

# **Yonkers Economic Development Corporation**

Financial Statements  
and Supplementary Information

December 31, 2020 and 2019



# Yonkers Economic Development Corporation

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## **Independent Auditors' Report**

**The Board of Directors of the  
Yonkers Economic Development Corporation**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Yonkers Economic Development Corporation ("Corporation"), which comprise the statements of net position as of December 31, 2020 and 2019, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2020 and 2019, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note 2 to the financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements. The schedule of indebtedness and the schedule of straight-lease transactions executed in 2020 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2021 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

March 26, 2021

## Yonkers Economic Development Corporation

### Management's Discussion and Analysis December 31, 2020

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The following Management's Discussion and Analysis ("MD&A") of the Yonkers Economic Development Corporation's ("Corporation") activities and financial performance is provided as an introduction and overview of the financial statements of the Corporation for the year ended December 31, 2020. Management's Discussion and Analysis is Required Supplementary Information specified in the Government Accounting Standards Board ("GASB") Statement No. 34. Following this MD&A are the annual financial statements of the Corporation together with the notes to the financial statements which are important to understanding the data presented in the financial statements. This MD&A highlights certain supplementary information to assist with the understanding of the Corporation's financial operations.

#### **Operations**

The Corporation is a local development corporation and operates for the benefit of the City of Yonkers, New York ("City") and its populace to accomplish any or all of the purposes specified in the by-laws. Specific powers and duties are conferred to the Corporation with respect to bond issuances within the corporate limits of the City. All of the local zoning and planning regulations, as well as the regional and local comprehensive land use plans, are taken into consideration to carry out the duties of the Corporation.

Organized in a manner consistent with the Federal Section 115 status and New York State Public Authorities laws, the Mayor of the City is the sole member and appoints up to seven Board of Directors which is comprised of both public officials and business leaders. The current Board is comprised of four board members from the Yonkers Industrial Development Agency ("YIDA"). This Board governs the Corporation by establishing official policies and reviewing and approving requests for bond transactions. Operations and activities of the Corporation, its members, officers and employees are carried out in accordance with New York State law. In addition, the Corporation complies with the Public Authorities Accountability Act of the State of New York, as set forth within Article 4-A of the New York Executive Law.

The Corporation's mission is to assist YIDA in economic development and job growth throughout the City by providing certain taxable and tax exempt financial assistance on occasions where these incentives are no longer provided by YIDA or in instances where YIDA's ability to assist economic development projects has been significantly limited. In addition, the debt issuances of the Corporation will not be liabilities of the State of New York, the City or YIDA.

YEDC provided mortgage recording tax exemption for the following project in 2020:

- **9-11 Riverdale:** The total mortgage amount of \$4,750,000 was granted a total exemption amount of \$85,500 - agency fees of \$47,066

YEDC arranged the refunding of bonds and refinancing of mortgages for the following projects in 2020:

- **Charter School – Lamartine/Warburton LLC:** The refunded bonds total \$12,230,000 – agency fees of \$61,075
- **Hudson Blue:** The new monies refinanced total \$7,930,000 – agency fees of \$42,150

### **Financial Operations Highlights**

The detailed financial statements for the years ended December 31, 2020 and 2019 follow the MD&A. The chart below provides a condensed summary of revenues and expenses for the 2020 and 2019 calendar years.

	<u>2020</u>	<u>2019</u>
<b>Operating Revenues</b>		
Agency Fees	\$ 150,291	\$ 3,249,654
Miscellaneous Fees	<u>4,000</u>	<u>4,539</u>
Total Operating Revenues	<u>154,291</u>	<u>3,254,193</u>
<b>Operating Expenses</b>		
Professional Fees	19,150	19,490
Marketing	224,062	100,938
Insurance	6,654	6,491
Miscellaneous	<u>7,684</u>	<u>2,508</u>
Total Operating Expenses	<u>257,550</u>	<u>129,427</u>
Income (Loss) from Operations	(103,259)	3,124,766
<b>Non-Operating Revenues</b>		
Interest Income	<u>32,970</u>	<u>1,071</u>
Change in Net Position	(70,289)	3,125,837
<b>Net Position</b>		
Beginning of year	<u>3,402,930</u>	<u>277,093</u>
End of year	<u>\$ 3,332,641</u>	<u>\$ 3,402,930</u>

### **Grants**

The Corporation received no grants in 2020 or 2019.

