

TOSKI, SCHAEFER & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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March 25, 2011

CONFIDENTIAL

The Board of Directors
Putnam County Tobacco Asset
Securitization Corporation:

We have completed our audit of the financial statements of Putnam County Tobacco Asset Securitization Corporation (the Corporation), a blended component unit of the County of Putnam, New York (the County), as of and for the year ended December 31, 2010. In planning and performing our audit of the financial statements, we considered the Corporation's internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, and not to provide assurance on internal control. We have developed the following comments concerning certain matters related to the Corporation's internal control and accounting, administrative and operating matters.

This report is intended solely for the information and use of the Board of Directors, management and others within the Corporation.

Public Authorities Reform Act of 2009

The Public Authorities Reform Act of 2009 (PARA) was signed into law December 11, 2009 and was effective beginning March 1, 2010. PARA has increased the amount of regulation and transparency required for public authorities, such as the Corporation. These new requirements include increased reporting and website disclosure requirements regarding the Corporation's mission statement and performance measures, enabling legislation, four year financial plan, detail of the board structure and committees, and schedule of board meetings. The amount of items necessary to be posted on the Corporation's website has significantly increased with the adoption of PARA.

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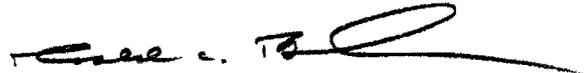
During our audit, we noted that the Corporation reports financial and other required information through the Public Authorities Reporting Information System (PARIS) to the Authority Budget Office. However, the Corporation does not maintain an internet website with certain required information. Pursuant to PARA, the reporting of information is required to be made public and provided to the Authority Budget Office which would be normally facilitated through an internet web site. The Authority Budget Office encourages the development of internet capability by public authorities. If this is not practicable, a public authority should make arrangements to post its annual reporting, budget and audit reports, etc. on the website of the government for whose benefit the authority was established to assure accessibility by the Authority Budget Office and the public. In order to comply with PARA, we recommend that the Corporation develop procedures to ensure that the Corporation is in compliance with all relevant PARA requirements and that all required documents are posted and maintained on the internet.

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We wish to take this opportunity to express our appreciation for the courtesy and cooperation extended to us by the Corporation's personnel during our audit. If you have any questions regarding the foregoing comments or wish any assistance in their implementation, please contact us at your convenience.

Very truly yours,

TOSKI, SCHAEFER & CO., P.C.



Ronald C. Toski, CPA
Managing Director