

**GLEN COVE LOCAL ECONOMIC ASSISTANCE CORP.**

9 Glen Street, City Hall

Glen Cove, New York 11542

**MINUTES OF MEETING**

**March 27, 2025**

Resolution #7(b)

**RESOLUTION OF THE GLEN COVE LOCAL ECONOMIC ASSISTANCE CORP. AUTHORIZING THE SUBMISSION OF THE AGENCY ANNUAL ACCOMPLISHMENTS AND PERFORMANCE REPORTING FOR FYE 12-31-24 TO THE NEW YORK STATE AUTHORITIES BUDGET OFFICE**

**WHEREAS**, the Glen Cove LEAC Governance Committee met on March 20, 2025 to review the annual accomplishments and performance goals as outlined in the attached report as well as summary of the confidential results of the annual board evaluation.

**WHEREAS**, the Governance Committee hereby recommends submission of the attached 2024 Accomplishments Report as outlined herein to the New York State Authorities Budget Office (NYS ABO). The Governance Committee also recommends submission of the 2024 summary of confidential results of the annual board evaluation.

**NOW, THEREFORE, BE IT RESOLVED** that the Glen Cove Local Economic Assistance Corp. is hereby authorized to submit the 2024 annual board evaluation and accomplishments/performance goal report to the NYS ABO on or before March 31, 2025. The Governance Committee also recommends submission of the 2024 summary of confidential results of the annual board evaluation.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call which resulted as follows:

	<u><b>VOTING</b></u>
Chairperson Panzenbeck	AYE
Vice Chair Hartley	AYE
James Cappiello	AYE
John Fielding	AYE
Dave Jimenez	ABSENT
Tom Scott	AYE
Lisa Travatello	ABSENT

The foregoing Resolution is thereupon declared duly adopted.

GC-LEAC  
**ENTERED**  
3-27-25

(CB)



**Glen Cove Local Economic Assistance Corporation ("GCLEAC")  
Mission Statement, Goals and Accomplishment Report FYE 12/31/24  
Governance Committee Meeting 3/20/25**

**GCLEAC Mission Statement:** The mission and public purpose of the Corporation is to support and promote economic development efforts in the City of Glen Cove, New York (the "City") and for the public purpose and charitable purpose of benefiting and furthering the activities of the City of Glen Cove, New York, by serving as a conduit financing entity issuing taxable and tax-exempt revenue debt and providing other financial assistance to support the growth, expansion, on-going operations and continued viability of the non-profit sector in the City. The Corporation supports and promotes economic development in the City by efforts to attract new non-profits to the City and by assisting existing non-profits in their efforts to reduce costs.

The Corporation can best achieve its mission and public purpose by (i) the judicious use of its authority to offer "financial assistance" (as such quoted term is defined in Article 18-A of the General Municipal Law with respect to industrial development agencies) to qualified applicants, and (ii) offering the expertise of the Corporation's staff and officers in economic development matters to (a) assist non-profits in relocating to the City or expanding their operations in the City, and (b) assist other governmental authorities in identifying, creating, and expanding economic development opportunities within the City, particularly those related to the non-profit sector.

The Mission Statement is reviewed annually by the board members and will be reaffirmed by the board at the March 27, 2025 board meeting approving this report. The initial approval of the mission statement by the board members was on September 30, 2014.

**Governance Certification: (Answer to 5 questions)**

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

ANSWER:     ☒ YES     ☐ NO

2. Who has the power to appoint the management of the public authority?

ANSWER:     The duly appointed board of directors of the Corporation appoints     the management of the Corporation.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

ANSWER:     ☒ YES     ☐ NO

The Corporation has no employees at this time. If, in the future, the board of directors decides to hire employees, employment at the Corporation will be determined by mutual consent. Both the employee and the Corporation would have the right to terminate the employment relationship at any time. Employment would be "at will." Also, each position requires a degree of expertise and certain qualities that the directors of the Corporation define before hiring an employee and which they would discuss and evaluate when interviewing candidates.



4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

**ANSWER:**

The directors of the Corporation (with input from Corporation management) annually evaluate the Corporation's mission and continuously assess its goals and measurements to ensure the Corporation is complying with its mission statement. Pursuant to applicable law and the Corporation's by-laws, the directors exercise direct oversight and control over the management. The directors of the Corporation are required to review and monitor management and financial controls and the activities of the Corporation. The directors are responsible for the adoption of policies and procedures that provide guidance to management, including a whistleblower policy, indemnification policy and code of ethics.

The Corporation established an independent Audit Committee, which Committee assists the Corporation in fulfilling its responsibilities with respect to the internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting. The Committee interacts with the Corporation's independent CPA firm that conducts the Corporation's annual audit.

The Corporation also established an independent Governance Committee. The Governance Committee is responsible for recommending corporate governance principles and practices to the directors of the Corporation and for reviewing corporate governance trends to ensure that the directors and management of the Corporation are kept informed of current best practices.

The Corporation also established a Finance Committee, which Committee assists the Corporation by reviewing proposals for the issuance of debt, recommending the appointment of professionals in connection with such issuances of debt and performing an annual review of the Corporation's budget, investments, and procurement policies. On February 11, 2020, the GCLEAC board adopted a policy requiring all members and officers of the board to file an annual financial disclosure form to be kept on file with the GCLEAC Board Secretary to identify any conflicts of interest of the member/officer relative to the business of the Agency.

The Corporation's management is responsible for the implementation of the Corporation's mission and the administration and day-to-day operation of the Corporation pursuant to applicable law, the Corporation's by-laws and its duly adopted policies and procedures.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

ANSWER:    ☒ YES            ☐ NO

All directors of the Corporation participated in the preparation, presentation for discussion and approval of the Mission Statement and these responses.

**List of Performance Goals and Accomplishments:**



**Provide assistance for eligible “projects” in the City of Glen Cove for purposes of sustaining and promoting existing and new not-for-profit organizations in the City of Glen Cove.**

In 2014, the City created a new corporation the **Glen Cove Local Economic Assistance Corporation**, (“GCLEAC”) to assist the National Healthplex, (d/b/a “**The Regency at Glen Cove**”) . The Glen Cove LDC closed on an existing not-for-profit agency, the National Healthplex; (d/b/a “**The Regency at Glen Cove**”). The Regency signed an Amended and restated Healthcare Facility Note of \$32,487,700, on April 19, 2016. The Note has an interest rate of 4.20% and the term is for 40 years. The ability to refinance their debt has allowed the Regency to a) increase the assisted living unit count by three units from 96 to 99 units; b) create additional common space and other aesthetic and functional improvements within the building; c) improve the School Street façade and construct 22 memory care units (making the total unit count 121). The improvements should significantly enhance the quality of life for the residents. The Regency reported 75 Full Time Equivalent(FTE) jobs in 2024- as a result of the new memory care unit, Safe Harbor, completed in 2019 with ribbon cutting commemorating the official grand opening on January 23, 2020. The original project estimate of 16 jobs to be created has been well exceeded to date. LDC staff receive updates from The Regency at Glen Cove Inter-Agency Council meetings, typically held monthly throughout the year. A site visit was last conducted June 2023; site improvements and jobs were validated.

