



STATE OF NEW YORK  
**Authorities Budget Office**

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October 1, 2013

Mayor Anthony Sylvester Sr.,  
Chairman and CEO  
Mechanicville Community Development Agency  
36 North Main Street  
Mechanicville, NY 12118

Dear Mayor Sylvester and Directors of the Mechanicville Community Development Agency:

The **Mechanicville Community Development Agency** was created by Section 574 of General Municipal Law and is a local authority subject to the reporting requirements of sections 2800, 2801, and 2802 of Public Authorities Law. The authority has never filed Annual, Audit, or Budget Reports with the Authorities Budget Office (ABO). As a result, the Mechanicville Community Development Agency was included on published lists of state and local authorities that are out of compliance with state law. These lists were released by the ABO in July 2012, January 2013, and July 2013.

On February 27, 2013, the ABO sent a letter compelling the board of directors and chief executive officer to justify the authority's persistent failure to meet the reporting requirements of sections 2800, 2801, and 2802 of Public Authorities Law. In a March 1, 2013 email you responded "I will get the reports sent to you ASAP."

In a March 5, 2013 email the ABO responded to you:

*"Please note that all reports must be filed in the PARIS system. We do not accept reports sent to the Authorities Budget Office. The CDA will remain out of compliance until all reports are submitted. If your authority requires assistance in reporting, you may contact our office".*

As of October 1, 2013 the Mechanicville Community Development Agency remains out of compliance with the public disclosure, reporting and corporate governance provisions of Public Authorities Law. In addition, our records indicate that the board has failed to meet its statutory obligation to participate in mandatory training that focuses on the governance, accountability and ethical responsibilities of directors. Accordingly, pursuant to its powers under Section 6(2)(f) of Public Authorities Law, the ABO is sending this official letter of censure to the board of directors of the Mechanicville Community Development Agency.

As a public authority, the Mechanicville Community Development Agency is expected to be timely and transparent with its financial reporting and to be accountable to the public. This letter of censure is the result of the board's collective failure to take appropriate corrective action when the authority was previously warned that it was out of compliance. Those warnings constitute reasonable evidence that the board and the authority's management were made aware of this situation. The fact you continue to ignore your legal obligations is unacceptable. This behavior demonstrates a fundamental misunderstanding of your fiduciary responsibilities and is a serious violation of your duty as a director or officer of this authority.

This letter is being made part of the public record. Disclosure of this censure letter may be required by federal securities law, should the authority finance debt in the future. Furthermore, should the board of directors and the chief executive officer fail to bring the Mechanicville Community Development Agency into compliance, the ABO may take additional steps, including initiating legal action, to access the records, books, and financial documents of the authority.

Sincerely,

David Kiderra  
Director

cc: Peter Chauvin, Commissioner of Finance/ Board  
Member  
Tim Hipwell, Commissioner of Public Safety/  
Board Member

Assemblyman Tony Jordan  
Senator Kathleen A. Marchione