

RENSELAER MUNICIPAL LEASING CORPORATION

ANNUAL REPORT

For the year ending December 31, 2010

Michael Slawson, President

Rich Crist, Vice President

John Santora, Secretary/Treasurer

Thomas Fox, Member

Russell Bennett, Member

The Rensselaer Municipal Leasing Corporation (RMLC) was formed in accordance with the Not-For-Profit Corporation Law of the State of New York and a resolution of the Rensselaer County Legislation adopted on February 9, 1993 to assist with the financing of the 362 bed County nursing home, Van Rensselaer Manor. The RMLC, as landlord, maintains a lease agreement with the County which, among other things, requires the County to make periodic lease payments in an amount sufficient to pay principal and interest on the Corporation's bonds.

In June of 2009, the Corporation issued a total of \$28,980,000 in leasehold mortgage revenue refunding bonds in order to take advantage of historically low interest rates, which resulted in reduced debt service expenses and, consequently, reduced Medicaid expenses borne by the County, the State of New York and the Federal Government. The total gross interest savings was estimated to be nearly \$3.3 million (present value), with about \$1 million of the amount to be realized by Rensselaer County.

During 2010, the RMLC collected \$2,582,681 in rental income from the County and made interest payments on its bonds of \$1,427,681 and principal payments of \$1,155,000. Since the rental income is passed through to the bond holders, the only significant investment earnings of \$360.97 were realized in the debt service reserve account. A total of \$3.06 was earned in the RMLC's checking account. No new initiatives or financings were pursued during the year.