On November 22, 2016, the LDC closed on a series of four Revenue bonds totaling \$124,562,833. These funds were raised from a Public Bond Offering to assist the Glen Cove IDA in its obligation to provide infrastructure and public amenities for the **Waterfront Revitalization Project (Garvies Point) Garvies Point Project**. The repayment of the bonds is solely from the PILOT payments on the property, payable by the individual property owners. These bonds are nonrecourse to the City and its Agencies. As of December 31, 2020, Phase I and Phase II of the public amenities was 99% complete. The IDA closed on the **Waterfront Revitalization Project (Garvies Point)** in November 2016 and continues to work with RXR Glen Isle Partners LLC (RXR) in constructing the Public Amenities and green space for use by the residents of Glen Cove. Phases 1 and 2 of the public amenities are 99% completed including marina, dog park, esplanade, playground, boat ramp, bathrooms, ferry site parking lot pavement. Angler Club docks are now complete as of February 2022. This project will benefit the City of Glen Cove, its residents, and Nassau County by reclaiming blighted industrial waterfront property for public benefit and enjoyment through creating open space, luxury and workforce housing and retail/office space. RXR as developer of the Garvies Point waterfront destination created more than 460 direct and indirect jobs per year during construction and will support more than 220 jobs post-completion. There will also be new tax revenues and money infused into the Glen Cove economy. Phases 1 and 2 of the public amenities, which are 99% complete, include the marina, dog park, esplanade, playground, boat ramp, bathrooms, and ferry site parking lot pavement. Angler Club docks are complete as of February 2022. This project will benefit the City of Glen Cove, its residents, and Nassau County by reclaiming blighted industrial waterfront property for public benefit and enjoyment through creating open space, luxury and workforce housing, and retail/office space. There will also be new tax revenues and money infused into the Glen Cove economy. Three residential buildings are being developed during Phase I of construction. Building H-rentals (177 units) and Building I-rentals (208 units), also known as Harbor Landing, are open for occupancy. Building H resident move-ins started during fall 2019. Brendel’s Bagels and Building I at Harbor Landing opened in fall 2020. As of 2021, Harbor Landing is fully leased-up. The 167-unit Building B-condos, known as The Beacon, opened their leasing office at the end of 2019, with closings and move-ins beginning in early 2020. At the end of 2024, Building B had approximately 86% of the units sold or under contract. In 2021, Phase 1 work (east of the Ferry Terminal) for public amenities was substantially completed and opened to the public. The U.S. Army Corp. of Engineers (ACOE) issued its Bulkhead/Marina Permit for the project on August 17, 2018, with subsequent amendments approved in the following years. The old Angler’s Club House was removed and replaced with a new building in





2019. The Certificate of Occupancy was issued in early 2020, with a ribbon cutting held thereafter. The Angler's Club Marina was completed in 2020; however, the finger docks installation had been postponed pending a waiver request for 20-foot docks to the ACOE. The ACOE granted the waiver request in 2021. Installation of the longer finger docks was completed in early 2022, with all work at the Angler's Club completed as of March 2022. Additional work to stabilize the open cell bulkhead at the Garvies Point Public Marina was completed in 2021, with the final set of docks installed in 2022. The Garvies Point HOA is managing the boat slips at the Garvies Point Marina, with the oversight of the IDA and City of Glen Cove Department of Public Works (DPW). The City's Department of Youth Services and Recreation as well as the Harbor Patrol are assisting with permits and approvals for the boat slips. In 2023, a kayak/paddleboard launch was installed at the Garvies Point Marina. The Garvies Point Master HOA continued to manage the marina in 2024. As of the end of 2024, a change in ownership of the Brewery property was pending closing with the IDA. The conveyance of the Block D parcel from the IDA to RXR occurred in summer 2024.

Public roadway work in Phase I (Dickson Street, Road F and Road G) is complete and open to the public. Phase 2 (west of the Ferry Terminal) of the public amenities was completed in 2021 and opened to the public; this includes Road D parking adjacent to the ferry terminal and dog park as well as a public parking lot adjacent to Building B and Garvies Point Park. The Deep Roots Farmer's Market is located in the public parking lot near Building B during the summer months. All of the outside furniture has been installed and the Ecology Pier and playground were completed and opened to the public in 2021. The dog park was previously completed and opened to the public in winter 2021. The entire Phase I and Phase II Waterfront Esplanade was completed and opened to the public by the end of 2021. Both gazebos have been constructed and furnished. The public bathrooms to the west of the ferry terminal and boat attendant building (with public bathrooms) at the terminus of Garvies Point Road were completed and opened to the public in 2021. In February 2022, an agreement between RXR acting as agent to the IDA and Terry Contracting & Materials, Inc. (Terry) was reached to stabilize and reconstruct a portion of bulkhead located on Block J adjacent to the Brewery. In order to accomplish this work, an easement agreement between the current property owner of the bulkhead (47 Herb Hill LCC), RXR and the IDA was executed in July 2022. The four (4) properties that currently make up Block J are the subject of Phase III, the final phase of the public amenities work. As of 2022, RXR has entered into purchase agreements for two (2) of those properties with 47 Herb Hill LLC and Windsor Oil; the agency's understanding is that those purchase agreements expired. RXR owns the remaining Block J properties. A total of ~\$71,998,055.00 has been spent on the Public Amenities at the Waterfront, as of December 31, 2024.

The Waterfront Revitalization Project (Garvies Point) reported 147 FTEs in 2023, with 75 retained and 72 created. In 2024, the Garvies Point project reported a total of 115 FTEs. All PILOT revenue received in 2024 by the Garvies Point Bond Trustee was used to pay bond expenses, in accordance with the indenture. No Pilot revenue was received by the Affected Taxing Jurisdictions in 2024. The IDA Board consented to a change in Trustee for the Garvies Point Bonds, requested by a majority of the bondholders in 2024, from Bank of NY Mellon (former Trustee) to UMB Bank (current Trustee).

In December 2017, the City signed an Agreement with the **School for Language and Communication Development (SLCD)**. Subsequently SLCD changed its name to **Tiegerman Schools** and purchased a 1.89-acre portion of the former Coles School property, including the former elementary school building. The Tiegerman School completed its renovation of the school and surrounding grounds in July 2019 and a ribbon cutting was held in September 2019. The CEO participated in the ribbon cutting and toured the renovated facilities at that time. The newly renovated school contains Tiegerman Middle School, which was relocated from a site in Queens. The nonprofit serves children with language and autistic-related disorders. In June 2018, Tiegerman School closed on Series 2018 Revenue A & B Bonds in the amount of \$8,315,000. The Corporation received an admin fee of \$54,617 for providing financial assistance in the form of tax-exempt and taxable bond financing and an exemption from mortgage tax recording tax. The



estimated combined jobs to be created for the new Tiegerman School (Middle School) and the existing Tiegerman School (High School) in Glen Cove is Year 1, 255, Year 2, 256 and Year 3, 257. The CEO receives updates from Tiegerman Schools at Glen Cove Inter-Agency Council meetings, typically held monthly throughout the year. Tiegerman School reported 70 FTE's in 2024.

**Educate not-for-profit sponsors and other community leaders regarding the existence and purposes of the Corporation and the resources the Corporation has available for new and existing business in the City of Glen Cove.**

The CEO has adopted a plan to reach out to new and existing not-for-profits in the City of Glen Cove and outside of the City, to advise them of the creation of the new corporation and how the corporation may be able to help with refinancing of existing bonds or assisting with future capital projects. In 2024, the CEO and Chairperson tried to actively recruit non-profit agencies by speaking to local community groups and organizations.

**Maintain full compliance with all State disclosure and reporting requirements and meet with outside consultants and auditors as required to ensure such compliance.**

The GCLEAC has conformed to all State policies and reporting with the Advisory Budget Office and Office of the State Comptroller. All committees have been established and have met on a scheduled basis. An annual meeting schedule has been adopted. Outside auditors have been retained to do the annual audit. The CEO meets regularly with the CFO and counsel on current and potential projects as well as the compliance of the corporation. On September 29, 2021, the LEAC board approved a formalized procedure for conducting site visits for financial aid assistance recipients to verify the FTE's and report on improvements to the building made by the project owner. This procedure involves the CEO going to the site and meet with management and take notes/photos that is then reported to the board members.

**Ensure transparency of all Corporation activities and operations.**

The annual budget was approved by the audit committee and the board members. The audit/finance committees met and reviewed the internal control and investing policies and made no findings to the board. The budget, disclosures, projects, and current news pertaining to the corporation are posted to PARIS and the GCLEAC webpage of the IDA website. The CEO is available to answer any questions of the board and citizens of Glen Cove. The corporation also conducts public meetings on potential projects. As a matter of policy, GCLEAC staff will be providing adequate time (such as weeks) between the distribution of project materials, public hearings and voting on project resolutions by the GCLEAC Board. Both Board and public comment will be addressed with at least a week of review of the LEAC staff and/or applicant responses by the GCLEAC Board before bringing the matter to vote. Meetings are noticed with instructions and information for accessing virtual meetings provided on the IDA website under the GCLEAC webpage and City of Glen Cove websites. Livestreams of the GCLEAC meetings and public hearings are available for viewing in accordance with the Open Meetings Law, Executive Order 202.1. Since mid-2022, the board and committee meetings have reverted to in-person but are also livestreamed and recordings of said meeting are posted on the Agency's website.

