

## **Saratoga County Industrial Development Agency**

### **Annual Report FY 2008 (January 2009)**

#### **1) Operations and Accomplishments**

The Saratoga County Industrial Development Agency's Administrative needs are met by the C.E.O. an independent contractor pursuant to a professional service contract. The CEO is assisted in these duties by the Assistant administrator who also serves as senior planner for the County of Saratoga. The Agency contracts with the county on an annual basis for the provision of office and storage space, supplies and services as needed.

#### **Compliance with Public Authorities Accountability Act (PAAA)**

The Agency established an Audit committee and governance committee and appointed members on January 7, 2007. the governance committee provided the county Board of Supervisors with written recommendations regarding the skills and experience future board members should possess. In April, 2008 the Agency adopted the Governance Committee Charter. The Agency also amended its investment policy and reaffirmed its procurement policy. By resolution the board adopted a prohibition of credit to members required for all public authorities. The Agency amended its application for financial assistance to require companies to provide information on wages and salaries as required by the office of State Comptroller.

Agency Policies can be found on its web site: [www.saratogacountyida.org](http://www.saratogacountyida.org).

#### **Financial Report/Investment Report**

Pursuant to state legislation enacted in 1990, the Agency commissioned an independent audit of its 2007 fiscal year in conformance with criteria provided by the Office of New York State Comptroller. The audited report issued in April, 2008 found the financial operations and record keeping of the Agency in conformity with generally accepted accounting principles and in compliance with all relevant laws and regulations of New York State. A copy of that report has previously been provided to the Board of Supervisors and the Fiscal Year 2008 audited report will be forwarded upon its completion.

### **Payment in Lieu of Taxes**

The Agency is able to offer companies who consider locating to or expanding within Saratoga County savings in the form of sales, mortgage and property tax abatement pursuant to its Uniform Tax Exemption Policy. The Agency holds title to a property thereby making it tax exempt. For a specific period (5-10 years) the Agency will bill a company for payments in lieu of taxes and redistribute those monies to local governments and school districts. Of the eighty-five projects approved by the Agency only twenty remain subject to Pilot Agreements. In 2008 the Agency collected over \$2.4 million dollars in local and school district taxes and redistributed those funds to the local tax jurisdictions.

### **Direct Financial Assistance**

The Agency manages a fund balance generated from the collection of fees charged to assisted companies. The Agency's Board of Directors has dedicated this fund balance primarily for economic development projects that have the potential to create additional job opportunities for residents of Saratoga County. Since 1986 the Agency has approved expenditures of over 1.9 million dollars from these funds through loans or grants for a wide range of economic studies and capital improvements.

For example, IDA funds may be utilized to extend public infrastructure (streets, water, sewer) to enhance the development of industrial lands.

The IDA has established the following conditions and criteria that must be followed prior to formal consideration of any such financial support:

1. The legislative body of the host community must approve a proposed project by resolution.
2. The site must be properly zoned and be compatible with the community's Comprehensive Plan.
3. Any infrastructure improvements must be within the public right-of-way or offered for dedication. A municipality or public entity must have expressed commitment to accept proposed improvements.
4. The applicant must demonstrate that no other sources of funding (private or public) are available.
5. Staff of the Saratoga County Planning Department and Saratoga Economic Development Corp. (SEDC) will work with municipal leaders and private land owners to develop potential projects and to screen future applications.

The Agency will also consider funding “soft costs” (legal, planning, engineering, etc.), that may be associated with bringing an industrial site or park to “shovel ready “status”.

### **Required Training**

Six of the seven Agency board members have completed their required training. The most recent appointee (01/09) will register for the Spring training session sponsored by CUNY.

### **Budgets**

Agency annual operating budgets for 2007-2012 can be examined on its web site.

A report on 2008 revenues/expenditures, assets and liabilities is contained herein.

### **Employment**

The assistant administrator reported the results of four field verification visits of SCIDA companies, all of which meet or exceeded their employment projections.

## **2) Projects Undertaken**

A project is defined as the granting of financial assistance by the SCIDA to a private business entity or a not-for-profit corporation. The assistance provided may be the issuance of tax exempt bonds resulting in a lower interest rate or the granting of sales, mortgage or real property tax abatements. The SCIDA does not directly loan money to companies. The bulk of transactions today involve straight lease transactions in which a lending institution provides a conventional loan, the repayment of which is backed entirely by the credit of the company.

