IDA GREENE VISIONARY GROWTH

(A Component Unit of Greene County, New York)

Financial Statements

December 31, 2015 and 2014

Greene County
Industrial Development Agency

(A Component Unit of Greene County, New York)

Financial Statements

December 31, 2015 and 2014

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Independent Auditor's Report

Chairman and Agency Board
Greene County Industrial Development Agency
Coxsackie, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the Greene County Industrial Development Agency (Agency), a component unit of Greene County, New York, which comprise the statements of net position as of December 31, 2015 and 2014, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the Agency has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27,* as of January 1, 2015. 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 management's discussion and analysis on pages 4 through 6 and the required supplementary information listed in the accompanying 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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the Agency's financial statements. The combining statements of net position and combining statements of revenues, expenses, and changes in net position are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining statements are the responsibility of management and are derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements of net position and combining statements of revenues, expenses, and changes in net position are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2016, 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 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 Agency's internal control over financial reporting and compliance.

SaxBST LLP

Albany, New York
March 22, 2016

Greene County Industrial Development Agency

(A Component Unit of Greene County, New York)

Management Discussion and Analysis
December 31, 2015 and 2014

The following Management's Discussion and Analysis (MD&A) provides an introduction and overview to the financial activities and performance of the Greene County Industrial Development Agency (Agency) for the years ended December 31, 2015 and 2014, as mandated by Governmental Accounting Standards Board (GASB) Statement No. 34. This information should be reviewed in conjunction with the financial statements of the Agency.

Overview of Financial Statements

The Agency's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) promulgated by the GASB. The Agency is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and are depreciated over their useful lives. See the notes to the financial statements for a summary of the Agency's significant accounting policies.

The *Statements of Net Position* present information on the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Agency's financial position.

The *Statements of Revenues, Expenses, and Changes in Net Position* present information showing how the Agency's net position changed during the most recent years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will result in cash flows in future periods.

The *Statements of Cash Flows* relate to the flows of cash and cash equivalents. Consequently, only transactions that affect the Agency's cash accounts are recorded in these statements. A reconciliation is provided at the bottom of the statements of cash flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

Financial Highlights

- The Agency's net position in total assets was $16,371,863 at December 31, 2015, as compared to $16,578,671 at December 31, 2014. In 2015, the $206,808 decrease in total assets position resulted from normal operating expenses of the Agency, with no significant economic development activities.

- The Agency's net position decreased $111,687 during December 31, 2015, as compared to an increase of $5,521,213 during December 31, 2014. The decrease in 2015 was a result of standard operating costs. In 2015, no new projects were undertaken. In 2014, the Ferguson Project contributed to the increase of $5,290,033 in operating revenue.

- The Agency was presented with several projects during 2015, but they are still within the planning phases, and therefore, have generated no administrative fee revenue.

Financial Analysis of the Agency

The table below presents condensed financial information derived from the Agency's financial statements as of December 31, 2015, and 2014.

Condensed Statement of Net Position

	2015	2014	Increase (Decrease) 2015-2014
ASSETS			
Current assets	$ 8,645,254	$ 9,326,127	$ (680,873)
Noncurrent assets	7,682,493	7,215,712	466,781
Deferred outflows	44,116	36,832	7,284
Total assets	$ 16,371,863	$ 16,578,671	$ (206,808)
LIABILITIES AND NET POSITION			
LIABILITIES	$ 606,570	$ 701,691	$ (95,121)
NET POSITION			
Invested in capital assets	34,845	40,094	(5,249)
Unrestricted	15,730,448	15,836,886	(106,438)
Total net position	15,765,293	15,876,980	(111,687)
Total liabilities and net position	$ 16,371,863	$ 16,578,671	$ (206,808)

Assets of land and real property being held for sale or development are valued at $7,682,493 at December 31, 2015, compared to $7,215,712 at December 31, 2014. In 2015, the decrease in current assets resulted from normal operating expenses of the Agency, with no significant economic development activities, as in 2014, resulting in an operating deficit of $111,687.

The table below presents condensed financial information derived from the financial statements of the Agency for the years ended December 31, 2015, and 2014.