**Achieve complete adherence by management to all internal controls.**

All internal control policies are in place and in effect for the corporation. The CFO, Treasurer, and Audit/Finance committees will ensure that these policies are adhered to and reported annually.

*Updated AF 3/11/2025*



**Glen Cove Local Economic Assistance Corporation  
2024 Confidential Evaluation of Board Performance  
Summary: 7 out of 7 board members replied**

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Authority.	7			
The policies, practices and decisions of the Board are always consistent with this mission.	7			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	7			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	7			
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.	7			
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	6	1		
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	6	1		
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	7			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	6	1		
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	7			
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	7			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	7			
Board members demonstrate leadership and vision and work respectfully with each other.	7			
The Board sets clear and measurable performance goals for the Authority that contributes to accomplishing its mission.	6	1		

Name of Authority: Glen Cove Local Economic Assistance Corporation



**GLEN COVE LOCAL ECONOMIC ASSISTANCE CORP.**

9 Glen Street, City Hall

Glen Cove, New York 11542

**MINUTES OF MEETING  
March 27, 2025**

Resolution #7(d)

**RESOLUTION OF THE GLEN COVE LOCAL ECONOMIC ASSISTANCE  
CORP. AUTHORIZING THE SUBMISSION OF THE AGENCY ANNUAL  
FINANCIAL REPORT FOR FYE 12-31-24 TO THE NEW YORK STATE  
AUTHORITIES BUDGET OFFICE**

**WHEREAS**, the Glen Cove LEAC Finance Committee met on March 20, 2025 to review the draft preliminary financials for inclusion in the annual report for FYE 2024.

**WHEREAS**, the Finance Committee hereby recommends submission of the attached 2024 financial report as outlined herein to the New York State Authorities Budget Office (NYS ABO).

**NOW, THEREFORE, BE IT RESOLVED** that the Glen Cove Local Economic Assistance Corp. hereby authorizes the Chief Financial Officer to certify and submit the annual financial report NYS ABO on or before March 31, 2025.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call which resulted as follows:

	<u><b>VOTING</b></u>
Chairperson Panzenbeck	AYE
Vice Chair Hartley	AYE
James Cappiello	AYE
John Fielding	AYE
Dave Jimenez	ABSENT
Tom Scott	AYE
Lisa Travatello	ABSENT

The foregoing Resolution is thereupon declared duly adopted.

GC-LEAC  
**ENTERED**  
3-27-25  
CB





**Glen Cove Local Economic  
Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Financial Statements  
and Supplementary Information

December 31, 2024



**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

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## **Independent Auditors' Report**

**The Board of Directors of the  
Glen Cove Local Economic Assistance Corporation**

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

#### ***Opinions***

We have audited the financial statements of the Glen Cove Local Economic Assistance Corporation ("Corporation") (A Component Unit of the City of Glen Cove, New York) as of and for the year ended December 31, 2024 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 the changes in financial position and cash flows thereof for the year 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 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 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 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 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 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 - 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 March 25, 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 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 Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

March 25, 2025

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**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Management's Discussion and Analysis (Unaudited)  
For the year ended December 31, 2024

The following Management's Discussion and Analysis ("MD&A") of the Glen Cove Local Economic Assistance Corporation ("Corporation") provides 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 Governmental Accounting Standards Board ("GASB") Statement No. 34. Following this MD&A are the annual financial statements of the Corporation 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 Corporation's financial operations.

**Financial Highlights for the Year 2024**

- The Corporation's net position decreased by \$384 from \$93,908 to \$93,524.
- Operating revenues decreased by \$50,000 from \$52,000 to \$2,000.
- Operating expenses decreased by \$49,989 from \$56,510 to \$6,521.

**Summary of Operations**

	Years Ended December 31,	
	2024	2023
<b>OPERATING REVENUES</b>		
Administrative fees	\$ 2,000	\$ 52,000
<b>OPERATING EXPENSES</b>		
Administrative expenses	6,521	56,510
Loss from Operations	(4,521)	(4,510)
<b>NON-OPERATING REVENUES</b>		
Interest income	4,137	287
Change in Net Position	(384)	(4,223)
<b>NET POSITION</b>		
Beginning of Year	93,908	98,131
End of Year	<u>\$ 93,524</u>	<u>\$ 93,908</u>

**Financial Position Summary**

Net position serves as an indicator of the Corporation's resources to conduct operations. The Corporation's net position was \$93,524 and \$93,908 on December 31, 2024 and 2023, respectively.

For details of the Corporation's finances, see the accompanying financial statements and notes thereof.

### **Overview of the Financial Statements**

This annual report consists of the following three parts: Management's Discussion and Analysis, Basic Financial Statements, and Other Supplementary Information. The Financial Statements include notes, which explain in detail some of the information included in the basic financial statements.

### **Required Financial Statements**

The Financial Statements of the Corporation report information utilizing the full accrual basis of accounting. The Financial Statements conform to accounting principles generally accepted in the United States of America. The Statement of Net Position include information on the Corporation's assets and liabilities and provide information about the nature and amounts of investments in resources (assets) and the obligations to the Corporation's creditors (liabilities). The Statement of Revenues, Expenses and Changes in Net Position identify the Corporation's revenues and expenses for the year ended December 31, 2024. This statement provides information on the Corporation's operations over the past year and can be used to determine whether the Corporation has operated in a surplus or deficiency.

### **Financial Analysis of the Agency**

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position provide an indication of the Corporation's financial condition and also indicate that the financial condition of the Corporation has improved or deteriorated during the last year. The Corporation's net position reflects the difference between assets and liabilities. An increase in net position over time typically indicates an improvement in financial condition.

### **Debt Management**

The Corporation may issue taxable and tax-exempt revenue bonds. The bonds are non-recourse obligations of the Corporation, and the Corporation does not record the assets or liabilities resulting from completed bond and note issues in its accounts. Its primary function is to arrange conduit financing between the borrowing entities and the bond and note holders. Typically, trustees or banks acting as fiscal agents control funds arising from these transactions.

### **Major Initiatives**

In 2014, the City created a new corporation the **Glen Cove Local Economic Assistance Corporation**, ("GCLEAC") to assist the National Healthplex, (d/b/a "The Regency at Glen Cove"). The Glen Cove LDC closed on an existing not-for-profit agency, the National Healthplex; (d/b/a "The Regency at Glen Cove"). The Regency signed an Amended and restated Healthcare Facility Note of \$32,487,700, on April 19, 2016. The Note has an interest rate of 4.20% and the term is for 40 years. The ability to refinance their debt has allowed the Regency to a) increase the assisted living unit count by three units from 96 to 99 units; b) create additional common space and other aesthetic and functional improvements within the building; c) improve the School Street façade and construct 22 memory care units (making the total unit count 121). The improvements should significantly enhance the quality of life for the residents. The Regency reported 75 Full Time Equivalent (FTE) jobs in 2024- as a result of the new memory care unit, Safe Harbor, completed in 2019 with ribbon cutting commemorating the official grand opening on January 23, 2020. The original project estimate of 16 jobs to be created has been well exceeded to date. LDC staff receive updates from The Regency at Glen

Cove Inter-Agency Council meetings, typically held monthly throughout the year. A site visit was last conducted June 2023; site improvements and jobs were validated.