In August the Agency approved a sales tax exemption on behalf of Architectural Glass and Mirror for a 30,000 SF expansion of its existing manufacturing facility in Halfmoon. The company will pay full taxes on its new building and over time will add to its current full-time employment of 45 people.

In December the Agency approved two additional manufacturing projects. The first applicant, Woodstone NY, LLC proposes to

construct a 123,000 SF pellet manufacturing facility on 90 acres in the Moreau Industrial Park north of NYS Rte. 197. The \$15 million dollar plant will produce 100,000 tons of pellets annually. There will be thirty full-time jobs at the plant, while approximately 100-200 jobs in the northern logging industry will have another source for their product. Pellets are made from secondary species and the plant will not be in competition with existing paper mills.

The Agency also approved the application of AMD Fab Technologies to construct a 1.2 million square foot chip manufacturing plant on 200 acres in the Luther Forest Technology Campus. By far, the largest project ever considered by the Agency the plant and associated equipment and infrastructure will cost 4.657 billion dollars. More than 1,400 construction workers will be employed over a three year period. When construction is complete the facility will employ 1,200 people with an annual payroll of 88 million dollars. The Agency approved an abatement on the 3% local portion of the 7% sales tax for the construction period valued at an estimated 11.5 million dollars. The 4% state portion of the sales tax is abated by virtue of the project's location in an Empire Development Zone. Under a unique payment in lieu of tax agreement the company will pay full property taxes with 25% of the total being allocated to the town of Stillwater and Stillwater School District.

### **Completed Projects**

Financial assistance in the form of real property tax abatements may be provided by the Agency over a specific time period by accepting title to the property from the company. Once the abatement period is completed the Agency reconveys title back to the company and the property is returned to Roll Section 1 (taxable).

In 2008 title to the following properties was reconveyed to the companies and returned to the taxable roll.

Sitterly Associates II, LLC, Clifton Park  
Fred Fox/Lemans Corp. (Parts Unlimited, Ballston Spa)  
Fortress Partners (Info Label), Halfmoon  
Schuylerville H.S. Building LLC, Schuylerville

## Revenues and Expenditures FY 2008

### Revenues

1)	Fees		
	a)	Application	\$500.00
	b)	Administration	\$0
2)	Interest		\$57,717.00
3)	Reimbursement Public Hearing Transcript		
	a)	Woodstone NY, LLC	\$206.00
	b)	Atlantic British	\$185.00
		Total	\$58,608.00

### Expenditures

1)	Contractural		
	a.	C.E.O.	\$25,000.00
	b.	Auditor – Fredette & Sankowski)	\$2,500.00
	c.	Saratoga County Administrative Services	\$22,500.00
	d.	Saratoga Economic Development Corp; Fee Split	\$0
2)	Public Hearing Transcripts		
	a)	Woodstone NY, LLC	\$206.00
	b)	Advanced Micro Dynamics	\$440.00
	c)	Atlantic British	\$185.00
3)	Public Notices: 08 and 09 Budgets		\$33.23
4)	Annual Dinner: SEDC		\$525.00
5)	Rail Spur Rental		\$25.00
6)	Web Site		\$190.00
7)	Insurance		\$3,625.00
		TOTAL	\$55,229.00
		Increase in Fund Balance	\$3,379.00

#### **4. Assets & Liabilities**

##### **Assets**

<b><u>Acct. #</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1100	Cash-Savings (SNBT)	\$46,926.00
1200	Certificate of Deposit	\$1,410,469.00
1500	Receivable – SEDC (Luther)	\$649,660.00
1750	Fixed Assets – Rail Spur	<u>\$132,400.00</u>
	Total Assets	\$2,239,455.00

##### **Compensation Schedule**

The SCIDA has no employees whose salary is in excess of \$100,000.

#### **5. Property held by the Agency**

The SCIDA is the fee owner of an inactive industrial rail spur in the town of Moreau.

This rail line formerly owned by the Delaware and the Hudson Railroad Company was purchased by the SCIDA in 1996 in order to preserve the capability to provide rail service to the Moreau Industrial Park and Industrial properties in the village of South Glens Falls. The line beginning just south of NYS Rte. 197 where it connects to the main line of the Canadian Pacific Railway company runs north approximately 4.37 miles to the former Encore Paper plant (now SCA Tissue), in the village of South Glens Falls.

Previously, the line also served the Chase Bag Paper Co. via a Fennimore branch running east from its juncture with South Glens Falls branch.

The Rail Spur was purchased in April 1996 for \$108,000 based on a 1995 professional appraisal commissioned by the Agency. An engineering study to determine the estimated capital cost to restore the line to active service was completed in 2007.

