CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY
FINANCIAL STATEMENTS
JUNE 30, 2007

LEAVENWORTH & CO., C.P.A.'S, P.C.
2600 STATE HIGHWAY 30A
FONDA, NEW YORK 12068

INDUSTRIAL DEVELOPMENT AGENCY
ANNUAL FINANCIAL REPORT

___**Please check here if the name, address, and/or telephone number is different from last year.**

FOR CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY
(name of Industrial Development Agency)

CITY OF AMSTERDAM
(name of sponsoring municipality)

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

General Municipal Law, Section 859 (1):

(b) Within ninety days following the close of its fiscal year, each agency or authority shall prepare a financial statement for that fiscal year in such form as may be prescribed by the State Comptroller. Such statement shall be audited within such ninety day period by an independent certified public accountant....

(c) Within thirty days after completion, a copy of the audited financial statement shall be transmitted to the Commissioner of the Department of Economic Development, the State Comptroller and the governing body of the municipality for whose benefit the agency was created.

NYS OFFICE OF THE STATE COMPTROLLER
DIVISION OF LOCAL GOVERNMENT SERVICES AND
ECONOMIC DEVELOPMENT
110 STATE STREET, DATA MANAGEMENT UNIT 12TH FLOOR
ALBANY, NEW YORK 12236

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CERTIFIED PUBLIC ACCOUNTANTS
2600 STATE HIGHWAY 30A
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INDEPENDENT AUDITORS' REPORT

To the Chairman and Board of
City of Amsterdam Industrial Development Agency

We have audited the accompanying financial statements of the City of Amsterdam Industrial Development Agency, a public benefit corporation, a component unity of the City of Amsterdam, New York, as of and for the year ended June 30, 2007, which collectively comprise the Agency's basic financial statements as listed on the table of contents. These financial statements are the responsibility of the 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 U.S. generally accepted auditing standards and the standards applicable to financial audits contained in 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Amsterdam Industrial Development Agency as of June 30, 2007, and the changes in financial position and cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 15, 2007, on our consideration of the City of Amsterdam 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 control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or 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.

The management's discussion and analysis on pages B-1 through B-2 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Amsterdam Industrial Development Agency's basic financial statements. The supplemental information on pages 6 to 14 and C, D, E, F and G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

LEAVENWORTH & CO., CPA'S P.C.

December 17, 2007

Amsterdam Industrial Development Agen
61 Church Street, Amsterdam, New York 12
518/842-5
FAX 518/843-2

Management Discussion & Analysis Report

The Amsterdam Industrial Development agency is a public benefit corporation created by state legislation to promote economic development within the City of Amsterdam. The board members of the agency are appointed by the City of Amsterdam's Common Council, but the City exercises no oversight responsibility. Agency Board members have complete responsibility The Board members of the Agency are for management of the Agency and accountability for fiscal matters.

The Agency, during the fiscal year 2006-2007, continues to be committed to assisting the City of Amsterdam in its efforts to further economic development opportunity. With that in mind AIDA continues to seek and market to companies who may be interested in expanding or moving to our city. We are also mindful of the need to assist companies located in our city. To that end we continue to offer assistance through loans or through bonding opportunities.

The basic financial statements are very similar to the financial statements of a for profit entity, there are no fund level financial statements applicable to the agency.

A comparison of this year's and last year's financial information is as follows:

	05-06	06-07
Assets		
Fixed Assets (Net)	1,820,515	1,641,577
All Other Assets	1,178,070	1,214,929
Total Assets	2,998,585	2,856,506
Liabilities		
Total Liabilities	42,040	43,579
Net Assets Invested in Capital Assets Net of Related Debt	1,623,165	1,641,577
Restricted Expendable	170,228	191,851
Unrestricted Expendable	1,163,152	979,499
Net Assets	2,956,545	2,812,927

Total Liabilities & Net Assets	2,998,585	2,856,506
Other Revenues	40,118	1,205
Rent	310,573	327,801
Total Operating Revenues	350,691	329,006
Total Operating Expenses	289,742	356,648
Net Loss Before Transfers & Taxes	84,139	90,480
Net Loss	145,088	143,618

Among AIDA's accomplishments for the fiscal year 2006-2007 we list the assistance given to a local company that was in Chapter 11. We worked with them through this difficult time and saw them emerge and become a stronger more viable entity. They were purchased by another company and through that action we were able to keep an average of 35 – 50 jobs in our city.

Other accomplishments include the implementation of the Public Accountability Act through continued effort and training for our board members. We also developed a comprehensive inventory of our properties which includes property maps and deeds.

The Agency is in the midst of two bonding projects, one to build an addition on an existing building and another assisting a local company in procuring state of the art printing equipment that will cement their place in the American market.

Among the commitments and contingencies that are outstanding at this time are:

1. The Agency has committed $150,000 in a grant form to the City of Amsterdam for its Via Ponte Project. This is an ambitious reconstruction project for the Bridge Street area which is directly on the waterfront of the Mohawk River. Thus far $8,620 has paid on the grant.

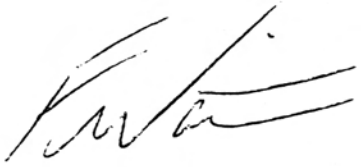
2. The Agency The Agency has committed up to $10,000 for a preliminary study of the power plant in the City's east end.

3. The Agency has committed $70,000 for the construction of a building at the Riverlink Park on the waterfront of the Mohawk River. In July, 2007 $7,000 was expended and August of the same ear $3,497 was expended.

4. The Agency purchased 24-26 East Main St. subsequent to June 30, 2007.

5. The Agency committed $127,350 for the improvement of Shuttleworth Park.

With regard to changes in our financials we note that the small operating loss is due to a increase in depreciation charge however there was a substantial improvement in operating cash flow.



