

**HILTON LOCAL DEVELOPMENT
CORPORATION, NEW YORK**

**COMMUNICATING INTERNAL CONTROL
RELATED MATTERS IDENTIFIED IN AN AUDIT**

For Year Ended December 31, 2015

Raymond F. Wager, CPA, P.C.
Certified Public Accountants

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

March 21, 2016

To the Council Members of
Hilton Local Development
Corporation, New York

In planning and performing our audit of the financial statements of the Hilton Local Development Corporation, New York as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Hilton Local Development Corporation, New York'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 Corporation'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected on a timely basis.

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.

Prior Year Deficiency Pending Corrective Action:

Accounting Records –

Our examination revealed that a formal balance sheet indicating the LDC's assets, liabilities, and net assets is not currently being prepared.

We recommend the LDC prepare a year-end balance sheet which includes the assets, liabilities, and net assets of the Corporation.

Prior Year Recommendation:

The recommendation from the prior year has been noted above.

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We wish to express our appreciation to all client personnel for the courtesies extended to us during the course of our examination.

Handwritten signature of Raymond J. Wages, CPA, PC in black ink.

March 21, 2016