The Agency has no intention to dispose of its property at this time.

**Operating Budgets: 2007-2012**



**Note: to increase font size click on view and select zoom**

**Saratoga County Industrial Development Agency  
Investment Report FY 2008**

As of December 31, 2008 the Agency's unrestricted funds were held in an interest bearing money market account (SNBT), \$46,926 and certificates of deposit as shown on the current investment charts totaling \$1,410,469. All deposits totaled \$1,457,395 and the Independent Audit notes to the Agency's financial statements dated May 11,2009 confirmed that all deposits of the Agency were covered by FDIC insurance or third party collateral investments as required.

Unrestricted funds during the year are invested by staff with board oversight, in rolling certificates of deposit awarded to the highest bidder. Participating banks and bid forms are listed in the agency's investment policy: (see Policies on web [www.saratogacountyida.org](http://www.saratogacountyida.org)). The State Comptroller's Financial Management Guidelines for cash management and investment have been previously adopted and incorporated into the Agency's investment policy by the Board.

The Agency maintains third party custodial (collateral) agreements with all participating banks and maintains records of all collateral held by third parties securing the Agency's investments. Interest on CD's is recognized by the agency at maturity. The agency does not incur any fees or charges in the purchase of CD's.

January 9, 2008

**CURRENT INVESTMENTS**

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
09-07	04/18/08	Glens Falls National 779161	Bank North 6730190020 01-07	07/18/07 9 mos. @5.25%	141,687
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980	07/27/07 6 mos. @5.10%	154,463
11-07	02/04/08	Bank North 6730055802	Bank North 6730055802 02-07	08/08/07 6 mos. @5.10%	158,009
12-07	02/15/08	NBT Bank 9002229886	NBT Bank 9002229959	08/15/07 6 mos. @5.17	112,494
13-07	02/26/08	Bank North 6730384342	Berkshire Bank 100020656220 03-07	08/30/07 6 mos. @5.18%	117,935
15-07	4/12/08	Berkshire Bank 100020706480	Berkshire Bank 100020706480 06-07	10/19/07 6 mos. @4.70	113,534

16-07	5/15/08	Berkshire Bank 100020897340	Bank North 6730252408 07-07	11/15/07 6 mos. @4.50	160,487
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260	01/09/08 4.5/6 mos.	143,737
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	\$143,648
04-08	09/17/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590	03/17/08 6 mos. @2.75%	\$116,711
			<b>TOTAL</b>		<b>\$1,362,704</b>

**BANK DISTRIBUTION**

NBT NA	\$112,494
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$285,335
Saratoga National Bank	-0-
Bank North (Evergreen)	\$275,944
Berkshire Bank	\$688,932

SCIDAinvestments

February 15,  
2008

**CURRENT INVESTMENTS**

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
09-07	04/18/08	Glens Falls National 779161	Bank North 6730190020 01-07	07/18/07 9 mos. @5.25%	141,687
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980	07/27/07 6 mos. @5.10%	154,463
13-07	02/26/08	Bank North 6730384342	Berkshire Bank 100020656220 03-07	08/30/07 6 mos. @5.18%	117,935
14-07	03/17/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 04-07	09/17/07 6 mos. @5.15	113,744
15-07	4/12/08	Berkshire Bank 100020706480	Berkshire Bank 100020706480 06-07	10/19/07 6 mos. @4.70	113,534

16-07	5/15/08	Berkshire Bank 100020897340	Bank North 6730252408 07-07	11/15/07 6 mos. @4.50	160,487
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260	01/09/08 4.5/6 mos.	143,737
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
<b>TOTAL</b>					<b>\$1,366,741</b>

### BANK DISTRIBUTION

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$285,335
Saratoga National Bank	-0-
Bank North (Evergreen)	\$279,974
Berkshire Bank	\$685,965

SCIDAinvestments

February 26,  
2008

### CURRENT INVESTMENTS

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
09-07	04/18/08	Glens Falls National 779161	Bank North 6730190020 01-07	07/18/07 9 mos. @5.25%	141,687
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980 02-06	07/27/07 6 mos. @5.10%	154,463
14-07	03/17/08	Berkshire Bank 1000020672590	Berkshire Bank 100020672590 04-07	09/17/07 6 mos. @5.15%	113,534
15-07	4/12/08	Berkshire Bank 100020706480	Berkshire Bank 100020706480 06-07	10/19/07 6 mos. @4.70	113,534

