

YEDC

Yonkers Economic Development Corporation

MEMORANDUM

To: Yonkers Economic Development Corporation Audit Committee Members

From: Alexa Ricciardi, Administrative Assistant

**Re: YEDC Audit Committee Meeting
Thursday, March 27th, 2025
at 2:00p.m. (IN PERSON at the Yonkers IDA Office)**

Date: March 24, 2025

.....

Enclosed please find the agenda and related draft materials. In preparation, we encourage all board members to carefully review the attached packet.

The Yonkers Economic Development Corporation Audit Committee Meeting is scheduled for Thursday, March 27th, 2025 at 2:00 p.m. and will be IN PERSON at the Yonkers IDA Office- 470 Nepperhan Ave, Suite 200, Yonkers NY 10701.

Should you have any questions, please contact me at (914) 509-8651.

Thank you.

YEDC

Yonkers Economic Development Corporation

Audit Committee Meeting

Agenda

March 27th, 2025

At 2:00 p.m.

- 1. Roll Call**
- 2. Approval of Minutes for December 11, 2024**
- 3. Review and Discussion of Report to Audit Committee:**
 - 2024 Internal Control Letter**
 - Draft Audited Financial Statements for 2024**
- 4. Other Business**
- 5. Adjournment**

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Minutes of
The City of Yonkers YEDC
Audit Committee Meeting
December 11, 2024 - 12:40 P.M.
At
470 Nepperhan Avenue, Suite 200
Yonkers, New York 10701-3892

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B E F O R E:

- CECILE SINGER - Chairperson**
- MELISSA NACERINO - Member (Excused)**
- VICTOR GJONAJ - Member**

O T H E R:

- ROBERT DANIELE - PKF O'Connor Davies**
- JAIME MCGILL - IDA Executive Director**
- SIBY OOMMEN - IDA/YEDC Chief Fiscal Officer**

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1 MEETING

2 CHAIR SINGER: We're calling

3 the YEDC meeting to order. And the

4 first order of business is the roll

5 call.

6 MR. OOMMEN: Cecile Singer?

7 CHAIR SINGER: Here.

8 MR. OOMMEN: Melissa Nacerino

9 is excused. Victor Gjonaj?

10 MR. GJONAJ: Here.

11 MR. OOMMEN: Madam Chair, we

12 have a quorum.

13 CHAIR SINGER: All right. The

14 next order of business is the review

15 and discussion of the engagement

16 letter for the YEDC.

17 MR. DANIELE: So also in your

18 packet is the engagement letter for

19 the Yonkers Economic Development

20 Corporation, 14-page document. Just

21 like the IDA, it's similar to last

22 year. We will issue a report on the

23 YEDC as well as a separate report in

24 accordance with the public

25 authorities law. In this case, the

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1 MEETING

2 fee I believe last year was 19,500.

3 We went up a \$1,000 to \$20,500. But

4 the reporting is the same. We'll

5 just have to focus on some of the

6 YEDC loans including when they absorb

7 the Yonkers Larkin garage loans,

8 whether we'll take a look at those,

9 whether amounts have been paid back

10 or not.

11 CHAIR SINGER: All right. So

12 the fee, how does it compare to last

13 year's, Siby?

14 MR. OOMMEN: It increased by a

15 \$1,000.

16 CHAIR SINGER: Pardon?

17 MR. OOMMEN: It increased by

18 \$1,000. It's a standard increase.

19 CHAIR SINGER: All right. And

20 why did it increase?

21 MR. DANIELE: It's just normal,

22 you know, we pay our folks, we give

23 them a raise so it's a normal three

24 to four, you know, five percent.

25 CHAIR SINGER: So it's a coda.

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1 MEETING

2 (The court reporter asks for

3 clarification.)

4 CHAIR SINGER: However -- and

5 are there any unique things that you

6 see in the structure of the YEDC as

7 you look at the audit that we should

8 be aware.

9 MR. DANIELE: No. They do have

10 reporting like the IDA with

11 supplemental schedules, so all the

12 activity that occurs is reported in

13 the back, so when they close on

14 transactions, that will be disclosed.

15 So there is a correlation and it's

16 full disclosure, you'll know about

17 the numbers in the back, you'll know

18 about the corporations you close

19 with. Those ultimately tie in to

20 what's reported in your financials

21 statements.

22 CHAIR SINGER: Right, right.

23 But we have so many ancillary

24 structures that we have to be sure

25 that we understand them.

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1 MEETING

2 MR. DANIELE: Yes.

3 CHAIR SINGER: What they are,

4 what the function is.

5 MR. DANIELE: Right.

6 CHAIR SINGER: And how it is

7 discharged because it's -- we have

8 the obligation to the City of Yonkers

9 to do all of this and then to be able

10 to report to the city.

11 MR. DANIELE: Yes.

12 CHAIR SINGER: What our

13 situation is.

