



SARATOGA COUNTY
Capital Resource Corporation

Annual Report Fiscal Year 2012
April 1, 2013

Operations and Accomplishments

This is the initial annual report of the Saratoga County Capital Resource Corporation, (SCCRC) a local development corp. established by the County of Saratoga under sections 402 and 1411 of the Not- For-Profit Corporation Law of the State of New York. Pursuant to Resolution # 164-12 of August 21, 2012 the Certificate of Incorporation of the SCCRC outlining the powers and purpose of the Corp. and appointing its Directors was approved by the Board of Supervisors and authorized to be filed with the NYS Department of State. On November 14, 2012 the Department of State certified the recording of the SCCRC's certificate of incorporation.

The SCCRC held three meetings in 2012 with the primary purpose being to establish operational guidelines and administrative procedures. At its initial meeting in October officers were appointed by a vote of the Board. Administratively, the Board appointed bond counsel , general counsel and a CEO. The Board discussed its obligations under the Public Authorities Accountability Act (PAAA) and reviewed the Authority Budget Office's (ABO), recommended list of policy documents and other actions required by the PAAA.

The Board determined that initially its focus would be to assist community based not-for profits with financing of their capital development needs through the issuance of tax-exempt civic facility bonds.

At the SCCRC's second meeting in November the Board adopted By-Laws establishing its fiscal year; procedures; and duties of the Corp.'s Directors, Officers and Management. The By-Laws further address the PAAA requirements concerning prohibition against extension of credit to Directors and employees; Indemnification of directors and Officers and mandated training for directors. An application form and fee schedule were also adopted. Acknowledgement of Fiduciary Duty Statements were executed by all Directors and subsequently forwarded to the ABO. A bank depository was designated by Board resolution.

The final meeting of 2012 resulted in the adoption of operating budgets for the 2012 and 2013 fiscal years. An application for tax exempt, civic facility bond financing was received from Saratoga Hospital and following review was accepted by the Board and a public hearing was scheduled for January 2013.

Policies and committee charters required under the PAAA were distributed to Board members for their review and action in 2013.

A web site was established for the SCCRC with assistance from the Saratoga County Planning Department and can be accessed at www.saratogacountyny.gov/departments. All minutes, adopted policies budgets and annual reports are posted on the web site.

Because of the abbreviated period of its existence in 2012 the bulk of the SCCRC's organizational actions to fulfill its obligations under the PAAA were completed at its January 2013 meeting. A chart of all adopted policies, committee charters and other benchmark achievements is attached below.

Action			Adopted/ completed	copy to ABO	Annual requirement/review
Annual Report			04/01/2013		yes
Application Form			11/27/2012		no
Bond Fee Schedule			11/27/2012		no
Board Evaluations			1/3/2013	1/6/2013	yes
Budgets	FY2012	FY2013	12/14/2012		yes
Budgets PARIS	FY2012/16		3/4/2013		yes
By-Laws			11/27/2012		yes
Committees/Charters	Audit	Finance	Governance	1/3/2013	yes
Ethics Code			1/3/2013		yes
Ethics Officer			1/3/2013		no
Ethics form(County)					yes
Fiduciary Forms			11/27/2012	1/7/2013	no
Indemnification see Art. V By-Laws			11/27/2012		no
Internal Controls/Financial Management			(see By-Laws)	11/27/2012	yes
Investment Policy/Guidelines			1/3/2013		yes
Mission Statement/performance measurements			1/3/2013	1/6/2013	yes
Procurement Policy/Guidelines			1/3/2013		yes
Prohibition on extension of Credit			(see By-Laws)	11/27/2012	no
Property Disposition Policy/ Guidelines			1/3/2013		yes
Training					no
Web Site			1/7/2013		no
Whistle blower Policy			1/3/2013		yes

Administrative Staff

The SCCRC named a CEO in 2012 on an interim basis to assist it in meeting the requirements of the PAAA and annual report submission to the NYS Comptroller.

Financial Report

The SCCRC was officially established as of 11/14/12. During its 2012 fiscal year it had no cash or assets, expenses or liabilities. Meeting space was provided by the County of Saratoga. Legal and secretarial services were also provided at no cost by county employees during the start-up period. As a result there is no financial report for 2012.