Frank Valiante
Executive Director

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

ENTERPRISE FUND * BALANCE SHEET * AS OF JUNE 30, 2007

ASSETS	EDP CODE	
Cash	ED100S	$ 704,028
Investments	ED105S	31,500
Other Receivables (Net)	ED115S	260,427
State and Federal Aid Receivables	ED120S	
Due From Other Funds	ED125S	
Due From Other Governments	ED130S	16,548
Inventories	ED135S	
Prepaid Expenses	ED140S	10,575
Restricted Assets - Cash	ED145S	191,851
Fixed Assets (Net)	ED150S	1,641,577
TOTAL ASSETS		$ 2,856,506

LIABILITIES AND NET ASSETS	EDP CODE	
Accounts Payable	ED200S	$ 8,381
Accrued Liabilities	ED205S	8,790
Retained Percentages	ED210S	
Notes Payable	ED215S	
Other Liabilities	ED220S	
Due to Other Funds	ED225S	
Due to Other Governments	ED230S	24,158
Bond and Long Term Liabilities	ED240S	
Deferred Revenues	ED245S	2,250
Total Liabilities		$ 43,579
Net Assets		
Invested in Capital Assets, Net of Related Debt	ED301S	1,641,577
Restricted - Expendable	ED306S	191,851
Unrestricted	ED311S	979,499
Net Assets		2,812,927
TOTAL LIABILITIES AND NET ASSETS		$ 2,856,506

The Notes to the Financial Statements are an integral part of this statement.

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

ENTERPRISE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	EDP CODE	AMOUNT
Operating Revenues		
Charges for Services	ED515S	$ 1,205
RENTAL INCOME	ED_____S	327,801
Total Operating Revenues		$ 329,006
Operating Expenses		
Personal Services	ED625.1S	82,632
Contractual Expenses	ED625.4S	155,259
Employee Benefits	ED625.8S	8,053
Depreciation	ED603.4S	110,704
Total Operating Expenses		$ 356,648
Operating Income (Loss)		$ (27,642)
Non-Operating Revenues (Expenses)		
Revenues:		
Use of Money and Property	ED525S	$ 32,851
Sale of Property and Compensation for Loss	ED530S	
TRANSFER OF INFRASTRUCTURE TO CITY	ED_____S	(95,689)
Expenses: (Specify)		
_____	ED_____S	
_____	ED_____S	
Net Non-Operating Revenue (Expense)		$ (62,838)
Income (Loss) Before Transfers and Taxes		$ (90,480)
Operating Transfers In	ED555S	
Operating Transfers Out	ED655.9S	
Real Property Taxes	ED_____.4S	53,138
Net Income (Loss)		$ (143,618)
Net Assets - Beginning of Year	ED400S	$ 2,956,545
Adjustments: (Specify)		
_____	ED_____S	
_____	ED_____S	
Net Assets - End of Year		

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED JUNE 30, 2007

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	EDP CODE	AMOUNT
Cash Flows from Operating Activities:		
Cash Received from Providing Services	ED7111S	$ 351,478
Cash Payments Contractual Expenses	ED7112S	(164,311)
Cash Payments Personal Services & Benefits	ED7113S	(89,120)
Other Operating Revenues	ED7114S	1,053
Net Cash Provided (Used) by Operating Activities	ED7119S	$ 99,100
Cash Flows from Non-Capital and Financing Activities:		
Real Property Taxes	ED7121S	$ (54,411)
Operating Grants Received	ED7122S	
Transfers To/From Other Funds - Repayable Advance to City	ED7123S	(16,500)
Proceeds of Debt (Non-Capital)	ED7124S	
Payment of Debt (Non-Capital)	ED7125S	
Interest Expenses (Non-Capital)	ED7126S	
Net Cash Provided (Used) by Non-Capital Financing Activities	ED7129S	$ (70,911)
Cash Flows from Capital and Related Financing Activities:		
Proceeds of Debt (Capital)	ED7131S	$
Principal Payments Debt (Capital)	ED7132S	
Interest Expenses (Capital)	ED7133S	
Capital Contributed by Developers	ED7134S	
Capital Contributed by Other Funds	ED7135S	
Payments to Contractors	ED7136S	(13,000)
Capital Grants Received from Other Governments	ED7137S	
Proceeds from Sale of Assets	ED7138S	2,035
Net Cash Provided (Used) by Capital and Related Financing Activities	ED7139S	$ (10,965)

The Notes to the Financial Statements are an integral part of this statement.

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED JUNE 30, 2007

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (Continued)

	EDP CODE	AMOUNT
Cash Flows from Investing Activities:		
Purchase of Investments	ED7151S	$
Sale of Investments	ED7152S	
Interest Income	ED7153S	32,516
Net Cash Provided (Used) by Investing Activities	ED7159S	$ 32,516
Net Increase (Decrease) in Cash and Cash Equivalents	ED7161S	$ 49,740
Cash and Cash Equivalents at Beginning of Year	ED7171S	846,139
Cash and Cash Equivalents at End of Year	ED7179S	895,879
RECONCILIATION OF OPERATING INCOME TO NET CASH		
Operating Income (Loss)	ED7181S	$ (27,642)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) from Operations:		
Depreciation	ED7182S	$ 110,704
Increase/Decrease in Assets Other than Cash and Cash Equivalents	ED7183S	14,499
Increase/Decrease in Liabilities Other than Cash and Cash Equivalents	ED7184S	1,539
Other Reconciling Items:		
_____	ED7185S	
_____	ED7185S	
_____	ED7185S	
_____	ED7185S	
Total Adjustments	ED7188S	$ 126,742
Net Cash Provided (Used) by Operating Activities	ED7189S	$ 99,100

The Notes to the Financial Statements are an integral part of this statement.

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Amsterdam Industrial Development Agency (Agency) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP). Significant accounting policies are:

A. Financial Reporting Entity

The City of Amsterdam Industrial Development Agency (Agency) is a public benefit corporation created by State legislation to promote economic development within the City of Amsterdam. The Board members of the Agency are appointed by the City of Amsterdam's Common Council, but the City exercises no oversight responsibility. Agency Board members have complete responsibility for management of the Agency and accountability for fiscal matters.

The financial reporting entity includes functions and activities over which the Board exercises oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Based on the foregoing criteria and the significant factors presented below, the following functions or activities are included in the reporting entity.

Jobs for Amsterdam Grant

The Agency is a named participating party in a Housing and Urban Development (HUD) grant to the City of Amsterdam for the Amsterdam Community Development Program to operate a revolving loan fund of $195,000. These funds are to be loaned, for a period not to exceed ten years, to industry and not-for-profit organizations for the purpose of creating and retaining permanent jobs within the City of Amsterdam. Significant factors requiring inclusion of the grant activity in the Agency reporting entity are as follows:

(i) Loans are made to area businesses in the name of the Agency and repayment is due to the Agency.

(ii) The Agency's Board approves all loans.

Brookside Grant

The Agency is a participating party in a HUD grant to the City of Amsterdam to operate a revolving loan fund of $160,000. Significant factors requiring inclusion of the grant activity in the Agency reporting entity are as follows:

(i) Loans are made to area businesses in the name of the Agency and repayment is due to the Agency.