16-07	5/15/08	Berkshire Bank 100020897340	Bank North 6730252408 07-07	11/15/07 6 mos. @4.50	160,487
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260 05-07	01/09/08 4.5/6 mos.	143,737
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 1000020978400	Bank North67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
<b>TOTAL</b>					<b>\$1,369,795</b>

#### BANK DISTRIBUTION

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$285,335
Saratoga National Bank	-0-
Bank North (Evergreen)	\$162,039
Berkshire Bank	\$806,954

SCIDAinvestment

March 17,  
2008

#### CURRENT INVESTMENTS

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
09-07	04/18/08	Glens Falls National 779161	Bank North 6730190020 01-07	07/18/07 9 mos. @5.25%	141,687
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980 02-06	07/27/07 6 mos. @5.10%	154,463
15-07	4/12/08	Berkshire Bank 100020706480	Berkshire Bank 100020706480 06-07	10/19/07 6 mos. @4.70	113,534

16-07	5/15/08	Berkshire Bank 100020897340	Bank North 6730252408 07-07	11/15/07 6 mos. @4.50	160,487
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260 05-07	01/09/08 4.5/6 mos.	143,737
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/17/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
<b>TOTAL</b>					<b>\$1,372,762</b>

#### BANK DISTRIBUTION

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$285,335
Saratoga National Bank	-0-
Bank North (Evergreen)	\$162,039
Berkshire Bank	\$809,921

SCIDAinvestments

April 15, 2008

#### CURRENT INVESTMENTS

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
09-07	04/18/08	Glens Falls National 779161	Bank North 6730190020 01-07	07/18/07 9 mos. @5.25%	141,687
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980 02-06	07/27/07 6 mos. @5.10%	154,463

16-07	5/15/08	Berkshire Bank 100020897340	Bank North 6730252408 07-07	11/15/07 6 mos. @4.50	160,487
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260 05-07	01/09/08 4.5/6 mos.	143,737
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/17/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/15/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
<b>TOTAL</b>					<b>\$1,375,375</b>

### BANK DISTRIBUTION

NBT NA	\$115,467	
Ballston Spa National Bank	-0-	
Glens Falls National Bank	\$285,335	
Saratoga National Bank	-0-	
Bank North (Evergreen)	\$162,039	
Berkshire Bank	\$812,534	SCIDAinvestments

April 18, 2008

### CURRENT INVESTMENTS

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980 02-06	07/27/07 6 mos. @5.10%	154,463

16-07	5/15/08	Berkshire Bank 100020897340	Bank North 6730252408 07-07	11/15/07 6 mos. @4.50	160,487
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260 05-07	01/09/08 4.5/6 mos.	143,737
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/17/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/15/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
			<b>TOTAL</b>		<b>\$1,381,058</b>

#### BANK DISTRIBUTION

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$143,648
Saratoga National Bank	-0-
Bank North (Evergreen)	\$309,409
Berkshire Bank	\$812,534

May 15, 2008

#### CURRENT INVESTMENTS

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
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10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980 02-06	07/27/07 6 mos. @5.10%	154,463
01-08	07/09/08	Berkshire Bank 100020694260	Berkshire Bank 100020694260 05-07	01/09/08 4.5/6 mos.	143,737
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/15/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/15/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75	\$164,119
			<b>TOTAL</b>		<b>\$1,384,690</b>

**BANK DISTRIBUTION**

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$143,648
Saratoga National Bank	-0-
Bank North (Evergreen)	\$473,528
Berkshire Bank	\$652,047

July 9, 2008

**CURRENT INVESTMENTS**

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
10-07	07/26/08	Berkshire Bank 100020451980	Berkshire Bank 10020451980 02-06	07/27/07 6 mos. @5.10%	154,463
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/15/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/05/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75	164,119
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75	146,950
			<b>TOTAL</b>		<b>\$1,387,903</b>

#### BANK DISTRIBUTION

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$143,648
Saratoga National Bank	-0-
Bank North (Evergreen)	\$620,478
Berkshire Bank	\$508,310

July 28, 2008

**CURRENT INVESTMENTS**

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
03-08	08/15/08	NBT Bank 9002229436	NBT Bank 9002229886 12-07	2/15/08 6 mos. @2.98%	115,467
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/15/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/05/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
10-08	01/24/09	Glens Falls National 779170	Berkshire Bank 100020451980	07/28/08 6 mos. @2.56%	162,457
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75	164,119
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75	146,950
			<b>TOTAL</b>		<b>\$1,395,897</b>

