
Certified Public Accountants

March 4, 2021

To the Board of Directors of the Buffalo
Erie Niagara Land Improvement Corporation:

In planning and performing our audit of the financial statements of the Buffalo Erie Niagara Land Improvement Corporation (the “Corporation”) as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Corporation’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances 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 entity’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation’s internal control.

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 a 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. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined below:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit we identified certain matters involving the internal control, other operational matters, and future reporting requirements that are presented for your consideration. This letter does not affect our report dated March 4, 2021 on the financial statements of the Corporation. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized in Exhibit I.

This communication is intended solely for the information and use of management and those charged with governance, and is not intended to be, and should not be, used by anyone other than these specified parties.

Drescher & Malecki LLP

March 4, 2021

Accounting Standards Update

With the impact of COVID-19, the Financial Accounting Standards Board (“FASB”) has made the following decisions in regards to deferring certain Accounting Standards Update (“ASU”):

- The implementation of ASU 2016-02, *Leases (Topic 842)*, which objectives and recommendations on implementation were communicated within the 2019 Management Letter, has been deferred from December 31, 2021 to December 31, 2022.
- The implementation of ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, was deferred to December 31, 2022.