(ii) The Agency's Board approves all loans.

The revolving loan funds created from the HUD grants, as described above, provides local industry and not-for-profit organizations a source of credit which they may not be able to obtain elsewhere. Due to the high-risk nature of the loans made by the Agency,

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Financial Reporting Entity*

some part or all of the grant funds may be lost. The Agency is not responsible for repayment to HUD for funds lost as a result of loans that become uncollectible. The effect on the Agency is that there are fewer funds from which additional loans can be made.

B. *Basis of Presentation*

The Agency's operations are accounted for in a manner similar to a private business enterprise. The measurement focus is upon determination of net income, financial position, and changes in cash flows.

C. *Basis of Accounting*

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is followed. Using this basis of accounting, revenues are recognized when earned and expenses are recorded when incurred. Revenues from Federal, State and other grants designated for payment of specific expenditures are recognized when the related expenditures are incurred. Any excess of grant receipts or expenditures at the fiscal year-end is recorded as deferred revenue or accounts receivable, respectively. The agency policy defines operating revenues as those which are a result of having providing services to local businesses, ex. Lease and rental income. Non-operating revenues can include grant proceeds and interest earned on deposits in banks. It is the agency's policy to apply FASB pronouncements issued after November 30, 1989.

D. *Fixed Assets*

Fixed assets are stated at cost. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is included in revenue.

The Agency pursues economic development, in part, by purchasing real property and preparing the property for sale or lease, with an option to buy, to local businesses or to those businesses which desire to relocate to the City of Amsterdam. During the time the Agency holds the property the Agency attempts to maintain the condition of the property by offering it to businesses under the terms of operating leases. The operating leases are incidental to the objective of selling the property and thereby increasing the City's real property tax base. Depreciation is not recognized on those properties being temporarily utilized as described above. Depreciation is recognized when an asset is placed in service.

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Fixed Assets

As of June 30, 2007 the following assets are being depreciated using the straight-line method:

Asset	Estimated Useful Life
Furniture, fixtures and equipment	5 years
Improvements to Edson Street industrial park picnic area	8 years
Improvements to Edson Street industrial park railroad spur	30 years
Buildings	23 - 30 years

E. Provision for Uncollectible Accounts

The Agency uses the allowance method to account for uncollectible accounts based on an estimate of amounts deemed uncollectible. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

F. Industrial Revenue Bonds

The Agency may issue industrial revenue bonds. The bonds are special obligations of the Agency payable solely from revenue derived from the leasing, sale or other disposition of a project. The Agency has no responsibility to repay the bonds in the event of default. There is no liability to the Agency, therefore, the obligations are not accounted for in the accounts of the Agency. However, memorandum accounts are maintained until the bonds are paid.

As of June 30, 2007, there were no outstanding bonds.

G. Investments

Investments are stated at fair value.

Investments in common stock as of June 30, 2007 consist of:

Amsterdam Chuctanunda and Northern Railroad Company (A)	$ 31,500

(A) Carrying value approximates market value of the shares owned.

H. Risk Management

The Agency has purchased insurance coverage for property damage and personal injury liability for the Agency's real property. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. There were no claims that exceeded coverage for the year ended June 30, 2007.

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Compensated Absences

Agency employees are granted vacation and sick leave in varying amounts. In the event of termination, employees are entitled to payment for accumulated vacation time.

J. Cash

The Agency's investment policies are governed by State statutes. Agency monies must be deposited in any bank or trust company located within the State. The Agency is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit for all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

As of June 30, 2007, the book amount of the Agency's deposits was $895,810. The bank balance was $923,450, which was covered by $225,774 of FDIC insurance, $697,676 which was collateralized with securities held by the third party custodial bank in the Agency's name.

K. Cash and Cash Equivalents

For the purposes of the cash flows statements cash and cash equivalents are those investments that have a maturity less than three months.

2. RESTRICTED ASSETS

Restricted assets consists of cash and as of June 30, 2007 is comprised of the following:

Jobs for Amsterdam and Brookside grants (A)(B)(C)(D)	$ 191,851

(A) The cash can be used only for the purpose of loans to private industry and not-for-profit organizations for the purpose of creating and retaining permanent jobs within the City of Amsterdam.

(B) In March of 2000, the Agency authorized the use of restricted Jobs for Amsterdam Fund cash in the amount of $200,000 to complete construction of Shell Building-1999/2000, which has now been leased to AGT Services, Inc. See Note 7. The $200,000 shall be repaid to the restricted cash account with 10% of each monthly rental payment received. Balance owed at June 30, 2007 is $190,833.

(C) In May 2006, the Agency authorized a loan from the restricted Jobs for Amsterdam fund cash in the amount of $34,120. See Note 3. The payments received on the loan will be deposited to the restricted cash account. Balance owed at June 30, 2007 is $28,214.

(D) In February 2006, the Agency authorized a loan from the restricted Jobs For Amsterdam Fund in the amount of $150,000 for the City's local Waterfront Revitalization Program. See note 6 B. The $150,000, when fully loaned, shall be repaid to the restricted cash account from the Agency resources. As of June 30, 2007 the Agency has advanced $8,620 to the City.

3. OTHER RECEIVABLES

Other receivables at June 30, 2007 is comprised of the following:

Accounts receivable	$ 58,686
Note receivable	26,810
Net investment in direct financing leases (see Note 7)	174,931
Total	$ 260,427

Accounts receivable at June 30, 2007 is comprised of the following:

Washburn's Refrigerated Storage, Inc.	$ 234
Professional Wrestling Hall of Fame	228
Northeastern Water Jet	1,655
AGT Services, Inc.	517
FAB Industries	689
Freedom Packaging	55,363
Total	$ 58,686

The following is a schedule of the note receivable as of June 30:

Payable From/Description	Original Amount	Interest Rate (%)	Monthly Payment	Balance at June 30, 2007
Patsy Aragona, Individually and as President of Skip Dogs Bar & Grill, Corp. (B)	$ 34,120	7.00	$ 675.62	28,214
Less allowance for doubtful accounts				(1,404)
Note Receivable				$ 26,810

(A) The note is payable over 60 equal monthly payments of $675.62, beginning June 11, 2006, at an interest rate of 7%, secured by equipment. See note 2(C)

4. FIXED ASSETS

Fixed asset balances for the year ended June 30 are as follows:

	Balance June 30, 2006	Increase	Decrease	Balance June 30, 200
Fixed assets that are not depreciated				
Land	$ 205,074	$ 4,377	$ 6,500	$ 202,951
Land improvements	174,011	-	95,689	78,322
Total Nondepreciable	379,085	4,377	102,189	281,273
Fixed assets that are depreciated:				
Land improvements	449,100	-	4,371	444,729
Buildings	1,554,968	40,085	6,410	1,588,643
Furniture, fixtures and equipment	31,636	274	-	31,910
Total Depreciated Assets	2,035,704	40,359	10,781	2,065,282
Less accumulated depreciation:				
Land improvements	353,881	15,141	-	369,022
Buildings	232,778	91,557	-	324,335
Furniture, fixtures and equipment	7,615	4,006	-	11,621
Total Accumulated Depreciation	594,274	110,704	-	704,978
Total Depreciated Assets, net	$ 1,820,515	$ (65,968)	$ 112,970	$ 1,641,577

Fixed assets at June 30, 2007 are comprised of the following:

Property on operating lease (Net of $281,824 accumulated depreciation)	$ 1,310,506
Edson Street Industrial Park (Net of $369,022 accumulated depreciation)	234,920
Lower Mills Complex (Net of $39,567 accumulated depreciation) (A)	37,786
Water Retention Pond - Edson Street Industrial Park (A)	24,868
Front Street land (A)	12,203
Furniture, fixtures, and equipment (Net of $11,621 accumulated depreciation)	20,289
VanDerVeer Park and other lots of land (A)	1,005
Total Fixed Assets (Net)	$ 1,641,577

(A) Some of the assets are not depreciable or have not been placed in service.

4. FIXED ASSETS

Certain of the above properties are described below:

Description of Property and/or Location

A. VanDerveer Park

Located at the northeastern corner of Park Street and Locust Avenue.

B. Edson Street Industrial Park (A)

The Park is located in the City of Amsterdam and contains 32.2 acres of land as of June 30, 2007:

Land (D)	$ 37,693
Land improvements (C)	55,617
Land railroad spur (D)	68,066
Railroad spur (B)	73,544
Total	$ 234,920

(A) The Agency has subdivided the industrial park and prepared the parcels for sale or lease.

(B) The cost of the railroad spur is net of accumulated depreciation of $367,735 as of June 30, 2007.

(C) The cost of the land improvements is net of accumulated depreciation of $1,297 as of June 30, 2007.

(D) Assets are not depreciable or have not been placed in service.

C. Front Street

During August 1994, the Agency purchased land from individual property owners. The property is in the process of development for sale or lease by the Agency.

D. Property on Operating Lease

See Note 8 - Current book value of the land associated with all properties is $80,818 plus building of $1,232,631 net of depreciation for a total of $1,310,506.

5. COMPENSATED ABSENCES

The Agency does not accrue a liability for accumulating sick leave, since payment is based on an uncontrollable future event (sickness). In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, the value of accumulating sick leave is considered a contingent liability. The Agency amount of accumulated sick leave at June 30, 2007 is immaterial.

The Agency records the value of the earned and unused portion of the liability for vacation time for employees. The liability at June 30, 2007 is $5,293. See Note 1.I.

6. COMMITMENTS AND CONTINGENCIES

A. The Agency has received significant amounts of Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the Agency believes such disallowance, if any, would be immaterial.

B. The Agency has committed a $150,000 grant to the City of Amsterdam for the Bridge Street Reconstruction. In June 2007 the Agency has paid $8,620 of the grant.

C. The Agency has committed up to $10,000 for a preliminary study of the power plant in the City's east end.

D. The Agency has committed up to $70,000 for the construction of a building at Riverlink Park with the Amsterdam Waterfront Foundation. The Agency has advanced $7,000 and $3,497 in July and August 2007, respectively.

E. The Agency has purchased 24-26 Main Street for $50,000 subsequent to June 30, 2007.

F. In August 2007, the Agency approved a grant to the City for $127,350 for the improvement of Shuttleworth Park.

7. DIRECT FINANCING LEASES (INCLUDED IN OTHER RECEIVABLES)

A. During November 1995, the Agency acquired the former Bojud Knitting property on Willow Street. During December 1995, the Agency leased the land and building to Northeast Water Jet, Inc. for a fifteen year term. The lease includes an option to purchase during the term of the lease at the present value of the remaining lease payments. The current monthly payment is $600.

The Agency's net investment in this direct financing lease at June 30, 2007 is as follows:

Minimum lease payments receivable	$ 25,190
Less: unearned interest income	4,658
Net Investment in Direct Financing Lease	$ 20,532

7. DIRECT FINANCING LEASES (INCLUDED IN OTHER RECEIVABLES)

A. Future minimum lease payments due on this direct financing lease are:

For the year ended June 30, 2008	$ 7,200
2009	7,200
2010	7,200
2011	3,590
Total	$ 25,190

B. During January 2001, the Agency finalized the transfer of the former Mazzarella Pizza, Inc. lease/purchase agreement to Washburn's Refrigerated Storage, Inc. for the shell building Mazzarella Pizza, Inc. occupied since 1996 which is located on Sam Stratton East Road in the Edson Street Industrial Park. The terms continue for the unexpired balance of the fifteen year term for land and building. The lease includes an option to buy the building during the term of the lease at the present value of the remaining lease payments. During the lease term, Washburn's Refrigerated Storage, Inc. can buy 1.925 acres of land at $3,000 per acre. The current monthly payment is now $2,985.

The Agency's net investment in this direct financing lease at June 30, 2007 is as follows:

Minimum lease payments receivable	$ 179,097
Less: unearned interest income	24,698
Net Investment in Direct Financing Lease	$ 154,399

Future minimum lease payments due on this direct financing lease are:

For the year ended June 30, 2008	$ 35,820
2009	35,820
2010	35,820
2011	35,820
2012	35,817
Total	$ 179,097

The following is a summary of all direct financing leases:

Minimum Lease Payments Receivable	
Northeast Water Jet, Inc.	$ 25,190
Washburn's, Inc.	179,097
Total Minimum Lease Payments Receivable	204,287
Less Unearned Interest Income	
Northeast Water Jet, Inc.	4,658
Washburn's, Inc.	24,698
Total Unearned Interest Income	29,356
Net Investment in Direct Financing Leases	$ 174,931

8. OPERATING LEASES

The Agency has real property available for lease to promote economic development within the City of Amsterdam.

During March 1998, the Agency leased land and building in the Edson Street Park to Film Fabrication, Inc. for a period of ten years with an option to renew or an option to purchase. Depreciation has been taken on the building and the cost of the building is net of accumulated depreciation of $144,000 at June 30, 2007.