Condensed Statement of Activities

	2015	2014	Increase (Decrease) 2015-2014
REVENUES			
Charges for services	$ 298,061	$ 668,770	$ (370,709)
Athens Power fees	181,094	275,303	(94,209)
Grants for operations	-	7,070	(7,070)
Rent	675	10,555	(9,880)
Gain on sale of property held for development	-	5,083,675	(5,083,675)
Other income	67,266	49,948	17,318
Interest income	21,713	14,354	7,359
Gain on sale of capital assets	-	291,598	(291,598)
	568,809	6,401,273	(5,832,464)
EXPENSES			
Personal services	217,404	207,601	9,803
Employee benefits	64,618	74,001	(9,383)
Professional service contracts	88,373	27,125	61,248
Supplies and maintenance	3,090	5,614	(2,524)
Other operating expenses	229,605	478,171	(248,566)
Operating grant expenses	-	7,500	(7,500)
Depreciation	5,249	5,276	(27)
Interest expense	16,527	25,139	(8,612)
Greene Land Trust Stewardship	55,630	49,633	5,997
	680,496	880,060	(199,564)
Change in net position	$ (111,687)	$ 5,521,213	$ (5,632,900)

Activities for the Years Ended 2015 and 2014

The Agency's annual fees for services are tied to the size and timing of economic activity projects. Charges for services and fees in 2015 were $479,155 as compared to $944,073 in 2014. The charges for services revenue in 2014 related to the completion and sale of the Ferguson project. Interest income increased in 2015 to $21,713 as compared to $14,354 in 2014, as a result of the income from the 2014 project completion. Administrative and operating expenses decreased $199,564 in 2015, due to a decrease in costs relating to real property development.

Contacting the Agency's Financial Management

This financial report is designed to provide a general overview of the Agency's finances and to demonstrate the Agency's accountability for the funds it receives. If you have any questions about this report or need additional financial information, contact April Ernst, Project Manager.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Statements of Net Position

	December 31, 2015	December 31, 2014 (Restated)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash	$ 8,549,682	$ 9,176,679
Accounts receivable	91,639	140,010
Prepaid expenses	3,933	9,438
Total current assets	8,645,254	9,326,127
OTHER ASSETS		
Due from other governments	35,080	3,773
Real property held for sale or development	7,612,568	7,171,845
Capital assets		
Depreciable, net	34,845	40,094
	7,682,493	7,215,712
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to net pension liability	44,116	36,832
	$ 16,371,863	**$ 16,578,671**
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Current portion of notes payable	$ 57,949	$ 56,244
Accounts payable	11,744	25,093
Accrued liabilities	40,468	58,644
Net pension liability	22,486	30,077
Due to other governments	4,774	4,774
Unearned revenue	12,436	12,436
Total current liabilities	149,857	187,268
LONG-TERM LIABILITIES		
Note payable, less current portion	456,713	514,423
Total liabilities	606,570	701,691
COMMITMENTS AND CONTINGENCIES		
NET POSITION		
Investment in capital assets	34,845	40,094
Unrestricted	15,730,448	15,836,886
	15,765,293	15,876,980
	$ 16,371,863	**$ 16,578,671**

See accompanying Notes to Financial Statements.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended December 31, 2015	2014 (Restated)
OPERATING REVENUES		
Charges for services	$ 298,061	$ 668,770
Athens Power fees	181,094	275,303
Grants for operations	-	7,070
Rent	675	10,555
Gain on sale of property held for development	-	5,083,675
Other income	67,266	49,948
Total operating revenues	547,096	6,095,321
OPERATING EXPENSES		
Personal services	217,404	207,601
Employee benefits	64,618	74,001
Professional service contracts	88,373	27,125
Supplies and maintenance	3,090	5,614
Other operating expenses	229,605	478,171
Operating grant expenses	-	7,500
Depreciation	5,249	5,276
Total operating expenses	608,339	805,288
Operating income (loss)	**(61,243)**	**5,290,033**
NONOPERATING REVENUES (EXPENSES)		
Interest income	21,713	14,354
Interest expense	(16,527)	(25,139)
Greene Land Trust Stewardship	(55,630)	(49,633)
Gain on sale of capital assets	-	291,598
Total nonoperating revenues (expenses)	(50,444)	231,180
CHANGE IN NET POSITION	**(111,687)**	**5,521,213**
NET POSITION, ***beginning of year***	15,876,980	10,353,212
Effect of adoption of GASB 68 and 71	-	2,555
NET POSITION, ***beginning of year, as restated***	15,876,980	10,355,767
NET POSITION, ***end of year***	**$ 15,765,293**	**$ 15,876,980**

See accompanying Notes to Financial Statements.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Statements of Cash Flows

	Years Ended December 31, 2015	2014 (Restated)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Cash received from customers	$ 564,160	$ 1,142,062
Cash paid to suppliers and other vendors	(334,417)	(503,503)
Cash paid for salaries and employee benefits	(309,568)	(290,638)
Cash paid to purchase property held for development	(440,723)	(509,858)
Cash received from sale of property held for development	-	6,084,902
	(520,548)	**5,922,965**
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED ACTIVITIES		
Payments toward stewardship	**(55,630)**	**(49,633)**
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		
Interest income	**21,713**	**14,354**
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	-	(973)
Proceeds from the sale of capital assets	-	110,000
Interest expense paid	(16,527)	(25,139)
Payments on notes payable	(56,005)	(54,333)
	(72,532)	**29,555**
Net increase (decrease) in cash	**(626,997)**	**5,917,241**
CASH, *beginning of year*	9,176,679	3,259,438
CASH, *end of year*	**$ 8,549,682**	**$ 9,176,679**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	$ (61,243)	$ 5,290,033
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation	5,249	5,249
(Increase) decrease in		
Accounts receivable	48,371	6,234
Due from other governments	(31,307)	119,407
Rent receivable	-	4,775
Prepaid expenses	5,505	(13,505)
Property held for development	(440,723)	18,173
Deferred outflows of resources	(7,284)	-
Increase (decrease) in		
Accounts payable and accrued expenses	(31,525)	19,403
Net pension liability	(7,591)	-
	$ (520,548)	**$ 5,449,769**

