

# **City of Yonkers Industrial Development Agency**

Financial Statements  
and Supplementary Information  
With Report of Independent Auditors

December 31, 2021 and 2020



# City of Yonkers Industrial Development Agency

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## **Independent Auditors' Report**

**The Board of Directors of the  
City of Yonkers Industrial Development Agency**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the City of Yonkers Industrial Development Agency ("Agency") as of and for the years ended December 31, 2021 and 2020 and the related notes to the financial statements, which collectively comprise the Agency'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 Agency as of December 31, 2021 and 2020 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 Opinion***

We conducted our audits 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 Agency, 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 opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 Agency'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 opinion. 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 Agency'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 Agency'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 Management's Discussion and Analysis be presented to supplement the financial statements. Such information is the responsibility of management and, 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.

### ***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 - Industrial Revenue Bonds and Notes Issued, Outstanding or Retired, Schedule of Straight-Lease Transactions Executed in 2021 and the Schedule of Payments in Lieu of Taxes 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 March 31, 2022 on our consideration of the Agency'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 solely 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 Agency'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 Agency's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*  
**PKF O'Connor Davies, LLP**  
Harrison, New York  
March 31, 2022

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# City of Yonkers Industrial Development Agency

## Management's Discussion and Analysis December 31, 2021

The following Management's Discussion and Analysis ("MD&A") of the City of Yonkers Industrial Development Agency's ("YIDA") or ("Agency") activities and financial performance is provided as an introduction and overview of the financial statements of YIDA for the year ended December 31, 2021. 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 YIDA together with the notes to 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 YIDA's financial operations.

### **Operations**

YIDA is a public benefit corporation established by an act of the New York State Legislature in 1982, under Section 903 of the General Municipal Law. The Agency 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 Title 1 of Article 18A. Specific powers and duties are conferred to the Agency with respect to the acquisition of real property, whether by purchase, condemnation or otherwise, 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 Agency.

Organized in a manner consistent with the statute, the Mayor of the City appoints a seven member Board of Directors comprised of both public officials and business leaders. This Board governs the YIDA by establishing official policies and reviewing and approving requests for financial assistance. Operations and activities of the Agency, its members, officers and employees are carried out in accordance with State law.

YIDA's mission includes undertaking projects and programmatic initiatives in furtherance of and to advance the job opportunities, health, general prosperity and economic welfare of the people of the City and to improve their recreational opportunities, prosperity and standard of living. YIDA works to create economic development and job growth throughout the City by attracting new businesses, retaining existing ones and helping them all become more competitive in a global marketplace. The Agency accomplishes this mission by offering financial assistance in the form of Sales and Use Tax Exemptions, Mortgage Recording Tax Exemptions and Payment-In-Lieu-of-Tax agreements ("PILOTs") and by issuing tax exempt Industrial Development Bonds ("IDB's").

Fourteen applications were submitted and processed during the year and two projects closed.

### **Financial Operations Highlights**

The financial statements for the years ended December 31, 2021 and 2020 are attached. The chart below provides a condensed summary of revenues and expenses for the current and prior year.

	<u>2021</u>	<u>2020</u>
Operating Revenues	\$ 3,487,950	\$ 766,090
Operating Expenses	2,374,136	2,338,808

## City of Yonkers Industrial Development Agency

Management's Discussion and Analysis  
December 31, 2021

### **Financial Operations Highlights** *(continued)*

#### ***Operating Revenues***

Revenues for 2021 were derived from 7 projects and as follows:

##### Project Agency Fees:

1. 57 Alexander	872,838
2. Point and Ravine	383,097
3. 56 Prospect LLC	162,875
4. Yonkers Joint School Construction Board	250,000
5. 76 Locust Hill	269,584
6. Greyston Bakery	44,000
7. Lionsgate – Phase 2	300,000
	<u>\$ 2,282,394</u>

##### Other Agency Fees:

Transfer of Title/Ownership Fees	10,000
Estoppel Fees	5,000
Consent Fees	7,500
Refinance Fees	5,000
Change of Agreement/Documents Fees	53,225
	<u>\$ 80,725</u>

##### Contribution from City of Yonkers:

**\$ 840,436**

##### Annual Management and Administration Fees:

Billable Projects	79,000
Larkin Management Fees	80,000
	<u>\$159,000</u>

##### Application Fees:

**\$ 3,600**

##### License Fee:

Pier Rent Revenue	<b>\$ 120,000</b>
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##### Miscellaneous Income:

**\$ 1,795**

**Total: \$ 3,487,950**

### ***Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position***

At December 31, 2021, the Agency had \$8,509,227 in assets (cash, restricted cash, receivables, prepaid expenses, loan receivable and capital assets, etc.), \$542,818 in pension related deferred outflows of resources, \$1,471,455 in liabilities (accounts payable, accrued expenses, escrow deposits, due to other entities, loan payables, pension liability, etc.), \$647,989 in pension related deferred inflows of resources and \$6,932,601 in net position. The

# **City of Yonkers Industrial Development Agency**

## **Management's Discussion and Analysis**

December 31, 2021

### **Financial Operations Highlights** *(continued)*

largest component of the Agency's net position is its investment in capital assets (mainly the leasehold improvements transferred from the Yonkers Pier Development, Inc. and Subsidiary), less any related debt used to acquire those assets that is still outstanding. The net investment in capital assets totaled \$2,091,498. These assets are not available for future spending. Although the Agency's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Assets restricted for specific purposes amounted to \$100,621 for the Yonkers Pier activities. The balance of \$4,740,482 is unrestricted. Details of these amounts are provided in the Statement of Net Position.