During September 2002, the Agency leased land and buildings in the Edson Street Park to AGT Services, Inc. for a period of five years with an option to renew or an option to purchase. In 2007 AGT exercised its option to renew its lease for an additional five years. Depreciation has been taken on the building and the cost of the building is net of accumulated depreciation of $101,059 at June 30, 2007.

During September 2004, the Agency leased land and building in the Edson Street Park to Comptech Corporation for a period of five years with an option to renew. Depreciation has been taken on the building and the cost of the building is net of accumulated depreciation of $31,249 at June 30, 2007.

During May 2005, the Agency leased land and building purchased during 2005 to The Professional Wrestling Hall of Fame and Museum for a period of five years with an option to renew or an option to purchase. Depreciation has been taken on the building and the cost of the building is net of accumulated depreciation of $5,516 at June 30, 2007.

The following is a schedule of the investment in properties with operating leases included in fixed assets (net):

Land and building, Film Fabrication, Inc.	$336,000
Land and building, AGT Services, Inc.	505,296
Land and building, Comptech Corporation	281,244
Land and building, The Professional Wrestling Hall of Fame and Museum	110,091
Total investment in Property	$1,232,631

A schedule of future minimum rentals on noncancellable operating leases is as follows:

For the year ended June 30,	Film Fabrication, Inc.	AGT Services, Inc.	Comptech Corporation	The Professional Wrestling Hall of Fame and Museum	Totals
2008	$ 41,433	$ 50,000	$ 27,000	$ 501	$ 118,934
2009	-	50,000	27,000	501	77,501
2010	-	50,000	-	501	50,501
2011	-	50,000	-	-	50,000
2012	-	50,000	-	-	50,000
Totals	$ 41,433	$ 250,000	$ 54,000	$ 1,503	$ 346,936

9. RESTRICTED NET ASSETS

The agency has $30,988 of restricted net assets from having received federal grant funds for a revolving loan fund. See notes 1A and 2

STATEMENT OF INDEBTEDNESS

List Separately by Date of Issue	EDP CODE	Month and Year* T	Interest Rate At Issuance	Interest Rate If Variable, Applicable Range	Outstanding Beginning of Fiscal Year 1	Do Not Include Renewals Here Issued During Fiscal Year 3	Do Not Include Renewals Here Paid During Fiscal Year 5	Outstanding End of Fiscal Year 7	Final Maturity Date
Capital Notes:	2P1865	/	THE AGENCY HAS NO INDEBTEDNESS TO REPORT						
Other Debt (specify):		/							
		/							
Bond Anticipation Notes:	----------	/							
	----------	/							
	----------	/							
Total Bond Anticipation Notes	2P1866	----------	----------	----------			**		----------
**BANS Redeemed from Bond Proceeds	2P1888	----------	----------	----------	----------	----------		----------	----------
Bonds (List by Purpose)	----------	/							
	----------	/							
	----------	/							
	----------	/							
	----------	/							
Total Bonds	2P1867	----------	----------	----------					
Authority Loans	2P1869	/							----------
TOTAL OF ALL INDEBTEDNESS	----------	----------	----------	----------					----------

Please note callable features of bond issues and any reserve funds available to pay debt (Include also in the Notes to Financial Statements)

*ON NEW ISSUES, PLEASE INSERT NEW ISSUE DATE. ON RENEWAL, PLEASE INSERT LATEST RENEWAL DATE. PLEASE INSERT 4 DIGITS. I.E. APRIL 2003 WOULD BE 04/03.

MATURITY SCHEDULE
BONDS ISSUED DURING THE YEAR

		EDP CODE					
PURPOSE OF ISSUE		----------	THE AGENCY HAS NO INDEBTEDNEDNESS TO REPORT				
For State Comptroller Use Only		2P3CE					
TOTAL PRINCIPAL		2P3PR					
DATE OF ISSUE*		2P3DT	/ /	/ /	/ /	/ /	/ /
INTEREST RATE (In Decimals)		2P3PC					
DATE OF FINAL MATURITY*		2P3DM	/ /	/ /	/ /	/ /	/ /
Amount of Principal Redeemed In or to be Redeemed In Fiscal Year Ending In	2002	2P302					
	2003	2P303					
	2004	2P304					
	2005	2P305					
	2006	2P306					
	2007	2P307					
	2008	2P308					
	2009	2P309					
	2010	2P310					
	2011	2P311					
	2012	2P312					
	2013	2P313					
	2014	2P314					
	2015	2P315					
	2016	2P316					

Continue on Reverse Side

*PLEASE INSERT SIX DIGITS, FOR EXAMPLE, APRIL 1, 2003 SHOULD BE SHOWN AS 04/01/03

NOTE: If two or more purposes are combined in a consolidated issue, show the maturity schedule for each purpose.

INSTRUCTIONS FOR COMPLETING SCHEDULE OF SUPPLEMENTAL BOND/NOTE AND LEASE INFORMATION FOR INDUSTRIAL DEVELOPMENT AGENCIES AND AUTHORITIES

The Supplemental Information follows the Maturity Schedule and is required to be completed for each project begun in 1990 and thereafter for which debt was issued,outstanding or retired during the fiscal year or any straight lease agreement which was entered into since 1990 and thereafter and is outstanding. (Photocopy additional sheets if needed).

1. On the Schedule of Supplemental Information, the name of the project, the name of the project owner, and the project owner's address must be completed for all projects begun in 1990 and thereafter. This information should be current and reflect any changes since the project was undertaken. The project code must be established and reported for all projects started in 1998 and thereafter. Refer to separate instructions for coding structure for IDA project identification numbers. This code should also be used to identify the project in reporting project activity to other state agencies or departments.
2. The project purpose code should be taken from the list on the top of pages 11 and 12 of the annual report forms. The definitions for the codes follows these instructions.
3. Total Project Amount is the cost of the entire project.
4. Benefitted Project Amount is Total Project Amount less any project costs that will not result in an IDA-derived benefit. For example, items included within the project amount that are not sales taxable (e.g. service, such as legal, architectural, engineering) or do not result in an increase in the real property assessment.
5. Bond or Note Amount is the original principal amount of bond or note issued.
6. Show the federal tax status of each bond or note using the codes on top of page 11.
7. Not-for-Profit Organization status of project occupant should be indicated by putting a "yes" in the not-for-profit column.
8. New Tax Revenue If No Exemptions Granted refers to the amount of tax revenues a project would generate if the project did not receive any tax exemptions.
9. Method of Financial Assistance Other Than Tax Exemptions or other economic benefits-can be detailed on another page if necessary.
10. Tax exemptions refer to the total dollar amount of exemptions received during the year for which the report is being completed. For real property tax exemptions, please indicate the total amount of taxes for which the project would have been liable if the IDA was not involved. Do not deduct amounts paid pursuant to any payment in lieu of taxes (PILOT) agreements. Real property tax exemptions must be shown for all projects including those to which PILOTS are made.
11. Total Real Property Tax Exemptions Net of RPTL section 485-b Exemptions is the amount of real property tax exemptions the project received as a result of IDA status, i.e., deduct from the IDA exemption the amount of any real property tax exemptions the project would have received, irrespective of IDA involvement.
12. Each project where a PILOT is made must be listed on pages 11b and 12b.
    -- code 1 (all local units); -- code 2 (selected local units)
13. FTE Jobs Created and Retained-report the number of full time equivalent jobs.