**BANK DISTRIBUTION**

NBT NA	\$115,467
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$306,105
Saratoga National Bank	-0-
Bank North (Evergreen)	\$620,478
Berkshire Bank	\$353,847

**CURRENT INVESTMENTS**

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
04-08	8/26/08	Berkshire Bank 100020978400	Bank North 67303384342 13-07	2/26/08 6 mo. @3.10%	120,989
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/15/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/05/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
10-08	01/24/09	Glens Falls National 779170	Berkshire Bank 100020451980 10-07	07/28/08 6 mos. @2.56%	162,457
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75	164,119
11-08	02/18/09	Glens Falls National 827726	NBT Bank 9002229436 03-08	08/18/08 6 mos. @2.56	117,206
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75	146,950
<b>TOTAL</b>					<b>\$1,397,636</b>

**BANK DISTRIBUTION**

NBT NA	\$ -0-
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$423,311
Saratoga National Bank	-0-

Bank North (Evergreen)	\$620,478
Berkshire Bank	\$353,84

August 26,  
2008

**CURRENT INVESTMENTS**

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
17-07	9/17/08	Glens Falls National 779167 08-07	Glens Falls National 779154 08-07	12/18/07 9 mos. @4.25%	143,648
05-08	9/15/08	Berkshire Bank 100020672590	Berkshire Bank 100020672590 14-07	03/17/08 6 mos. @2.75%	116,711
06-08	10/05/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
10-08	01/24/09	Glens Falls National 779170	Berkshire Bank 100020451980 10-07	07/28/08 6 mos. @2.56%	162,457
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75	164,119
11-08	02/18/09	Glens Falls National 827726	NBT Bank 9002229436 03-08	08/18/08 6 mos. @2.56%	117,206
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75	146,950
12-08	04/26/09	Bank North 6730384772	Berkshire Bank 100020978400 04-08	08/26/08 9 mos. @2.8%	122,843
			<b>TOTAL</b>		<b>\$1,399,490</b>

**BANK DISTRIBUTION**

NBT NA	\$ -0-
Ballston Spa National Bank	-0-

Glens Falls National Bank	\$423,311
Saratoga National Bank	-0-
Bank North (Evergreen)	\$743,321
Berkshire Bank	\$232,86

September 17,  
2008

**CURRENT INVESTMENTS**

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
06-08	10/05/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
10-08	01/24/09	Glens Falls National 779170	Berkshire Bank 100020451980 10-07	07/28/08 6 mos. @2.56%	162,457
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75%	164,119
11-08	02/18/09	Glens Falls National 827726	NBT Bank 9002229436 03-08	08/18/08 6 mos. @2.56%	117,206
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75%	146,950
12-08	04/26/09	Bank North 6730384772	Berkshire Bank 100020978400 04-08	08/26/08 9 mos. @2.8%	122,843
13-08	06/15/09	Bank North 6730384798	Berkshire 100020672590	09/17/08 9 mos. @2.80%	118,494
17-07	6/15/09	Bank North 6730384798	Glens Falls National 779167	09/17/08 9 mos. @2.80%	148,219
			<b>TOTAL</b>		<b>\$1,405,852</b>

**BANK DISTRIBUTION**

NBT NA

\$ -0-

Ballston Spa National Bank	-0-
Glens Falls National Bank	\$279,663
Saratoga National Bank	-0-
Bank North (Evergreen)	\$1,010,034
Berkshire Bank	\$116,154

October 1,  
2008

**CURRENT INVESTMENTS**

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
06-08	10/05/08	Berkshire Bank 10020706480	Berkshire Bank 100020706480 15-07	04/15/08 6 mos. @2.50%	116,147
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
10-08	01/24/09	Glens Falls National 779170	Berkshire Bank 100020451980 10-07	07/28/08 6 mos. @2.56%	162,457
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11-08	02/18/09	Glens Falls National 827726	NBT Bank 9002229436 03-08	08/18/08 6 mos. @2.56%	117,206
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75%	146,950
12-08	04/26/09	Bank North 6730384772	Berkshire Bank 100020978400 04-08	08/26/08 9 mos. @2.8%	122,843
13-08	06/15/09	Bank North 6730384798	Berkshire 100020672590 Glens Falls National 779167 17-07	09/17/08 9 mos. @2.80%	266,714
			<b>TOTAL</b>		<b>\$1,405,845</b>

**BANK DISTRIBUTION**

NBT NA	\$ -0-
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$279,663
Saratoga National Bank	-0-
Bank North (Evergreen)	\$1,010,035
Berkshire Bank	\$116,147