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

The Schedule of the Agency's Proportionate Share of the Net Pension Liability, New York State and Local Employee's Retirement System is presented in accordance with the provisions of GASB Statement No. 68 "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date*" - An amendment of GASB Statement No. 68".

### ***Other Supplementary Information***

The Schedules of Indebtedness - Industrial Revenue Bonds and Notes Issued, Outstanding or Retired, Straight-Lease Transactions and Payments in Lieu of Taxes is provided as supplementary information to the financial statements.

### **Request for Information**

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

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# City of Yonkers Industrial Development Agency

## Comparative Statement of Net Position December 31,

	2021	2020
<b>ASSETS</b>		
Cash and equivalents	\$ 4,719,399	\$ 2,861,448
Accounts receivable, net of allowance for uncollectible amounts of \$96,250 at December 31, 2021 and 2020	150,733	69,582
Loan receivable, net of allowance for uncollectible amounts of \$3,039,059 at December 31, 2021 and \$3,000,771 at December 31, 2020 (Note 3)	-	-
Prepaid expenses	9,229	9,229
Restricted cash	355,435	682,603
 Total Current Assets	 5,234,796	 3,622,862
Non-current assets		
Emergency Disaster Relief Program loans receivable	243,208	358,500
Capital assets being depreciated, net	3,031,223	3,582,759
 Total Non-Current Assets	 3,274,431	 3,941,259
 Total Assets	 8,509,227	 7,564,121
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	542,818	430,248
 <b>LIABILITIES</b>		
Accounts payable	76,493	161,920
Accrued expenses	256,330	218,745
Escrow deposits	126,825	-
Due to other entities	69,893	63,743
Non-current liabilities		
Loans payable, due within one year	195,203	165,260
Loans payable, due in more than one year	744,522	941,009
Net pension liability	2,189	573,899
 Total Liabilities	 1,471,455	 2,124,576
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	647,989	29,602
 <b>NET POSITION</b>		
Net investment in capital assets	2,091,498	2,476,490
Restricted		
Yonkers Pier activities	100,621	300,854
Unrestricted	4,740,482	3,062,847
 Total Net Position	 \$ 6,932,601	 \$ 5,840,191

See notes to financial statements

# City of Yonkers Industrial Development Agency

## Comparative Statement of Activities Year Ended December 31,

	2021	2020
<b>OPERATING REVENUES</b>		
Agency and refinancing fees	\$ 2,363,119	\$ 533,485
Contribution from City of Yonkers	840,436	-
Management administration fees	159,000	73,500
Application fees	3,600	3,000
License fee	120,000	120,000
Miscellaneous income	1,795	36,105
Total Operating Revenues	3,487,950	766,090
<b>OPERATING EXPENSES</b>		
Salaries	435,485	330,362
Payroll taxes and employee benefits	64,581	241,490
Rent	137,850	173,065
Consulting and professional fees	961,128	398,432
Advertising, printing and reproduction	178,217	365,785
Travel	5,036	6,287
Insurance	5,213	3,333
Conferences and meetings	4,385	950
Communications	19,497	26,085
Office supplies and other	9,998	8,153
Depreciation	552,746	552,366
Emergency disaster relief grants	-	232,500
Total Operating Expenses	2,374,136	2,338,808
Income (Loss) from Operations	1,113,814	(1,572,718)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Workforce investment grant income	1,446,810	1,258,439
Workforce investment grant expenses	(1,446,810)	(1,258,439)
Interest income	9,816	39,204
Interest expense	(31,220)	(39,395)
Total Non-Operating Revenues (Expenses), net	(21,404)	(191)
Change in Net Position	1,092,410	(1,572,909)
<b>NET POSITION</b>		
Beginning of Year	5,840,191	7,413,100
End of Year	\$ 6,932,601	\$ 5,840,191

See notes to financial statements

# City of Yonkers Industrial Development Agency

Comparative Statements of Cash Flows  
Year Ended December 31,

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from agency and other fees	\$ 2,693,188	\$ 785,014
Cash received from City of Yonkers	840,436	-
Cash received from workforce grant	1,446,810	1,258,439
Cash payments for workforce employees	(1,446,810)	(1,258,439)
Cash payments for goods and services	(1,400,601)	(1,138,296)
Cash payments for salaries and benefits	(528,374)	(484,677)
Net Cash from Operating Activities	1,604,649	(837,959)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of equipment	(1,210)	(4,666)
Repayment of loans payable	(166,544)	(160,966)
Emergency Disaster Relief Program loans issued	-	(358,500)
Repayment of Emergency Disaster Relief Program loans	115,292	-
Interest paid	(31,220)	(39,395)
Net Cash from Capital and Related Financing Activities	(83,682)	(563,527)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	9,816	39,204
Net Change in Cash and Equivalents	1,530,783	(1,362,282)
<b>CASH AND EQUIVALENTS</b>		
Beginning of year	3,544,051	4,906,333
End of year	\$ 5,074,834	\$ 3,544,051
<b>RECONCILIATION OF CASH AND EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>		
Cash and equivalents	\$ 4,719,399	\$ 2,861,448
Restricted cash	355,435	682,603
Total Cash and Equivalents	\$ 5,074,834	\$ 3,544,051
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (Loss) from operations	\$ 1,113,814	\$ (1,572,718)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation	552,746	552,366
Accounts receivable	(81,151)	18,924
Prepaid expenses	-	6,776
Deferred outflows of resources	(112,570)	(280,812)
Accounts payable	(85,427)	37,518
Accrued expenses	37,585	11,696
Escrow deposits	126,825	-
Due to other entities	6,150	32,000
Deferred inflows of resources	618,387	(55,920)
Net pension liability	(571,710)	412,211
Net Cash from Operating Activities	\$ 1,604,649	\$ (837,959)