PROJECT PURPOSE CODE DEFINITIONS

Services: This category includes establishments primarily engaged in producing a wide variety of services for individuals, business and government establishments and other organizations. Hotels and other lodging places, recreational services, health, legal, engineering, and other professional services; educational institutions, membership organizations, and other miscellaneous services, are included.

Construction: This category includes establishments primarily engaged in construction. Three broad types of construction activity are covered: (1) building construction by general contractors or by operative builders; (2) heavy construction other than building by general contractors and special trade contractors; and (3) construction activity by other special trade contractors.

Agriculture, Forestry and Fishing: This category includes establishments primarily engaged in agricultural production, forestry, commercial fishing, hunting and trapping and related services.

Wholesale Trade: This category includes establishments or places of business primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, construction contractors, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies.

Retail Trade: This category includes establishments engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods. In general, retail establishments are classified by kind of business according to the principal lines of commodities sold (groceries, hardware, etc.), or the usual trade designation (drug store, cigar store, etc.). Some of the important characteristics of retail trade establishments are: the establishment is usually a place of business and is engaged in activities to attract the general public to buy; the establishment buys or receives merchandise as well as sells; the establishment may process its products, but such processing is incidental or subordinate to selling; the establishment is considered as retail in the trade; and the establishment sells to customers for personal or household use.

Finance, Insurance and Real Estate: This category includes establishments operating primarily in the fields of finance, insurance and real estate. Finance includes depository institutions, non-depository credit institutions, holding (but not predominantly operating) companies, other investment companies, brokers and dealers in securities and commodity contracts, and security and commodity exchanges. Insurance covers carriers of all types of insurance, and insurance agents and brokers. Real estate includes owners, lessors, lessees, buyers, sellers, agents, and developers of real estate.

Transportation, Communications, Electric, Gas and Sanitary Services; This category includes establishments providing, to the general public or to other business enterprises, passenger and freight transportation, communications services, or electricity, gas, steam, water or sanitary services.

Other Categories:

--Exempt Facility
-- Water and sewage facilities
--Docks, wharves and public transit
--Solid waste and resource recovery
--Local furnishing of electric energy or gas
--Exempt sports facility
--Pollution control
--Civic Facility-- Facility owned or occupied by a nonprofit organization

Manufacturing: The manufacturing category includes establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments are usually described as plants, factories, or mills and characteristically use power driven machines and materials

Refer to Page 10 of this report for instructions

SCHEDULE OF SUPPLEMENTAL INFORMATION
BONDS/NOTES

No.	Project Code	Name of Project, Project Owner and Address	Purpose	Total Project Amount	Benefitted Project Amount	Bond/Note Amount	Federal Tax Status	Not for Profit	New Tax Revenues If No Exemptions Granted*
						*Total Exemptions (page 11a) less total PILOTS (page 11b)			
1.		Pasqualli's Banquet Hall Market Street Amsterdam, NY 12010	Retail Trade 5		$34,120.00	$34,120.00	Taxable	N	N/A

SCHEDULE OF SUPPLEMENTAL INFORMATION - STRAIGHT LEASE
Full Time Equivalent (FTE) Jobs Created and Retained

No.	# FTE at Project Location Before IDA Status	Original Estimate of Jobs to be Created	Original Estimate of Jobs to be Retained	# of Current FTE Employees	# of FTE Jobs Created During Fiscal Year	# of FTE Jobs Retained During Fiscal Year	# of FTE Construction Jobs Created During Fiscal Year
1. NE				22	0	22	0
2. Wash				3	0	3	0
3. Film				33	0	33	0
4. AGT				50	7	43	0
5. Breton				105	43	62	0
6. PWHF				0	0	0	0

Schedule of Supplemental Information: Straight Lease

No.	Project Code	Name of Project, Project Owner and Address	Purpose	Total Lease Amount	Not for Profit	New Tax Revenues If No Exemptions Granted	Method of Financial Assistance Utilized by Project, Other than Tax Exemptions Claimed by Project (Identify amount and type)
1.		Northeast Water Jet 4 Willow Street #10 Amsterdam, NY 12010	9	$7,200	N	N/A	PILOT Agreement, Completed
2.		Washburn's Inc Sam Stratton Road Amsterdam, NY 12010	9	$35,820	N	$44,832	PILOT Agreement
3.		Film Fabrication, Inc Sam Stratton Road Amsterdam, NY 12010	9	$62,000	N	$44,832	PILOT Agreement
4.		AGT 7 Sam Stratton Road Amsterdam, NY 12010	9	$50,000	N	$47,192	PILOT Agreement
5.		Breton Industries/Comptech 1 Sam Stratton Road Amsterdam, NY 12010	9	$27,000	N	$0	PILOT Agreement with Montgomery County Industrial Development Agency
6.		Professional Wrestling Hall of Fame East Main Street Amsterdam, NY 12010	8	$1	Y	$0	Tax Exempt Organization

SCHEDULE OF SUPPLEMENTAL INFORMATION: STRAIGHT LEASE

PAYMENTS IN LIEU OF TAXES

No.	Project Code	County	Local	School	Total PILOTS	Code
1. Wash		$3,851	$5,347	$7,049	$16,247	1
2. Film		$12,243	$8,640	$10,695	$31,578	1
3. AGT		$7,619	$5,592	$10,234	$23,445	1
4. NE Water Jet - **PILOT COMPLETED**		$0	$0	$0	$0	0
5. Breton (Footnote A)						
6. PWHF		$0	$0	$0	$0	N/A

Footnote A:/ Reported by Montgomery County Industrial Development Agency.

