



BARONE, HOWARD & Co., CPAs, PC
Certified Public Accountants and Consultants

March 20, 2019

The Members of the Board of Directors and Management
Herkimer County Industrial Development Agency
420 East German Street
Herkimer, NY 13350

In planning and performing our audit of the financial statements of Herkimer County Industrial Development Agency as of and for the year ended December 31, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered Herkimer County Industrial Development Agency'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 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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 Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiencies in Herkimer County Industrial Development Agency's internal controls to be significant deficiencies. The Schedule of Findings and Questioned Costs found in the Agency's audited financial statements for December 31, 2018 describes these deficiencies in detail.

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

Barone, Howard & Co., CPAs, P.C.
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New Hartford, New York