On November 22, 2016, the LDC closed on a series of four Revenue bonds totaling \$124,562,833. These funds were raised from a Public Bond Offering to assist the Glen Cove IDA in its obligation to provide infrastructure and public amenities for the **Waterfront Revitalization Project (Garvies Point) Garvies Point Project**. The repayment of the bonds is solely from the PILOT payments on the property, payable by the individual property owners. These bonds are nonrecourse to the City and its Agencies. As of December 31, 2020, Phase I and Phase II of the public amenities was 99% complete. The IDA closed on the **Waterfront Revitalization Project (Garvies Point)** in November 2016 and continues to work with RXR Glen Isle Partners LLC (RXR) in constructing the Public Amenities and green space for use by the residents of Glen Cove. Phases 1 and 2 of the public amenities are 99% completed including marina, dog park, esplanade, playground, boat ramp, bathrooms, ferry site parking lot pavement. Angler Club docks are now complete as of February 2022. This project will benefit the City of Glen Cove, its residents, and Nassau County by reclaiming blighted industrial waterfront property for public benefit and enjoyment through creating open space, luxury and workforce housing and retail/office space. RXR as developer of the Garvies Point waterfront destination created more than 460 direct and indirect jobs per year during construction and will support more than 220 jobs post-completion. There will also be new tax revenues and money infused into the Glen Cove economy. Phases 1 and 2 of the public amenities, which are 99% complete, include the marina, dog park, esplanade, playground, boat ramp, bathrooms, and ferry site parking lot pavement. Angler Club docks are complete as of February 2022. This project will benefit the City of Glen Cove, its residents, and Nassau County by reclaiming blighted industrial waterfront property for public benefit and enjoyment through creating open space, luxury and workforce housing, and retail/office space. There will also be new tax revenues and money infused into the Glen Cove economy. Three residential buildings are being developed during Phase I of construction. Building H-rentals (177 units) and Building I-rentals (208 units), also known as Harbor Landing, are open for occupancy. Building H resident move-ins started during fall 2019. Brendel's Bagels and Building I at Harbor Landing opened in fall 2020. As of 2021, Harbor Landing is fully leased-up. The 167-unit Building B-condos, known as The Beacon, opened their leasing office at the end of 2019, with closings and move-ins beginning in early 2020. At the end of 2024, Building B had approximately 86% of the units sold or under contract. In 2021, Phase 1 work (east of the Ferry Terminal) for public amenities was substantially completed and opened to the public. The U.S. Army Corp. of Engineers (ACOE) issued its Bulkhead/Marina Permit for the project on August 17, 2018, with subsequent amendments approved in the following years. The old Angler's Club House was removed and replaced with a new building in 2019. The Certificate of Occupancy was issued in early 2020, with a ribbon cutting held thereafter. The Angler's Club Marina was completed in 2020; however, the finger docks installation had been postponed pending a waiver request for 20-foot docks to the ACOE. The ACOE granted the waiver request in 2021. Installation of the longer finger docks was completed in early 2022, with all work at the Angler's Club completed as of March 2022. Additional work to stabilize the open cell bulkhead at the Garvies Point Public Marina was completed in 2021, with the final set of docks installed in 2022. The Garvies Point HOA is managing the boat slips at the Garvies Point Marina, with the oversight of the IDA and City of Glen Cove Department of Public Works (DPW). The City's Department of Youth Services and Recreation as well as the Harbor Patrol are assisting with permits and approvals for the boat slips. In 2023, a kayak/paddleboard launch was installed at the Garvies Point Marina. The Garvies Point Master HOA continued to manage the marina in 2024. As of the end of 2024, a change in ownership of the Brewery property was pending closing with the IDA. The conveyance of the Block D parcel from the IDA to RXR occurred in summer 2024.

Public roadway work in Phase I (Dickson Street, Road F and Road G) is complete and open to the public. Phase 2 (west of the Ferry Terminal) of the public amenities was completed in 2021 and opened to the public; this includes Road D parking adjacent to the ferry terminal and dog

park as well as a public parking lot adjacent to Building B and Garvies Point Park. The Deep Roots Farmer's Market is located in the public parking lot near Building B during the summer months. All of the outside furniture has been installed and the Ecology Pier and playground were completed and opened to the public in 2021. The dog park was previously completed and opened to the public in winter 2021. The entire Phase I and Phase II Waterfront Esplanade was completed and opened to the public by the end of 2021. Both gazebos have been constructed and furnished. The public bathrooms to the west of the ferry terminal and boat attendant building (with public bathrooms) at the terminus of Garvies Point Road were completed and opened to the public in 2021. In February 2022, an agreement between RXR acting as agent to the IDA and Terry Contracting & Materials, Inc. (Terry) was reached to stabilize and reconstruct a portion of bulkhead located on Block J adjacent to the Brewery. In order to accomplish this work, an easement agreement between the current property owner of the bulkhead (47 Herb Hill LLC), RXR and the IDA was executed in July 2022. The four (4) properties that currently make up Block J are the subject of Phase III, the final phase of the public amenities work. As of 2022, RXR has entered into purchase agreements for two (2) of those properties with 47 Herb Hill LLC and Windsor Oil; the agency's understanding is that those purchase agreements expired. RXR owns the remaining Block J properties. A total of ~\$71,998,055.00 has been spent on the Public Amenities at the Waterfront, as of December 31, 2024.

The Waterfront Revitalization Project (Garvies Point) reported 147 FTEs in 2023, with 75 retained and 72 created. In 2024, the Garvies Point project reported a total of 115 FTEs. All PILOT revenue received in 2024 by the Garvies Point Bond Trustee was used to pay bond expenses, in accordance with the indenture. No Pilot revenue was received by the Affected Taxing Jurisdictions in 2024. The IDA Board consented to a change in Trustee for the Garvies Point Bonds, requested by a majority of the bondholders in 2024, from Bank of NY Mellon (former Trustee) to UMB Bank (current Trustee).

In December 2017, the City signed an Agreement with the **School for Language and Communication Development (SLCD)**. Subsequently SLCD changed its name to **Tiegerman Schools** and purchased a 1.89-acre portion of the former Coles School property, including the former elementary school building. The Tiegerman School completed its renovation of the school and surrounding grounds in July 2019 and a ribbon cutting was held in September 2019. The CEO participated in the ribbon cutting and toured the renovated facilities at that time. The newly renovated school contains Tiegerman Middle School, which was relocated from a site in Queens. The nonprofit serves children with language and autistic-related disorders. In June 2018, Tiegerman School closed on Series 2018 Revenue A & B Bonds in the amount of \$8,315,000. The Corporation received an admin fee of \$54,617 for providing financial assistance in the form of tax-exempt and taxable bond financing and an exemption from mortgage tax recording tax. The estimated combined jobs to be created for the new Tiegerman School (Middle School) and the existing Tiegerman School (High School) in Glen Cove is Year 1, 255, Year 2, 256 and Year 3, 257. The CEO receives updates from Tiegerman Schools at Glen Cove Inter-Agency Council meetings, typically held monthly throughout the year. Tiegerman School reported 70 FTE's in 2024.

### **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's finances. Questions and comments concerning any information provided in this report or requests for additional information, contact the Local Economic Assistance Corporation, Chief Executive Officer at (516) 676-1625.

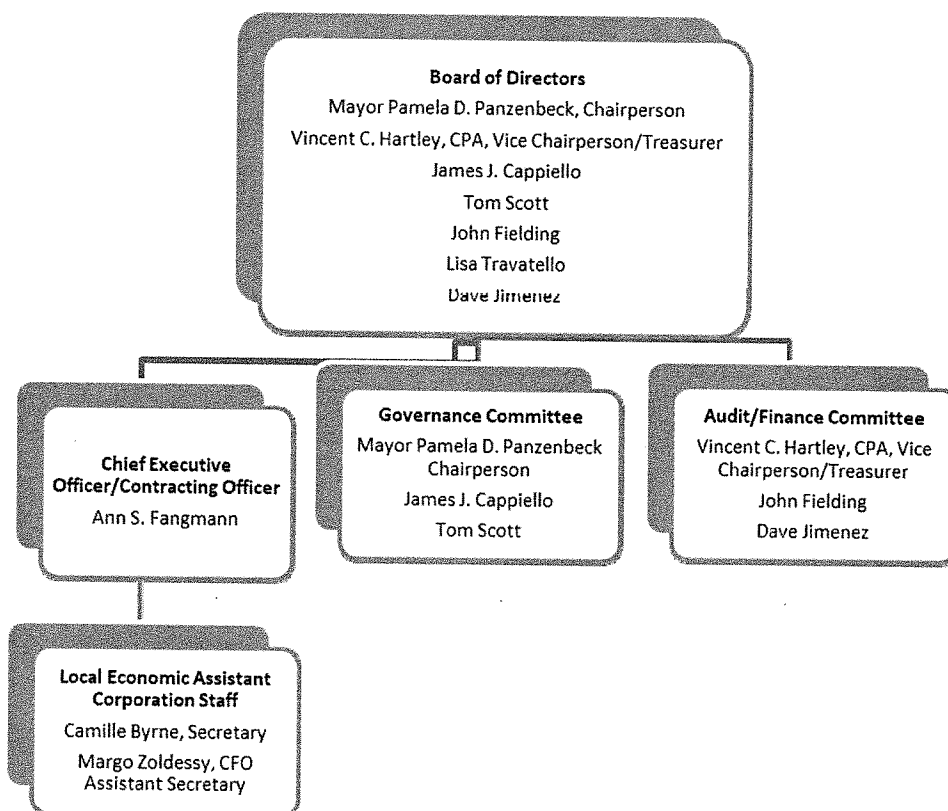
**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Organizational Chart

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*GLEN COVE LOCAL ECONOMIC ASSISTANCE CORPORATION*

*ORGANIZATIONAL CHART*



**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Statement of Net Position  
December 31, 2024

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**ASSETS**

Cash and equivalents	\$ 6,058
Investments	<u>93,216</u>
Total Assets	<u>99,274</u>

**LIABILITIES**

Accounts payable	250
Accrued expenses	3,500
Unearned revenues	<u>2,000</u>
Total Liabilities	<u>5,750</u>

**NET POSITION**

Unrestricted	<u><u>\$ 93,524</u></u>
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See notes to financial statements.

