	47	0	N	N	N	N
47019702A	Lease	P. C. Richard & Sons Long Island Corp. / A. J. Richard & Sons, Inc.	494	130	26,385	0	0	494	32,800	808	0	N	N	N	N
47010504A	Lease	P. C. Richard & Sons Long Island Corp. / A. J. Richard & Sons, Inc.	0	0	0	0	0	0	0	0	0	N	N	N	N
47010412A	Lease	Pinelawn Power, LLC	0	9	0	0	0	0	0	14	0	N	N	N	N
47011410A	Lease	Pintail Coffee, Inc. / MSM Realty Co. III, LLC	0	14	29,143	20,800	50,000	0	0	3	0	N	N	N	N
47011213A	Lease	Piping Rock Health Products, LLC / 298 Adams Realty, LLC	15	5	31,200	31,200	31,200	15	30,000	110	3	N	N	N	N
47011106A	Lease	Piping Rock Health Products, LLC / 51 Executive Realty, LLC	0	50	30,000	17,680	350,000	0	0	1	1	N	N	N	N
47011412A	Lease	Pole Position Raceway	0	10	20,000	11,000	30,000	0	0	9	0	N	N	N	N
47011303A	Lease	Posillico / 1750 New Highway LLC / DMJ Realty Associates LLC / Farmingdale Properties LLC	10	2	70,000	52,000	125,000	10	70,000	88	0	N	N	N	N
47010801A	Lease	Posillico Civil, Inc. / 1750 New Highway, LLC	70	10	70,000	40,000	70,000	70	71,430	0	0	N	N	N	N
47011110A	Lease	Precipart Group, Inc.	156	9	57,775	17,300	130,000	156	57,775	240	0	N	N	N	N
47011205A	Lease	Premier Rubber Co. Inc./61 Carolyn Boulevard LLC	8	7	25,000	24,900	47,600	8	38,000	13	0	N	N	N	N
47010501A	Lease	Premium Supply Co., Inc. / 960 Grand LLC	42	4	45,000	0	0	42	45,878	0	0	Y	Y	Y	Y
47010809A	Lease	Promotional Solutions, Inc. / Jontay, LLC	26	9	25,000	25,000	30,000	26	37,533	115	0	N	N	N	N
47010907A	Lease	R & J Graphics, Inc. / Gabriella LI Realty, LLC	23	2	40,000	35,000	50,000	23	40,000	29	0	N	N	N	N
47010901A	Lease	RD America, LLC / JMDH Real Estate of Babylon, LLC	0	90	36,555	23,000	100,000	0	0	80	0	N	N	N	N
47011201A	Lease	Rejuvenol Laboratories, Inc. / 130 Lincoln Ave. Realty LLC	23	20	24,800	17,680	52,000	23	28,000	22	0	N	N	N	N
47010513A	Lease	Rosemont Press, Inc. / 35 West Jeffry Blvd, LLC	0	23	86,957	0	0	0	0	44	0	N	N	N	N
47011606A	Lease	Rugs America Corporation / Daniel Street Holdings LLC	15	10	35,000	20,000	50,000	15	35,000	18	0	N	N	N	N

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EMPLOYMENT INFORMATION
For Year Ended December 31, 2016**

