

CITY OF MECHANICVILLE TOWN OF STILLWATER
INDUSTRIAL DEVELOPMENT AGENCY (AGENCY)
ANNUAL REPORT FOR YEAR ENDED DECEMBER 31, 2008

This is the Annual Report for 2008 filed as required by the NYS Public Authorities Accountability Act of 2005 (PAAA).

Operations in 2008

Two additional phases for a current Agency project company were induced by the Agency in 2008. Although one of the two induced projects was principally completed in 2008 and the Agency fee on financing was received, it was not "closed" in 2008. Both of these phases are anticipated to close in 2009. During the year the Agency had two active projects which were both straight leases. The Agency collected payments in lieu of taxes (PILOTS) from the projects totaling \$165,104 and remitted the total collected to the respective taxing jurisdictions (County, City, Town, School Districts and Library).

Compliance with PAAA

In January 2008 the Agency Board appointed by resolution Scott Ronda as its Chief Financial Officer (CFO).

In 2007 the Board appointed John Bove as its Chief Executive Officer (CEO) and also adopted revised by-laws, governance and audit charters and appointed board members to serve as committee members on those boards and also adopted a code of ethics.

Required Audit Training

Certain Board members who were members prior to January 1, 2005 attended and completed training in 2007. One Board member who was appointed after January 1, 2005 complete board training in 2008.

Budgets

The Agency adopted its 2008 budget at its January 2008 Board meeting and adopted its 2009 budget at its meeting in January 2009. Both of these budgets are included as attachments 1 and 2 to this annual report.

Property

The Agency does not own any property in its own name and therefore has not addressed any property disposition policy. As noted above the Agency has two sponsored active projects where title is in the Agency's name, as part of the Agency's providing of the conduit financing, until the contractual benefits provided to the project companies by the Agency under the periods and terms of the tax abatement are completed. Upon completion, title is transferred to the project companies and the property is included on the taxable property tax rolls.

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Revenue and Expenditures - 2008

Revenues:	
Administrative fees	\$ 24,000
Other operating revenues - grants	4,000
Interest	15
Total revenue	<u>28,015</u>
Expenditures:	
Professional service contracts:	
Saratoga Economic Development Corp	17,250
Accounting and Auditing	2,515
Administrative	2,632
Insurance	1,350
Total expenditures	<u>23,747</u>
Excess of revenues over expenditures	\$ <u>4,268</u>

Assets, Liabilities and Fund Balance - 12/31/08

Assets:	
Cash	\$ 11,868
Receivables	359
Total assets	\$ <u>12,227</u>
Liabilities - accounts payable	<u>2,006</u>
Fund Balance:	
Balance at December 31, 2007	5,953
Excess of revenues over expenditures	4,268
Balance at December 31, 2008	<u>10,221</u>
Total liabilities and fund balance	\$ <u>12,227</u>

Schedule of Notes and Bonds Outstanding

The Agency has no outstanding debt in its own name and there is no conduit debt as there are no bonds outstanding on project companies. As noted above both project companies are straight leases.

Compensation - The Agency has no paid employees.

Property Held by the Agency - The Agency owns no real property in its own name.

Certification of Report - See page #3.

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Certification - Pursuant to Section 2800(3) of the Public Authorities Law of the State of New York, each of the undersigned officers of the City of Mechanicville Town of Stillwater Industrial Development Agency, a public benefit corporation of the State of New York does hereby certify with respect to the attached annual financial report of the Agency ("Annual Financial Report") that based on the officer's knowledge.

- (1) the information provided in such Annual Financial Report is accurate, correct and does not contain any untrue statement of material fact,
- (2) it does not omit any material fact which, if omitted, would cause the financial statements contained in the Annual Financial Report to be misleading in light of the circumstances under such statements are made; and
- (3) fairly presents the financial condition and results of operations of the Agency as of and for the periods presented in such financial statements for 2008.

Date _____ John Bove Chief Executive Officer

Date _____ Scott Ronda Chief Financial Officer