

BROWN & COMPANY, LLP

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September 8, 2010

To the Board of Directors
Niagara County Brownfield Development Corporation

SAS No. 112 COMMUNICATION

In planning and performing our audit of the financial statements of the Niagara County Brownfield Development Corporation (NCBDC) as of and for the year ended September 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered NCBDC'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.

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the following is both a significant deficiency and material weakness:

The Corporation does not have the permanent full time staff required for the preparation of the financial statements and all related disclosures which would enable the prevention, detection, or correction of any misstatements in said financial statements.

Response from Niagara County Brownfield Development Corporation:

Niagara County Brownfield Development Corporation engages outside independent auditors to assist in drafting the financial statements and related notes. We designate certain individuals with suitable skill sets and knowledge to oversee this service and management reviews, as well as accepts responsibility for the financial statements.

We understand the risk associated with not having the appropriate permanent full time staffing that would provide for the preparation of the financial statements with related notes and we hereby accept the degree of risk related to this material weakness.

~~Management believes the cost of correcting this material weakness would exceed the benefits to be derived from doing so.~~

Management has identified the use of the accrual basis of accounting and implemented the accrual basis as of the date of the audit report.

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

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