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Statement of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2024

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**OPERATING REVENUES**

Administrative fees	\$	2,000
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**OPERATING EXPENSES**

Administrative expenses		<u>6,521</u>
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Loss from Operations		(4,521)
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**NON-OPERATING REVENUES**

Interest income		<u>4,137</u>
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Change in Net Position		(384)
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**NET POSITION**

Beginning of Year		<u>93,908</u>
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End of Year	\$	<u><u>93,524</u></u>
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See notes to financial statements.

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Statement of Cash Flows  
Year Ended December 31, 2024

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from administrative fees	\$ 2,000
Cash payments for administrative expenses	<u>(6,271)</u>
Net Cash from Operating Activities	<u>(4,271)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income	4,137
Purchase of investments	(182,143)
Sale of investments	<u>178,049</u>
Net Cash from Investing Activities	<u>43</u>
Net Change in Cash and Equivalents	(4,228)

**CASH AND EQUIVALENTS**

Beginning of year	<u>10,286</u>
End of year	<u><u>\$ 6,058</u></u>

**RECONCILIATION OF LOSS FROM OPERATIONS  
TO NET CASH FROM OPERATING ACTIVITIES**

Loss from operations	\$ (4,521)
Adjustments to reconcile loss from operations to net cash from operating activities	
Accounts payable	<u>250</u>
Net Cash from Operating Activities	<u><u>\$ (4,271)</u></u>

See notes to financial statements.



**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Financial Statements  
Year Ended December 31, 2024

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**Note 1 - Organization and Purpose**

The Glen Cove Local Economic Assistance Corporation ("Corporation") was established on July 24, 2014 under the Not-for-Profit Corporation Law and as a local development corporation pursuant to Section 1411 of the Not-for-Profit Corporation Law. The City of Glen Cove, New York ("City") is the sole member of the Corporation.

The mission and public purpose of the Corporation is to support and promote economic development efforts in the City and for the public purpose and charitable purpose of benefiting and furthering the activities of the City, by serving as a conduit financing entity issuing taxable and tax-exempt revenue debt and providing other financial assistance to support the growth, expansion, on-going operations and continued viability of the non-profit sector in the City. The Corporation supports and promotes economic development in the City by efforts to attract new non-profits to the City and by assisting existing non-profits in their efforts to reduce costs.

The powers of the Corporation are vested in its (maximum 7-members no fewer than 3-members), Board of Directors. The Mayor serves as the Chairman of the Board of Directors. The Board Members are appointed by the City of Glen Cove Council. The officers of the Corporation are appointed by the Board of Directors and are responsible for the accountability for all fiscal matters of the Corporation. The Corporation currently has no employees. Pursuant to an Inter-Municipal Agreement, the Corporation may and does share resources of the Glen Cove Industrial Development Agency ("IDA").

The Corporation is responsible for its own debts and entitled surpluses. The City is not responsible for any debts of the Corporation.

**Financial Reporting Entity**

The Corporation has been identified as a component unit of 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's financial statements have been discretely presented in the City's financial statements.

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

**Basis of Accounting**

The accounting policies of the Corporation 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 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. The Operating transactions are those other than capital and related financing activities, noncapital financing activities, investing activities and non-exchange revenues. Operating revenues and expenses generally result from providing services in connection with the Corporation's principal ongoing operation. The principal operating revenues of the Corporation are administrative fees charged by the Corporation and reimbursement of operating expenses. Operating expenses include administrative expenses. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Financial Statements (Continued)  
Year Ended December 31, 2024

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

**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 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 written 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 deposit accounts and certificates of deposit.

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.

**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.

Investments consist of certificate of deposit accounts with initial maturities of greater than three months.

**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

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Financial Statements (Continued)  
Year Ended December 31, 2024

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

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.

**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 recognizes revenue annually in the period services are performed. Revenue is recognized for administrative services performed and applications related to bond issuances in the period the services are performed generally when the related bond issuances are finalized.

**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. The Corporation has no net investment in capital assets at December 31, 2024.

*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 Corporation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation has no restricted net position at December 31, 2024.

*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.

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Financial Statements (Continued)  
Year Ended December 31, 2024

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

**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 25, 2025.

**Note 3 - Stewardship, Compliance and Accountability**

**New Accounting Pronouncement**

GASB Statement No. 101, "*Compensated Absences*", recognizes in addition to the value of unused leave time owed to employees upon separation from employment an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. The requirements of GASB Statement No. 101 are effective for the Corporation fiscal year ended December 31, 2024. The Corporation has completed its evaluation of the financial impact of GASB Statement No. 101 and determined that the implementation of this standard was not required as it did not have a material impact on its financial statements.

**Note 4 - Investments**

Investments held in the Corporation at December 31, 2024 consisted of the following:

<u>Investment Type</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Amount</u>
Certificate of deposit	July 27, 2024	January 27, 2025	<u>\$ 93,216</u>

Certificates of deposit are not subject to provisions of fair value measurements as they are recorded at cost.

**Note 5 - Conduit Debt Obligations**

The Corporation issued four Revenue Bonds for the purpose of construction of certain public improvements in connection with the Garvies Point Waterfront Redevelopment Project during the year ended December 31, 2016. These funds were borrowed by the IDA to fulfill its obligations for the infrastructure, and public amenities of the Garvies Point Project. These bonds are secured by the PILOT payments from the project and are payable solely from such payments.

Neither the Corporation, the IDA, nor the City or any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The Corporation issued three Series 2016 Revenue Bonds totaling \$24,000,000 during the year ended December 31, 2016 in connection with the Regency at Glen Cove Project. The three Series 2016 Revenue Bonds were issued for the purpose of restructuring NHI Holdings LLC and the construction of an Alzheimer unit.

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Financial Statements (Continued)  
Year Ended December 31, 2024

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**Note 5 - Conduit Debt Obligations (Continued)**

The Corporation issued three Series 2018 Revenue Bonds for the purpose of the acquisition, renovation and equipping of an approximate 26,000 square foot school building (Tiergerman School Project) during the year ended December 31, 2018.

**Note 6 - Related Parties**

**Administrative Fee**

The operations of the Corporation are administered by the IDA. A fee of \$2,000 was paid to the IDA for the services provided in 2024.

**Note 7 - Pension Plan and Other Postemployment Benefit Liabilities**

The Corporation does not have any paid employees and, therefore does not participate in a pension plan and does not provide health care benefits for retired employees.

**Note 8 - Commitments and Contingencies**

**Litigation**

In the normal course of business there are a number of actions against the Corporation that involve personal injury and/or contractual disputes between the plaintiff's and the project beneficiary. In each case, the Corporation has been indemnified by the project beneficiary and, in the opinion of the Corporation'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 Corporation 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 Corporation.

**Note 9 - Risk Management**

The Corporation has conventional liability insurance coverage through the City and also purchases insurance coverage for directors and officers.

**Note 10 - Recently Issued GASB Pronouncements**

GASB Statement No. 102, "*Certain Risk Disclosures*" provides *guidance* 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 of resources 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

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 fiscal years beginning after June 15, 2024.

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**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Financial Statements (Concluded)  
Year Ended December 31, 2024

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**Note 10 - Recently Issued GASB Pronouncements (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.

