

**Albany County Land Bank Corporation**  
**(A Blended Component Unit of the**  
**County of Albany, New York)**

**Financial Statements as of**  
**June 30, 2015**  
**Together with**  
**Independent Auditor's Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

## CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT.....	1-2
REQUIRED SUPPLEMENTARY INFORMATION	
Management's discussion and analysis (Unaudited).....	3-4
FINANCIAL STATEMENTS	
Statement of net position .....	5
Statement of revenue, expenses, and change in net position.....	6
Statement of cash flows.....	7
Notes to Financial Statements.....	8-12
OTHER REQUIRED REPORT	
Independent auditor's report on internal control over financial reporting and on compliance and other matters based on audit of financial statements performed in accordance with <i>Government Auditing Standards</i> .....	13-14
Schedule of findings and responses.....	15

## INDEPENDENT AUDITOR'S REPORT

September 15, 2015

To the Board of Directors of  
Albany County Land Bank Corporation:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Albany County Land Bank Corporation (Corporation) (a blended component unit of the County of Albany, New York), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Corporation'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.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

(Continued)

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Albany County Land Bank Corporation, as of June 30, 2015, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-4 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2015 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

**ALBANY COUNTY LAND BANK CORPORATION  
(A Blended Component Unit of the County of Albany, New York)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

---

*The following is a discussion and analysis of the Corporation's financial performance for the fiscal year ended June 30, 2015. The section is a summary of the Corporation's financial activities based on currently known facts, decisions, or conditions. Because this is the first year of operations for the Corporation, only the results on the current year are discussed below. This section is only an introduction and should be read in conjunction with the Corporation's financial statements, which immediately follow this section.*

*The Corporation is a component unit of the County of Albany, New York and is blended in the County's financial statements.*

**Financial Highlights**

- During the first year of operations, the Corporation's net position increased \$1,578,696.

**Overview of Financial Statements**

The basic financial statements include the statement of net position, statement of revenues, expenses and change in net position, statement of cash flows, and notes to the financial statements.

The first of these statements is the Statement of Net Position. This is the statement of financial position presenting information that includes all of the Corporation's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation as a whole is improving or deteriorating. Evaluation of the overall economic health of the Corporation must include other non-financial factors such as the economic picture of the County and the State, in addition to the financial information provided in this report.

The second statement is the Statement of Revenues, Expenses and Changes in Net Position, which reports how the Corporation's net position changed during the current and previous fiscal year. Revenues and expenses are included when earned or incurred, regardless of when cash is received or paid.

The third statement is the Statement of Cash Flows, which shows the sources and uses of cash.

The accompanying Notes to the Financial Statements provide information essential to a full understanding of the financial statements.

## Overview of the Financial Statements (Continued)

Below is a summary of the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position for the year ended June 30, 2015:

### Summary of Net Position

Current assets	\$ 739,151
Non-current assets	<u>1,337,702</u>
Total assets	<u>2,076,853</u>
Current liabilities	<u>498,157</u>
Net position:	
Net investment in capital assets	4,804
Unrestricted	<u>\$ 1,573,892</u>
	<u>\$ 1,578,696</u>

### Summary of Changes in Net Position

Operating Revenue:	
Donated property	\$ 1,212,100
Grant income	670,234
Other income	<u>600</u>
Total operating revenues	1,882,934
Operating Expenses	<u>304,638</u>
Operating income	<u>1,578,296</u>
Non-operating revenues (expenses)	<u>600</u>
Change in net position	1,578,896
Net position - beginning of year	<u>-</u>
Net position - end of year	<u>\$ 1,578,896</u>

## Economic Factors

- The Corporation will continue to look for funding opportunities to further its mission of promoting local development. Each year, the Corporation will evaluate opportunities for investment of its resources in furthering this mission.

## CONTACTING ADMINISTRATION

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Corporation's finances and to show the accountability for the money received. If you have questions about this report or need additional financial information, contact the Albany County Land Bank Corporation's Executive Director at 255 Orange Street, Suite 104, Albany, New York 12210.

**ALBANY COUNTY LAND BANK CORPORATION**  
**(A Blended Component Unit of the County of Albany, New York)**

**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

---

**ASSETS**

Cash	\$ 703,123
Prepaid expenses	<u>36,028</u>
Total current assets	<u>739,151</u>
Property held for resale	1,332,898
Capital assets, net	<u>4,804</u>
Total assets	<u>2,076,853</u>

**LIABILITIES**

Accounts payable and accrued liabilities	83,391
Unearned grant income - Program	<u>414,766</u>
Total liabilities	<u>498,157</u>

**NET POSITION**

Net investment in capital assets	4,804
Unrestricted	<u>1,573,892</u>
	<u>\$ 1,578,696</u>

The accompanying notes are an integral part of these statements.