October 6,  
2008

**CURRENT INVESTMENTS**

<b>Agency #</b>	<b>Date Matures</b>	<b>Current Bank &amp; Account #</b>	<b>Prior Bank &amp; Account # Agency #</b>	<b>Date of Purchase Term &amp; Rate</b>	<b>Amount at Purchase (Rounded)</b>
02-08	10/31/08	Bank North 6730055802	Bank North 6730055802 11-07	02/05/08 9 mos. @2.68%	162,039
10-08	01/24/09	Glens Falls National 779170	Berkshire Bank 100020451980 10-07	07/28/08 6 mos. @2.56%	162,457
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75%	164,119
11-08	02/18/09	Glens Falls National 827726	NBT Bank 9002229436 03-08	08/18/08 6 mos. @2.56%	117,206
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75%	146,950
12-08	04/26/09	Bank North 6730384772	Berkshire Bank 100020978400 04-08	08/26/08 9 mos. @2.8%	122,843
13-08	06/15/09	Bank North 6730384798	Berkshire 100020672590 Glens Falls National 779167 17-07	09/17/08 9 mos. @2.80%	266,714

14-08	11/05/09	Berkshire Bank 100020706480	Berkshire Bank 100020706480 06-08	10/06/08 13 mos. @2.75%	117,514
<b>TOTAL</b>					<b>\$1,407,212</b>

### BANK DISTRIBUTION

NBT NA	\$ -0-
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$279,663
Saratoga National Bank	-0-
Bank North (Evergreen)	\$1,010,035
Berkshire Bank	\$117,514

October 31,  
2008

### CURRENT INVESTMENTS

Agency #	Date Matures	Current Bank & Account #	Prior Bank & Account # Agency #	Date of Purchase Term & Rate	Amount at Purchase (Rounded)
07-08	01/13/09	Bank North 6730383633	Glens Falls National 779161 09-07	04/18/08 9 mos. @2.73%	147,370
10-08	01/24/09	Glens Falls 779170	Berkshire Bank 100020451980 10-07	07/28/08 6 mos. @2.56%	162,457
08-08	02/10/09	Bank North 6730383641	Berkshire Bank 100020897340 16-07	05/15/08 9 mos. @2.75%	164,119
11-08	02/18/09	Glens Falls National 827726	NBT Bank 9002229436 03-08	08/18/08 6 mos. @2.56%	117,206
09-08	04/09/09	Bank North 6730253696	Berkshire Bank 100020694260 01-08	07/09/08 9mos. @2.75%	146,950
12-08	04/26/09	Bank North 6730384772	Berkshire Bank 100020978400 04-08	08/26/08 9 mos. @2.8%	122,843
15-08	04/29/09	Bank North 6730055802	Bank North 6730055802 02-08	10/31/08 6 mos. @2.42%	165,296
13-08	06/15/09	Bank North 6730384798	Berkshire 100020672590	09/17/08 9 mos.	266,714

			Glens Falls National 779167 17-07	@2.80%	
14-08	11/05/09	Berkshire Bank 100020706480	Berkshire Bank 100020706480 06-08	10/06/08 13 mos. @2.75%	117,514
			<b>TOTAL</b>		<b>\$1,410,469</b>

**BANK DISTRIBUTION**

NBT NA	\$ -0-
Ballston Spa National Bank	-0-
Glens Falls National Bank	\$279,663
Saratoga National Bank	-0-
Bank North (Evergreen)	\$1,013,292
Berkshire Bank	\$117,514

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

REGULATORY BASIS FINANCIAL STATEMENTS

DECEMBER 31, 2008

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
FINANCIAL STATEMENTS DECEMBER 31,  
2008

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Schedule of Findings and Recommendations	NONE

**WILSON, STARK & BASILA**  
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**PO Box 260**  
**Cohoes, New York 12047**

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Bryan T. Basila, C.P.A.

**Tel (518) 237-3641 Fax**  
**(518)237-8940**

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Saratoga County Industrial Development Agency

We have audited the accompanying regulatory basis financial statements of the Saratoga County Industrial Development Agency, a component unit of Saratoga County, as of and for the year ended December 31, '2008, as listed in the table of contents. These financial statements are the responsibility of the Saratoga County Industrial Development Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Agency prepared these financial statements using accounting principles prescribed by the New York State Office of the State Comptroller to demonstrate compliance with the State's regulatory basis of accounting, which practices differ from accounting principles generally accepted in the United States of America. See that note for the difference between the regulatory basis of accounting and accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Saratoga County Industrial Development Agency as of December 31, 2008 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles prescribed by the New York State Office of the State Comptroller.