### **Agency Fees**

The Corporation received agency fees for three projects (Hudson Blue, 9-11 Riverdale, and Charter School of Educational Excellence) in 2020 for a total of \$150,291. In 2019, thirteen projects closed for a total of \$3,249,654 in Agency fees.

### **Management Fees**

The Corporation had no employees in 2020, therefore there is no longer a management agreement.

### ***Assets, Liabilities and Net Position***

At year end, the Corporation had \$3,359,141 in assets, \$26,500 in liabilities, and an unrestricted net position of \$3,332,641. A complete breakdown of these amounts is provided in the financial statements.

### ***Supplementary Information***

The Schedule of Indebtedness - Industrial Revenue Bonds and Notes Issued, Outstanding or Retired and the Schedule of Straight-Lease Transaction executed in 2020 are provided as supplementary information to the financial statements. This supplementary information is located following the notes to the financial statements.

### **Request for Information**

This financial report is designed to provide a general overview of the Corporation's finances for all those with an interest in the Corporation finances. Questions and comments concerning any information provided in this report or requests for additional information should be addressed to the Executive Director, Yonkers Economic Development Corporation, 470 Nepperhan Avenue, Suite 200, Yonkers, New York 10701.

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## Yonkers Economic Development Corporation

### Statements of Net Position December 31,

	2020	2019
<b>ASSETS</b>		
Cash and equivalents	\$ 3,357,517	\$ 3,427,806
Prepaid expenses	1,624	1,624
Total Assets	<u>\$ 3,359,141</u>	<u>\$ 3,429,430</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 26,500	\$ 26,500
<b>NET POSITION</b>		
Unrestricted	<u>3,332,641</u>	<u>3,402,930</u>
Total Liabilities and Net Position	<u>\$ 3,359,141</u>	<u>\$ 3,429,430</u>

See notes to financial statements.

**Yonkers Economic Development Corporation**Statements of Activities  
Year Ended December 31,

	2020	2019
<b>OPERATING REVENUES</b>		
Agency fees	\$ 150,291	\$ 3,249,654
Miscellaneous fees	4,000	4,539
Total Operating Revenues	154,291	3,254,193
<b>OPERATING EXPENSES</b>		
Professional fees	19,150	19,490
Marketing	224,062	100,938
Insurance	6,654	6,491
Miscellaneous	7,684	2,508
Total Operating Expenses	257,550	129,427
Income from Operations	(103,259)	3,124,766
<b>NON-OPERATING REVENUES</b>		
Interest income	32,970	1,071
Change in Net Position	(70,289)	3,125,837
<b>NET POSITION</b>		
Beginning of year	3,402,930	277,093
End of year	\$ 3,332,641	\$ 3,402,930

See notes to financial statements.

**Yonkers Economic Development Corporation**Statements of Cash Flows  
Year Ended December 31,

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from agency and miscellaneous fees	\$ 154,291	\$ 3,254,193
Cash payments for goods and services	<u>(257,550)</u>	<u>(129,427)</u>
Net Cash from Operating Activities	<u>(103,259)</u>	<u>3,124,766</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	<u>32,970</u>	<u>1,071</u>
Net Change in Cash and Equivalents	(70,289)	3,125,837
<b>CASH AND EQUIVALENTS</b>		
Beginning of year	<u>3,427,806</u>	<u>301,969</u>
End of year	<u><u>\$ 3,357,517</u></u>	<u><u>\$ 3,427,806</u></u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	<u><u>\$ (103,259)</u></u>	<u><u>\$ 3,124,766</u></u>

See notes to financial statements.

