

**Genesee County Industrial Development Agency
d/b/a Genesee County Economic Development Center
1 Mill Street
Batavia, NY 14020**

April 3, 2009

Gruver, Zweifel & Scott, LLP
4 Associate Drive
Oneonta, NY 13820

We are providing this letter in connection with your audit of the financial statements of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (the "GCEDC"), as of December 31, 2008, and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the GCEDC and the revenues, expenditures and changes in retained earnings and the cash flows in conformity with generally accepted accounting principles. We confirm that we are responsible for the fair presentation in the Statements of Net Assets, Statements of Revenues, Expenditures and Changes in Net Assets, and cash flows in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of April 3, 2009, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America.
2. We have made available to you all --
 - a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources; and
 - b. Minutes of the meetings of the Board or summaries of actions of recent meetings 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 financial statements or the schedule of expenditures of federal awards.
5. There are no audit differences that have not been corrected.

6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
7. We have no knowledge of any fraud or suspected fraud affecting the GCEDC 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.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the GCEDC received in communications from employees, former employees, grantors, regulators or others.
9. The GCEDC 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 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 the GCEDC is contingently liable; and
 - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
11. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that *near term* means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the organization vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
12. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statements amounts.
13. The GCEDC is an exempt organization established under Title 1 of Article 18-A of General Municipal Law of the State of New York, as amended, and Chapter 114 of the Laws of 1973 of the State and is a public benefit corporation of the state.

14. There are no --
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting 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 financial statements or as a basis for recording a loss contingency'
 - b. Unasserted claims or assessments that our lawyer has advised the GCEDC are probable of assertion and must be disclosed in accordance with Financial Accounting Standards Board (FASB) Statement No. 5, *Accounting for Contingencies*;
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5; or
 - d. Reservations or designations of net assets that were not properly authorized and approved.
15. The GCEDC has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
16. The GCEDC has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

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: _____
Steven G. Hyde, President and CEO

Date: _____