**ALBANY COUNTY LAND BANK CORPORATION**  
**(A Blended Component Unit of the County of Albany, New York)**

**STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN NET POSITION**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

---

OPERATING REVENUE:	
Donation of property for resale	\$ 1,212,100
Grant income - Administrative	500,000
Grant income - Program	170,234
Fee income	<u>400</u>
Total operating revenue	<u>1,882,734</u>
OPERATING EXPENSES:	
Salaries and benefits	105,828
Insurance	16,484
Professional fees	31,416
Property maintenance expenses	95,254
Sales expenses	2,075
Office expense	11,380
Travel	456
Utilities	40,784
Depreciation	<u>961</u>
Total operating expenses	<u>304,638</u>
Operating income	<u>1,578,096</u>
NON-OPERATING REVENUES (EXPENSES):	
Rental income	<u>600</u>
	<u>600</u>
CHANGE IN NET POSITION	<u>1,578,696</u>
NET POSITION - beginning of period	<u>-</u>
NET POSITION - end of period	<u>\$ 1,578,696</u>

The accompanying notes are an integral part of these statements.



**ALBANY COUNTY LAND BANK CORPORATION**  
**(A Blended Component Unit of the County of Albany, New York)**

**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

---

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 1,085,400
Payments to employees for services	\$ (100,560)
Payments to vendors for goods and services	<u>(155,754)</u>
Net Cash provided by Operating Activities	<u>829,086</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	(5,765)
Improvements to property held for resale	<u>(120,798)</u>
	<u>(126,563)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Rental income	<u>600</u>
---------------	------------

Net Change in Cash 703,123

Cash, Beginning of Year -

Cash, End of Year \$ 703,123

RECONCILIATION OF OPERATING INCOME TO NET CASH  
PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 1,578,096
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	961
Donated property	(1,212,100)
Change in assets and liabilities:	
Prepaid expenses	(36,028)
Accounts payable and accrued liabilities	83,391
Unearned grant income - program	<u>414,766</u>
Net Cash provided by Operating Activities	<u>\$ 829,086</u>

The accompanying notes are an integral part of these statements.

**ALBANY COUNTY LOCAL DEVELOPMENT CORPORATION  
(A Blended Component Unit of the County of Albany, New York)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

---

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

Albany County Land Bank Corporation (Corporation) was established July 1, 2014 and is governed by its Articles of Incorporation, bylaws and general laws of the State of New York. The Corporation is a blended component unit of Albany County, New York's (County) due to the County's ability to influence the decisions of the Corporation. The Corporation's board of directors is comprised of individuals appointed by the County.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The Corporation's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for accounting and financial reporting principles. The Corporation's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Cash**

Credit Risk

The Corporation's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Corporation's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Obligations of the United States of America;
- Obligations of the State of New York;
- Certificates of Deposit;

As of June 30, 2015, the Corporation did not have any investments.

Custodial Credit Risk - Deposits

Custodial credit risk - deposits is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Corporation's investment policy, all deposits of the Corporation including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits.

Custodial Credit Risk - Investments

Custodial credit risk - investments is the risk that an entity will not be able to recover the value of an investment or collateral securities that are in the possession of an outside party if the counterparty to the transaction fails. The Corporation's investment and deposit policy requires that all custodial investments be registered or insured in the Corporation's name and held in the custody of the bank or the bank's trust department.

## 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### **Cash (Continued)**

#### Concentration of Credit Risk

The Corporation places no limit on the amount that may be invested in any one issuer. At June 30, 2015, all cash balances were held in one bank.

### **Prepaid Expenses**

Prepaid expenses represent payments made by the Corporation for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are reported in the statement of net position as an asset using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense is reported in the year the goods or services are consumed.

### **Property Held for Resale**

The Corporation acquires its property held for resale from the County for the purpose of improving those properties and returning them to productive use on the tax rolls. These properties are recorded at assessed value at the time of donation. Depending on the condition of the property at the time of donation, certain capital costs may be required to improve that property and are included in the value of the property.

### **Capital Assets, Net**

Capital assets are reported at actual cost. Donated assets are reported at estimated fair value at the time received. Capitalization thresholds, (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the Statement of Net Position are as follows:

	Capitalization <u>Threshold</u>	Depreciation <u>Method</u>	Estimated <u>Useful Life</u>
Furniture and equipment	\$1,000	SL	5 years

### **Net Position Classifications**

In the financial statements, there are three classes of net position:

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, and other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or the liability will be liquidated with the restricted assets reported. The Corporation does not have this classification at June 30, 2015.

The unrestricted component of net position is the net amounts of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment of capital assets or the restricted component of net position.

### **Grant Income - Administrative**

The Corporation received a grant from the County for administrative and startup costs. As there are no other stipulations on this grant, the full amount is recognized as revenue upon receipt.

## 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### Grant Income – Program

The Corporation was awarded a \$2,880,000 grant from the NYS Office of the Attorney General for the January 1, 2015 through December 31, 2016. This grant is paid on a quarterly basis based on the estimated needs for the upcoming quarter specifically related to the properties and will include adjustments for unspent funds from previous quarters. As a result, the unspent funds are recognized as unearned revenue at June 30, 2015.

