



MANAGEMENT LETTER

February 11, 2013

Town of Hamburg Industrial Development Agency
6122 South Park Avenue
Hamburg, NY 14075

Honorable Board:

In planning and performing our audit of the financial statements of the governmental activities of the Town of Hamburg Industrial Development Agency as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the Town of Hamburg Industrial Development Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Hamburg Industrial Development Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Hamburg Industrial Development Agency'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 significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

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 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. 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.

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Town of Hamburg Industrial Development Agency
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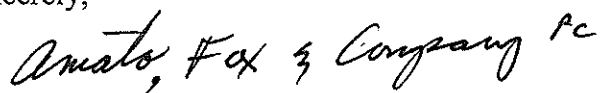
Our consideration of internal control would not necessarily disclose all matters in internal control that might be deficiencies, significant deficiencies, and material weaknesses and, accordingly, would not necessarily disclose all deficiencies, significant deficiencies, and material weaknesses that are defined above. In addition, because of inherent limitations in internal control, errors or irregularities may occur and not be detected by such controls. These conditions were considered in determining the nature, timing, and extent of the audit tests applied in our audit of the December 31, 2012 basic financial statements, and this report does not affect our report on those basic financial statements dated February 11, 2013. We have not considered the internal control since the date of our report.

This communication is intended solely for the information and use of management, the Town of Hamburg Industrial Development Agency, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank various Town of Hamburg Industrial Development Agency officers and employees for their cooperation during our audit of the basic financial statements.

Should you have any questions concerning this letter, please let us know and we will meet with you at your earliest convenience.

Sincerely,

A handwritten signature in cursive script that reads "Amato, Fox & Company PC".

Amato, Fox & Company, P.C.
Certified Public Accountants

Amato, Fox & Company, PC

Certified Public Accountants

**Amato
Fox**

February 11, 2013

Town of Hamburg Industrial Development Agency
6122 South Park Avenue
Hamburg, NY 14075

We have audited the financial statements of the governmental activities of the Town of Hamburg Industrial Development Agency for the year ended December 31, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), 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 January 1, 2013. 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 Town of Hamburg Industrial Development Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during year. We noted no transactions entered into by the governmental unit 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.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. There were no sensitive estimates affecting the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

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. There were no audit adjustments for the year ended December 31, 2012.

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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 February 11, 2013.

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 governmental unit'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

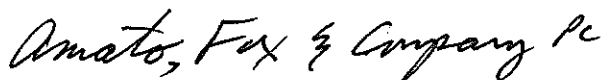
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses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

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Board of Directors and management of Town of Hamburg Industrial Development Agency and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Amato, Fox & Company PC
Certified Public Accountants