



Kenneth S. Frank, CPA
Roger J. Lis, Jr. CPA
Christopher M. Zera, CPA

R. A. MERCER & CO., P.C.
Certified Public Accountants
290 Center Road
West Seneca, New York 14224
Phone 716-675-4270 Fax 716-675-4272
www.ramercercpa.com

Raymond A. Mercer, CPA 1931-1983
Kathryn A. Larracuente, CPA

MANAGEMENT LETTER

Board of Directors
Salamanca Industrial Development Agency

In planning and performing our audit of the financial statements of the Salamanca IDA for the year ended March 31, 2023, we considered the Agency's internal control system to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the Agency's internal controls. The following is a recommendation for improving internal controls or operational efficiencies or communications addressing control deficiencies that are not serious enough to be considered control deficiencies.

1) REAC Submission

During our audit, we noted that the initial REAC submission was not filed timely within 45 days after year-end. We strongly suggest that the REAC information be submitted timely so as not to risk loss of funding. We can assist you at year end with this process and train your staff regarding some of the requirements of filing with REAC.

2) PILOT Payments

During our audit we noted that the PILOT payment from a tenant was not determined or collected. We recommend that the PILOT agreement be reviewed and properly followed.

We believe that the implementation of this recommendation will provide the Agency with a stronger system of internal accounting control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you and assist in any way possible with their implementation.

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

West Seneca, New York
July 7, 2023

R.A. MERCER & CO., P.C.