See accompanying Notes to Financial Statements.

Note 1 - Organization and Summary of Significant Accounting Policies

a. Organization and Purpose

The Greene County Industrial Development Agency (Agency) was created on March 7, 1972, by the Greene County Legislature under the Laws of New York State to promote economic growth in Greene County, New York (County). The Agency is exempt from federal, state, and local income taxes and is a component unit of Greene County, New York.

The Agency's present function is to promote, develop, and encourage job opportunities and economic welfare for the people of New York State by assisting with improving and maintaining manufacturing, warehousing, commercial facilities, tourist attractions, and a diverse mix of other businesses located in the County. This is primarily accomplished through administering payment in lieu of tax agreements (PILOTs), providing shovel ready sites for land sales and bond agreements, and allowing exemption of sales tax and mortgage recording taxes in relation to projects.

b. Basis of Accounting and Financial Statement Presentation

The Agency's financial statements are prepared using the accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting and financial reporting treatment applied to the Agency is determined by its measurement focus. The transactions of the Agency are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the statements of net position. Net position is segregated into specific components, as follows:

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation reduced by outstanding debt balances. Since debt was not used to acquire the Agency's capital assets, this component of net position is presented as "Investment in capital assets."
- *Unrestricted net position* consists of assets and liabilities that do not meet the definition of "net investment in capital assets."

Revenues are recognized when earned, and expenses are recognized when incurred. The Agency distinguishes operating revenues and expenses from nonoperating items. Operating revenues are determined based on the services provided by the Agency. Operating expenses include the costs associated with providing those services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

To help organize its internal accounting structure, the Agency departmentalizes the various functions of the Agency. These departments, or "funds" as the Agency refers to them, are as follows:

Operating Fund - This fund is used to account for the ongoing office operations and payroll of the Agency, as well as manages the Athens Generating Company revenue and provides for power grants community projects.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

b. Basis of Accounting and Financial Statement Presentation - Continued

Park Fund - This fund accounts for the development of various business parks associated with job growth within the County.

Maintenance Fund - This fund accounts for the infrastructure and environmental mitigation upgrades restricted through various PILOT agreements.

These “funds” or departments are combined for financial statement reporting purposes.

c. Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Accounts Receivable

Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts, if any, by identifying troubled accounts and by using historical experience applied to an aging of accounts. Management considers accounts receivable to be fully collectible; accordingly, there is no allowance for doubtful accounts.

Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. During the years ended December 31, 2015 and 2014, the Agency did not write off any accounts receivable.

e. Capital Assets

Capital assets are recorded at cost, except for contributed property and equipment, which are recorded at fair market value or the contributor’s net book value if fair market value is not readily ascertainable. Capital assets are reported net of accumulated depreciation in these financial statements. Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. The Agency uses a capitalization threshold of $5,000 to analyze expenditures for capitalization. When capital assets are retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation, and any resultant gain or loss is credited or charged to operations. Capital assets as of December 31, 2015 and 2014, consist of building, equipment, and infrastructure.

The Agency evaluated prominent events or changes in circumstances affecting capital assets to determine if impairment of any capital assets has occurred. A capital asset is considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. There were no impaired capital assets at December 31, 2015 and 2014.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

e. Capital Assets - Continued

Depreciation is provided for in amounts to relate the cost of depreciable assets to operations over their estimated useful lives, using the straight-line method. The estimated useful lives established to determine depreciation are as follows:

	Estimated Useful Life
Equipment	5 years
Infrastructure (sidewalks)	15 years
Commercial building	39 years

f. Real Property Held for Sale or Development

Real property held for sale or development includes various real estate parcels in the County carried at historic cost or the estimated market value of the property at the time of transfer to the Agency or historical value. These properties are typically purchased by the Agency or transferred from the County. The Agency also owns or has rights to several real estate parcels which are carried at no cost.

g. Accrued Compensated Absences

All full-time employees meeting certain conditions are provided with vacation, sick pay, and certain other leave credits based on the terms of employment. Accumulated unpaid vacation and other leave credits are accrued when incurred and are reported in accrued liabilities in these financial statements. Sick pay does not vest with the employee and is expensed when paid.