### Income Taxes

The Corporation is a not-for-profit local development corporation under Article 16 of New York State not-for-profit corporation law and is exempt from federal income taxes and New York State taxes. Accordingly, no income tax provision has been made.

### Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of depreciation using useful lives of assets and the assessed values of donated property.

## 2. CASH

The Corporation's bank deposits were insured and collateralized as follows:

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash	\$ 703,853	\$ 703,123
Collateralized with securities held by pledging financial institution trust department or agent in the Corporation's name	\$ -	
Covered by FDIC insurance	<u>250,000</u>	
Amount under collateralized at year end	<u>\$ (453,853)</u>	

## 3. CONCENTRATIONS

The Corporation received 100% of its revenue from Albany County and the NYS Office of Attorney General for the year ended June 30, 2015.

#### 4. COMMITMENTS AND CONTINGENCIES

##### Lease

On June 16, 2015, the Albany County Land Bank Corporation entered into a lease agreement with the Affordable Housing Partnership effective July 1, 2015 to rent office space at 255 Orange Street, Albany, NY 12210. This lease agreement is for a period of 6 months, at a cost of \$730 per month, ending on December 31, 2015. Beginning January 1, 2016, the lease agreement will renew on a month to month basis. For the year ending June 30, 2016, the committed rent expense is \$4,380.

##### Grants

The Corporation participates in two grant programs. These programs could be subject to financial and compliance audits by those agencies. These audits may be conducted in accordance with grantor requirements on a periodic basis. The amounts, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time although the Corporation believes, based upon its review of current activity, the amount of such disallowances, if any, will be immaterial.

#### 5. ACCOUNTING PRONOUNCEMENTS ANNOUNCED NOT YET IMPLEMENTED

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application*. The objective of this Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The Corporation is required to adopt the provisions of this Statement for the year ending June 30, 2016.

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* – a replacement of GASB Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, as amended and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. Also, it includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement No. 43, and Statement No. 50, *Pension Disclosures*. The objective of this Statement is to improve the effectiveness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local government OPEB plans. It provides for decision-useful information, supporting assessments of accountability and inter-period equity, and additional transparency. This statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are not administered through trusts that meet specified criteria. The Corporation is required to adopt the provisions of this Statement for the year ending June 30, 2017, with early adoption encouraged.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – a replacement of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The objective of this Statement is to establish standards for recognizing and measuring liabilities, expenditures and deferred inflows of resources related to other postemployment benefit plans (OPEB).

## 5. ACCOUNTING PRONOUNCEMENTS ANNOUNCED NOT YET IMPLEMENTED (Continued)

In regards to defined benefit OPEB plans, this statement defines the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employment service. This Statement also details recognition and disclosure requirements for employers with payables to defined benefit OPEB plans administered through trusts and for employers whose employees are provided with defined contribution OPEB plans. The Corporation is required to adopt the provisions of this Statement for the year ending June 30, 2019, with early adoption encouraged.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* which supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, paragraphs 64, 74, and 82. Statement No. 76 reduces the number of categories of authoritative generally accepted accounting principles (GAAP) hierarchy and the framework for selecting those principles to two categories. The primary category "Category A" will consist of officially established GASB Statements and GASB Interpretations heretofore issued and currently in effect. The second category "Category B" will consist of GASB Technical Bulletins, GASB

Implementation Guides when presented in the form of a *Comprehensive Implementation Guide*, and literature of the AICPA cleared by the GASB. The goal of Statement No. 76 is to help governments apply financial reporting guidance with less variability, therefore improving usefulness and comparability of financial statement information among state and local governments. The Corporation is required to adopt the provisions of Statement No. 76 for the year ending June 30, 2016, and should be adopted retroactively, with early adoption permitted.

In August 2015, the GASB issued Statement No. 77, *Tax Abatement Disclosures*, which improves financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public presently. Users will be better equipped to understand 1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and 2) the impact those abatements have on a government's financial position and economic condition. The Corporation is required to adopt the provisions of this Statement for the year ending June 30, 2017, with early implementation encouraged.

The Corporation has not assessed the impact of these statements on its future financial statements.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

September 15, 2015

To the Board of Directors of  
Albany County Land Bank Corporation:

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 Albany County Land Bank Corporation (Corporation), a blended component unit of the County of Albany, New York as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated September 15, 2015.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

6 Wembley Court  
Albany, New York 12205  
p (518) 464-4080  
f (518) 464-4087

www.bonadio.com

(Continued)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*** (Continued)

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**ALBANY COUNTY LOCAL DEVELOPMENT CORPORATION  
(A Blended Component Unit of the County of Albany, New York)**

**SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2015**

---

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of independent auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified not  
Considered to be material weaknesses?  Yes  No

Noncompliance material to the financial  
statements noted?  Yes  No

**Section II - Financial Statement Findings**

None.