BANK RECONCILIATION
CASH BY FUNDS, PER BALANCE SHEETS
Include Petty Cash
June 30, 2006

Enterprise Fund		**$895,878**
***TOTAL ALL FUNDS**		**$895,878**

BANK BALANCES
Identify Bank Balances with Funds by Listing the Applicable Code Letters

Name and Location of Bank	Fund Code	Bank Balance	Less Outstanding Checks	Add Cash on Hand	Adjusted Bank Balance
Bank of America, Amsterdam, NY	EF	$328,673	$27,640.00		$301,033
Bank of America, Amsterdam, NY	EF	$11,815			$11,815
Bank of America, Amsterdam, NY	EF	$538,015			$538,015
Bank of America, Amsterdam, NY	EF	$19,173			$19,173
Key Bank, Amsterdam, NY	EF	$2,067			$2,067
First Niagara, Amsterdam, NY	EF	$23,707			$23,707
Add:		**Petty Cash Funds**			$68
		Adjustments (specify)			
		***TOTAL ADJUSTED BANK BALANCE AND PETTY CASH**			**$895,878**

*These amounts must agree.

NOTE: **Bank certification forms are not required to be filed with this report. However, The Office of the State Comptroller may confirm bank balances directly with the bank.**

CERTIFICATE OF CHIEF FISCAL OFFICER

I, Barbara Slusarz, CERTIFY THAT I AM THE **CHIEF FISCAL OFFICER** OF THE City of Amsterdam Industrial Development Agency AND THAT THIS REPORT TO THE BEST OF MY KNOWLEDGE, INFORMATION , AND BELIEF, IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL TRANSACTIONS AND FISCAL CONDITION FOR THE FISCAL YEAR ENDED June 30, 2007.

SIGNATURE Barbara Slusarz DATE 12/17/2007

TITLE Secretary/Treasurer

OFFICIAL ADDRESS:

51 Van Dyke Avenue
Amsterdam, New York 12010

OFFICE TELEPHONE NO.

(518) 843-3955

PLEASE PRINT ADDITIONAL INFORMATION BELOW

CHIEF EXECUTIVE OFFICER (CEO): Frank Valiante

TITLE: Exectutive Director

OFFICIAL ADDRESS:

61 Church Street
Amsterdam, New York 12010

OFFICE TELEPHONE NO.

(518) 842-5011

PLEASE MAIL REPORT TO:

NYS COMPTROLLERS OFFICE
DIVISION OF LOCAL GOVERNMENT SERVICES AND
ECONOMIC DEVELOPMENT
110 STATE STREET, DATA MANAGEMENT UNIT 12TH FL
ALBANY, NEW YORK 12236

IF YOU HAVE ANY QUESTIONS RELATING TO THIS REPORT, PLEASE CALL: (518) 408-2941

City of Amsterdam Industrial Development Agency
Schedule of Employee Compensation
For the Fiscal Year Ended June 30, 2007

The Agency does not have any employees that received compensation in excess of $100,000 during the fiscal year ended June 30, 2007.

City of Amsterdam Industrial Development Agency
Schedule of Projects Undertaken during Fiscal Year
June 30, 2007

On June 1, 2007, a special meeting of the Agency's board was held to discuss an inducement resolution for obligations in an amount sufficient to finance a certain industrial and manufacturing project for Noteworthy Industries, Inc. and authorizing the execution and delivery of an agreement with Noteworthy Industries, Inc. with respect to such financing.

The resolution was passed and duly adopted.

There was not any further action taken by the Agency concerning this project until after the fiscal year end of June 30, 2007 when a Public Hearing concerning the proposed project was held on July 23, 2007.

City of Amsterdam Industrial Development Agency
Schedule of Real Property
June 30, 2007

A. The Agency, as of June 30, 2007, does not have any properties that it intends to dispose of having an estimated fair value in excess of $15,000.

B. The Agency, as of June 30, 2007, has ownership in the following properties

Property Location	Estimated Fair Market Value As of June 30, 2007
1. Locust & Park	$2,000
2. 24 Voorhees St	1,000
3. Off Morris	100
4. 46-48 Lark St.	1,000
5. Edson St. Ext	10,000
6. Edson St.	1,000
7. 362 E. Main St.	1,000
8. 48 John St.	1,000
9. 46 John St.	1,000
10. 44 John St.	1,500
11. Sam Stratton Dr.	390,000
12. Sam Stratton Dr.	390,000
13. Sam Stratton Dr.	400,000
14. Park Dr	10,000
15. 7 Dandreano Dr.	225,000
16. Sam Stratton Dr.	3,000
17. RR Second Ave.	15,000
18. Fourth Ave	10,000
19. Kellogg	5,000
20. RR. Kellog-East	6,000
21. Fredrick St. Rear	100
22. Fredrick St. Rear	100
23. Fredrick St. Rear	300
24. Edson St.	15,000
25. Edson St.	25,000
26. 30-32 E. Main St.	50,000
27. Power Station (Lower Mill)	5,000
28. Edson St.	1,000
29. 4 Willow St.	190,000
30. E. Main St. Ext.	2,000

C. In addition, the Agency, during the fiscal year ended June, 2007, did not dispose of any properties that had an estimated fair value in excess of $15,000.

Chapter 23

ETHICS

ARTICLE I
Code of Ethics

§ 23-1. Legislative intent.
§ 23-2. Definitions.
§ 23-3. Standards of conduct.
§ 23-4. Exemption for certain filings.
§ 23-5. Distribution of Code of Ethics.
§ 23-6. Penalties for offenses.

ARTICLE II
Board of Ethics

§ 23-7. Board of Ethics established; membership.
§ 23-8. Powers and duties.

[HISTORY: Adopted by the Common Council of the City of Amsterdam; Art. I, 8-4-1970; Art. II, 8-4-1970. Amendments noted where applicable.]

ARTICLE I
Code of Ethics
[Adopted 8-4-1970]

§ 23-1. Legislative intent.

Pursuant to the provisions of § 806 of the General Municipal Law, the Common Council of the City of Amsterdam recognizes that there are rules of ethical conduct for public officers and employees which must be observed if a high degree of moral conduct is to be obtained and if public confidence is to be maintained in our unit of local government. It is the purpose of this article to promulgate these rules of ethical conduct for the officers and employees of the City of Amsterdam. These rules shall serve as a guide for official conduct of the officers and employees of the City of Amsterdam. The rules of ethical conduct of this article, as adopted, shall not conflict with, but shall be in addition to, any prohibition of Article 18 of the General Municipal Law or any other general or special law relating to ethical conduct and interest in contracts of municipal officers and employees.