Investment Report

There is no investment report for 2012 (see above).

Internal Control Assessment

The SCCRC established its preliminary internal control system within its By-Laws requiring two signatures to authorize any future expenditures. Signatories were limited to the Chair, Vice Chair and Treasurer. The CEO and CFO are not authorized as signatories. Spread sheets were approved for cash disbursements and receipts and will be used to report all revenues and expenditures, investments and cash balances on a monthly basis to the full Board. An investment policy based on the NYS Comptrollers requirements for municipalities will control future investments. An assessment of the effectiveness of its internal controls for FY 2012 is not possible as the SCCRC had no cash, revenues, expenditures or assets/liabilities for the fiscal year.

Grants

There were no grants received or disbursed to others in FY 2012.

Bonds

There were no bonds issued in FY 2012.

Projects

A project is defined as the granting of financial assistance by the SCCRC to an eligible not-for-profit corp. for the construction, renovation, expansion and equipping of facilities. Financial assistance would be provided through the issuance of tax-exempt civic facility bonds resulting in a lower interest rate than available through conventional financing. The non-recourse bonds are backed entirely by the credit of the applicant and not by the SCCRC, the County of Saratoga or its taxpayers.

There were no projects to report in 2012.

Mission Statement Performance Measurements

The attached mission statement and performance measurements was distributed to the SCCRC Board members in 2012 but adoption was deferred until 2012. It follows the ABO's recommended format. As there were no projects in 2012 there is no measurement report.

Adopted: January 3, 2013
Resolution #9-13

Authority Mission Statement and Performance Measurements

Name of Public Authority: Saratoga County Capital Resource Corporation, (hereafter the SCCRC).

Mission Statement: The SCCRC is a Local Development Corporation established by the County of Saratoga Board of Supervisors and certified by the NYSDOS November 14, 2012. The mission of the Corp. involves in part, the following:

(a) promoting community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects; and

(b) undertaking projects and activities within the County for the purposes of relieving and reducing unemployment, bettering and maintaining job opportunities, attracting new industry to the County, encouraging the development of, or retention of, an industry in the County, and lessening the burdens of government and acting in the public interest.

Date of Approval: January 3, 2013

List of Performance Goals:

- Number of New Businesses and Not-For-Profits Assisted
- Number of Existing Businesses and Not-For-Profits Assisted
- Number of Jobs Created and Maintained.
- Salaries of Jobs Created/Retained.
- Total Dollar Amount of Private Investment from Assisted Projects.
- Number of Firms/Employees Hired During Construction
- Special Projects

Additional questions:

1. **Have the board members acknowledged that they have read and understood the mission of the public authority?**

YES

2. **Who has the power to appoint the management of the public authority?**

The Board of Directors

3. **If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?**

NO

4. **Briefly describe the role of the Board and the role of management in the implementation of the mission.**

The **Board of Directors, (The Board)** is responsible for development of all policies and objectives of the Corporation, their periodic review, evaluation and amendment. The Board is responsible for hiring the Management of the Corporation and ongoing oversight and evaluation of the effectiveness of Management. The Board and its committees are responsible for establishing and periodically reviewing the Corporation's system of risk assessment and internal controls over financial reporting. This includes the review and approval of the Corporation's audited financial statements, associated management letters, report on internal controls and all other Auditor communications. The Board is responsible for the development and periodic review, evaluation and amendment of the Corporation's governance, practices and to ensure that these practices address transparency, independence, accountability, fiduciary responsibilities and management oversight.

Management: The CEO is responsible for the administration and operations of the Corporation, the implementation of the policies and directives of the Board; furnishing financial and other reports as may be required by the Agency. The CEO is responsible for supervising the implementation and maintenance of those systems and processes related to performance of the Corporation's objectives including the internal controls, financial reporting, measuring corporate performance and for furnishing the Board with information respecting those functions. The CEO is responsible for the preparation and

submission of the Annual Budget to the Board for adoption and to keep the Board informed as to the financial needs and condition of the Corporation.

5. **Has the Board acknowledged that they have read and understood the responses to each of these questions? Yes**

Real Property Held by the Corp.

The SCCRC does not own any property.