h. Payment in Lieu of Taxes (PILOT)

The Agency enters into and administers PILOT agreements for various unrelated business entities located in the County. Under the terms of the PILOT agreements, title to property owned by the unrelated business entity is transferred to the Agency for a certain period of time. During the period in which the Agency holds title, the business entity pays a PILOT to the Agency based on a calculation defined by the specific agreement. The PILOTs allow the companies to make payments that are less than the property taxes that would be paid on the related properties' assessed value. Once the PILOT is received, the Agency remits the PILOT to the respective taxing authorities. Certain requirements, as defined by each agreement, are to be met by the company to be able to maintain its PILOT. These requirements, as stated in the PILOT agreement, can be comprised of reaching and maintaining certain employment goals, and paying its PILOT in a timely fashion. At the completion of the PILOT, title to the property is transferred back to the third-party business owner, and the property goes back on the tax rolls.

As part of the PILOT program, the Agency generates fees for administering the PILOT agreement. These fees are reported as "charges for services" in these financial statements. The Agency also administers bonds for several projects and receives an administrative fee upon issuance of the bond.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

h. Payment in Lieu of Taxes (PILOT) - Continued

PILOT receipts and PILOT payments are accounted for as pass-through transactions and are not included in the revenues or expenses of the Agency. The Agency is responsible for collecting and remitting the funds, and the County, Towns, and School Districts all bear the risk of loss if PILOT payments are not paid to the Agency by the respective companies.

i. New Accounting Standards

Effective January 1, 2015, the Agency adopted the following new accounting standards:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions.* The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,* and No. 50, *Pension Disclosures,* as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this statement.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.* The objective of this statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The provisions of this statement are required to be applied simultaneously with the provisions of Statement No. 68.

As a result of adopting these accounting standards, the Agency now reports its proportionate share of the net pension liability, along with related deferred outflows of resources and pension expense, as determined by the New York State and Local Employees' Retirement System. In accordance with GASB 68 and 71, the Agency retroactively applied these statements to the prior year and adjusted beginning net position. The adoption resulted in an increase of net position of $2,555.

j. Subsequent Events

The Agency has evaluated subsequent events for potential recognition or disclosure through March 22, 2016, the date the financial statements were available to be issued.

Note 2 - Cash

The Agency's investment policies are governed by State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, obligations of New York State or its localities, and Certificates of Participation.

In accordance with the provisions of Section 10 of General Municipal Law of New York State, all Agency deposits, including certificates of deposit and special time deposits in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, shall be collateralized by a pledge of eligible securities, letters of credit, or surety bonds.

The Agency's deposits were fully insured or collateralized and consisted of the following:

	December 31, 2015			December 31, 2014		
	Balance	FDIC Insurance	Pledge Collateral	Balance	FDIC Insurance	Pledge Collateral
National Bank of Coxsackie	$ 1,611,328	$ 250,000	$ 1,998,900	$ 2,205,917	$ 250,000	$ 2,380,052
First Niagara Bank	180,240	250,000	-	243,564	250,000	-
Greene County Commercial Bank	6,758,114	250,000	7,121,875	6,727,198	250,000	7,352,071
	$ 8,549,682	$ 750,000	$ 9,120,775	$ 9,176,679	$ 750,000	$ 9,732,123

Note 3 - Capital Assets and Real Property Held for Sale or Development

a. Capital Assets

The following is a summary of changes in depreciable capital assets during the year:

	December 31, 2015			
	Balance at December 31, 2014	Additions	Disposition/ Sale	Balance at December 31, 2015
Depreciable capital assets				
Building	$ -	$ -	$ -	$ -
Equipment	24,026	-	-	24,026
Infrastructure	54,646	-	-	54,646
	78,672	-	-	78,672
Less accumulated depreciation	(38,578)	(5,249)	-	(43,827)
Capital assets, net	$ 40,094	$ (5,249)	$ -	$ 34,845

	December 31, 2014			
	Balance at December 31, 2013	Additions	Disposition/ Sale	Balance at December 31, 2014
Depreciable capital assets				
Building	$ 315,000	$ -	$ (315,000)	$ -
Equipment	23,053	973	-	24,026
Infrastructure	54,646	-	-	54,646
	392,699	973	(315,000)	78,672
Less accumulated depreciation	(56,731)	(5,249)	23,402	(38,578)
Capital assets, net	$ 335,968	$ (4,276)	$ (291,598)	$ 40,094

Note 3 - Capital Assets and Real Property Held for Sale or Development - Continued

b. Real Property Held for Development

The following is a summary of changes in real property held for sale or development during the year:

	December 31, 2015			
	Balance at December 31, 2014	Additions	Disposition/ Sale	Balance at December 31, 2015
Real property held for development				
Land	$ 4,872,659	$ -	$ -	$ 4,872,659
Land improvements/development	2,299,186	440,723	-	2,739,909
Total	$ 7,171,845	$ 440,723	$ -	$ 7,612,568

