

**ONTARIO COUNTY FOUR SEASONS LOCAL  
DEVELOPMENT CORP.**

**REQUIRED COMMUNICATIONS**

**SEPTEMBER 30, 2014**



**MENGEL METZGER BARR & CO. LLP**

Certified Public Accountants

December 2, 2014

Audit Committee Members  
Ontario County Four Seasons Local Development Corp.

We have audited the financial statements of Ontario County Four Seasons Local Development Corp. as of and for the year ended September 30, 2014, and have issued our report thereon dated December 2, 2014. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated October 28, 2014, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Ontario County Four Seasons Local Development Corp. solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding material weaknesses and other matters noted during our audit in a separate letter dated December 2, 2014.

## **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Ontario County Four Seasons Local Development Corp. is included in Note A to the financial statements. There has been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2014. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the allocation of expenses for the statement of functional expenses. We have made tests of management's estimates and deemed them to be appropriate.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Ontario County Four Seasons Local Development Corp.'s financial statements relate to the concentration of revenue from Ontario County as disclosed in Note D to the financial statements.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Management has corrected all such misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

	<u>Revenue</u> <u>(expense)</u>
To adjust deferred revenue to actual	\$ (33,350)
To reverse prior year payables	18,973
To record current year payables	(16,453)
To adjust accrued leave to actual	<u>(7,583)</u>
	<u>\$ (38,413)</u>

## Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Ontario County Four Seasons Local Development Corp.'s financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter.

## Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## Other Significant Matters, Findings or Issues

In the normal course of our professional association with Ontario County Four Seasons Local Development Corp., we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Ontario County Four Seasons Local Development Corp.'s auditors.

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Should you desire further information concerning these matters, Ray Jacobi or Jackie Lee will be happy to meet with you at your convenience.

This letter is solely for the internal use of those charged with governance and management of Ontario County Four Seasons Local Development Corp. and should not be distributed to any other persons or used for any other purpose.

Very truly yours,

*Mengel, Metzger, Barr & Co. LLP*

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