14 MR. DANIELE: Right.

15 CHAIR SINGER: So the -- so do

16 you see anything in the audit plan

17 that you would like to point out?

18 MR. DANIELE: We can go to the

19 audit plan.

20 CHAIR SINGER: That would be,

21 you know -- you know, I would also

22 say that this may be a different time

23 because you have a change of

24 administrations in Albany and you

25 have many different things that are

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1 MEETING
2 going to come out, and because
3 there's a particular interest in
4 business and how it's done and what
5 the structures are, that we should be
6 aware of this and of whether there
7 are any things that we should be
8 doing as an EDC. So --
9 MR. DANIELE: Sure. We'll --
10 CHAIR SINGER: So we're a
11 sidebar.
12 MR. DANIELE: Yeah, we'll keep
13 you in the loop and then we'll state
14 changes that should be implemented
15 for economic development
16 corporations. You're pretty much in
17 line with all the other communities.
18 Obviously activity is going to be
19 different, but the reporting is
20 pretty standard.
21 CHAIR SINGER: Already. And --
22 MR. DANIELE: We can jump into
23 the audit plan. The PowerPoint is
24 similar to the IDA. If we turn --
25 and I don't have to go through the

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1 MEETING
2 chart, but we're going to do the
3 same, we're going to come in and
4 update our understanding, whether
5 there's new policies and procedures.
6 We're going to do some control
7 testing, we're going to sample some
8 items. If we're comfortable with the
9 sample, we move on and do the regular
10 audit. If there are any issues then
11 we're going to expand our scopes.
12 But again, if everything is in order
13 we execute the plan, we move forward,
14 prepare the financial statements and
15 payroll that's required, engagements.
16 The EDC is a little bit less in scope
17 than the IDA --
18 (Whereupon, the court reporter
19 asks for clarification.)
20 MR. DANIELE: So the Economic
21 Development Corporation is less in
22 scope than the IDA, but it's the same
23 type of reporting. It's just not as
24 much activity as the IDA, but the
25 reports will be the same. There is a

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1 MEETING
2 discussion in both reports,
3 management's discussion and analysis.
4 So we do the numbers, we issue the
5 report, and then management prepares
6 what we call a management's
7 discussion and analysis which is like
8 an overview of what happened during
9 the year as seen through the eyes of
10 management, not what they see but
11 what they've seen. So we report the
12 numbers, but they may report on
13 separate things that happen that we
14 weren't aware of how it got to that
15 point. So it's very informative,
16 it's a nice read and it's included in
17 the front of the report. The reports
18 are the same, you're going to have
19 the same supplemental schedules based
20 on the activity and we do issue a
21 separate report to the public
22 authorities. It's called a cash and
23 investment report.
24 CHAIR SINGER: Do you see
25 anything in reporting that would be

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1 MEETING
2 unique to the YEDC that we should be
3 aware of?
4 MR. DANIELE: Not currently
5 unless something when we come and do
6 the audit if there's a transaction
7 that's not part of the scope, which
8 we haven't seen for the past several
9 years, we would question it. But no,
10 I can't think of anything new or
11 different for economic development
12 corporations.
13 CHAIR SINGER: Well, it's
14 important for us to understand what
15 the scope of the YEDC's
16 responsibility is.
17 MR. DANIELE: Okay.
18 CHAIR SINGER: How it is
19 discharged and whether there are
20 other areas that it should be looking
21 at. So we'll be looking at that from
22 you.
23 MR. DANIELE: Okay.
24 CHAIR SINGER: Right. Because
25 it's another entity and because we

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1 MEETING

2 have all these pieces, you know, we

3 have the IDA, the EDC and so on. So

4 we have to be sure that we -- that

5 they are a value and that they're

6 discharging their duties

7 appropriately.

8 MR. DANIELE: Right. And that

9 they're self-supporting, so you don't

10 want to run into deficits and things

11 like that.

12 CHAIR SINGER: Right. So this

13 year we would like from you more of

14 an evaluation of that because we have

15 all the entities and we need to have

16 the assurance that they are working

17 and that they are of value, that it's

18 not just not another title that we're

19 putting out and what does it do and

20 does it do it well.

21 MR. DANIELE: Yeah, we'll give

22 you a scope, sure.

23 CHAIR SINGER: All right. And

24 is there anything else you would like

25 to tell us about the scope of the

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1 MEETING

2 audit plan in this case.

3 MR. DANIELE: No. I mean we're

4 going to do it at the same time we do

5 the IDA, kind of focus on the IDA and

6 then shift to the EDC. So I

7 generally have a manager that works

8 on both and then we have staff and,

9 you know, that works on the IDA and

10 staff that works on the EDC and then

11 we -- some of it may be interrelated.

12 Some of it we meet as a group and

13 make sure all the intercompany items

14 are --

15 CHAIR SINGER: So that's really

16 where my question is because of the

17 IDA and the EDC.

18 MR. DANIELE: Right, and the

19 city --

20 CHAIR SINGER: And the

21 operation.

