EFPR GROUP, CPAs PLLC

280 Kenneth Drive, Suite 100
Rochester, NY 14623

P 585.427.8900
TF 800.546.7556
F 585.427.8947
W EFPRgroup.com

March 28, 2016

To the Board of Directors
Livingston County Development Corporation

In planning and performing our audit of the financial statements of the Livingston County Development Corporation as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

EFPR Group, CPAs, PLLC

EFPR Group, CPAs, PLLC

/sab

## Livingston County Development Corporation
## Status of Prior Year Other Comments and Recommendations
## December 31, 2015

**Other Comment and Recommendation** - We noted during our prior year risk assessment process for cash disbursements that invoices are to be stamped as received and dated by the Economic Development Specialist. The Executive Director then reviews and initials the invoice and notes which cash account the invoice should be paid from. Our audit procedures discovered several instances where the procedures described were not being followed.

**Resolution:** We reviewed the status of this comment in our current year audit and noted that the procedures performed follow those described above. This comment is considered resolved in the current year.

**GASB 77 -** GASB has issued Statement No. 77 *"Tax Abatement Disclosures,"* effective for the year ending December 31, 2016. This Statement requires governments that enter into tax abatement agreements to disclose a brief description of the tax being abated, the gross dollar amount of taxes abated, and commitments made by a government, other than to abate taxes, as part of the tax abatement agreement.

**GASB 80 -** GASB has issued Statement No. 80, *"Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14,"* effective for the year ending December 31, 2017. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member.