



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

Independent Auditors' Report on Communication of Internal Control Matters Identified in the Audit

To the Honorable City Manager and
Members of the City Council
City of Long Beach
City Hall
1 West Chester Street
Long Beach, New York 11561

In planning and performing our audit of the governmental activities, each major fund and the aggregate remaining fund information of the City of Long Beach, New York ("City") as of and for the year ended June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose of conducting the City's audit and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies, deficiencies that we consider to be control deficiencies and other observations and recommendations for strengthening internal control and/or operating efficiency. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. 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 entity's financial statements will not be prevented or detected and corrected on a timely basis.

The exhibits set forth below and appended to this letter, include our required communications and various matters involving internal control that we identified during our audit.

- Addendum A - Summary of communications required under generally accepted auditing standards
- Addendum B - Deficiencies in internal control that we consider to be significant deficiencies
- Addendum C – Control Deficiencies and Other Observations/Recommendations for Improving Internal Control and Operating Efficiency

This report and addendums are intended for the information and use of the Members of the City Council and the City Manager. However, this report is a matter of public record and its distribution is not limited. We will be pleased to discuss these comments in further detail at your convenience, or to assist you in implementing the recommendations.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Harrison, New York
January 11, 2012