22 MR. DANIELE: Right, and the

23 City of Yonkers.

24 CHAIR SINGER: And the scope of

25 responsibility and whether it's --

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1 MEETING

2 what value --

3 MR. DANIELE: Sure.

4 CHAIR SINGER: You know? And

5 so do you have any questions about

6 the audit plan?

7 MR. GJONAJ: No, I don't have

8 any.

9 CHAIR SINGER: So I would like

10 to have a motion on the engagement

11 letter first. Can I have a motion to

12 accept the engagement letter as

13 submitted?

14 MR. GJONAJ: I'll give you a

15 motion, I'll make a motion.

16 CHAIR SINGER: All right. And

17 I second it. And then a motion to

18 accept the audit plan as submitted.

19 MR. GJONAJ: I make a motion on

20 that too.

21 CHAIR SINGER: And I second.

22 Is there any other business?

23 MR. OOMMEN: No.

24 CHAIR SINGER: No? All right.

25 Then if there's no further business,

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1 MEETING

2 may I have a motion to adjourn?

3 MR. GJONAJ: I make a motion to

4 adjourn.

5 CHAIR SINGER: And I second it.

6 We now stand adjourned.

7 (Whereupon, at 12:51 P.M., the

8 above matter concluded.)

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MEETING
CERTIFICATE

STATE OF NEW YORK)
: SS.:

COUNTY OF WESTCHESTER)

I, NATHAN DAVIS, a Notary Public for
and within the State of New York, do hereby
certify:

That the above is a correct
transcription of my stenographic notes.

I further certify that I am not
related to any of the parties to this
action by blood or by marriage and that I
am in no way interested in the outcome of
this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 23rd day of December 2024.


NATHAN DAVIS

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Yonkers Economic Development Corporation

**Report to the Audit Committee
December 31, 2024**

March 27, 2025

Robert Daniele, Partner
rdaniele@pkfod.com

A large, stylized blue circular graphic that is partially cut off on the left side. Inside the circle, the text "KNOW GREATER VALUE" is written in a bold, blue, sans-serif font, stacked in three lines.

**KNOW
GREATER
VALUE**



March 27, 2025

Board of Directors of the
Yonkers Economic Development Corporation

We are in the process of completing our audit of the financial statements of the Yonkers Economic Development Corporation ("Corporation") as of and for the year ended December 31, 2024.

Professional standards require us to communicate with you regarding audit matters that are, in our professional judgment, significant and relevant to *those charged with governance* ("TCWG") in overseeing the financial reporting process. This communication is intended to provide you with these required communications as well as other findings and information regarding our audit.

We are pleased to be of service to you and the Corporation and appreciate the opportunity to present our audit findings to you and discuss other matters which may be of interest to you.

This information is intended solely for the use of the Board of Directors and management of the Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP

PKF O'CONNOR DAVIES, LLP

500 Mamaroneck Avenue, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.pkfod.com

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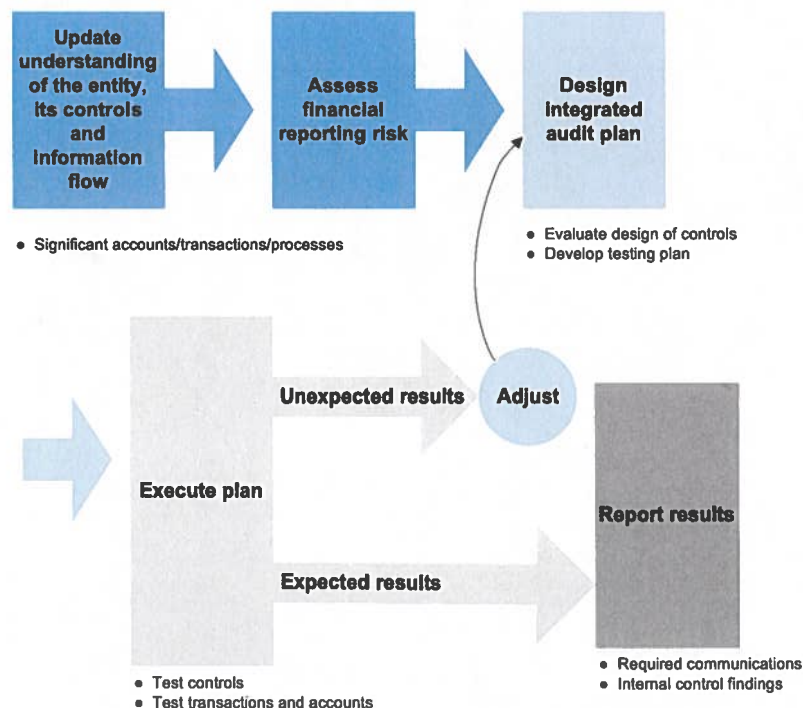
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Status of the Audit and Other Services

