

# POULSEN & PODVIN, CPA, P.C.

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Joan McCreadie • Office Manager

September 17, 2010

To the Board of Directors  
Watertown Industrial Center  
Local Development Corporation

In planning and performing our audit of the financial statements of the Watertown Industrial Center Local Development Corporation for the year ended June 30, 2010, we considered the Organization's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

During our audit, we noted a matter involving the internal control structure and other operational matters which is presented for your consideration. This letter does not affect our report dated September 17, 2010 on the financial statements of Watertown Industrial Center Local Development Corporation.

We will review the status of this comment during our next engagement. Our comment and recommendation, which has been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment is summarized as follows:

## **Concentration of Credit Risk**

As of 6/30/10, the cash balance held in one money market savings account at Key Bank National Association was in excess of Federal Deposit Insurance Coverage.

## **Recommendation**

Since individual interest-bearing accounts are currently insured for a maximum of \$250,000, we recommend that the Organization not keep a balance greater than that amount in interest-bearing accounts at any one financial institution.

We wish to thank the staff for their support and assistance during our audit.

This report is intended solely for the information and use of the Board of Directors, management 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,

*Poulsen & Podvin, CPA, P.C*