



OCRRA  
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February 28, 2011

Testone, Marshall & Discenza, LLP  
Certified Public Accountants  
The Foundry  
432 North Franklin Street  
Syracuse, NY 13204

We are providing this letter in connection with your audit of the financial statements of the Onondaga County Resource Recovery Agency (OCRRA) as of December 31, 2010 and December 31, 2009 and for the years then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of OCRRA and the respective changes in financial position and, where applicable, cash flows thereof in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of February 28, 2011, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information required by generally accepted accounting principles to be included in the financial reporting entity.
2. We have made available to you all:
  - i. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.

- ii. Minutes of the meetings of the OCRRA Board of Directors or summaries of actions of recent meeting for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the general purpose financial statements.
5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
6. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
  - a. Management,
  - b. Employees who have significant roles in internal control; or
  - c. Others where the fraud could have a material effect on the financial statements.
7. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
8. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
9. OCRRA has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.
10. The following, if any, have been properly recorded or disclosed in the general purpose financial statements:
  - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
  - b. Guarantees, whether written or oral, under which OCRRA is contingently liable.
  - c. All accounting estimates that could be material to the general purpose financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances, consistently applied, and adequately disclosed.
11. We are responsible for OCRRA's compliance with laws, regulations and provisions of contracts and grant agreements applicable to it, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions

of contract and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

12. There are no:

- a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the general purpose financial statements or as a basis for recording a loss contingency or for reporting on noncompliance.
- b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles.
- c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by generally accepted accounting principles.
- d. Reservations or designation of net assets that were not properly authorized and approved.

13. OCRRA has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been specifically pledged as collateral.

14. OCRRA has complied with all aspects of contractual agreements that would have a material effect on the general purpose financial statements in the event of noncompliance.

15. There are no material capital lease obligations with the exception of the direct financing lease described in the financial statements.

16. All operating leases have been identified and disclosed to you.

17. All computations and allocations prepared in connection with Series B obligations have been made in accordance with the related agreement.

18. All computations and assumptions in connection with the Other Post-Employment Benefits (OPEB) have been made in accordance with the alternative measurement method permitted by GASB 45.


19. OCRRA has followed all applicable laws and regulations in adopting, approving, and amending budgets.

20. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.

21. Provisions for uncollectible receivables have been properly identified and recorded.
22. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
23. Revenues are appropriately classified in the statement of activities.
24. Capital asset are properly capitalized, reported, and, if applicable, depreciated.
25. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

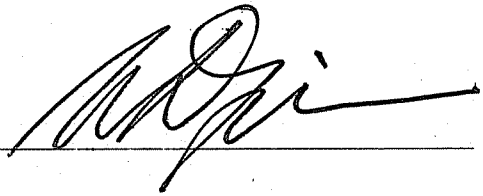
To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Signed: \_\_\_\_\_



Title: Executive Director

Signed: \_\_\_\_\_



Title: Business Officer