Audit of Financial Statements

- Audit fieldwork is complete. The scope of our fieldwork was substantially the same as described in our audit planning communications.
- The financial statements have been drafted and reviewed by management.
- We anticipate that we will be issuing an unmodified opinion on the financial statements upon completion of all outstanding audit related items.
 - Public Authorities and Accountability Act documents
 - Final approval of the financial statements by the Corporation
 - Independent Auditors' Report
 - 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*

Audit Approach



Financial Statement Highlights

COMPARATIVE STATEMENT OF NET POSITION

	2024	2023
ASSETS		
Cash and equivalents	\$ 3,606,723	\$ 3,649,919
Accounts receivable	321,340	-
Total Assets	\$ 3,928,063	\$ 3,649,919
LIABILITIES		
Accounts payable	\$ 20,800	\$ 19,650
NET POSITION		
Unrestricted	3,907,263	3,630,269
Total Liabilities and Net Position	\$ 3,928,063	\$ 3,649,919

Financial Statement Highlights (Continued)

COMPARATIVE STATEMENT OF ACTIVITIES

	2024	2023
OPERATING REVENUES		
Agency fees	\$ 388,622	\$ 546,470
Reimbursement from the City of Yonkers	-	562,755
Miscellaneous fees	4,000	4,000
	<u>392,622</u>	<u>1,113,225</u>
OPERATING EXPENSES		
Consulting fees	49,573	-
Professional fees	27,100	37,303
Marketing	106,442	58,824
Insurance	8,131	7,877
Community initiatives	73,891	293,425
Miscellaneous	3,268	2,244
	<u>268,405</u>	<u>399,673</u>
Total Operating Revenues	392,622	1,113,225
Total Operating Expenses	268,405	399,673
Gain From Operations	124,217	713,552
NON-OPERATING REVENUES		
Interest income	152,777	95,886
	<u>152,777</u>	<u>95,886</u>
Change in Net Position	276,994	809,438
NET POSITION		
Beginning of year	<u>3,630,269</u>	<u>2,820,831</u>
End of year	<u>\$ 3,907,263</u>	<u>\$ 3,630,269</u>

Required Communications and Other Matters

Required Item	Comments
<p>Auditor's responsibility under professional standards and planned scope and timing of the audit</p>	<p>We have communicated such information in our engagement letter to you dated December 2, 2024. Generally, these responsibilities include:</p> <ul style="list-style-type: none"> • Forming and expressing an opinion on the financial statements. • Obtaining reasonable assurance the financial statements are free of material misstatements, whether caused by error or fraud. • Accumulating and communicating uncorrected misstatements to TCWG. • Maintaining professional skepticism. • Communicating audit related matters that are, in our professional judgment, significant to TCWG.
<p>Supplementary information accompanying the financial statements</p>	<p>Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Corporation's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.</p>
<p>Other Supplementary information accompanying the financial statements</p>	<p>With respect to such supplementary information, we made certain inquiries of members of management and evaluated the form, content and methods of preparing the information to determine that the information complies with US GAAP, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.</p>

Required Item	Comments
<p>Our responsibilities under the Yellow Book</p>	<p>In connection with our audit, we performed tests of the Corporation's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.</p>
<p>Responsibilities of management and TCWG</p>	<p>Management's responsibilities include:</p> <ul style="list-style-type: none"> • The fair presentation of the financial statements, including the selection of appropriate accounting policies. • Establishing and maintaining effective internal control. • Complying with laws, regulations, grants and contracts. • Providing the auditors with all financial records and related information and a signed representation letter. • Evaluate if there are any conditions or events, considered in the aggregate that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter. • Setting the proper tone at the top. • Designing and implementing policies and controls to prevent and detect fraud. <p>TCWG are responsible for communicating with the auditors and overseeing the financial reporting process.</p>
<p>Qualitative aspects of accounting practices - Accounting Policies</p>	<p>Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except for the adoption of the provisions of Governmental Accounting Standards Board Statement No. 101 "<i>Compensated Absences</i>". The Corporation evaluated the impact of the statements and determined the amounts were not material to the financial statements.</p> <p>The accounting policies of the Corporation conform to U.S. generally accepted accounting principles as applicable to state and local governments. The Corporation's reports are based on all applicable GASB pronouncements.</p> <p>We noted no transactions entered into by the Corporation during the year for which there is a lack of authoritative guidance or consensus.</p> <p>All significant transactions have been recognized in the financial statements in the proper period.</p>

Required Item	Comments
Qualitative aspects of accounting practices – Significant Unusual Transactions	No matters have come to our attention that would require us to inform you about the methods used to account for significant unusual transactions.
Qualitative aspects of accounting practices - Accounting Estimates and Management's Judgment	<p>Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.</p> <p>Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.</p>
Qualitative aspects of accounting practices - Financial Statement Disclosures	<p>Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements are:</p> <p>The financial statement disclosures are neutral consistent and clear</p>
Going concern	<p>The auditor is required to communicate with TCWG events or conditions that, when considered in the aggregate; indicate a substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.</p> <p>We concur with management's assessment that the Corporation will continue as a going concern for one year from the balance sheet date.</p>
Significant risks	<p>We have identified the following significant risks in connection with our audit:</p> <p>Management override of internal controls</p> <p>Improper revenue recognition to due to fraud</p> <p>The audit procedures apply as a result of the aforementioned significant risk were designed to and have used the risk of material misstatement to low.</p>
Difficulties encountered in performing the audit	We encountered no significant difficulties in dealing with management relating to the performance of our audit.