	December 31, 2014			
	Balance at December 31, 2013	Additions	Disposition/ Sale	Balance at December 31, 2014
Real property held for development				
Land	$ 4,866,448	$ 435,000	$ 428,789	$ 4,872,659
Land improvements/development	2,323,570	74,858	99,242	2,299,186
Total	$ 7,190,018	$ 509,858	$ 528,031	$ 7,171,845

Note 4 - Line-of-Credit

The Agency has available a $260,000 line-of-credit with the Bank of Greene County. The current line-of-credit is renewable February 1, 2017. Interest on borrowings is charged at *The Wall Street Journal* Prime Rate Index plus .25%, but not less than 5.25% (5.25% at December 31, 2015 and 2014). The line-of-credit is secured by the Agency's assets. There was no outstanding balance on this line-of-credit as of December 31, 2015 and 2014.

Note 5 - Long-Term Debt

On November 8, 2013, the Agency entered into an agreement with the Bank of Greene County for a long-term note payable to help the County finance various capital improvements. The Agency is required to make monthly interest and principal payments of $6,044. Interest is charged at a fixed rate of 2.99%.

Payments on long-term debt are as follows:

	Principal	Interest	Total Payment
For the year ending December 31,			
2016	$ 57,949	$ 14,584	$ 72,533
2017	59,706	12,827	72,533
2018	61,516	11,017	72,533
2019	63,380	9,153	72,533
2020	65,301	7,231	72,532
2021 to 2023	206,810	9,575	216,385
	$ 514,662	$ 64,387	$ 579,049

Note 6 - Due to Other Governments and Unearned Revenue

At December 31, 2015 and 2014, the Agency recognized the January 2016 and January 2015, respectively, power payments collected from Athens Power during 2015 and 2014 as unearned revenue and as due to other governments for the payment due the Town of Athens at December 31, 2015 and 2014.

Note 7 - Conduit Debt Obligations

From time to time, the Agency has 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 interest of the public. The bonds are secured by the property financed and are payable from payments received from revenues earned by the borrowers. 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 State, 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, 2015 and 2014, the Agency had no outstanding conduit debt.

Note 8 - Related Party Transactions

Greene Land Trust

During 2003, an environmental impact assessment of the Agency's Greene Business and Technology Park was performed. During the assessment, local, state, and federal conservation and environmental interests raised the issue of the possible impacts development of the land would have to the habitats of several bird species in the area. Due to conditions set forth in permits issued by the United States Army Corps of Engineers and New York State Department of Environmental Conservation, a substantial parcel of the Agency's land was subdivided and identified as a grassland. This parcel, now known as Coxsackie Creek Grassland Preserve, was conveyed to Greene Land Trust in an agreement dated September 25, 2006. The Greene Land Trust is a 501(c)3 not-for-profit organization established in 2004. Title to the land was transferred to the Greene Land Trust during 2010, and the related cost of the land totaling $483,836, was removed from the financial statements of the Agency.

The Greene Land Trust is responsible for maintaining the conveyed property in accordance with terms, covenants, and conditions set forth by the aforementioned agreement and permits. The term of the agreement is twenty years during which the Agency shall pay stewardship fees, maintenance, and related operating expenses. Greene Land Trust is required to prepare and submit an annual budget for the Agency to review and approve. During 2015 and 2014, the Agency remitted $55,630 and $49,633, respectively, to the Greene Land Trust related to these costs.

Note 8 - Related Party Transactions - Continued

Greene Local Development Corporation

During March 2015, the Greene Local Development Corporation (Corporation) became an active entity. The Corporation is a vehicle by which the Agency can be assisted in the accomplishment of its mission under circumstances where factors such as environmental contamination or financial risk may represent undesirable liability to the Agency. The Corporation was formed and operates consistent with Section 2827-a of the NYS Public Authorities Law.

During May 2015, the bank account that was held and previously restricted by the Agency on behalf of the Corporation was fully transferred to the Corporation in the amount of $20,197.

Note 9 - New York State Employees' Retirement Systems

a. Plan Description

The Agency participates in the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multi-employer retirement systems. The ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund (Fund), which was established to hold all net assets and record changes in plan net position allocated to the ERS. The Comptroller of the State of New York serves as the Trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct state-wide election and serves a four-year term. ERS 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 ERS, 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 ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at 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, New York 12244.

b. Contributions

The ERS is noncontributory except for (1) employees who joined the ERS after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and (2) employees who join after January 1, 2010, who will contribute 3% of their salary for their entire career. The average contribution rate for ERS for the fiscal year ended March 31, 2015, was approximately 20.1% of payroll. Under the authority of the RSSL, the Comptroller annually certifies the rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Agency contributions for the current year and the two preceding years were equal to 100% of the contributions required, and were as follows:

2015	$	36,078
2014		37,238
2013		20,970

Note 9 - New York State Retirement Systems - Continued

c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions

At December 31, 2015, the Agency reported a liability of $22,486 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was 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.