GASB Statement No. 104, "*Disclosure of Certain Capital Assets*", has been issued to provide users of government financial statements with essential information about certain types of capital assets. 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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**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove)

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

Project Name Owner Name and Address	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance at 1/1/2024	Retired in 2024	Accreted Interest	Balance at 12/31/2024
Garvies Point Project 625 RXR Plaza Uniondale, NY 11556 Current Interest Revenue Bonds	11/16	1/56	5.00%	\$ 27,020,000	\$ 27,020,000	\$ -	\$ -	\$ 27,020,000
Capital Appreciation Revenue Bonds	11/16	1/29	6.00%	22,531,396	33,721,910	1,649,905	962,327	33,034,332
Convertible Capital Appreciation Revenue Bonds	11/16	1/32	5.63%	71,336,437	105,820,000	-	-	105,820,000
Current Interest Taxable Revenue Bonds	11/16	1/56	5.50%	3,675,000	-	-	-	-
<b>The Regency at Glen Cove Project</b> 94 School Street Glen Cove, NY 11542 Revenue Bonds	4/16	4/57	7.00%	5,000,000	5,000,000	-	-	5,000,000
Revenue Bonds	4/16	4/57	7.75%	14,000,000	14,000,000	-	-	14,000,000
Revenue Bonds	4/16	10/57	9.50%	5,000,000	5,000,000	-	-	5,000,000
The Tiegerman School Project 100 Glen Cove Ave Glen Cove, NY 11542 Current Interest Revenue Bonds	6/18	11/28	4.75%	1,570,000	1,130,000	205,000	-	925,000
Current Interest Revenue Bonds	6/18	1/44	5.50%	6,460,000	6,460,000	-	-	6,460,000
Current Interest Taxable Revenue Bonds	6/18	1/23	6.00%	285,000	-	-	-	-
				<u>\$ 156,877,833</u>	<u>\$ 198,151,910</u>	<u>\$ 1,854,905</u>	<u>\$ 962,327</u>	<u>\$ 197,259,332</u>

\* PILOT information is recorded on City of Glen Cove Industrial Development Agency financial statements.

Project Purpose Codes

- 1 - Services
- 2 - Construction
- 3 - Agriculture, Forestry and Fishing
- 4 - Wholesale Trade
- 5 - Retail Trade
- 6 - Finance, Insurance and Real Estate
- 7 - Transportation, Communication, Electric, Gas and Sanitary Services
- 8 - Other
- 9 - Manufacturing

See independent auditors' report.



Project Purpose Code	Federal Tax Status	Original Estimate of Jobs to be Created	Original Estimate of Jobs to be Retained	Tax Exemptions					
				Real Property Tax			Sales Tax	Mortgage Recording	Total Exemptions
				County	Local	School			
2	Taxable & Exempt	222	0	\$ 617,499	\$ 2,302,589	\$ 5,367,237	\$ -	\$ -	\$ 8,287,325
2	Taxable & Exempt	-	0	-	-	-	-	-	-
2	Taxable & Exempt	-	0	-	-	-	-	-	-
2	Taxable & Exempt	-	0	-	-	-	-	-	-
		16	0	78,834	124,053	319,886	-	-	522,773
2	Exempt	-	0	-	-	-	-	-	-
2	Exempt	-	0	-	-	-	-	-	-
2	Exempt	-	0	-	-	-	-	-	-
2	Exempt	-	0	-	-	-	-	-	-
2	Exempt	-	0	-	-	-	-	-	-
2	Exempt	-	0	-	-	-	-	-	-
2	Taxable	-	0	-	-	-	-	-	-
				<u>\$ 696,333</u>	<u>\$ 2,426,642</u>	<u>\$ 5,687,123</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,810,098</u>

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**Glen Cove Local Economic  
Assistance Corporation**  
(A Component Unit of the City of Glen Cove)

Other Supplementary Information

December 31, 2024

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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  
Glen Cove Local Economic Assistance 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 Glen Cove Local Economic Assistance Corporation ("Corporation") which comprise the statement of net position as of December 31, 2024 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 25, 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*

**PKF O'Connor Davies, LLP**

Harrison, New York

March 25, 2025

**Glen Cove Local Economic  
Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Schedule of Cash and Investments

Year Ended December 31, 2024





**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

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## **Independent Auditors' Report**

**The Board of Directors of the  
Glen Cove Local Economic Assistance Corporation**

**Report on the Schedule of Cash and Investments**

### ***Opinion***

We have audited the Schedule of Cash and Investments ("Schedule") of the Glen Cove Local Economic Assistance Corporation ("Corporation") (A Component Unit of the City of Glen Cove, New York) as of and for the year ended December 31, 2024 and the related notes to the Schedule.

In our opinion, the accompanying Schedule and related notes referred to above present fairly, in all material respects, the cash and investments of the Corporation as of December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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 Schedule. 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 opinion.

### ***Responsibilities of Management for the Schedule***

Management is responsible for the preparation and fair presentation of the Schedule 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 the Schedule that is free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibilities for the Audit of the Schedule***

Our objectives are to obtain reasonable assurance about whether the Schedule is 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 Schedule.

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 Schedule, 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 Schedule.
- 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 Schedule.

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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 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 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 Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*  
**PKF O'Connor Davies, LLP**  
Harrison, New York  
March 25, 2025

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Schedule of Cash and Investments  
December 31, 2024

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Cash and equivalents	\$ 6,058
Investments	<u>93,216</u>
Total Cash and equivalents and Investments	<u>\$ 99,274</u>

See accompanying notes.

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**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Schedule of Cash and Investments  
Year Ended December 31, 2024

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**Note 1 - Organization and Purpose**

The Glen Cove Local Economic Assistance Corporation ("Corporation") was established on July 24, 2014 under the Not-for-Profit Corporation Law and as a local development corporation pursuant to Section 1411 of the Not-for-Profit Corporation Law. The City of Glen Cove, New York ("City") is the sole member of the Corporation.

The mission and public purpose of the Corporation is to support and promote economic development efforts in the City and for the public purpose and charitable purpose of benefiting and furthering the activities of the City, by serving as a conduit financing entity issuing taxable and tax-exempt revenue debt and providing other financial assistance to support the growth, expansion, on-going operations and continued viability of the non-profit sector in the City. The Corporation supports and promotes economic development in the City by efforts to attract new non-profits to the City and by assisting existing non-profits in their efforts to reduce costs.

The powers of the Corporation are vested in its (maximum 7-members no fewer than 3-members), Board of Directors. The Mayor serves as the Chairman of the Board of Directors. The Board Members are appointed by the City of Glen Cove Council. The officers of the Corporation are appointed by the Board of Directors and are responsible for the accountability for all fiscal matters of the Corporation. The Corporation currently has no employees. Pursuant to an Inter-Municipal Agreement, the Corporation may and does share resources of the Glen Cove Industrial Development Agency ("IDA").

The Corporation is responsible for its own debts and entitled surpluses. The City is not responsible for any debts of the Corporation.

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

**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 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 written 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 deposit accounts and certificates of deposit.

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

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Schedule of Cash and Investments (Concluded)  
Year Ended December 31, 2024

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

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.

**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.

Investments consist of certificate of deposit accounts with initial maturities of greater than three months.

The Corporation was invested only in the above mentioned obligations and, accordingly, was not exposed to significant interest rate or credit risk.

**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.

**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.



**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

Notes to Schedule of Cash and Investments (Concluded)  
Year Ended December 31, 2024

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**Note 3 - Investments**

Investments held by the Agency at December 31, 2024 consisted of the following:

<u>Investment Type</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Amount</u>
Certificate of deposit	July 27, 2024	January 27, 2025	<u>\$ 93,216</u>

Certificates of deposit are not subject to provisions of fair value measurements as they are recorded at cost.

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

**Independent Auditors' Report**

**The Board of Directors of the  
Glen Cove Local Economic Assistance 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 Schedule of Cash and Investments ("Schedule") of the Glen Cove Local Economic Assistance Corporation ("Corporation") as of December 31, 2024 and the related notes to the Schedule.