See notes to financial statements

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## City of Yonkers Industrial Development Agency

Notes to Financial Statements  
December 31, 2021 and 2020

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

The City of Yonkers Industrial Development Agency ("YIDA") or ("Agency") was created in 1982 as a public benefit corporation by the New York State Legislature under the provisions of Chapter 83 for the purpose of promoting and supporting the development of commerce, bolstering employment and stimulating economic growth and prosperity in the City of Yonkers, New York ("City"). The Agency is exempt from Federal, State and local income taxes. The Agency, although supported by the City, is a separate entity and operates independently from the City. Members of the governing board are appointed by the Mayor of the City for specified terms.

### **Financial Reporting Entity**

The Agency 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. 35"*, the Agency is not considered a component unit of the City.

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

#### **Basis of Accounting**

The accounting policies of the Agency conform to generally accepted accounting principles as applicable to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Agency 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 Agency distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Agency's principal ongoing operation. The principal operating revenues of the Agency are agency, refinancing, application, license and management and administrative fees. Operating expenses include salaries, depreciation, contractual costs and professional fees. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

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

**Cash and Equivalents** - Cash and equivalents consist 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 102% of all deposits not covered by Federal deposit insurance. The Agency 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 Agency's deposit and investment policies are governed by State statutes. The Agency has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Agency is authorized to use demand deposits, time deposit accounts and certificates of deposit.

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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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 Agency 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 Agency 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 Agency 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 Agency'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 Agency's name. The Agency's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2021 and 2020.

**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 Agency 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 Agency's investment policy limits the amount on deposit at each of its banking institutions.

### **Allowance for Uncollectible Receivables**

Management provides for an allowance for uncollectible receivables based on a combination of write-off history, aging analysis and any specific known amounts. (See Note 3).

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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

#### **Capitalization and Depreciation**

Furniture and fixtures are recorded at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over an estimated useful life of seven years. Leasehold improvements are recorded at cost. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Costs incurred in relation to development of the project for interest, property taxes and insurance are capitalized only during periods in which activities necessary to prepare the property for its intended use are in progress. Expenditures for maintenance and repairs are charged to expense as incurred. The estimated service life of the leasehold improvements is 20 years.

#### **Escrow Deposits**

Escrow deposits represent security deposits for Payments in Lieu of Tax ("PILOT") agreements and represent one year of the executed PILOT payment. These payments are to increase each year as the PILOT progresses to "full taxes". The funds must be deposited into a separate interest-bearing account. At the end of the PILOT agreement, the funds are to be returned to the respective companies along with any interest earned as long as such companies have not defaulted on the PILOT agreement. The Agency has reported \$126,825 of escrow deposits as of December 31, 2021.

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

As of December 31, 2021 and 2020, the Agency has reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations. These amounts are detailed in the discussion of the Agency's pension plan in Note 7.

#### **Net Pension Liability**

The net pension liability represents the Agency's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System. The financial reporting of this amount is presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date"* - An Amendment of GASB Statement No. 68.

#### **Revenue Recognition**

The Agency charges an agency, refinancing, management administration or application fee based on the amount of financing for each project at a predetermined rate. All such agency, management administration and application fees are collected and recognized as revenue at closing.

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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

#### **Net Position**

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital* assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

*Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Agency or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the Agency includes restricted for activities of the Yonkers Pier.

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

#### **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, deferred outflows of resources, liabilities and deferred inflows of resources 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 March 31, 2022.

### **Note 3 - Loan Receivable**

Loan receivable at December 31, 2021 and 2020 consists of the following:

	<u>2021</u>	<u>2020</u>
Yonkers Larking Garage, Inc.	\$ 2,629,000	\$ 2,629,000
Accrued Interest	410,059	371,771
Allowance for uncollectible amounts	<u>(3,039,059)</u>	<u>(3,000,771)</u>
	<u>\$ -</u>	<u>\$ -</u>

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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### **Note 3 - Loan Receivable** (Continued)

Prior to 2018, the Agency had a loan receivable from the Yonkers Economic Development Corporation ("YEDC"). Simultaneously, the YEDC had a loan receivable from Yonkers Larkin Garage, Inc. ("YLG"). During 2018, the governing boards of the Agency and the YEDC agreed to have the YEDC assign its loan receivable from YLG of \$2,629,000 to the Agency in satisfaction of its loan that was in part used to finance the construction of the garage. The loan bears interest at 6.5%. The amounts owed by the YEDC are deemed satisfied and the Agency is due amounts from YLG based on available cash flows from that garage's operations. Since the YLG has not been profitable since inception, it was determined that an allowance should be recorded to reflect the uncertainty of future collection of the loan and accrued interest. There was no interest income on this obligation for the year ended December 31, 2021 and December 31, 2020.

### **Note 4 - Emergency Disaster Relief Program Loans Receivable**

In 2020, the Agency provided loans to various organizations located in the City of Yonkers, New York under the City of Yonkers Industrial Development Agency Emergency Relief Program. The loans were made to address the outbreak of novel coronavirus, COVID-19. The loans were made in accordance with Chapter 109 of the Laws of 2020 which allows industrial development agencies to make loans to small businesses and not-for-profit organizations up to \$25,000 with certain considerations. The borrowers agree to repay the loans, interest-free, within a year of the expiration of the grace period. The grace period is a sixty-day period after the State disaster emergency ends. The balance of the loans receivable at December 31, 2021 and 2020 was \$243,208 and \$358,500.