In accordance with Government Auditing Standards, we have also issued our report dated May 11, 2009 on our consideration of the Saratoga County Industrial Development Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

This report is intended solely for the information and use of the Board of Directors and State of New York Office of the State Comptroller and is not intended to be and should not be used by anyone other than these specific parties.

May 11, 2009

BRYAN T. HASILA  
Certified Public Accountant

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
Balance Sheet December  
31, 2008

Assets	
Cash	\$ 1,457,395
Receivables	650,101
Capital assets	<u>168,138</u>
Total assets	\$ <u>2,275,634</u>
Fund balance (note 6)	\$ <u>2,275,634</u>

Statement of Revenues, Expenses and Changes in Fund Balance For the Year Ended  
December 31, 2008

Revenue:	
Administrative Fees	500
Interest	<u>57,703</u>
Total revenue	<u>58,203</u>
Expenses:	
Occupancy	22,500
Contractual	25,000
Professional fees	2,500
Other expenses	<u>5,330</u>
Total expenses	<u>55,330</u>
Excess of revenues over expenses	2,873
Fund balance at beginning of year	<u>2,272,761</u>
Fund balance at end of year	\$ <u>2,275,634</u>

Statement of Cash Flows For the Year Ended  
December 31, 2008

Operating activities:	
Excess of revenues over expenses	\$ 2,873
Increase in accounts receivable	(____227)
Net cash provided by operating activities	<u>2,646</u>
Net increase in cash	2,646
Cash at beginning of year	<u>1,454,749</u>
Cash at end of year	\$ <u>1,457,395</u>

See accompanying notes and independent auditors' report.

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
Notes to Financial Statements  
December 31, 2008

1. Organization and Significant Accounting Policies

Business Activity

The Saratoga County Industrial Development Agency (Agency) was created in 1971 by the Saratoga County Board of Supervisors under the provisions of General Municipal Law Article 18-A of New York State for the purpose of encouraging economic growth in Saratoga County. The Agency is a component unit of the County. The County appoints the Agency's governing board and also accounts for the Agency's transactions.

Basis of Accounting

The financial statements of the Saratoga County Industrial Development Agency have been prepared in conformity with accounting principles prescribed by the New York State Office of the State Comptroller for complying with General Municipal Law, Section 859, in which every Industrial Development Agency is required to make an annual financial report. The most significant difference between this regulatory basis of accounting and generally accepted accounting principles (GAAP) is that the Government Accounting Standards Board (GASB) Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" need not be implemented to meet the requirements of General Municipal Law. GASB 34 would require significant additional changes including:

- . Government-Wide Reporting
- . Focus on Funds
- . Changes in Budgetary Reporting
- . Full Accrual Accounting Including Depreciation
- . Management Discussion and Analysis
- . Capitalization of Infrastructure Assets

Management has considered adopting GASB 34 and determined that auditing the financial statements utilizing the Comprehensive Basis of Accounting as prescribed by the State Comptroller as described above, as opposed to GAAP, makes fiscal sense for the Agency.

Income Taxes

The Agency operates as an independent entity and is exempt from Federal, New York State and local income taxes.

independent auditors' report.

(continued) See

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY Notes to Financial Statements, Continued December  
31, 2008

2. Industrial Revenue Bond and Note Transactions

All of the industrial development revenue bonds and notes issued by the Agency are secured by property which is leased to companies and is retired by lease payments. The bonds and notes are not obligations of the Agency or the State. The Agency does not record assets or liabilities resulting from completed bond and note issues in its accounts because its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as fiscal agents.

For providing this conduit financing service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized upon the closing and issuance of bonds, notes or straight lease transactions. At December 31, 2008 the outstanding financing balance of bonds and notes (issued in the name of the Agency) of the borrowing companies on open projects was \$107,741,511.

The Agency has not issued any of its own obligations through December 31, 2008,

3. Receivables

Receivables at December 31, 2008:

Luther Forest Technology Campus EDC	\$649,661
Other - project legal transcripts	<u>440</u>
	<u>\$650,101</u>

The Luther Forest Technology Campus EDC (LFTC EDC), is an entity which will develop sites and serve as the conduit for funding for a high-tech research and development park in the Towns of Malta and Stillwater in Saratoga County. In 2007 the LFTC EDC signed an agreement between it and the Agency by which the LFTC EDC assumed the obligations of the Saratoga Economic Development Corporation (SEDC) for the repayment of the consolidated loan amount (set forth in the next paragraph) under all of the same terms as the previous agreement with SEDC. The responsibility for repayment of this loan is now solely with the LFTC EDC as the agreement released SEDC from any obligation for repayment.

independent auditors' report.

