

# UCIDA

Ulster County Industrial Development Agency

## **2011 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, 2011. 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 \$3,934 (or 1.0%) as a result of operations in 2011.

In 2011, revenue increased \$93,667 from the end of 2010, or 74.8%.

In 2011, expenses increased \$51,554 from the end of 2010, or 30.1%.

### **Agency Highlights**

The agency closed on two new projects during the year ended December 31, 2011, and restructured three other existing projects, and did additional work on three other existing projects; in total generating \$140,685 in administrative fees. The County of Ulster should benefit by the increase of 8 new jobs these projects will provide, as well as 5 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 \$373,267, a decrease of \$3,934 from \$377,201 in 2010.

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

**Table 1 – Net Assets**

	<u>2011</u>	<u>2010</u>
Current Assets	<u>\$373,267</u>	<u>\$377,294</u>
Current Liabilities	<u>\$0</u>	<u>\$93</u>
Unrestricted Net Assets	<u>\$373,267</u>	<u>\$377,201</u>
Total Net Assets	<u>\$373,267</u>	<u>\$377,201</u>

Current Assets: Cash totals in at the end 2011 were \$371,770 versus \$376,819 at the end of 2010. The decrease in cash was a direct consequence of funding the operating deficit. Accounts Receivable at the end of 2011 was \$1,000 versus \$0 at the end of 2010. The 2011 Receivable is a past due administrative fee. Prepaid expenses at the end of 2011 totaled \$497 versus \$475 at the end of 2010.

### Current Liabilities

This year there were no outstanding payables compared to last year's \$93.

**Table 2 – Changes in Net Assets**

	<u>2011</u>	<u>2010</u>
Revenue		
Application Fees	<u>\$2,500</u>	<u>\$2,000</u>
Administration Fees	<u>\$140,685</u>	<u>\$122,000</u>
Grants	<u>\$75,000</u>	<u>\$0</u>
Interest & Investment Income	<u>\$646</u>	<u>\$1,164</u>
Total Revenues	<u>\$218,831</u>	<u>\$125,164</u>
Expenses		
Operating Expenses	<u>\$222,765</u>	<u>\$171,211</u>
Non-Operating Expenses	<u>\$0</u>	<u>\$0</u>
Total Expenses	<u>\$222,765</u>	<u>\$171,211</u>
Change in Net Assets	<u>(\$3,934)</u>	<u>(\$46,047)</u>

The Agency's revenues in 2011 were \$218,831 versus \$125,164 in 2010. Expenses in 2011 were \$222,765 versus \$171,211 in 2010. The administration fees revenue increase in 2011 from 2010 was caused by a larger project closing in 2011. The 2011 grant of \$75,000 was an extraordinary grant given to the UCIDA from the Ulster County Capital Resource Corporation. The expenses were increased in 2011 predominantly due to a \$55,000 increase in grants given out.

### **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 2012 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 through 2011. The 2012 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.