### **Note 5 - Restricted Cash**

Restricted cash consists of funds held in escrow by the Agency for various projects and activities. Funds are released as authorized invoices are presented for payment or reimbursement. The balance of restricted cash at December 31 is as follows:

	2021	2020
Austin Avenue	\$ 13,722	\$ 13,722
Yonkers Pier	119,556	363,234
Transaction Counsel Escrow	28,250	15,000
Workforce Investment Board	67,082	131,647
Emergency Disaster Relief Program Loans/Grants	-	159,000
Escrow Deposits - Payment in Lieu of Tax Agreements	126,825	-
	<u>\$ 355,435</u>	<u>\$ 682,603</u>

# City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

## **Note 6 - Capital Assets**

Changes in the Agency's capital assets are as follows:

	Balance January 1, 2021	Additions	Balance December 31, 2021
Capital assets, being depreciated:			
Leasehold improvements	\$ 11,014,025	\$ -	\$ 11,014,025
Furniture and fixtures	25,889	1,210	27,099
Total capital assets being depreciated	11,039,914	1,210	11,041,124
Less accumulated depreciation for:			
Leasehold improvements	7,434,464	550,701	7,985,165
Furniture and fixtures	22,691	2,045	24,736
Total accumulated depreciation	7,457,155	552,746	8,009,901
Capital assets, net	<u>\$ 3,582,759</u>	<u>\$ 551,536</u>	<u>\$ 3,031,223</u>
	Balance January 1, 2020	Additions	Balance December 31, 2020
Capital assets, being depreciated:			
Leasehold improvements	\$ 11,014,025	\$ -	\$ 11,014,025
Furniture and fixtures	21,223	4,666	25,889
Total capital assets being depreciated	11,035,248	4,666	11,039,914
Less accumulated depreciation for:			
Leasehold improvements	6,883,763	550,701	7,434,464
Furniture and fixtures	21,026	1,665	22,691
Total accumulated depreciation	6,904,789	552,366	7,457,155
Capital assets, net	<u>\$ 4,130,459</u>	<u>\$ 547,700</u>	<u>\$ 3,582,759</u>

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

### **Note 7 - Long-Term Liabilities**

The following table summarizes changes in the Agency's long-term liabilities for the year ended December 31, 2021:

	Balance January 1, 2021	New Issues/ Additions	Maturities and/or Payments and Other	Balance December 31, 2021	Due Within One Year
Loans payable	\$ 1,106,269	\$ -	\$ 166,544	\$ 939,725	\$ 195,203
Net Pension Liability- ERS	573,899	-	571,710	2,189	-
Long-Term Liabilities	<u>\$ 1,680,168</u>	<u>\$ -</u>	<u>\$ 738,254</u>	<u>\$ 941,914</u>	<u>\$ 195,203</u>

	Balance January 1, 2020	New Issues/ Additions	Maturities and/or Payments and Other	Balance December 31, 2020	Due Within One Year
Loans payable	\$ 1,267,235	\$ -	\$ 160,966	\$ 1,106,269	\$ 165,260
Net Pension Liability- ERS	161,688	412,211	-	573,899	-
Long-Term Liabilities	<u>\$ 1,428,923</u>	<u>\$ 412,211</u>	<u>\$ 160,966</u>	<u>\$ 1,680,168</u>	<u>\$ 165,260</u>

### **Loans Payable**

Loans payable are comprised of the following:

#### *Section 108 Loan - Yonkers Pier*

The Agency took over a Section 108 loan in 2015. Principal repayments began April 1, 2015 (August 1, 2015 for Note C), along with quarterly interest payments, with any unpaid principal and interest due upon maturity. The loan bears interest at rates ranging from .31% to 3.1% depending on maturity. At December 31, 2021 aggregate annual debt maturities, excluding interest, are as follows:

2022	\$ 75,000
2023	75,000
2024	100,000
2025	100,000
2026	150,000
2027	<u>175,000</u>
	<u>\$ 675,000</u>

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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### **Note 7 - Long-Term Liabilities (Continued)**

#### *New York Power Authority ("NYPA")*

The terms of the loan provide for repayment over nine years in monthly installments of principal and interest. Interest is charged at 2.92%. The principal and interest requirement to NYPA is included in the monthly energy bill for the City. The Agency reimburses the City the monthly installments of \$10,503. At December 31, 2021 aggregate annual debt maturities, excluding interest, are as follows:

2022	\$ 120,203
2023	123,588
2024	<u>20,934</u>
	<u>\$ 264,725</u>

The NYPA loan and the Section 108 loan, in the original amounts of \$982,736 and \$950,000, were transferred to the Agency as special obligations payable to the extent of and limited to sub license fees due from HCC Caterers, Inc.