(continued) See

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY Notes to Financial Statements, Continued December  
31, 2008

3 - Receivables (continued)

The Agency loaned amounts to SEDC during 2001, 2003 and 2004 for the development of the high-tech research and development park. The total of these loans (\$649,661) was consolidated into one loan agreement in 2004. The prevailing prime interest rate was to be assessed to the aggregate principal balance beginning August 1, 2004; however in 2005, the Agency agreed to delay the required payment of interest. In 2006 the Agency, through a forbearance agreement with SEDC, agreed to the effect of delaying the need for SEDC to make interest payments with the stipulation that interest will continue to accrue in accordance with the loan agreement. The Agency has elected to record any interest it receives under this agreement as revenue when it is received. The consolidated loan balance will be repaid to the Agency in a manner as finally agreed by the parties to the revised agreement.

4. Property of the Agency - Fixed Assets

The Agency constructed a rail spur for one of its project companies under a New York Rail Transportation Bond Act grant (\$132,400 project cost) in a prior year. Construction of the rail spur was administered by the New York State Department of Transportation. Under the terms of the grant the Agency has agreed to maintain the rail spur for 30 years. As part of the Agency's agreement, the lessee was required to secure a letter of credit on behalf of the Agency to maintain the rail spur.

The Agency developed land (Moreau Rail Acquisition Project) in prior years in the amount of \$293,738. The Agency was reimbursed \$258,000 for the land development from payments in lieu of taxes (PILOTS) by one taxing jurisdiction. The land development cost of \$35,738 represents the Agency's net cost of the rail project.

5. Investment of Cash

The Agency's investment policies are governed by New York Statutes, as well as the Agency's own investment policy. Agency monies must be deposited in FDIC insured commercial banks or trust companies located in New York State in demand, savings, money market accounts and certificates of deposit. Collateral is required for all invested funds not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and the State and its localities.

Deposits at December 31, 2008 totaling \$1,457,395 were covered by FDIC insurance or collateral investments, as required.

(continued)      See

independent auditors' report.

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY Notes to Financial Statements, Continued December  
31, 2008

6. Fund Balance and Commitments

In 2007 the Agency committed \$75,000 toward a public infrastructure grant in an industrial park in Saratoga County. No amounts have been paid from this committed amount as of December 31, 2008.

The Agency, in a previous year, dedicated its fund balance (unrestricted net assets) to be used for economic development projects that display the potential to create additional job opportunities for residents of Saratoga County.

7. Annual Report Filing

The Agency is required to file an annual report in a specific on-line format called the Public Authorities Reporting Information System (PARIS). Such report is filed with the State budget agency which oversees the operations of various State authorities, including Industrial Development Agencies.

Supplemental information in the annual report filing for project including general project information, project location, applicant information as well as certain project employment information is available from initial data provided to the Agency by the project companies. Current project employment at December 31, 2008 and construction jobs during 2008 for projects in the construction phase are also provided by the project companies. Property tax exemptions and PILOTS paid are available from the Agency's records.

Conduit debt is reported based on amounts provided by each project company at December 31, 2008, including increases and payments during the year and conduit debt calendar year end balances. Project companies report the amount of sales tax savings as a result of IDA status for projects in the construction phase and also mortgage recording savings at each project's financial closing and such amounts are included as additional project tax exemptions.

Average estimated salary data is noted as -0- for each project because a response is required by the reporting program. Companies whose projects closed in years through the year 2007 were not required to provide such data, therefore, the Agency is unable to provide a more appropriate response for such estimated salary data.

The required reporting for straight lease projects was revised to annual lease payment in 2008 (from total lease amount in 2007). As the reporting did not require annual lease payment be provided for projects closed through 2007, the amount reported as annual lease payment is actually the total lease amount for those projects. No projects closed during 2008.

**WILSON, STARK & BASILA**  
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Saratoga County Industrial Development Agency

We have audited the regulatory basis financial statements of the Saratoga County Industrial Development Agency, a component unit of Saratoga County, as of and for the year ended December 31, 2008 and have issued our report thereon dated May 11, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit, we considered the Saratoga County Industrial Development Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies that adversely affects the Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness as defined above.

#### COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Saratoga County Industrial Development Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

May 11, 2009

BRYAN T. BASILA  
Certified Public Accountant