**Report 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 Schedule, 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 Schedule 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 Schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, investment policies established by the Corporation and the New York State Comptroller investment guideline requirements as presented in Section 201.3(c) of the *Accounting, Reporting and Supervision Requirements for Public Authorities*, noncompliance with which could have a direct and material effect on the Schedule. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

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

*PKF O'Connor Davies, LLP*  
PKF O'Connor Davies, LLP  
Harrison, New York  
March 25, 2025



# **Glen Cove Local Economic Assistance Corporation**

(A Component Unit of the City of Glen Cove, New York)

Report to Those Charged with Governance

December 31, 2024

March 25, 2025

Prepared by

Robert A. Daniele, CPA

Partner

[rdaniele@pkfod.com](mailto:rdaniele@pkfod.com)

A large, thick, dark gray circular ring is positioned on the left side of the page. Inside the ring, the words "KNOW GREATER VALUE" are written in a bold, black, sans-serif font, stacked vertically.

**KNOW  
GREATER  
VALUE**



March 25, 2025

**The Board of Directors and Executive Director**  
**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

We have audited the financial statements of the City of Glen Cove Local Economic Assistance Corporation ("Corporation") as of and for the year ended December 31, 2024 and have issued our report thereon dated March 25, 2025.

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated December 6, 2022. Professional standards also require that we communicate to you the following information related to 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. We are also pleased to discuss other matters which may be of interest to you and to answer any questions you may have.

This information is intended solely for the information and use of Those Charged with Governance and management of the Corporation, 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

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## Appendices

- 1 – Corrected Misstatements
- 2 – Management Representation Letter
- 3 – About PKF O'Connor Davies, LLP

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## Status of the Audit

### Audit of Financial Statements

- Audit fieldwork is complete.
- The financial statements have been reviewed by management and issued.
- We have issued an unmodified report on the financial statements.
- PARIS report is required to be filed by March 31, 2025.

## Required Communications and Other Matters

Required Item	Comments
<b>Auditor's responsibility under professional standards and planned scope and timing of the audit</b>	<p>We have communicated such information in our engagement letters to you dated December 6, 2022. Generally, these responsibilities include:</p> <ul style="list-style-type: none"> <li>• Forming and expressing an opinion on the financial statements.</li> <li>• Obtaining reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud.</li> <li>• Accumulating and communicating uncorrected misstatements to Those Charged with Governance ("TCWG").</li> <li>• Maintaining professional skepticism.</li> <li>• Communicating audit related matters that are, in our professional judgment, significant to TCWG.</li> </ul>
<b>Supplementary information accompanying the financial statements</b>	<p>Our audit was conducted for the purpose of forming opinions 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>

Required Item	Comments
<b>Required supplementary information accompanying the financial statements</b>	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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.
<b>Other information in documents containing audited financial statements</b>	Our responsibility as auditors for other information in documents containing the audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to determine that such other information is properly stated.
<b>Our responsibilities under the Yellow Book</b>	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.
<b>Responsibilities of management and TCWG</b>	<p>Management's responsibilities include:</p> <ul style="list-style-type: none"> <li>• The fair presentation of the financial statements, including the selection of appropriate accounting policies.</li> <li>• Establishing and maintaining effective internal control.</li> <li>• Complying with laws, regulations, grants and contracts.</li> <li>• Providing the auditors with all financial records and related information and a signed representation letter.</li> <li>• Evaluate if there are any conditions or events, considered in the aggregate that raise substantial doubt about the Entity'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.</li> <li>• Setting the proper tone at the top.</li> <li>• Designing and implementing policies and controls to prevent and detect fraud.</li> </ul> <p>TCWG are responsible for communicating with the auditors and overseeing the financial reporting process.</p>

Required Item	Comments
<b>Qualitative aspects of accounting practices - <i>Accounting Policies</i></b>	<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, "Compensated Absences". The Corporation evaluated the impact of the statement 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 government.</p> <p>The Corporation's reports are based on all applicable GASB pronouncements we noted no transactions entered into by the Corporation during the year for which there is lack or authoritative guidance.</p>
<b>Qualitative aspects of accounting practices – <i>Significant Unusual Transactions</i></b>	<p>No matters have come to our attention that would require us to inform you about the methods used to account for significant unusual transactions.</p>
<b>Qualitative aspects of accounting practices - <i>Accounting Estimates and Management's Judgment</i></b>	<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. The most sensitive estimates affecting the Corporation's financial statements were:</p> <ul style="list-style-type: none"> <li>• Estimates of certain receivable balances and allowances for uncollectible amounts</li> <li>• Estimates for certain operating liabilities</li> </ul>

Required Item	Comments
<b>Qualitative aspects of accounting practices - Financial Statement Disclosures</b>	<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> <ul style="list-style-type: none"> <li>• Fund balances</li> </ul> <p>The financial statement disclosures are neutral, consistent and clear.</p>
<b>Going Concern</b>	<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>
<b>Significant Risks</b>	<p>Significant risks are defined as risks that require special audit consideration without regard to identified controls related to those risks. In most audits, one or more significant risks normally arise. We have identified the following significant risks in connection with our audit:</p> <p>Management override of internal controls</p> <p>Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating efficiently. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Our audit procedures did not identify any management override of internal controls.</p> <p>Improper revenue recognition to due to fraud</p> <p>Auditing standards require the auditor to ordinarily presume that improper revenue recognition is a fraud risk on all audit engagements unless the auditor can conclude that the risk is not applicable to the entity. Our audit procedures did not identify any improper revenue recognition due to fraud.</p> <p>The audit procedures applied as a result of the aforementioned significant risks were designed to and have reduced the risk of material misstatement to low.</p>

Required Item	Comments
<b>Difficulties encountered in performing the audit</b>	We encountered no significant difficulties in dealing with management in performing and completing our audit.
<b>Corrected and uncorrected misstatements</b>	<p>Professional standards require us to accumulate all known and likely misstatements identified during the audit (including passed adjustments and omitted financial statement disclosures), other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.</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>
<b>Disagreements with management</b>	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. We are pleased to report that no such disagreements arose during the course of the audit.
<b>Management representations</b>	We have requested certain representations from management that are included in the management representation letter (see Appendix 1).
<b>Management's consultations with other accountants</b>	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 Corporation'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.
<b>Auditor independence</b>	We affirm that PKF O'Connor Davies, LLP is independent with respect to the Entity in accordance with relevant professional standards.
<b>Significant issues discussed with management prior to retention</b>	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 Corporation's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



## Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Glen Cove Local Economic Assistance Corporation ("Corporation") 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 Entity's internal control. Accordingly, we express no such opinion.

Professional standards require that we communicate to you, in writing, all significant deficiencies and/or material weaknesses in internal control that we identify in performing our audit. For this purpose, deficiencies in internal control are categorized as follows:

- 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.
- 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 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.

However, we share for your consideration on the following pages other observations about the internal control and operations.

This communication is intended solely for the information and use of management and others charged with governance and is not intended to be and should not be used by anyone other than these specified parties. We will be pleased to discuss these communications and comments in further detail at your convenience, or to assist you in implementing the recommendations.

*PKF O'Connor Davies, LLP*  
Harrison, New York  
March 25, 2025

**Glen Cove Local Economic Assistance Corporation**  
(A Component Unit of the City of Glen Cove, New York)

**Other Matters**

- **Reversal of Accrued Bond Restructuring Fees**

During the financial reporting period, the Corporation initially accrued bond restructuring fees and recorded a corresponding receivable prior to the formal execution date of the bond restructuring. Upon further review, it was determined that these accruals were recognized prematurely, as the underlying transaction had not yet been finalized.

To ensure accurate financial reporting and compliance with accounting principles, the Corporation reversed both the accrued receivable and the corresponding payable based on the suggested audit adjusting entry. This adjustment aligns with the proper recognition of revenue and expenses in the appropriate period, preventing the premature recognition of financial activity.

***Recommendation***

To ensure proper cut-off and accuracy of accounts receivable and payable accruals at year-end, we recommend a structured review process that includes verifying accruals against executed agreements, performing cut-off testing, and reconciling balances with supporting documentation. Additionally, analyzing prior year trends, reviewing audit adjustments, and requiring management oversight will help identify and prevent misstatements. Implementing these measures will strengthen financial controls and ensure compliance with proper revenue and expense recognition principles.