### **Pension Plan**

#### *New York State and Local Employees' Retirement System*

The Agency and the Workforce Investment Board participate in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Agency also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The ERS is noncontributory except for employees who joined after July 2, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Contribution rates for the plan's year ending in 2021 and 2020 are as follows:



## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

### Note 7 - Long-Term Liabilities (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
2021	4 A15	18.0 %
	5 A15	15.0
	6 A15	10.5
2020	4 A15	16.0 %
	5 A15	13.3
	6 A15	9.5

The Agency reported the following for its proportionate share of the net pension liability for ERS at December 31:

	<u>2021</u>	<u>2020</u>
Measurement date	March 31, 2021	March 31, 2020
Net pension liability	\$ 2,189	\$ 573,899
Agency's proportion of the net pension liability	0.0021987 %	0.0021672 %
Change in proportion since the prior measurement date	0.0000315 %	(0.0001148) %

The net pension liability was measured as of March 31, 2021 and 2020 and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of those dates. The Agency's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the years ended December 31, 2021 and 2020, the Agency recognized its proportionate share pension expense of (\$28,484) and \$107,322. At December 31, 2021 and 2020, the Agency reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to the ERS from the following sources:

	<u>2021</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,738	\$ -
Changes of assumptions	402,548	7,592
Net difference between projected and actual earnings on pension plan investments	-	628,905
Changes in proportion and differences between Agency contributions and proportionate share of contributions	23,774	11,492
Agency contributions subsequent to the measurement date	89,758	-
	<u>\$ 542,818</u>	<u>\$ 647,989</u>

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

### Note 7 - Long-Term Liabilities (Continued)

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,776	\$ -
Changes of assumptions	11,556	9,978
Net difference between projected and actual earnings on pension plan investments	294,208	-
Changes in proportion and differences between Agency contributions and proportionate share of contributions	12,249	19,624
Agency contributions subsequent to the measurement date	78,459	-
	<u>\$ 430,248</u>	<u>\$ 29,602</u>

The amount of \$89,758 reported as deferred outflows of resources at December 31, 2021 related to ERS resulting from the Agency's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

For Years Ending March 31,	
2022	\$ (36,436)
2023	(10,694)
2024	(30,194)
2025	(117,605)
2026	-
	<u>\$ (194,929)</u>

The total pension liability for the March 31, 2021 measurement date was determined by using an actuarial valuation date as noted below with update procedures used to roll forward the total pension liability to the measurement date. Significant actuarial assumptions used in the valuation were as follows:

Measurement date	March 31, 2021
Actuarial valuation date	April 1, 2020
Investment rate of return	5.9% *
Salary scale	4.4%
Inflation rate	2.7%
Cost of living adjustments	1.4%

\*Compounded annually, net of pension plan investment expenses, including inflation.

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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### **Note 7 - Long-Term Liabilities (Continued)**

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study of the period April 1, 2015 - March 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table.

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	1.95
Opportunistic/ARS Portfolio	3	4.50
Credit	4	3.63
Real Assets	3	5.95
Fixed Income	23	0.00
Cash	1	0.50
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.7%.

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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### **Note 7 - Long-Term Liabilities (Continued)**

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Agency's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	2021		
	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Agency's proportionate share of the net pension liability	<u>\$ 607,674</u>	<u>\$ 2,189</u>	<u>\$ 556,209</u>
	2020		
	1% Decrease (5.8%)	Current Discount Rate (6.8%)	1% Increase (7.8%)
Agency's proportionate share of the net pension liability	<u>\$ 1,053,266</u>	<u>\$ 573,899</u>	<u>\$ 132,399</u>

The components of the current year collective net pension liability as of the March 31, 2021 measurement date were as follows:

Total pension liability	\$ 220,680,157,000
ERS fiduciary net position	<u>220,580,583,000</u>
Employers' net pension liability	<u>\$ 99,574,000</u>
ERS fiduciary net position as a percentage of total pension liability	<u>99.95%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2021 were \$89,758.

#### *Voluntary Defined Contribution Plan*

The Agency can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Agency will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

## **City of Yonkers Industrial Development Agency**

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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### **Note 8 - Other Post Employment Benefit Obligations**

The Agency does not provide healthcare benefits for retired employees.

### **Note 9 - Industrial Revenue Bonds and Notes and Straight-Lease Transactions**

Certain industrial revenue bonds and notes issued by the Agency are secured by property which is leased to companies and are retired by lease payments. The bonds and notes are not obligations of the Agency, the City or the State of New York. The Agency 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 Agency receives bond administration fees from the borrowing companies. The fee received by the Agency is one percent of the bond amount. In addition, the Agency receives closing fees for straight-lease transactions of half of one percent of total project costs. Such administrative fee income is recognized immediately upon issuance of bonds and notes or closing on leases.

### **Note 10 - Related Parties**

#### **Yonkers Economic Development Corporation**

The Yonkers Economic Development Corporation ("Corporation") was created in 2007 to provide certain taxable and tax exempt financial assistance on occasions where these incentives are no longer provided by the Agency or in instances where the Agency's ability to assist economic development projects has been significantly limited. The Corporation's purpose of promoting the creation and preservation of employment opportunities is in line with the Agency's overall objectives and may deliver financial assistance in a more cost effective form through this federal exempt corporation under IRS Section 115. In addition, the debt issuances of the Corporation will not be liabilities of the State of New York, the City or the Agency. The Corporation is comprised of four of the seven Agency board members.

### **Note 11 - Commitments and Contingencies**

#### **Litigation**

In the normal course of business there are a number of actions against the Agency that involve personal injury and/or contractual disputes between the plaintiff's and the project beneficiary. In each case, the Agency has been indemnified by the project beneficiary and, in the opinion of the Agency's management, the project beneficiary has insurance in place to mitigate any losses that may ultimately result from the resolution of such litigation. While the Agency has been named in many of these actions, in the opinion of management based on consultation with legal counsel, the ultimate resolution of such litigation matters should not result in any liability to the Agency.