At December 31, 2015, the Agency's proportion was 0.0006656%.

For the year ended December 31, 2015, the Agency recognized pension expense of $21,203. At December 31, 2015, the Agency reported deferred outflows of resources and related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 720
Net differences between projected and actual investment earnings on pension plan investments	3,905
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,413
Agency contributions subsequent to the measurement date	36,078
Total	$ 44,116

Deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date of $36,078 will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	
2016	$ 2,010
2017	2,010
2018	2,009
2019	2,009
Total	$ 8,038

Note 9 - New York State Retirement Systems - Continued

d. Actuarial Assumptions

The total pension liability at March 31, 2015, was determined by using an actuarial valuation as of April 1, 2014, with updated procedures used to roll forward the total pension liability to March 31, 2015. The actuarial valuation used the following actuarial assumptions:

Actuarial Cost Method	Entry age normal
Inflation Rate	2.7 percent
Salary Scale ERS	 4.9 percent, indexed by service
Investment rate of return, including inflation	 7.5 percent compounded annually, net of expenses
Decrement	Developed from the plan's 2010 experience study of the period April 1, 2005 through March 31, 2010
Mortality improvement	Society of Actuaries Scale MP-2014

Annuitant mortality rates are based on April 1, 2005 - March 31, 2011, ERS's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2011 valuation are based on the results of an actuarial experience study for the period April 1, 2005 - March 31, 2010.

The long-term expected 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015, are summarized below.

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	38.00%	7.30%
International equity	13.00%	8.55%
Private equity	10.00%	11.00%
Real estate	8.00%	8.25%
Absolute return strategies	3.00%	6.75%
Opportunistic portfolio	3.00%	8.60%
Real assets	3.00%	8.65%
Bonds and mortgages	18.00%	4.00%
Cash	2.00%	2.25%
Inflation-Indexed bonds	2.00%	4.00%
	100.00%	

Note 9 - New York State Retirement Systems - Continued

e. Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. 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 ERS'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.

f. 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 7.5%, as well as what the Agency's proportionate share of the net pension liability or asset would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount (7.5%)	1% Increase (8.5%)
Agency's proportionate share of the net pension liability (asset)	$ 149,876	$ 22,486	$ (85,064)

g. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the New York State and Local Employee's Retirement System as of March 31, 2015, were as follows (amounts in thousands):

Employers' total pension liability	$ 164,591,054
Plan net position	(161,213,259)
Employers' net pension liability	$ 3,377,795
Ratio of plan net position to the employers' total pension liability	97.9%

Note 10 - Commitments and Contingencies

a. Operating Leases

The Agency leases office space and certain equipment under operating leases. These leases require monthly payments ranging from $285 to $1,500 plus a portion of taxes and maintenance costs and expire in July 2018. Total payments under these agreements were approximately $19,000 for the years ended December 31, 2015 and 2014.

Note 10 - Commitments and Contingencies - Continued

a. *Operating Leases* - Continued

A schedule of the Agency's future commitments on lease agreements is as follows:

	Principal
For the year ending December 31,	
2016	$ 19,888
2017	20,329
2018	5,628
	$ 45,845

b. *Option Agreements*

The Agency has option agreements to purchase land in future periods. The agreements include annual option payments to the respective sellers. The options and the related costs are expensed when paid, unless the cost is to be applied to the purchase price. During the years ended December 31, 2015 and 2014, the Agency incurred costs of $39,250 and $57,400, respectively, related to the options, which were included in property held for development additions. Options are expensed when the Agency determines that they are no longer pursuing the property.

Note 11 - Subsequent Events

Effective January 2, 2016, the Agency transferred a parcel of land to an unrelated party. The transfer of the land was for $1, with the Agency covering the legal and administrative fees of the deed transfer. The value of the property transferred was $42,028.

The Agency also signed an option agreement on January 21, 2016, with an unrelated party. Beginning in 2016, the Agency is to pay the seller $5,000 a year toward the purchase price of the land, which totals $200,000. The Agency additionally will refund the seller up to $500 for the legal review of the option agreement. The agreement is effective for one year after signing, with the option to extend an additional six months for an additional payment of $2,500.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Required Supplementary Information -
Schedule of Local Government's Proportionate Share of the Net Pension Liability
Year Ended December 31, 2015

Agency's proportion of the net pension liability		0.0006656%
Agency's proportionate share of the net pension liability	$	22,486
Agency's covered-employee payroll	$	199,051
Agency's proportionate share of the net pension liability as a percentage of its covered-employee payroll		11.30%
Plan fiduciary net position as a percentage of the total pension liability		97.95%