Required Item	Comments
<p>Corrected and uncorrected misstatements</p>	<p>Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management.</p> <p>We are required to communicate to you misstatements that remain uncorrected, including any related to prior periods, and the effect, if any, that they may have on the opinion in our report, and request their correction. There are no such financial statement misstatements that remain uncorrected.</p> <p>In addition, we are required to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.</p> <p>In addition, corrected misstatements that were brought to the attention of management as a result of our audit procedures are also included in Appendix 1.</p>
<p>Disagreements with management</p>	<p>For purposes of this communication, a disagreement with management is a matter, whether or not resolved to our satisfaction, concerning financial accounting, reporting, or auditing, which could be significant to the financial statements or the auditors' report. No such disagreements arose during the course of the audit.</p>
<p>Management Representations</p>	<p>We have requested certain representations from management that are included in the management representation letter.</p>
<p>Management's consultations with other accountants</p>	<p>In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.</p>
<p>Auditor independence</p>	<p>We affirm that PKF O'Connor Davies, LLP is independent with respect to the Corporation in accordance with relevant professional standards.</p>

Required Item	Comments
Significant issues discussed with management prior to retention	We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Entity's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Communication of Internal Control Matters

**Communication of Internal Control Matters Identified in the Audit to
Those Charged with Governance and Management**

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

In planning and performing our audit of the financial statements of the Yonkers Economic Development Corporation ("Corporation") as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Corporation's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified.

We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This communication is intended for the information and use of management and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
March 27, 2025

Management Representation Letter

March 27, 2025

PKF O'Connor Davies, LLP
500 Mamaroneck Avenue, Suite 301
Harrison, New York 10528

This representation letter is provided in connection with your audit of the basic financial statements of Yonkers Economic Development Corporation, New York (the "Corporation"), which comprise the statements of net position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter, the following representations made to you during your audit.

Our Responsibilities

- We acknowledge that we have fulfilled our responsibilities as set forth in the terms of the engagement letter dated December 2, 2024 for:
 - The preparation and fair presentation of the financial statements in accordance with US GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
 - 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; and
 - The design, implementation, and maintenance of internal control to prevent and detect fraud.
- We understand that the term "fraud" refers to intentional acts by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception that results in a misstatement in financial statements. Two types of intentional misstatements are relevant to your audit – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Fraudulent financial reporting involves intentional misstatements, including omissions of amounts or disclosures in financial statements to deceive financial statement users. Misappropriation of assets involves the theft of an entity's assets.

- In regard to the financial statement preparation non-attest services performed by you, we have:
 - Assumed all management responsibilities
 - Designated individuals within senior management, who have suitable skill, knowledge, or experience to oversee the services.
 - Evaluated the adequacy and results of the services performed.
 - Accepted responsibility for the result of the services.

- We acknowledge our responsibility for presenting the financial statements and supplemental schedules in accordance with US GAAP, and we believe the financial statements and supplemental schedules, including its form and content, is fairly presented in accordance with US GAAP. The methods of measurement and presentation of the financial statements and supplemental schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Financial Statements

- The financial statements referred to above are fairly presented in conformity with US GAAP and include all disclosures necessary for such fair presentation. In that connection, we specifically confirm that:
 - The Corporation's accounting policies, and the practices and methods followed in applying them, are appropriate and are as disclosed in the financial statements.
 - There have been no changes during the period audited in the Corporation's accounting policies and practices.
 - All material transactions have been recorded in the accounting records and are reflected in the financial statements.

- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

- The following, where they exist, have been appropriately disclosed to you and accounted for and/or disclosed in the financial statements in accordance with the requirements of US GAAP:
 - The identity of all related parties and related party relationships and transactions including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - Guarantees, whether written or oral, under which the Corporation is contingently liable, if any.
 - The effects of all known actual or possible litigation, claims, and assessments.