* Project Code	* Project Type	* Project Name	* # of FTEs before IDA status	* Original estimate of jobs to be created	* Average estimated annual salary of jobs to be created (at current market rate).	* Annualized salary range of jobs to be created. FROM	* Annualized salary range of jobs to be created. TO	* Original estimate of jobs to be retained	* Estimated average annual salary of jobs to be retained (at current market rate).	* Current # of FTEs	* # of FTE construction jobs during the fiscal year	Current year is the last year that project information needs to be reported	There is no debt outstanding for this project	IDA does not hold title to the property	The project receives no tax exemptions
47010701A	Lease	Runway Hotel II LLC	0	45	24,444	14,000	37,000	0	0	51	0	N	N	N	N
47010601A	Lease	Runway Hotel LLC	0	45	24,444	14,000	55,000	0	0	34	0	N	N	N	N
47011413A	Lease	S.W. Anderson Sales Corp.	39	20	40,000	40,000	40,000	39	58,250	68	0	N	N	N	N
47010707A	Lease	Sam Tell and Son, Inc. / Tell Realty LLC	0	112	69,643	35,000	80,000	0	0	130	0	N	N	N	N
47011204A	Lease	Shanker Industries Realty, Inc./SJD Realty Corp.	0	10	35,000	22,000	40,000	0	0	20	0	N	N	N	N
47010905A	Lease	Sharon Manufacturing Co., Inc. / 540 Brook Ave LLC	8	6	40,000	20,000	80,000	8	75,560	14	0	N	N	N	N
47011314A	Lease	Sovran Self Storage (Amityville) / Sovran Acquisition Limited Partnership	1	0	0	0	0	1	29,600	3	0	N	N	N	N
47011315A	Lease	Sovran Self Storage (Deer Park) / Sovran Acquisition Limited Partnership	1	0	0	0	0	1	28,900	3	0	N	N	N	N
47011306A	Lease	Sovran Self Storage / Sovran Acquisition Limited Partnership	1	0	0	0	0	1	30,900	4	0	N	N	N	N
47011206A	Lease	Specialty Hearse & Ambulance Sales Corp. / 60 Engineers Lane LLC	0	15	80,000	65,800	72,800	0	0	14	0	N	N	N	N
47011607A	Lease	Stellae International, Inc.	0	220	29,400	23,000	90,000	0	0	0	30	N	N	N	N
47011317A	Lease	Subzero Insulation and Refrigeration Technologies LLC / 45 E. INDUSTRY COURT LLC	0	26	32,000	20,800	78,000	0	0	21	0	N	N	N	N
47010503A	Lease	Sundial Fragrances & Flavors Inc. / Sundial Buildings, LLC	0	35	31,060	0	0	0	0	338	0	N	N	N	N
47010604A	Lease	Superior Electromechanical Component Service Inc / 40 Smith Street LLC	0	46	66,730	35,000	125,000	0	0	37	0	N	N	N	N
47011212A	Lease	T&L Creative Salads, Inc. / 148 Allen Blvd., LLC	0	40	35,000	23,000	70,000	0	0	65	0	N	N	N	N
47010603A	Lease	Tanger Outlet Center at the Arches / Deer Park Enterprises, LLC	0	1400	31,430	23,500	150,000	0	0	1255	15	N	N	N	N
47010413A	Lease	Telephonics Corp. / ISC Farmingdale Corp.	636	41	73,855	0	0	636	75,472	0	0	N	N	N	N
47011514A	Lease	Telephonics Corporation	0	0	0	0	0	0	0	471	0	N	N	N	N
47011411A	Lease	The Marcus Organization / MSM Realty Co. III, LLC	11	0	0	0	0	11	88,267	12	0	N	N	N	N
47010403A	Bonds/Notes Issuance	Topiderm, Inc. / Black Elk Real Estate Corp.	230	0	0	0	0	230	30,435	160	0	N	N	N	N
47010403B	Bonds/Notes Issuance	Topiderm/Bursh Distributors, Inc.	0	60	25,000	0	0	0	0	101	0	N	N	N	N
47019701A	Bonds/Notes Issuance	Town of Babylon 455 Albany Avenue Urban Renewal	0	5	0	0	0	0	0	24	0	Y	Y	Y	Y
47011513A	Lease	Tri-Supreme Optical, LLC	70	5	22,542	20,000	25,000	70	20,850	118	0	N	N	N	N
47019904A	Lease	Tri-Supreme Optical, LLC	70	10	24,075	0	0	70	20,850	0	0	N	N	N	N
47011603A	Lease	Ultra Thin Ready to Bake Pizza Shells, NY, LLC / Real Thin, LLC	0	25	35,000	21,840	125,000	0	0	25	4	N	N	N	N

**TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
EMPLOYMENT INFORMATION
For Year Ended December 31, 2016**

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47010708A	Lease	Unlimited Screw Products, Inc. / L. M. Borek Realty LLC	0	15	61,000	20,000	65,000	0	0	0	0	N	N	N	N
47011009A	Lease	Vicom Computer Services, Inc. / Verola Bros. II, LLC	50	2	90,000	75,000	105,000	50	90,000	94	0	N	N	N	N
47010812A	Lease	Visual Citi, Inc. / Devjiyani, LLC	0	35	29,000	16,000	60,000	0	0	0	0	N	N	N	N
47011404A	Lease	Visual Citi, Inc. / Kiyan Hasan LLC	70	20	35,000	20,800	45,000	70	34,272	144	0	N	N	N	N
47011610A	Lease	Visual Millwork & Fixture Mfg., Inc. / 95 Marcus Blvd LLC	0	40	33,800	20,800	109,999	0	0	0	3	N	N	N	N
47011406A	Lease	Wesco Manufacturing Inc.	0	13	64,130	27,000	150,500	0	0	15	0	N	N	N	N
47011613A	Lease	Winters Bros. Waste System of Long Island LLC	63	33	70,925	49,181	136,520	63	41,136	177	0	N	N	N	N
47011103A	Lease	Wm Erath & Son, Inc. / Central Realty of Amityville, LLC	20	2	58,000	58,000	58,500	20	58,000	45	5	N	N	N	N
47011312A	Lease	WR Communities - A	0	0	0	0	0	0	0	0	0	N	N	N	N
47011320A	Lease	WR Communities - B	0	0	0	0	0	0	0	0	1	N	N	N	N
47011322A	Lease	Zwanger Pesiri Radiology Group LLP	110	3	46,000	46,000	46,000	110	45,000	301	0	N	N	N	N

OTHER REPORTS



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED UPON THE AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Board of Directors
Town of Babylon Industrial Development Agency
Babylon, 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 Town of Babylon Industrial Development Agency (the "Agency"), a component unit of the Town of Babylon, New York, as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 21, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

PERSONAL SERVICE. TRUSTED ADVICE.

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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Abbot, Vignar, Zuck & Lenny P.C.

Hauppauge, New York
March 21, 2017



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY
INVESTMENT POLICY

Honorable Board of Directors
Town of Babylon Industrial Development Agency
Babylon, New York

Report

We have examined the Town of Babylon Industrial Development Agency's (the "Agency"), a component unit of the Town of Babylon, New York, and compliance with the Agency's investment policy during the period January 1, 2016 through December 31, 2016.

Management's Responsibility

Management is responsible for the Agency's compliance with those requirements.

Auditors' Responsibility

Our responsibility is to express an opinion on the Agency's compliance based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

Opinion

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the period January 1, 2016 through December 31, 2016.

Other Matters

This report is intended solely for the information and use of the Board, audit committee, management of the Agency, Authority Budget Office, and the New York State Comptroller's Office and is not intended to be and should not be used by anyone other than these specified parties.

Albert Viggiano, Zureck & Company P.C.

Hauppauge, New York
March 21, 2017

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