



STATE OF NEW YORK
Authorities Budget Office

P O Box 2076
Albany, NY 12220-0076
WWW.ABO.STATE.NY.US

e-mail address:
info@abo.state.ny.us

Local: 518-474-1932
Toll Free: 1-800-560-1770

March 5, 2012

Mr. David B. Erwin
Chairman
Town of Erwin Urban Renewal Agency
117 West Water Street
Painted Post, New York 14870

Dear Mr. Erwin:

In August 2011, the Town of Erwin Urban Renewal Agency received a warning letter that informed the authority they failed to meet the reporting requirements of sections 2800, 2801, and 2802 of Public Authorities Law. In January 2012, the Agency received a second warning that it has failed to meet these requirements.

As of March 5, 2012, the Town of Erwin Urban Renewal Agency remains out of compliance with the public disclosure, reporting and corporate governance provisions of Public Authorities Law. Town of Erwin Urban Renewal Agency has not filed the following reports with this Office:

- Budget Report for fiscal year ending 12/31/2012
- Annual Report for fiscal years ending 12/31/2009 and 12/31/2010
- Audit Report for fiscal years ending 12/31/2009 and 12/31/2010

Accordingly, pursuant to its powers under Section 6(2)(f) of Public Authorities Law and Policy Guidance 11-02: "Enforcement Powers of the Authorities Budget Office", issued February 10, 2011, the Authorities Budget Office is sending this official letter of censure to the board of directors of the Town of Erwin Urban Renewal Agency.

As a public authority, the Town of Erwin Urban Renewal Agency is expected to be timely and transparent with its financial reporting and to be accountable to the public. This letter of censure is the result of your collective failure to take appropriate corrective action when the authority was previously warned that it was out of compliance with state law. Those warnings constitute reasonable evidence that the board and the authority's management were made aware of this situation. The fact you continue to ignore your obligations under state law is unacceptable. This continued inaction demonstrates a fundamental misunderstanding of your fiduciary responsibilities and is a serious violation of your duty as a director or officer of this authority.

This letter is being made part of the public record. Disclosure of this delinquency and letter of censure may be required by federal securities law, should the authority finance debt in

the future. Furthermore, should the board of directors and the chief executive officer fail to bring the Town of Erwin Urban Renewal Agency into compliance, the Authorities Budget Office may take additional steps, including initiating legal action, to access the records, books, and financial documents of the Authority, and/or recommending the removal of the board of directors.

Sincerely,



David Kidera
Director

cc: New York State Senator Thomas F. O'Mara
Assemblymember Philip A. Palmesano