- We have evaluated events subsequent to the date of the financial statements through the date of this letter, and no such events have occurred which would require adjustment or disclosure in the financial statements. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

- We are in agreement with the adjusting journal entries you have proposed and they have been posted to the Corporation's accounts.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, if applicable.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the Corporation from whom you determined it necessary to obtain audit evidence.
 - Completeness and availability of all minutes of the meetings of the Board of Directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - All significant contracts and agreements.
 - All documents and records provided electronically are accurate and complete reproductions of the original documents and records.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. Based on our assessment, we did not identify any fraud risks that we believe would result in a material misstatement of the financial statements.
- There are no deficiencies in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the Corporation's ability to initiate, authorize, record, process, and report financial data reliably in accordance with US GAAP.
- We have no knowledge of any fraud or suspected fraud that affects the Corporation and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the Corporation's financial statements communicated by employees, former employees, regulators, or others.
- We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

Hosting Services

- 16) We acknowledge that electronic portals used during the audit are only a method of transferring data and the data may be deleted by you at any time.

17) We are responsible for maintaining our financial and non-financial information, licensing and hosting of any applications, and downloading and retaining anything you uploaded to such portal in a timely manner.

Government—specific

- We have a process to track the status of audit findings and recommendations.
- We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- The Corporation has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the determination of financial statements.
- There are no violations or possible violations of budget ordinances/resolutions, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably with senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
- The Corporation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- The Corporation has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- The Corporation is not part of any joint ventures with an equity interest.
- The financial statements include all fiduciary activities required by GASB Statement No. 84.
- The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended.
- We have identified the Corporation is not a component unit of the City of Yonkers, New York in accordance with the criteria enumerated in Governmental Accounting Standards Board Statement No. 61 *"The Financial reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34"*.
- Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- The Corporation does not have any investments, derivative instruments, or land.
- Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value.
- Provisions for uncollectible receivables have been properly identified and recorded.
- Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- The Corporation does not participate in a pension or OPEB plan.
- Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- The Corporation is a single fund entity with no interfund activity.
- Deposits and investment securities are properly classified as to risk and are properly disclosed and valued.
- The Corporation does not have any capital assets.
- The Corporation does not have agreements that meet the definition of leases contained in GASB Statement No. 87, *"Leases"*.
- The Corporation has does not have agreements that meet the definition of subscription-based information technology agreements (*"SBITAs"*) contained in GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA's)*.
- The Corporation does not have paid employees therefore GASB statement No. 101 *Compensated Absences* does not apply.

- We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- Expenditures of federal awards were below the \$750,000 threshold for the year ended December 31, 2024, and we were not required to have an audit in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance").

Very truly yours,

Ms. Cecile D. Singer
President and Chief Executive Officer

Mr. Siby Oommen
Chief Fiscal Officer

About PKF O'Connor Davies, LLP



Founded in 1891, PKF O'Connor Davies has evolved from a regional accounting firm to an emerging national leader with more than 1,500 professionals and 19 offices in the U.S. Our team of top-notch professionals deliver a complete range of audit, tax and advisory services to a diverse and growing global client base. By bringing together a boutique firm culture with big-firm resources, we have a unique ability to connect with clients on a deeper level and create value where others can't.

REGIONAL CONNECTIONS BACKED BY GLOBAL EXPERTISE

We are the lead North American firm in the PKF International network of independent accounting and advisory firms with offices in over 400 cities, in 150 countries around the world. It's a relationship that delivers unmatched access to global expertise and strengthens our ability to serve clients anywhere in the world as their needs and their businesses continue to evolve.

PROACTIVE SERVICE MODEL, ENGAGED PARTNER BASE

With a proven, proactive service model and an engaged Partner base, PKF O'Connor Davies has built long-lasting, valuable relationships with our clients.

Our Partners are actively involved in the day-to-day management of engagements, ensuring a high degree of client service and cost effectiveness. The Firm's seasoned professional staff members employ a team approach to all engagements, providing clients with the utmost quality and timely services aimed at helping them succeed.

KNOW GREATER VALUE

Our unwavering focus on value has consistently driven growth and delivered strong outcomes for our clients and our Firm. PKF O'Connor Davies currently ranks 26th on *Accounting Today's* 2024 "Top 100 Firms" list and continually gains acclaim as one of the country's fastest-growing firms. With more professionals, in more places every day, our teams are on the ground, at the ready and in the know. As the world changes, PKF O'Connor Davies clients will always **Know Greater Value.**

INDUSTRY RECOGNITION

- #26 "Top 100 Firms"
"Top Tax Firm"
"Leaders in 'Audit & Attest' and 'Consulting'"
#5 of the "Top Firms in the Mid-Atlantic"
– *Accounting Today*, 2024
- "Best of Accounting Client Satisfaction"
– *ClearlyRated*, 2024
- "Top Accountancy Advisory"
– *Family Wealth Report*, 2024
- "America's Best Tax and Accounting Firms"
– *Forbes*, 2023
- "Accounting/Due Diligence Firm of the Year"
– *The M&A Advisor*, 2024
- #10 of the 50 "Best Accounting Employers to Work for in North America"
#1 in Five Categories: Best in Accounting and Overall Internships, Quality of Life, Compensation and Overall Diversity
– *Vault*, 2025
- "Best Company to Work for in New York"
– *Rochester Business Journal* and *NYS Society for Human Resources Management*, 2025
- "Best Places to Work in NYC"
– *Crain's New York Businesses*, 2024
- "Best Places to Work in Westchester"
– *914INC.*, 2025
- "Top Workplaces in Western Connecticut"
– *Hearst Connecticut Media Group*, 2024
- "Best Places to Work in New Jersey"
– *NJBIZ*, 2024

KNOW GREATER VALUE

At PKF O'Connor Davies we maintain a relentless commitment to understanding each client's operations and financial history so we can uncover every challenge, help meet every objective and exceed expectations. Through our unwavering client focus we create deeper connections, delivering tailored support and expertise that drive real-world value.



