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March 14, 2012

To the Board of Directors
Binghamton Urban Renewal Agency

MANAGEMENT LETTER

In planning and performing our audit of the financial statements of the BINGHAMTON URBAN RENEWAL AGENCY (BURA) (a public corporation and governmental entity that is a component unit of the City of Binghamton) for the year ended December 31, 2011, we considered BURA's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an 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.

During our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The items below summarize our comments and suggestions regarding those matters. This letter does not affect our report dated March 14, 2012 on the financial statements of the Binghamton Urban Renewal Agency.

Prior Year's Comments:

Internal Financial Reporting and Internal Controls

For the year ended December 31, 2010, it was noted that the internally prepared quarterly financial statements did not properly reflect all the transactions of BURA. It was noted the Corporation failed to report an expense for the year ended December 31, 2010 as it was not recorded until paid in May 2011. The quarterly financials as a result failed to portray this liability. For the year ended December 31, 2011, it was noted that a 2011 expense was included in the quarterly reports. We encourage the Corporation to work with the City to determine a means to record all of the Corporation's activities timely.

PARIS reporting requirements

In the current year's testing of the Organization's compliance with laws and regulations, it was noted that many of the New York State Authorities Budget Office's requirements for items to be posted on the Organization's website and the timeliness of the information wasn't followed. The Public Authorities Reform Act of 2009 (Chapter 506) requires information to be reported to the New York State Authorities Budget Office, while also posting the information to the Public Authority's own website. Requirements for items to be posted and timeliness of the posting to the website are set by the New York State Authorities Budget Office. As of March 14, 2012, the majority of BURA's past information was uploaded to the website. There are plans for BURA's Paris reports to be submitted by the due date of March 31, 2012 and the items are planned to be posted to the website at the time the reports are submitted.

Piaker & Lyons

The Members of the Board of Directors
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Check Sequences

For the year ended December 31, 2010, it was noted that checks to pay utility bills were used out of sequence. Using checks out of sequence makes it difficult to account for all checks. We noted no such instances where checks were utilized out of sequence for the year ended December 31, 2011.

This report is intended solely for the information and use of the Binghamton Urban Renewal Agency, management, and others within the organization.

We are available at your convenience to discuss any of the items contained in this letter or any other concerns that you may have.

We would like to take this opportunity to express our appreciation for the cooperation and assistance extended to us during our audit of the financial statements.

Sincerely,


PIAKER & LYONS, P.C.