#### **Austin Avenue**

In 1979, the City entered into a Consent Order with the New York State Department of Environmental Conservation ("NYSDEC") to remediate the Austin Avenue landfill site located in the City. All physical work required by NYSDEC in the approved Remedial Action Plan has been completed as of December 31, 2018. The NYSDEC has issued a certificate of completion for the site. As of December 31, 2021 and 2020,

## **City of Yonkers Industrial Development Agency**

Notes to Financial Statements (Continued)  
December 31, 2021 and 2020

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### **Note 11 - Commitments and Contingencies (Continued)**

all bills relating to this work were paid and the Agency's dedicated account for the Austin Avenue remediation held a balance of \$13,722 to pay any final legal bills, insurance costs and NYSDEC fees. The details of the restricted cash relating to this project is disclosed in Note 5.

#### **Ground Lease**

The Ground Lessor is the owner of real estate located at 10 Woodworth Avenue and 45 Warburton Avenue, Yonkers, New York (together the "Premises") where the Yonkers Larkin Garage Project ("Project") is located. The Ground Lessor leased the Premises to the Yonkers Community Development Agency ("YCDA") under a ground lease agreement dated August 5, 2011 ("Initial Ground Lease") and immediately thereafter, YCDA granted the easements to the City and the County of Westchester, New York. YCDA assigned its leasehold interest under the initial Ground Lease to the YEDC pursuant to the Assignment of Initial Ground Lease. The YEDC thereafter assigned its leasehold interest under the Initial Ground Lease to the YIDA to develop and operate a garage for private and general public use. The Initial Ground Lease was amended by the Ground Lessor under which it has ground leased the Premises to the YIDA for a term of 49 years. Title to all buildings and improvements situated or erected on the Premises shall vest to the Ground Lessor on the day following the last day of the term.

#### **Ground Sublease**

In August 2011, the YIDA and the YLG executed a sublease, whereby YLG was granted the rights to use the land and existing improvements for purposes of constructing and operating the Project. The term of the ground sublease is for 49 years and requires the YLG to pay the City base rent once a year in August at an amount based on "Available Cash Flow" as defined by the ground sublease agreement.

### **Note 12 - Risk Management**

The Agency purchases conventional insurance coverage for directors and officers liability and employment practices liability in the combined form. The current policy reflects a combined limit of \$2 million per occurrence or \$2 million for the period of the policy.

### **Note 13 - Workforce Investment Board**

YIDA is established to advance the job opportunities, health, general prosperity and economic welfare and standard of living of the inhabitants of the City. To further its objectives of economic development, the YIDA Board approved and established a relationship with the Workforce Investment Board in May 2009. Its Chairman, as Mayor of the City, was designated as a grant recipient to create and implement workforce investment activities. Grant employees were hired to conduct activities to meet the objectives and are solely funded by grants. These grant employees receive employment benefits consistent with other YIDA employees to the extent that such benefits are reimbursable to YIDA. The activities related to the workforce grant are reported as non-operating revenues and expenses on the Statement of Activities.

## City of Yonkers Industrial Development Agency

Notes to Financial Statements (Concluded)  
December 31, 2021 and 2020

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### **Note 14 - Recently Issued GASB Pronouncements**

GASB Statement No. 87, "*Leases*", as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Agency believes will most impact its financial statements. The Agency 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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# **City of Yonkers Industrial Development Agency**

Required Supplementary Information

December 31, 2021



**City of Yonkers Industrial Development Agency**

Required Supplementary Information  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)

**Schedule of the Agency's Proportionate Share of the Net Pension Liability (2)**

	2021 (5)	2020 (4)	2019	2018	2017	2016 (3)	2015
Agency's proportion of the net pension liability	<u>0.0021987%</u>	<u>0.0021672%</u>	<u>0.0022820%</u>	<u>0.0025275%</u>	<u>0.0026327%</u>	<u>0.0026060%</u>	<u>0.0038741%</u>
Agency's proportionate share of the net pension liability	<u>\$ 2,189</u>	<u>\$ 573,899</u>	<u>\$ 161,688</u>	<u>\$ 81,575</u>	<u>\$ 247,376</u>	<u>\$ 418,278</u>	<u>\$ 130,877</u>
Agency's covered payroll	<u>\$ 855,744</u>	<u>\$ 830,853</u>	<u>\$ 746,791</u>	<u>\$ 703,768</u>	<u>\$ 752,593</u>	<u>\$ 701,732</u>	<u>\$ 681,322</u>
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.26%</u>	<u>69.07%</u>	<u>21.65%</u>	<u>11.59%</u>	<u>32.87%</u>	<u>59.61%</u>	<u>19.21%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

**Schedule of Contributions**

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	<u>\$ 104,612</u>	<u>\$ 95,101</u>	<u>\$ 95,267</u>	<u>\$ 96,297</u>	<u>\$ 93,154</u>	<u>\$ 84,656</u>	<u>\$ 83,895</u>
Contributions in relation to the contractually required contribution	<u>(104,612)</u>	<u>(95,101)</u>	<u>(95,267)</u>	<u>(96,297)</u>	<u>(93,154)</u>	<u>(84,656)</u>	<u>(83,895)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Agency's covered payroll	<u>\$ 967,257</u>	<u>\$ 819,284</u>	<u>\$ 807,967</u>	<u>\$ 708,814</u>	<u>\$ 687,779</u>	<u>\$ 758,089</u>	<u>\$ 751,107</u>
Contributions as a percentage of covered payroll	<u>10.82%</u>	<u>11.61%</u>	<u>11.79%</u>	<u>13.59%</u>	<u>13.54%</u>	<u>11.17%</u>	<u>11.17%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

