

March 5, 2014

To the Board of Directors and Management of
Seneca Falls Development Corporation

We are pleased to present this report related to our audit of the financial statements of Seneca Falls Development Corporation for the year ended December 31, 2013. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibilities for the Organization's reporting process.

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to be of service to the Organization.

Bonn, Dioguardi & Ray, LLP

Rochester, New York

SENECA FALLS DEVELOPMENT CORPORATION

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March 5, 2014

To the Board of Directors and Management of
Seneca Falls Development Corporation

We have audited the financial statements of Seneca Falls Development Corporation for the year ended December 31, 2013, and have issued our report thereon dated March 5, 2014. Professional standards require that we provide you with information about our responsibilities under U.S. generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 3, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Council on Alcoholism and Other Chemical Dependencies of the Finger Lakes, Inc. are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during December 31, 2013. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached schedule summarizes material misstatements, in aggregate, that were corrected by management, as detected as a result of audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 5, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of management and the Board of Directors of Seneca Falls Development Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

BONN, DIOGUARDI & RAY, LLP

A handwritten signature in cursive script that reads "Bonn, Dioguardi & Ray, LLP".

Rochester, New York

SUMMARY OF RECORDED AUDIT ADJUSTMENTS

Client: **SENECA FALLS DEVELOPMENT CORP**
SENECA FALLS DEVELOPMENT
 Engagement: **CORPORATION**
 Period Ending: **12/31/2013**
 Trial Balance: **Ila - Trial Balance**
 Workpaper: **Illa - AJE Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		B-1		
To adjust prepaid expenses to actual				
1650	Other Assets		1,909.57	
6131	Property Insurance			335.17
6132	Insurance - Liability D and O			944.88
6138	Workmans comp Insurance			629.52
Total			<u><u>1,909.57</u></u>	<u><u>1,909.57</u></u>
Adjusting Journal Entries JE # 2		J-1.1		
To record prior period adjustment				
6075	Advertising Expense		2,000.00	
3910	Retained Earnings			2,000.00
Total			<u><u>2,000.00</u></u>	<u><u>2,000.00</u></u>
Adjusting Journal Entries JE # 3		K-1.1		
To record town in kind services for the year ended 12/31/13				
6025	Rent/Lease Exp Vill In Kind		9,000.00	
6040	Utilities Exp Village In Kind		2,400.00	
4025	Village In-Kind Service			11,400.00
Total			<u><u>11,400.00</u></u>	<u><u>11,400.00</u></u>