§ 23-2. Definitions.

As used in this article, the following terms shall have the meanings indicated:

INTEREST[1] — A direct or indirect pecuniary or material benefit accruing to a municipal officer or employee as the result of a contract with the municipality which such officer or employee serves. For the purposes of this chapter, a municipal officer or employee shall be deemed to have an interest in the contract of:

[1] Editor's Note: Amended at time of adoption of Code (see Ch. 1, General Provisions, Art. I).

A. His spouse, minor children and dependents, except a contract of employment with the municipality which such officer or employee serves.

B. A firm, partnership or association of which such officer or employee is a member or employee.

C. A corporation of which such officer or employee is an officer, director or employee.

D. A corporation, any stock of which is owned or controlled directly or indirectly by such officer or employee.

MUNICIPAL OFFICER or EMPLOYEE — An officer or employee of the City of Amsterdam whether paid or unpaid, including members of any administrative board, commission or other agency thereof. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer fireman or civil defense volunteer, except a Chief Engineer or Assistant Chief Engineer.

§ 23-3. Standards of conduct.

Every officer or employee of the City of Amsterdam shall be subject to and abide by the following standards of conduct:

A. Gifts. He shall not, directly or indirectly, solicit any gift or accept or receive any gift having a value of $75 or more, whether in form of money, services, loan, travel, entertainment, hospitality, thing or promise or any other form under circumstances in which it could reasonably be inferred that the gift was intended to influence him in the performance of his official duties or was included as a reward for any official action on his part.[2]

B. Confidential information. He shall not disclose confidential information acquired by him in the course of his official duties or use such information to further his personal interest.

C. Representation before one's own agency. He shall not receive or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any municipal agency of which he is an officer, member or employee, or of any municipal agency over which he has jurisdiction or to which he has the power to appoint any member, officer or employee.

D. Representation before any agency for a contingent fee. He shall not receive or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any agency of his municipality, whereby his compensation is to be dependent or contingent upon any action by such agency with respect to such matter, provided that this subsection shall not prohibit the fixing at any time of fees based upon the reasonable value of the services rendered.

E. Disclosure of interest in legislation. To the extent that he knows thereof, a member of the Common Council and any officer or employee of the City of Amsterdam, whether paid or unpaid, who participates in the discussion, or gives official opinion to the Common Council on any legislation before the Common Council, shall publicly disclose on the

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[2] Editor's Note: Amended at time of adoption of Code (see Ch. 1, General Provisions, Art. I).

official record the nature and extent of any direct or indirect financial or other private interest he has in such legislation.

F. Investment in conflict with offici al duties. He shall not invest or hold any investment directly or indirectly in any financial, business, commercial or other private transaction which creates a conflict with his official duties.

G. Private employment. He shall not engage in, solicit, negotiate for or promise to accept private employment or render services for private interests when such employment or service creates a conflict with or impairs the proper discharge of his official duties.

H. Future employment. He shall not, after the termination of service or employment with such municipality, appear before any board or agency of the City of Amsterdam in relation to any case, proceeding or application in which he personally participated during the period of his service or employment or which was under his active consideration.

§ 23-4. Exemption for certain filings.

Nothing herein shall be deemed to bar or prevent the timely filing by a present or former municipal officer or employee of any claim, account, demand or suit against the City of Amsterdam, or any agency thereof on behalf of himself or any member of his family arising out of any personal injury or property damage or for any lawful benefit authorized or permitted by law.

§ 23-5. Distribution of Code of Ethics.[3]

The Mayor of the City of Amsterdam shall cause a copy of this Code of Ethics to be distributed to every officer and employee of the City of Amsterdam within 60 days after the effective date of this article. Each officer and employee elected or appointed thereafter shall be furnished a copy before entering upon the duties of his office or employment. Failure to distribute any such copy or failure of any officer or employee to receive such copy shall have no effect on the duty of compliance with such code, nor the enforcement provisions thereof.

§ 23-6. Penalties for offenses.

In addition to any penalty contained in any other provision of law, any person who shall knowingly and intentionally violate any of the provisions of this code may be fined, suspended or removed from office or employment, as the case may be, in the manner provided by law.

[3] Editor's Note: Amended at time of adoption of Code (see Ch. 1, General Provisions, Art. I).

ARTICLE II
Board of Ethics
[Adopted 8-4-1970]

§ 23-7. Board of Ethics established; membership.

There is hereby established a Board of Ethics consisting of five members to be appointed by the Mayor and who shall serve without compensation and at the pleasure of the Mayor. A majority of such members shall be persons other than officers or employees of the City of Amsterdam, New York, but shall include the Corporation Counsel of the City of Amsterdam and, whenever possible, one Common Council member of the minority party in office in the City of Amsterdam.

§ 23-8. Powers and duties.

The Board of Ethics shall have the powers and duties prescribed by Article 18 of the General Municipal Law and shall render advisory opinions to the officers and employees of the City of Amsterdam with respect to Article 18 of the General Municipal Law and any Code of Ethics adopted pursuant to such article, under such rules and regulations as the Board may prescribe. In addition, the Board may make recommendations with respect to any amendments to the Code of Ethics upon request of the Common Council.

City of Amsterdam Industrial Development Agency
Assessment of Internal Control by Accountants
on Accounting and Financial Disclosure
June 30, 2007

Disclosure Controls and Procedures. Management, including the agency's Chairman and Chief Executive Officer, evaluated the effectiveness of the design and operation of the Agency's disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, the Chairman and Chief Executive Officer concluded that the disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports the agency's files and submissions under the Public Authorities Law is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Public Authorities Law and that information required to be disclosed by the agency's in the reports that it files or submits under the Public Authorities Law is accumulated and communicated to the agency's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting. Management is responsible for establishing and maintaining adequate internal control over financial reporting. Management assessed the effectiveness of the agency's internal control over financial reporting as of June 30, 2007 using criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and concluded that the agency maintained effective internal control over financial reporting as of June 30, 2007.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Our assessment of the effectiveness of our internal control over financial reporting as of June 30, 2007 has been audited by Leavenworth & Co., CPA's P.C. an independent certified public accounting firm, as stated in their report which is included herein.

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

LEAVENWORTH & CO., CPA'S P.C.

December 17, 2007