See Independent Auditor's Report.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Required Supplementary Information -
Schedule of Local Government's Contributions
Years Ended December 31,

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	$ 36,078	$ 37,238	$ 20,970	$ 52,195	$ 52,842	$ 37,441	$ 36,304	$ 28,374	$ 30,141	$ 14,782
Contributions in relation to the contractually required contribution	36,078	37,238	20,970	52,195	52,842	37,441	36,304	28,374	30,141	14,782
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Agency's covered-employee payroll	199,051	186,864	180,160	197,051	340,836	383,458	473,458	243,029	255,750	185,250
Contributions as a percentage of covered-employee payroll	18.13%	19.93%	11.64%	26.49%	15.50%	9.76%	7.67%	11.68%	11.79%	7.98%

See Independent Auditor's Report.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Supplementary Information - Combining Statements of Net Position

	December 31, 2015				
	Operating Fund	Park Fund	Maintenance Fund	Elimination Entries	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash	$ 1,947,732	$ 4,685,688	$ 1,916,262	$ -	$ 8,549,682
Accounts receivable	75	91,564	-	-	91,639
Due from other funds	26,025	-	-	(26,025)	-
Prepaid expenses	3,933	-	-	-	3,933
Total current assets	1,977,765	4,777,252	1,916,262	(26,025)	8,645,254
OTHER ASSETS					
Due from other governments	-	35,080	-	-	35,080
Real property held for sale or development	-	7,612,568	-	-	7,612,568
Capital assets, net					
Depreciable	3,879	30,966	-	-	34,845
Total other assets	3,879	7,678,614	-	-	7,682,493
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to net pension liability	44,116	-	-	-	44,116
	$ 2,025,760	**$ 12,455,866**	**$ 1,916,262**	**$ (26,025)**	**$ 16,371,863**
LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
Notes payable, current installment	$ -	$ -	$ 57,949	$ -	$ 57,949
Accounts payable	2,188	4,483	5,073	-	11,744
Accrued liabilities	40,468	-	-	-	40,468
Net pension liability	22,486	-	-	-	22,486
Due to other governments	4,774	-	-	-	4,774
Due to other funds	-	26,025	-	(26,025)	-
Unearned revenue	12,436	-	-	-	12,436
Total current liabilities	82,352	30,508	63,022	(26,025)	149,857
LONG-TERM LIABILITIES					
Note payable, less current installment	-	-	456,713	-	456,713
Total liabilities	82,352	30,508	519,735	(26,025)	606,570
COMMITMENTS AND CONTINGENCIES					
NET POSITION					
Investment in capital assets	3,879	30,966	-	-	34,845
Unrestricted	1,939,529	12,394,392	1,396,527	-	15,730,448
	1,943,408	12,425,358	1,396,527	-	15,765,293
	$ 2,025,760	**$ 12,455,866**	**$ 1,916,262**	**$ (26,025)**	**$ 16,371,863**

	December 31, 2014 (Restated)				
	Operating Fund	Park Fund	Maintenance Fund	Elimination Entries	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash	$ 2,103,024	$ 5,376,989	$ 1,696,666	$ -	$ 9,176,679
Accounts receivable	-	140,010	-	-	140,010
Due from other funds	89,304	-	122,953	(212,257)	-
Prepaid expenses	9,438	-	-	-	9,438
Total current assets	2,201,766	5,516,999	1,819,619	(212,257)	9,326,127
OTHER ASSETS					
Due from state and federal governments	-	3,773	-	-	3,773
Real property held for sale or development	-	7,171,845	-	-	7,171,845
Capital assets, net					
Depreciable	5,485	34,609	-	-	40,094
Total other assets	5,485	7,210,227	-	-	7,215,712
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to net pension liability	36,832	-	-	-	36,832
	$ 2,244,083	**$ 12,727,226**	**$ 1,819,619**	**$ (212,257)**	**$ 16,578,671**
LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
Notes payable	$ -	$ -	$ 56,244	$ -	$ 56,244
Accounts payable	1,512	21,201	2,380	-	25,093
Accrued liabilities	58,644	-	-	-	58,644
Net pension liability	30,077	-	-	-	30,077
Due to other governments	4,774	-	-	-	4,774
Due to other funds	-	206,213	6,044	(212,257)	-
Unearned revenue	12,436	-	-	-	12,436
Total current liabilities	107,443	227,414	64,668	(212,257)	187,268
LONG-TERM LIABILITIES					
Notes payable, less current installment	-	-	514,423	-	514,423
Total liabilities	107,443	227,414	579,091	(212,257)	701,691
NET POSITION					
Investment in capital assets	5,485	34,609	-		40,094
Unrestricted	2,131,155	12,465,203	1,240,528	-	15,836,886
	2,136,640	12,499,812	1,240,528	-	15,876,980
	$ 2,244,083	**$ 12,727,226**	**$ 1,819,619**	**$ (212,257)**	**$ 16,578,671**

See Independent Auditor's Report.