ACCOUNTING & ASSURANCE

- Agreed-Upon Procedures
- Audits, Reviews and Compiations
- Employee Benefit Plan Audits, including ESOPs
- Endowment Fund Accounting
- Peer Review Services
- Public Company Services
- Public Sector Audits and Compliance
- SOC - System and Organizational Control Reporting



TAX SERVICES

- Business Tax
- Employee Benefit Planning and Tax Compliance
- International Tax (Asia, EU and Latin America Desks)
- Private Client Services
- R&D Tax Credit
- State and Local Tax (SALT)
- Trust and Estate Planning



BUSINESS CONSULTING

- Bankruptcy
- ESG
- Litigation Support and Forensics (Fraud, Integrity Monitoring and Litigation Support)
- Operational and Cost Effectiveness
- Risk Advisory Services
 - Internal Audit
 - Regulatory Solutions (AML and SOX)
- Services Offered by PKF Clear Thinking – Turnaround Advisory, Performance Improvement and Creditors' Rights
- Strategy and Transformation
- Strategy and Transaction Advisory
 - Turnaround and Restructuring
 - PKF Investment Banking
 - Acquisition Advisory
 - Exit Readiness and Transaction Planning
 - M&A Cybersecurity and Data Privacy Advisory
 - Sell-Side Advisory



TECHNOLOGY & CYBERSECURITY

- Cybersecurity and Privacy
 - Cybersecurity Maturity Model Certification (CMMC)
 - Dark Web Monitoring
 - Digital Forensic Services
 - General Data Protection Regulation (GDPR)
 - M&A Cybersecurity and Data Privacy Advisory
 - Penetration Testing
 - Virtual Chief Information Security Officer Services (vCISO)
- IT and Cybersecurity Audit
- Technology Advisory



PRIVATE CLIENT SERVICES

- Family Office
- Private Business Owners
- Trust and Estate Planning



OUTSOURCED SERVICES

- CFO Solutions
- Outsourced Accounting
 - Portfolio Company Accounting
- Recruitment Services
- Virtual Chief Information Security Officer Services (vCISO)

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Yonkers Economic Development Corporation

**Financial Statements
and Other Supplementary Information**

December 31, 2024 and 2023

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Yonkers Economic Development Corporation

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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Yonkers Economic Development Corporation ("Corporation"), as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the Corporation's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Corporation, as of December 31, 2024 and 2023 and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic 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.

Other Supplementary Information

Management is responsible for the other supplementary information included in the annual financial report. The other supplementary information consists of the Schedule of Indebtedness – Bonds and Notes but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other supplementary information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other supplementary information and consider whether a material inconsistency exists between the other supplementary information and the financial statements, or the other supplementary information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other supplementary information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated [REDACTED], 2025 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 solely 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
Harrison, New York
[REDACTED], 2025

Yonkers Economic Development Corporation

Management's Discussion and Analysis December 31, 2024

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, 2024. 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.

Financial Operations Highlights

The financial statements for the years ended December 31, 2024 and 2023 follow the MD&A. The chart below provides a condensed summary of revenues and expenses for the current and prior year.

	<u>2024</u>	<u>2023</u>
Operating Revenues	\$ 392,622	\$ 1,113,225
Operating Expenses	268,405	399,673

Agency fee revenues for 2024 were derived from 5 projects as noted below:

YEDC Project Agency Fees

1. 222 Lake Avenue	\$17,282
2. 44 Hudson Miroza	\$25,000
3. Abbey at Park	\$25,000
4. Cromwell Tower	\$297,840
5. 1111 CPA	<u>\$23,500</u>
	\$388,622

Grants

The Corporation received no grants in 2024 or 2023.

Agency Fees

The Corporation received agency fees on five projects (222 Lake Avenue, 44 Hudson Miroza, Abbey at Park, Cromwell Tower, and 1111 CPA) for a total of \$388,622. In 2023, four projects closed for a total of \$546,467 in Agency fees.

Management Fees

The Corporation had no employees in 2024; therefore, there is no longer a management agreement.