(4) Increase in the Agency's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses, and by a decrease in the discount rate from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

(5) Decrease in the Agency's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report

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# **City of Yonkers Industrial Development Agency**

Other Supplementary Information

December 31, 2021



**City of Yonkers Industrial Development Agency**

Other Supplementary Information

Schedule of Indebtedness - Industrial Revenue Bonds and Notes Issued, Outstanding or Retired

December 31, 2021

Project	Date of Issue	Original Issue Value	Outstanding Balance at January 1, 2021	New Issues	Payments	Outstanding Balance at December 31, 2021
Consumer Union	December 2005	\$ 47,300,000	\$ 34,000,000	\$ -	\$ 1,600,000	\$ 32,400,000
Monastery Manor Association, L.P.	September 2005	9,500,000	6,900,000	-	265,000	6,635,000
Sacred Heart A	September 2006	7,345,000	5,515,000	-	215,000	5,300,000
Center of Family Services	January 2008	1,190,000	285,000	-	60,000	225,000
Jefferson Terrace - 2006 A	December 2006	3,600,000	3,189,670	-	47,689	3,141,981
Herriot Street Housing L.P. Project	March 2004	16,400,000	9,700,000	-	9,700,000	-
Main Street Lofts	December 2005	44,600,000	44,600,000	-	-	44,600,000
Sarah Lawrence College, Series B	December 2009	1,950,000	1,950,000	-	-	1,950,000
Yonkers Joint School Commission Bond	September 2021	25,000,000	-	25,000,000	-	25,000,000
Total Indebtedness		<u>\$ 156,885,000</u>	<u>\$ 106,139,670</u>	<u>\$ 25,000,000</u>	<u>\$ 11,887,689</u>	<u>\$ 119,251,981</u>

See independent auditors' report.

**City of Yonkers Industrial Development Agency**

Other Supplementary Information

Schedule of Straight-Lease Transactions Executed in 2021

December 31, 2021

Project	Project Address	Owner Address	Approximate Cost
<b>STRAIGHT LEASE TRANSACTIONS</b>			
57 Alexander	47-57 Alexander Street, Yonkers, NY	777 Third Avenue, 6th Floor, New York, NY 10017	\$ 174,567,709
Point and Ravine	50, 60, 76 Point St. 85, 83, 81, 69, 67, 63, 56, 58, 60, 64, 66, 68, 70, 72, 74, 78, 80, 75, 51, 47, 48, 50 Ravine Ave, Yonkers, NY	56 Railroad Avenue, Suite B, Copiague, NY 11726	\$ 77,739,446
56 Prospect LLC	56 Prospect Street, Yonkers NY	7600 Jericho Turnpike, Woodbury, NY 11797	\$ 32,575,000
Yonkers Joint Schools Construction Board	121 McLean Ave and 469 Van Cortlandt Park Ave, Yonkers NY	40 S Broadway, Yonkers, NY 10701	\$ 25,000,000
76 Locust Hill	76 Locust Hill Ave, Yonkers NY	8 Bashford Street, Yonkers NY	\$ 53,916,708
Greyston Bakery	40 Runyon Ave, Yonkers NY	21 Park Avenue, Yonkers, NY	\$ 8,800,000
Lionsgate Phase 2	20, 29, Wells Ave, 10 Woodworth Ave Ste 105 and 106, Yonkers NY	485 W Putnam Avenue, Greenwich CT, 06830	\$ 60,000,000

.



<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>
\$ 3,807,375	\$ 1,728,000	10	-	-
\$ 1,775,000	\$ 690,000	2	-	-
\$ 164,188	\$ 39,375	4	-	-
		-	-	-
		6	-	-
\$ 97,625	\$ 69,750	15	-	-
			-	-
\$ 2,218,750	\$ 750,000	265-400		

**City of Yonkers Industrial Development Agency**

Other Supplementary Information

Schedule of Straight-Lease Transactions Executed in 2021 (Continued)

December 31, 2021

Project	Project Address	Owner Address	Approximate Cost
Cross County Shopping	Cross County Shopping Center	708 Third Avenue 28th Floor New York, NY 10017	11,940,979
The Plant Manor	1097 North Broadway Yonkers, NY 10701	31 West 11th Street Ste 8A NYC 10011	167,500
Adira L&A Acquisitions	120 Odell Avenue Yonkers, NY 10701	120 Odell Avenue Yonkers, NY 10701	209,375
70 Jackson Street LLC	70 Jackson Street Yonkers NY	31-10 37th Avenue Suite 500 Long Island City, NY 11101	273,350
Avalonbay ATI	78-91, 80-94, and 37-145 Alexander	1499 Post Road, 2nd FL, Fairfield, CT, 06824	2,400,000
Avalonbay SunSites	78-91, 80-94, and 37-145 Alexander	1499 Post Road, 2nd FL, Fairfield, CT, 06824	3,600,000
Lake Opportunity Holdings LLC	222 and 252c Lake Ave	622 Yonkers Ave, Suite 2, Yonkers, NY 10704	240,513
9-11 Riverdale	9-11 Riverdale	121 Lakeville Road, New Hyde Park, NY 11040	228,897
969 Midland Avenue	969A Midland Avenue	969 Midland Ave, Yonkers, NY 10704	164,188
Lionsgate	Wells Avenue	485 W Putnam Avenue, Greenwich CT, 06830	1,952,500

See independent auditors' report.