Greene County
Industrial Development Agency
(A Component Unit of Greene County, New York)

Supplementary Information -
Combining Statements of Revenues, Expenses, and Changes in Net Position

	Year Ended December 31, 2015				
	Operating Fund	Park Fund	Maintenance Fund	Accelerator Fund	Total
OPERATING REVENUES					
Charges for services	$ 1,000	$ -	$ 297,061	$ -	$ 298,061
Athens Power fees	181,094	-	-	-	181,094
Rent	675	-	-	-	675
Other income	186	67,050	30	-	67,266
Total operating revenues	182,955	67,050	297,091	-	547,096
OPERATING EXPENSES					
Personal services	217,404	-	-	-	217,404
Employee benefits	64,618	-	-	-	64,618
Professional service contracts	14,727	-	73,646	-	88,373
Supplies and maintenance	3,090	-	-	-	3,090
Other operating expenses	79,326	150,218	61	-	229,605
Depreciation	1,606	3,643	-	-	5,249
Total operating expenses	380,771	153,861	73,707	-	608,339
Operating income (loss)	**(197,816)**	**(86,811)**	**223,384**	**-**	**(61,243)**
NONOPERATING REVENUES (EXPENSES)					
Interest income	4,584	12,357	4,772	-	21,713
Interest expense	-	-	(16,527)	-	(16,527)
Greene Land Trust Stewardship	-	-	(55,630)	-	(55,630)
Total nonoperating revenues (expenses)	4,584	12,357	(67,385)	-	(50,444)
CHANGE IN NET POSITION	**(193,232)**	**(74,454)**	**155,999**	**-**	**(111,687)**
NET POSITION, *beginning of year*	2,136,640	12,499,812	1,240,528	-	15,876,980
NET POSITION, *end of year*	**$ 1,943,408**	**$ 12,425,358**	**$ 1,396,527**	**$ -**	**$ 15,765,293**

	Year Ended December 31, 2014 (Restated)				
	Operating Fund	Park Fund	Maintenance Fund	Accelerator Fund	Total
OPERATING REVENUES					
Charges for services	$ 376,000	$ -	$ 292,770	$ -	$ 668,770
Athens Power fees	275,303	-	-	-	275,303
Grants for operations	7,070	-	-	-	7,070
Rent	500	10,055	-	-	10,555
Gain on sale of property held for development	-	5,083,675	-	-	5,083,675
Other income	5,198	34,930	9,820	-	49,948
Total operating revenues	664,071	5,128,660	302,590	-	6,095,321
OPERATING EXPENSES					
Personal services	207,601	-	-	-	207,601
Employee benefits	74,001	-	-	-	74,001
Professional service contracts	17,135	-	9,990	-	27,125
Supplies and maintenance	5,614	-	-	-	5,614
Other operating expenses	65,769	412,371	31	-	478,171
Operating grant expenses	7,500	-	-	-	7,500
Depreciation	1,633	3,643	-	-	5,276
Total operating expenses	379,253	416,014	10,021	-	805,288
Operating income	**284,818**	**4,712,646**	**292,569**	**-**	**5,290,033**
INTERFUND ACTIVITY					
Community and Environmental Division	83,260	(83,260)	-	-	-
NONOPERATING REVENUES (EXPENSES)					
Interest income	2,755	6,840	4,759	-	14,354
Interest expense	-	(6,939)	(18,200)	-	(25,139)
Greene Land Trust Stewardship	-	-	(49,633)	-	(49,633)
Gain on sale of capital assets	-	291,598	-	-	291,598
Total nonoperating revenues (expenses)	2,755	291,499	(63,074)	-	231,180
CHANGE IN NET POSITION	**370,833**	**4,920,885**	**229,495**	**-**	**5,521,213**
NET POSITION, *beginning of year*	1,763,252	7,578,927	1,011,033	-	10,353,212
Effect of adoption of GASB 68 and 71	2,555	-	-	-	2,555
NET POSITION, *beginning of year, as restated*	1,765,807	5,212,384	166,421	-	5,752,393
NET POSITION, *end of year*	**$ 2,136,640**	**$ 12,499,812**	**$ 1,240,528**	**$ -**	**$ 15,874,425**

See Independent Auditor's Report.

ACCOUNTING / TAX / ADVISORY

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*

Chairman and Agency Board
Greene County Industrial Development Agency
Coxsackie, New York

We have audited, 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, the statement of net position of the Greene County Industrial Development Agency (Agency), a component unit of Greene County, New York, as of December 31, 2015, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 22, 2016.

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 opinion 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 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SaxBST LLP

Albany, New York
March 22, 2016