Assets, Liabilities and Net Position

At year-end, the Corporation had \$3,928,063 in assets, \$20,800 in liabilities, and an unrestricted net position of \$3,907,263. 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 is 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,

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and equivalents	\$ 3,606,723	\$ 3,649,919
Accounts receivable	321,340	-
Total Assets	<u>\$ 3,928,063</u>	<u>\$ 3,649,919</u>
LIABILITIES		
Accounts payable	\$ 20,800	\$ 19,650
NET POSITION		
Unrestricted	<u>3,907,263</u>	<u>3,630,269</u>
Total Liabilities and Net Position	<u>\$ 3,928,063</u>	<u>\$ 3,649,919</u>

See notes to financial statements.

Yonkers Economic Development CorporationStatements of Activities
Year Ended December 31,

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Agency fees	\$ 388,622	\$ 546,470
Reimbursement from the City of Yonkers	-	562,755
Miscellaneous fees	<u>4,000</u>	<u>4,000</u>
Total Operating Revenues	<u>392,622</u>	<u>1,113,225</u>
OPERATING EXPENSES		
Consulting fees	49,573	-
Professional fees	27,100	37,303
Marketing	106,442	58,824
Insurance	8,131	7,877
Community initiatives	73,891	293,425
Miscellaneous	<u>3,268</u>	<u>2,244</u>
Total Operating Expenses	<u>268,405</u>	<u>399,673</u>
Gain From Operations	124,217	713,552
NON-OPERATING REVENUES		
Interest income	<u>152,777</u>	<u>95,886</u>
Change in Net Position	276,994	809,438
NET POSITION		
Beginning of year	<u>3,630,269</u>	<u>2,820,831</u>
End of year	<u>\$ 3,907,263</u>	<u>\$ 3,630,269</u>

See notes to financial statements.

Yonkers Economic Development CorporationStatements of Cash Flows
Year Ended December 31,

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 392,622	\$ 1,113,225
Cash payments for goods and services	<u>(588,595)</u>	<u>(417,473)</u>
Net Cash from Operating Activities	<u>(195,973)</u>	<u>695,752</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>152,777</u>	<u>95,886</u>
Net Change in Cash and Equivalents	(43,196)	791,638
CASH AND EQUIVALENTS		
Beginning of year	<u>3,649,919</u>	<u>3,858,281</u>
End of year	<u>\$ 3,606,723</u>	<u>\$ 3,649,919</u>
RECONCILIATION OF GAIN FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Gain from operations	\$ 124,217	\$ 713,552
Adjustments to reconcile gain from operations to net cash from operating activities		
Accounts receivable	(321,340)	-
Accounts payable	<u>1,150</u>	<u>(17,800)</u>
Net Cash from Operating Activities	<u>\$ (195,973)</u>	<u>\$ 695,752</u>

See notes to financial statements.

Yonkers Economic Development Corporation

Notes to Financial Statements
December 31, 2024 and 2023

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 consulting fees, 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 (Continued)
December 31, 2024 and 2023

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 Measurement 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, 2024 and 2023.

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 (Continued)
December 31, 2024 and 2023

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.

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 , 2025.

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 - New Accounting Pronouncement

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosures within government financial statements on risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

Yonkers Economic Development Corporation

Notes to Financial Statements (Concluded)
December 31, 2024 and 2023

Note 5 - New Accounting Pronouncement (Continued)

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Corporation believes will most impact its financial statements. The Corporation will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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Yonkers Economic Development Corporation

Other Supplementary Information

December 31, 2024

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City of Yonkers Economic Development Corporation

Supplementary Information
 Statement of Indebtedness - Bonds and Notes
 December 31, 2024

<u>Project Name Owner Name and Address</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue/ Authorization</u>
Riverview II	May 2010	May 2025	3.50 %	\$ 27,350,000
Lamartine/Warburton LLC (Series A)	November 2019	October 2054	2.40 - 2.50	35,740,000
Lamartine/Warburton LLC (Series B)	November 2019	October 2024	4.50	1,045,000
Lamartine/Warburton LLC (Series A)	November 2020	October 2050	4.00 - 5.00	11,185,000
Lamartine/Warburton LLC (Series B)	November 2020	October 2027	5.00	530,000
Whitney Young Manor	December 2023	Januray 2045	6.07	42,000,000
Abbey on Park	December 2024	April 2058	6.56	22,694,630
Total Indebtedness				<u>\$ 140,544,630</u>

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See independent auditors' report.

Balance at January 1, 2024	New Issues	Retired in 2024	Balance at December 31, 2024
\$ 17,510,000	\$ -	\$ 300,000	\$ 17,210,000
35,740,000	-	10,000	35,730,000
530,000	-	530,000	-
11,185,000	-	-	11,185,000
530,000	-	-	530,000
42,000,000	-	-	42,000,000
-	1,955,406		1,955,406
\$ 107,495,000	\$ 1,955,406	\$ 840,000	\$ 108,610,406

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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") as of and for the year ended December 31, 2024 and the related notes to the financial statements, and have issued our report thereon dated , 2025.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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
Harrison, New York
 , 2025

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