

# UCIDA

Ulster County Industrial Development Agency

## 2010 ANNUAL REPORT – MANAGEMENT DISCUSSION AND ANALYSIS

### Introduction

Our discussion and analysis of Ulster County Industrial Development Agency's financial performance provides an overview of the agency's financial activities for the fiscal year ended December 31, 2010. Please read it in conjunction with the agency's financial statement that follows this discussion and analysis. Ulster County Industrial Development Agency (UCIDA) is a New York State public authority and industrial development agency operating in the County of Ulster, New York. This summary discussion and analysis includes only the financial and general business of the agency.

### Financial Highlights

The Agency's net assets have decreased by \$46,047 (or 10.9%) as a result of operations in 2010.

In 2010, operating revenue increased by \$19,500 from the end of 2009 (or 18.5%).

In 2010, operating expenses decreased \$35,004 from the end of 2009 (or 17.0%).

### Agency Highlights

The agency closed on two new projects during the year ended December 31, 2010, and did restructure one other existing project; in total generating \$122,000 in administrative fees. The County of Ulster should benefit by the increase of 51 new jobs these projects will provide, as well as 85 construction jobs.

### Using This Annual Report

This annual report consists primarily of the Statement of Net Assets, Statement of Revenues, Expenses and Changes of Net Assets and the Statement of Cash Flows, which provide information about the activities of the Agency only.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The statements report the Agency's net assets and changes in them. One way to measure the Agency's financial position is to look at the net assets – the difference between assets and liabilities.

## Condensed Comparative Financial Statements and Analysis

The Agency's net assets at the end of the 2010 were \$377,201, a decrease of \$46,047 from \$423,248 in 2009.

Our analysis below focuses on net assets (Table 1) and the changes in net assets (Table 2).

**Table 1 – Net Assets**

	<u>2010</u>	<u>2009</u>
Current Assets	<u>\$377,294</u>	<u>\$430,745</u>
Current Liabilities	<u>\$93</u>	<u>\$7,497</u>
Unrestricted Net Assets	<u>\$377,201</u>	<u>\$423,248</u>
Total Net Assets	<u>\$377,201</u>	<u>\$423,248</u>

Current Assets: Cash totals in at the end 2010 were \$376,819 versus \$430,284 at the end of 2009. The decrease in cash was a direct consequence of funding the operating deficit. Prepaid expenses at the end of 2010 totaled \$475 versus \$461 at the end of 2009.

### Current Liabilities

This year there were outstanding payables of \$93 compared to last year's \$7,497.

**Table 2 – Changes in Net Assets**

	<u>2010</u>	<u>2009</u>
Revenue		
Application Fees	<u>\$2,000</u>	<u>\$2,000</u>
Administration Fees	<u>\$122,000</u>	<u>\$101,223</u>
Interest & Investment Income	<u>\$1,164</u>	<u>\$2,441</u>
Total Revenues	<u>\$125,164</u>	<u>\$101,664</u>
Expenses		
Operating Expenses	<u>\$171,211</u>	<u>\$206,215</u>
Non-Operating Expenses	<u>\$0</u>	<u>\$0</u>
Total Expenses	<u>\$171,211</u>	<u>\$206,215</u>
Change in Net Assets	<u>(\$46,047)</u>	<u>(\$100,551)</u>

The Agency's revenues in 2010 were \$125,164 versus \$101,664 in 2009. Expenses in 2010 were \$171,211 versus \$206,215 in 2009. The revenue increase in 2010 from 2009 was caused by a larger project closing in 2010. The expenses were reduced in 2010 predominantly due \$23,750 decrease in grants given out, and a \$6,997 reversal of a 2009 accrued NYS assessment expense.

### **Economic Factors and Next Year's Budget**

One of the most important questions asked about the Agency's finances is, "Are the financials transparent and accurate". The financial records are a matter of public record under the Freedom of Information Law and are therefore transparent. In addition, the Agency's new website provides extensive access into the agency's budget, board of directors, and policies.

The main economic factor considered when creating the 2011 budget was to budget revenue based on projects already in the pipeline, and in keeping with the encouraging increase in project applications seen in 2009 and 2010. The expense budget was increased primarily for RE Development and Grants supported by the revenue increase. The 2011 budget has no draw on prior year's cash.

### **Contacting UCIDA Financial Administrator**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Ulster County Industrial Development Agency, 5 Development Court, Kingston, NY, 12401.