Benefit (Sales Tax)	Benefit (Mortgage Tax)	Jobs at Location	Jobs to be Created	Jobs to be Retained
Time Extension Approved		2,596	2,737	68
Time Extension Approved		2	2	-
Time Extension Approved		-	190	-
Time Extension Approved		-	3	-
Time Extension Approved		-	26	-
Time Extension Approved		-	-	-
Time Extension Approved		50	125-175	
Time Extension Approved		-	200	1
Time Extension Approved		-	-	-
Time Extension Approved		-	-	-
Time Extension Approved		-	-	-

# City of Yonkers Industrial Development Agency

Other Supplementary Information  
Schedule of Payments in Lieu of Taxes  
December 31, 2021

Project	Total	City	County
104 Ashburton Ave - Greyston Bakery, Inc.	\$ 25,182	\$ 21,545	\$ 3,637
11-23 St. Casmir Avenue	37,500	32,044	5,456
1175 Warburton	196,531	167,942	28,589
188 Warburton - Shelter Rent	59,470	50,817	8,653
222 Lake Ave - Lake Opportunity Holdings	35,000	30,163	4,837
326 Riverdale	170,275	145,505	24,770
411 Bronx River Development LLC	45,223	38,644	6,578
555 Storage	242,497	207,221	35,276
70 Ashburton - Hudson Blue	53,633	46,221	7,412
705 Bronx River - Stagg Construction	61,822	52,829	8,993
Ashburton Avenue, LP	980	837	143
Avalon ATI Site	532,020	454,628	77,392
Avalon Sun Sites	615,166	525,679	89,487
Brooks Shopping Center, LLC	5,400,000	4,614,473	785,527
Cahokia	25,155	21,496	3,659
Cintas	148,108	126,563	21,545
Collins I - Hudson Park Investors	1,368,735	1,179,576	189,159
Collins II	1,580,000	1,350,161	229,839
Collins III Yonkers Waterfront	349,227	298,426	50,801
Consumers Union B	41,357	41,357	-
CPG III - Shelter Rent	116,313	100,238	16,074
Cromwell Towers	227,242	194,186	33,056
Croton Heights	1,000	855	145
Croton Heights- Shelter Rent	24,374	21,054	3,320
Extell Hudson Waterfront LLC	358,874	306,669	52,205
FC Yonkers (Ridge Hill)	536,540	462,349	74,191
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
FC Yonkers (Ridge Hill)	558,262	481,110	77,152
Grant Park II	43,372	37,063	6,309
Grant Park II - Shelter Rent	6,553	5,660	892
Herriot Street Housing (Jackson Terrace)	70,000	60,326	9,674
Herriot Street Jackson Terrace - Shelter Rent	21,955	18,920	3,034
Highland Senior Housing	36,414	31,382	5,032
Highland Senior Housing- Shelter Rent	9,941	8,537	1,404

(Continued)

# City of Yonkers Industrial Development Agency

Other Supplementary Information  
Schedule of Payments in Lieu of Taxes (Concluded)  
December 31, 2021

Project	Total	City	County
InStock Cabinets	\$ 133,885	\$ 114,409	\$ 19,476
Jefferson Terrace	75,000	64,090	10,910
Jefferson Terrace - Shelter Rent	57,372	49,443	7,929
406 Walnut/Kubasek Owners LLC	227,506	196,065	31,441
L&A Acquisitions/Adira	16,018	13,688	2,330
Leggiadro/Sessantacinque	24,436	20,881	3,555
Macys	1,187,834	1,015,042	172,792
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,847	7,192
Main Street Lofts	52,039	44,467	7,572
Main Street Lofts	52,039	44,467	7,572
Main Street Lofts	52,039	44,467	7,572
Main Street Lofts	96,506	88,934	7,572
MillCreek	61,854	52,856	8,998
Monastery Manor	40,000	34,472	5,528
Monastery Manor - Shelter Rent	31,777	27,385	4,392
Mulford I, LP	2,000	1,709	291
Mulford I, LP- Shelter Rent	17,191	14,850	2,341
AAM Yonkers A Hotel	424,817	363,020	61,797
Parkledge Apartments	418,445	360,616	57,829
Post Street	78,700	67,252	11,448
P.S 6 - Shelter Rent	121,051	104,322	16,729
Rising	78,628	67,190	11,438
RiverTides	1,137,981	972,441	165,540
Riverview II Preservation LP	320,544	273,915	46,629
RMS Warburton	246,900	210,984	35,916
RXR Soyo	820,844	701,437	119,407
Sacred Heart	40,000	34,472	5,528
Sacred Heart - Shelter Rent	28,313	24,400	3,913
St. Casimirs, LP	91,334	78,048	13,286
Tacos El Poblanos	16,180	13,826	2,354
Thethi 460 Nepperhan	52,807	45,337	7,470
Warburton Riverview Owners LLC	25,179	21,516	3,663
Warburton Wells Historic	37,000	31,617.68	5,382.32
Westchester ALP 1	57,120	48,811	8,309
Westchester ALP 2	12,880	11,006	1,874
Whitney Young	146,853	125,491	21,362
Woodstock	30,000	25,636	4,364
Woodstock - Shelter Rent	5,135	4,425	710
MGM Yonkers	5,381,493	4,598,658	782,835
Yonkers BV AMS LLC	27,408	23,421	3,987

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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  
City of Yonkers Industrial Development Agency**

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 City of Yonkers Industrial Development Agency ("Agency") which comprise the statement of net position as of December 31, 2021 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 31, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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 have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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 entity'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 31, 2022