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## Yonkers Economic Development Corporation

Notes to Financial Statements  
December 31, 2020 and 2019

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### **Note 1 - Organization and Purpose**

The Yonkers Economic Development Corporation ("Corporation") was created in 2007 as a local development corporation by the City of Yonkers, New York ("City") under the provisions of the IRS Section 115 for the purpose of assisting the Yonkers Industrial Development Agency ("YIDA") with promoting and supporting the development of commerce, bolstering employment and stimulating economic growth and prosperity in the City. The Corporation is governed by Article 18-A of the General Municipal Law of the State of New York. The Corporation is exempt from Federal, State and local income taxes. The Corporation, although supported by YIDA, is a separate entity and operates cooperatively with YIDA. The Mayor of the City is the sole member of the Corporation and appoints the governing board for specified terms.

### **Note 2 - Summary of Significant Accounting Policies**

#### **Financial Reporting Entity**

The Corporation has been identified as an organization related to the City. In accordance with the criteria enumerated in Governmental Accounting Standards Board ("GASB") Statement No. 61 *"The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34"*, the Corporation is not considered a component unit of the City.

#### **Basis of Accounting**

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Corporation reports its operations on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Corporation distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Corporation's principal ongoing operation. The principal operating revenue of the Corporation is Agency fees. Operating expenses include professional fees, marketing and insurance. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **Cash and Equivalents, Investment and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consists of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

Collateral is required for these deposits at 100% of all deposits not covered by Federal deposit insurance. The Corporation has entered into a custodial agreement with its depository which holds its deposits. This agreement authorizes the obligations that may be pledged as collateral. Such obligations include among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

The Corporation's deposit and investment policies are governed by State statutes. The Corporation has adopted its own investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Corporation is authorized to use demand deposits, time deposits and certificates of deposit.

## Yonkers Economic Development Corporation

Notes to Financial Statements (Concluded)  
December 31, 2020 and 2019

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### **Note 2 - Summary of Significant Accounting Policies (Continued)**

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The Corporation follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### **Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the entity will incur losses in fair value caused by changing interest rates. The Corporation does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Corporation does not invest in any long-term investment obligations.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Corporation's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Corporation's name. The Corporation's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2020 and 2019.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Corporation does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Corporation's investment policy limits the amount on deposit at each of its banking institutions.

#### **Revenue Recognition**

The Corporation charges an agency fee based on the amount of financing for each project at a predetermined rate. All such agency fees are collected and recognized as revenue at closing.

#### **Net Position**

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use. The net position of the Corporation is classified as unrestricted.

## **Yonkers Economic Development Corporation**

Notes to Financial Statements (Concluded)  
December 31, 2020 and 2019

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### **Note 2 - Summary of Significant Accounting Policies (Continued)**

#### **Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("Coronavirus") pandemic and the mitigation responses, and such differences may be material. (See Note 5).

#### **Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is March 26, 2021.

### **Note 3 - Industrial Revenue Bonds and Notes and Straight-Lease Transactions**

Certain bonds and notes issued by the Corporation are secured by property which is leased to companies and are retired by lease payments. The bonds and notes are not obligations of the Corporation, the City or New York State. The Corporation does not record the assets or liabilities resulting from completed bond and note issues in its accounts, since its primary function is to arrange the financing between the borrowing companies and the bond and note holders and funds arising therefrom are controlled by trustees or banks acting as fiscal agents. Trustees maintain the information for these bonds and notes and no default notices have been generated in the current year. For providing this service, the Corporation receives bond administration fees from the borrowing companies. The fee received by the Corporation is one percent of the bond amount. In addition, the Corporation receives closing fees for straight-lease transactions of half of one percent of total project cost. Such administrative fee income is recognized immediately upon issuance of bonds and notes or closings on the lessor.

