ONTARIO COUNTY FOUR SEASONS LOCAL DEVELOPMENT CORP.

ADVISORY COMMENT LETTER

SEPTEMBER 30, 2015

MMB

MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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December 9, 2015

Board of Directors
Ontario County Four Seasons Local Development Corp.

In planning and performing our audit of the financial statements of Ontario County Four Seasons Local Development Corp. as of and for the year ended September 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered Ontario County Four Seasons Local Development Corp.'s internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

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.

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We have updated the status of the following comments and recommendations that were communicated to management in our letter dated December 2, 2014 in conjunction with the audit of the financial statements for the year ended September 30, 2014.

We do not consider the following to be significant deficiencies or material weaknesses for the year ended September 30, 2015.

Material Auditor Adjustments

Based on the results of our 2014 audit procedures and discussions with management, we noted management primarily records cash receipts and disbursements during the year, rather than preparing financial statements in accordance with generally accepted accounting principles (GAAP). Although cash receipt and disbursement transactions do represent the primary activities of the Organization, financial statements should be prepared in accordance with GAAP. During our audit, numerous adjustments were required to properly state financial statement balances in accordance with GAAP, including adjustments to cash, restricted cash and related liability, accounts payable, accrued leave, deferred revenue, revenue, and expenses.

Recommendation

We recommend the Organization consider recording all financial activity, preparing reconciliations of respective balance sheet accounts and adjust general ledger accounts to supporting detail throughout the year and especially as of year-end. Additionally, obtaining a better understanding in proper usage of the QuickBooks software will assist management in more easily preparing GAAP-basis financial statements on a regular basis. However, we recognize that the Organization may decide not to implement these changes due to the size of the Organization and the results of a cost benefit analysis.

Status at September 30, 2015

During our 2015 audit, we noted that the Organization contracted the services of an outside CPA and additional bookkeeper starting in April 2015. We found the Organization’s financials records to be prepared in accordance with GAAP, and as a result we were no longer required to make any material adjustments impacting the change in net assets during our audit. Only reclassification adjustments were identified through our audit procedures.

Credit Cards

During our 2014 audit, we noted the Organization uses credit cards for certain types of expenses. While credit cards do provide benefits to the Organization, they can also provide a significant opportunity for fraud if not properly monitored. Our review of five credit card transactions found two without supporting receipts. In addition, in accordance with the Policy Manual, the President or an Officer of the Board must approve the monthly credit card reconciliation or statement. Two of the five monthly statements we reviewed did not show evidence of this approval process.

Recommendation

We recommend management strictly follow the credit card procedures as documented in the Policy Manual. Receipts should be obtained for all purchases and an overall review of the credit card transactions should be performed as documented in the Policies Manual. Strong controls over credit card usage will protect the Organization from unauthorized or fraudulent transactions.

Status at September 30, 2015

During our 2015 audit we noted that the Organization has improved its procedures in regards to credit cards. In our review of a sample of credit card transactions all were found to have supporting receipts and all five statements and reconciliations reviewed were approved by both the President and an Officer of the Board.

Committee Minutes
During our 2014 audit, we noted that minutes of Audit Committee meetings were not maintained.

Recommendation
We recommended minutes of all Board committees be maintained. The current Form 990 inquires if all committee meetings were documented as well as meetings of the governing body. Keeping minutes of all meetings is also an indication of good governance.

Status at September 30, 2015
During our 2015 audit we noted the Organization began maintaining minutes for all Board committees.

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We have already discussed these comments and suggestions with Organization personnel and will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

We would like to express our appreciation for the courtesies extended to us by management and their staff. It is an honor and privilege to serve the Organization. Should you have any questions or comments, please contact Ray Jacobi or Jackie Lee.

This communication is intended solely for the information and use of Management, Audit Committee Members and Board Members and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Mengel, Metzger, Barr & Co. LLP

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