



March 12, 2014

To the Board of Directors
Chautauqua County Land Bank Corporation
Jamestown, New York

We have completed our audit of the Corporation's financial statements for the year ended December 31, 2013 and have issued our report thereon dated March 12, 2014. Our audit report expressed an opinion which states that the Corporation's financial statements are in accordance with generally accepted accounting principles for governments located in the United States of America. In addition, we have issued a separate report on internal controls over financial reporting and compliance with laws and regulations as required by *Government Auditing Standards*.

In planning and performing our audit of the financial statements of the ***Chautauqua County Land Bank Corporation*** for the year ended December 31, 2013, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure and its operation. Except as noted within the body of such report, the Corporation generally was in compliance with laws and regulations and maintains a reasonable system of accounting internal controls.

Below is a summary of additional comments which we desire to bring to the attention of the board and management. Although these matters were not of sufficient nature to be disclosed in the previously mentioned report, we do feel the comments should be reviewed and considered.

Valuation of real property received

Currently the Corporation uses various methods to value and record the documented value of properties acquired through tax foreclosure, bank and mortgage foreclosure, or donation. We recommend that the Corporation establishes a formal policy that will guide corporate staff in the proper method to use when valuing the property received and recording as property held for resale. The Corporation may consider integrating this policy with the Land Acquisition and Disposition Policies and Priorities already in place.

We would like to take this opportunity to thank the management and staff of the Corporation for their assistance and cooperation during the course of our fieldwork. It has been a pleasure to be of service to the ***Chautauqua County Land Bank Corporation***.

Sincerely,

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.