#### **Note 4 - Risk Management**

The Corporation purchases conventional insurance coverage for directors and officers liability. The current policy reflects a limit of \$1 million per occurrence with a policy limit of \$1 million for the period of the policy.

### **Note 5 - Contingencies**

The Corporation's operations and financial performance may be affected by the coronavirus outbreak which continues to spread globally and is expected to adversely affect economic conditions throughout the world. If the outbreak continues and conditions worsen, the Corporation may experience a disruption in operations. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the actual impact on the Corporation's financial position at this time.

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# **Yonkers Economic Development Corporation**

Supplementary Information

December 31, 2020

**Yonkers Economic Development Corporation**Schedule of Indebtedness - Industrial Revenue Bonds and Notes Issued, Outstanding or Retired  
December 31, 2020

Project	Date of Issue	Original Issue Value	Balance at January 1, 2020
Riverview II	May 2010	\$ 27,350,000	\$ 18,545,000
Charter School of Excellence (Series A)	Nov 2010	11,735,000	10,815,000
Rising Ground - Leake & Watts (Series A)	June 2014	16,670,000	11,565,000
Rising Ground - Leake & Watts (Series B)	June 2014	1,240,000	345,000
Rising Ground - Leake & Watts (Series C)	June 2014	3,125,000	1,890,000
Lamartine/Warburton LLC (CSEE A - 2019-A)	November 2019	35,740,000	35,740,000
Lamartine/Warburton LLC (CSEE A - 2019-B)	November 2019	1,045,000	1,045,000
Lamartine/Warburton LLC (CSEE A - 2020-A)	November 2020	11,185,000	-
Lamartine/Warburton LLC (CSEE A - 2020-B)	November 2020	530,000	-
Total Indebtedness		<u>\$ 108,620,000</u>	<u>\$ 79,945,000</u>

See independent auditors' report.

		Balance at December 31, 2020	
New Issues	Payments		
\$ -	\$ 240,000	\$ 18,305,000	
-	10,815,000	-	
-	1,055,000	10,510,000	
-	120,000	225,000	
-	240,000	1,650,000	
-	-	35,740,000	
-	-	1,045,000	
11,185,000	-	11,185,000	
530,000	-	530,000	
<u>\$ 11,715,000</u>	<u>\$ 12,470,000</u>	<u>\$ 79,190,000</u>	

**Yonkers Economic Development Corporation**

Supplementary Information  
Schedule of Straight-Lease Transactions Executed in 2020  
December 31, 2020

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Project	Project Address	Owner Address
<b>STRAIGHT LEASE TRANSACTIONS</b>		
9-11 Riverdale Avenue	9-11 Riverdale Avenue	121 Lakeville Road, New Hyde Park, NY 11040
<b>REFINANCINGS</b>		
Hudson Blue	70 Ashburton Avenue	55 Mineola Blvd, Mineola, NY 11501
<b>BOND REFUNDING</b>		
Lamartine/Warburton LLC (CSEE A - 2020-A)	226 Warburton Avenue	260 Warburton Avenue, Yonkers, NY 10701
Lamartine/Warburton LLC (CSEE B - 2020-B)	226 Warburton Avenue	260 Warburton Avenue, Yonkers, NY 10701

See independent auditors' report.

<u>Approximate Cost</u>	<u>Benefit (Sales Tax)</u>	<u>Benefit (Mortgage Tax)</u>	<u>Jobs at Location</u>	<u>Jobs to be Created</u>	<u>Jobs to be Retained</u>
\$6,543,051	\$2,579,125	4,750,000	-	14	14

New Monies

\$7,930,000

\$11,185,000

\$530,000

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**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

**Independent Auditors' Report**

**The Board of Directors of the  
Yonkers Economic Development Corporation**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Yonkers Economic Development Corporation ("Corporation") which comprise the statement of net position as of December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

March 26, 2021