

Town of Colonie Industrial Development Agency

Notes to Financial Statements
December 31, 2014 and 2013

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

d. *Receivables* - Continued

Loans are carried at amortized amounts, based on paydown of principal. Management records an allowance on loans based on a review of the outstanding loan balances and its collection history. At December 31, 2014 and 2013, the allowance for uncollectible loans receivable was \$6,232 and \$16,825, respectively. The allowance is reviewed annually based on collection history of the loans and known facts and circumstances.

e. *Capital Assets*

Capital assets acquired by the Agency are stated at cost including interest capitalized during construction when applicable. Depreciation is recognized on a straight-line basis over the estimated useful lives of the assets.

<u>Description</u>	<u>Estimated Life</u>
Building and improvements	5-30 years
Furniture and equipment	10 years
Intangible assets	3 years

f. *Subsequent Events*

The Agency has evaluated subsequent events for potential recognition or disclosure through February 23, 2015, the date the financial statements were available to be issued.

Note 2 - Cash

Cash consists of:

	<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>
Cash in checking accounts	\$ 1,034	\$ 4,255
Cash in money market account	1,322,884	1,054,311
 Total cash	 <u>\$ 1,323,918</u>	 <u>\$ 1,058,566</u>
 Cash, restricted for revolving loan fund	 <u>\$ 144,621</u>	 <u>\$ 168,454</u>

Restricted cash consists of funds held for use in the Agency's revolving loan fund. The Agency's investment policies are governed by State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, obligations of New York State or its localities, and Certificates of Participation.

Town of Colonie Industrial Development Agency

Notes to Financial Statements December 31, 2014 and 2013

Note 2 - Cash - Continued

In accordance with the provisions of Section 10 of the General Municipal Law of New York State, all Agency deposits, including certificates of deposit and special time deposits in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, shall be collateralized by a pledge of eligible securities, letters of credit, or surety bonds. As of December 31, 2014 and 2013, the collateral was sufficient to secure the Agency's deposits in excess of FDIC insurance.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the federal government.

All investment obligations shall be payable or redeemable at the option of the Agency within such times as the proceeds will be needed to meet expenditures for purposes for which the monies were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Agency within two years of the date of purchase.

Note 3 - Capital Assets, Net

Capital assets are as follows:

	December 31,			
	2013	Additions	Disposal	
Capital assets, not being depreciated				
Land	\$ 4,893	\$ -	\$ -	\$ 4,893
Capital assets being depreciated				
Building and improvements	221,224	-	-	221,224
Furniture and equipment	8,725	-	(8,725)	-
Intangible assets	1,887	-	-	1,887
Total	<u>231,836</u>	<u>-</u>	<u>(8,725)</u>	<u>223,111</u>
Less accumulated depreciation for				
Building and improvements	(221,224)	-	-	(221,224)
Furniture and equipment	(8,725)	-	8,725	-
Intangible assets	(629)	(629)	-	(1,258)
Total	<u>(230,578)</u>	<u>(629)</u>	<u>8,725</u>	<u>(222,482)</u>
Total capital assets being depreciated, net	<u>1,258</u>	<u>(629)</u>	<u>-</u>	<u>629</u>
Capital assets, net	<u>\$ 6,151</u>	<u>\$ (629)</u>	<u>\$ -</u>	<u>\$ 5,522</u>

During 2013, certain capital assets were deemed impaired as a result of physical damage sustained to the property. The Agency recorded an impairment loss of \$8,344 for the year ended December 31, 2013.

Note 4 - Related Party Transactions

Transactions with the Town are as follows:

The Comptroller's Office and the Department of Planning and Economic Development of the Town provide staff support and office space to the Agency. Under the terms of an annual agreement, the Agency paid the Town \$57,174 and \$56,013 for support services for the years ended December 31, 2014 and 2013, respectively. The Agency also reimburses the Town for direct costs incurred by the Town on behalf of the Agency.