## On the Horizon

### **GASB Statement No. 102 – *Certain Risk Disclosures***

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosures for 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 of resources 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 fiscal years beginning after June 15, 2024 (i.e., the Corporation's financial statements for the year ended December 31, 2025).**

### **GASB Statement No. 103 – *Financial Reporting Model Improvements***

The objective of this Statement is 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. This Statement also addresses certain application issues as follows:

- Management's Discussion and Analysis ("MD&A") - This Statement requires that the information presented in the MD&A be limited to five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions or Conditions. The Statement requires that the detailed analyses within the MD&A should not only present the amounts or percentages of changes from the prior year, but also include explanations as to the reasons for the changes. The Statement emphasizes that only the most relevant information be presented by eliminating duplicative explanations and removing "boilerplate" discussions.
- Unusual or Infrequent Items - This Statement describes unusual or infrequent items as transactions and other events that are either unusual or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements.
- Presentation of Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position – This Statement requires that proprietary fund statements continue to distinguish between operating and nonoperating revenues and expenses as in the past. However, in addition to the subtotals currently presented, this Statement requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

- Major Component Unit Information - This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If readability is reduced, combining statements of major component units should be presented after the fund financial statements.
- Budgetary Comparison Information – This Statement requires governments to present budgetary comparison information as Required Supplementary Information (similar to pension and other postemployment benefits reporting). Governments are also required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in the notes to the Required Supplementary Information.

The requirements of this Statement are **effective for fiscal years beginning after June 15, 2025 (i.e., the Corporation's financial statements for the year ended December 31, 2026).**

#### **GASB Statement No. 104 – *Disclosure of Certain Capital Assets***

GASB Statement No. 104, "*Disclosure of Certain Capital Assets*", provides guidance on disclosures for capital assets to be presented by major class. The objective of this Statement is to provide government financial statement users with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Leased assets recognized in accordance with GASB Statement No. 87, "*Leases*" and subscription assets recognized in accordance with GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*" should be separately disclosed. In addition, this Statement requires any other intangible assets other than these types to also be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

The requirements of this Statement are **effective for fiscal years beginning after June 15, 2025 (i.e., the Corporation's financial statements for the year ended December 31, 2026).**

## Appendix 1

### Corrected Misstatements

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Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>			
To reverse Capital Markets / RXR \$55,000 bond restructuring as this will be executed 3/1/25 as discussed with Executive Director			
20000	20000 -+ Accounts Payable	55,000.00	
47955	47950 -+ Admin Fees 47955 -+ Escrow Professional Fees	55,000.00	
11000	11000 -+ Accounts Receivable		55,000.00
66700	66700 -+ Professional Fees		55,000.00
<b>Total</b>		<b>110,000.00</b>	<b>110,000.00</b>

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## Appendix 2

### Management Representation Letter

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**Pamela D. Panzenbeck**  
*Chairperson*

**Ann S. Fangmann**  
*Executive Director*

**Phone: (516) 676-1625**

**Fax: (516) 759-8389**



**GLEN COVE**

**INDUSTRIAL DEVELOPMENT AGENCY  
LOCAL ECONOMIC ASSISTANCE CORP.**

City Hall, 9 Glen Street, Glen Cove, NY 11542

March 25, 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 the Glen Cove Industrial Development Agency and Local Economic Assistance Corporation ("Agency") which comprise the respective financial position of the governmental activities, each major fund as of December 31, 2024, and the respective changes in financial for the year 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**

- 1) We acknowledge that we have fulfilled our responsibilities as set forth in the terms of the engagement letters dated December 5<sup>th</sup> and 6<sup>th</sup>, 2022:
  - a) 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 individual fund financial statements have been prepared and presented in conformity with the accounting principles used to prepare the basic financial statements.
  - b) 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
  - c) The design, implementation, and maintenance of internal control to prevent and detect fraud.
- 2) 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.

- 3) In regard to the financial statement preparation non-attest services performed by you, we have:
  - a) Assumed all management responsibilities.
  - b) Designated individuals within senior management, who have suitable skill, knowledge, or experience to oversee the services.
  - c) Evaluated the adequacy and results of the services performed.
  - d) Accepted responsibility for the result of the services.
- 4) We are further responsible for reviewing, accepting and processing the standard, adjusting, or correcting journal entries that you proposed during the course of your engagement. We confirm that we designated a suitably qualified individual who understands the nature and impact of the proposed entries to the financial statements, and we accept responsibility for the proposed entries that we authorized and processed.
- 5) 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**

- 6) 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:
  - a) The Agency's accounting policies, and the practices and methods followed in applying them, are appropriate and are as disclosed in the financial statements.
  - b) There have been no changes during the period audited in the Agency's accounting policies and practices.
  - c) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 7) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 8) 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:
  - a) 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.
  - b) Guarantees, whether written or oral, under which the Agency is contingently liable, if any.
  - c) The effects of all known actual, possible, pending or threatened litigation, claims, and assessments.
- 9) 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.
- 10) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Agencies accounts.

#### **Information Provided**

- 11) We have provided you with:

- a) 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, documentation, and other matters.
  - b) Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, if applicable.
  - c) Additional information that you have requested from us for the purpose of the audit.
  - d) Unrestricted access to persons within the Agency from whom you determined it necessary to obtain audit evidence.
  - e) 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.
  - f) All significant contracts and agreements
  - g) All documents and records provided electronically are accurate and complete reproductions of the original documents and records.
- 12) 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.
- 13) There are no deficiencies in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the Agency's ability to initiate, authorize, record, process, and report financial data reliably in accordance with US GAAP.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Agency and involves:
- a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Agency's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

#### **Hosting Services**

- 17) 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.
- 18) 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.

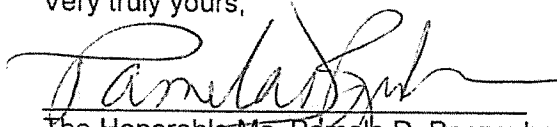
#### **Government—specific**


- 19) We have a process to track the status of audit findings and recommendations.
- 20) 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.
- 21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 22) The Agency 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 net position.
- 23) 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.


- 24) 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 financial statements.
- 25) There are no violations or possible violations of budget ordinances, 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.
- 26) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those non-audit 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 related notes.
- 27) The Agency 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.
- 28) The Agency has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 30) The Agency is not part of any joint ventures with an equity interest.
- 31) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended.
- 32) We have identified the Agency is a component unit of the City of Glen Cove, New York in accordance with the criteria enumerated in GASB Statement No. 61 *"The Financial reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34"*.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 34) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 35) Receivables and loan receivable 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.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) 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.
- 38) The Agency does not offer other post employment benefits.
- 39) We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 40) 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.
- 41) The Agency is a single fund entity with no internal activity.
- 42) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

- 44) Capital assets, including intangible assets, have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment loss and insurance recoveries have been properly recorded.
- 45) We have appropriately disclosed the Agency's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 46) We are following GASB Statement No. 54, paragraph 18, to determine the fund balance classifications for financial reporting purposes.
- 47) 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.
- 48) Tax abatement agreements have been properly disclosed in the notes to the financial statements, including the names of all governments involved, the gross amount and specific taxes abated, and additional commitments.
- 49) The Agency has agreements that meet the definition of leases contained in GASB Statement No. 87, "Leases". However, the total value of the lease agreements for the year ended December 31, 2024 was deemed immaterial, therefore, the related amounts and disclosures have been excluded from these financial statements.
- 50) The Agency has agreements that meet the definition of leases contained in GASB Statement No. 96, "Subscription-Based Information Technology Arrangements (SBITA's)". However, the total value of the SBITA's for the year ended December 31, 2024 was deemed immaterial, therefore, the related amounts and disclosures have been excluded from these financial statements.
- 51) The Agency has employment contracts that require implementation of GASB Statement No. 101 "Compensated Absences". The Agency made available all relevant information and estimates related to the compensated absences. The related amounts and disclosures have been included in the financial statements.
- 52) 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,

  
The Honorable Ms. Pamela D. Panzenbeck  
Mayor, Chairperson

  
Ms. Ann S. Fangmann  
Executive Director

  
Ms. Margo Zoldessy  
Chief Fiscal Officer

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## Appendix 3

### About PKF O'Connor Davies, LLP

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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 Compilations
- 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)

"PKF O'Connor Davies" is the brand name under which PKF O'Connor Davies LLP and PKF O'Connor Davies Advisory LLC, independently owned entities, provide professional services in an alternative practice structure in accordance with applicable professional standards. PKF O'Connor Davies LLP is a licensed CPA firm that provides attest services and PKF O'Connor Davies Advisory LLC and its subsidiary entities provide tax and advisory services. PKF O'Connor Davies is a member of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.



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