

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

Financial Statements
and Supplementary Information

December 31, 2024

Glen Cove Industrial Development Agency
(A Component Unit of the City of Glen Cove)

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Organizational Chart	13
Statement of Net Position	14
Statement of Revenues, Expenses and Change in Net Position	15
Statement of Cash Flows	16
Notes to Financial Statements	17
Required Supplementary Information	
Other Postemployment Benefits - Schedule of Changes in the Agency's Total OPEB Liability and Related Ratios	34
New York State and Local Employees' Retirement System: Schedule of the Agency's Proportionate Share of the Net Pension Liability (Asset)	36
Schedule of Contributions	36
Other Supplementary Information	38
Schedule of Indebtedness – Bonds and Notes	39
Schedule of Indebtedness – Straight-Lease Transactions	41
Schedule of Payments in Lieu of Taxes	45
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	52

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Independent Auditors' Report

**The Board of Directors of the
Glen Cove Industrial Development Agency**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Glen Cove Industrial Development Agency ("Agency") (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 Agency's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 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 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 Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Policy

We draw attention to Note 2 in the notes to financial statements which discloses the effects of the Agency's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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, Schedule of Indebtedness - Straight-Lease Transactions and the Schedule of Payments in Lieu of Taxes but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other supplementary information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2025 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

March 25, 2025

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

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

Introduction

As management of the Glen Cove Industrial Development Agency ("Agency", "IDA"), we offer readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended December 31, 2024. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Agency's financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended December 31, 2024, are as follows:

- The liabilities and deferred inflows of resources of the Agency exceeded its assets and deferred outflows of resources at the close of the most recent fiscal by \$1,428,121.
- Net position, which reflected an overall deficit increased by \$112,283.
- Operating revenues increased by \$73,743 from \$214,865 to \$288,608, representative of an increase in administrative fees and escrow fee revenue.
- Operating expenses increased by \$39,986 from \$390,849 to \$430,835.

Net Position

Net position may serve over time as a useful indicator of a government's' financial position. For the Agency, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$1,428,121 at the close of 2024.

	2024	2023
Current Assets	\$ 761,874	\$ 829,081
Non-current Assets	470,534	259,973
Capital Assets, Net	-	608
Total Assets	1,232,408	1,089,662
Deferred Outflows of Resources	177,233	284,461
Current Liabilities	152,172	86,169
Long-Term Liabilities	2,400,529	2,304,290
Total Liabilities	2,552,701	2,390,459
Deferred Inflows of Resources	285,061	299,502
Net Position		
Net Investment in Capital Assets	-	608
Restricted		
Unrestricted	(1,428,121)	(1,316,446)
Total Net Position	\$ (1,428,121)	\$ (1,315,838)

Total assets increased by \$142,746 (13.10%), from \$1,089,662 at December 31, 2023 to \$1,232,408 at December 31, 2024.

In 2024 cash and equivalents, restricted cash and investments accounted for \$1,156,681 (94%) of total assets. In 2023 cash and equivalents, restricted cash and investments accounted for \$1,010,284 (93%) of total assets.

Total liabilities increased in 2024 by \$162,242 (6.79%), from \$2,390,459 in 2023 to \$2,552,701 in 2024.

Summary of Operations - Change in Net Position

The Agency's statements of revenue, expenses and changes in net position are presented in the table below.

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Fees and other revenue	\$ 288,608	\$ 214,865
OPERATING EXPENSES		
Salaries and benefits	194,854	216,029
Contractual expenses	230,845	126,611
Depreciation expense	608	1,280
Redevelopment costs not recoverable	<u>4,528</u>	<u>46,929</u>
Total Operating Expenses	<u>430,835</u>	<u>390,849</u>
Loss from Operations	(142,227)	(175,984)
NON-OPERATING REVENUES		
Interest income	<u>29,944</u>	<u>18,389</u>
Change in Net Position	(112,283)	(157,595)
NET POSITION		
Beginning	<u>(1,315,838)</u>	<u>(1,158,243)</u>
Ending	<u>\$ (1,428,121)</u>	<u>\$ (1,315,838)</u>

The majority of the Agency's revenues are derived from administrative fees on taxable bonds funded through the Agency, and a straight lease fee. Additionally, the Agency imposes a closing fee on bond issuances.

Total revenues increased by \$73,743 from \$214,865 in 2023 to \$288,608 in 2024, while expenses increased by \$39,986 from 2023 to 2024.

Net position serves as an indicator of the Agency's resources to conduct operations. The Agency's net position was (\$1,428,121) and (\$1,315,838) on December 31, 2024 and 2023.

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

Capital Assets

The Agency's capital assets at December 31, 2024, net of accumulated depreciation, was \$0. Assets have been fully depreciated at December 2024.

<u>Asset</u>	<u>2024</u>	<u>2023</u>
Machinery and equipment	\$ 14,690	\$ 14,690
Less - accumulated depreciation	<u>(14,690)</u>	<u>(14,082)</u>
Total (net of depreciation)	<u>\$ -</u>	<u>\$ 608</u>

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 Agency 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 Agency's (liabilities). The Statement of Revenues, Expenses and Changes in Net Position identify the Agency's revenues and expenses for the year ended December 31, 2024. This statement provides information on the Agency's operations over the past year and can be used to determine whether the Agency's 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 Agency's financial condition and also indicate that the financial condition of the Agency has improved or deteriorated during the last year. The Agency'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 Agency may issue industrial development revenue bonds that are secured by property, which is leases to companies who had received the bond proceeds. The bonds are retired by lease payments collected from these companies. The bonds are not obligations of the Agency, and the Agency 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. The Agency monitors the compliance of the organizations with the provisions of the bond contracts.

Major Initiatives

Waterfront Revitalization Project (Garvies Point)

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, 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. RXR as developer of the Garvies Point waterfront destination anticipates creating 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. 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 2021, Building B had approximately 71% 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.

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. 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.

In April 2020, the IDA Board approved the addition of the **Garvies Point Brewery** as part of the RXR Garvies Point project at the Waterfront, along with modifications to the original Marina Building #1. RXR sought to activate the east end of the project and public amenities with the addition of the Brewery, with indoor and outdoor dining space, which relocates an existing Waterfront business looking to expand operations to another location across the road. The Brewery has been complete and open for business since 2022. A small portion of Esplanade behind the Brewery patio was also completed and was open for seating in 2023. The Brewery is utilizing a portion of the Garvies Point Marina for transient boat use.

The Brewery building will retain the office space and public restrooms that were envisioned for the original marina building. At this time, the IDA Board also appointed the Garvies Point Master Association, Inc. (HOA) to an initial five-year term to oversee and manage the maintenance of the Public Use Easement Areas and Public Improvements. This requires the HOA to enter into a Maintenance Agreement with the IDA. The Public Use Improvements Maintenance Agreement between the IDA and the HOA was executed 3/31/2022. In addition, the aforementioned item was memorialized in the **Second Amendment to the Garvies Point Continuing Covenants Agreement** dated 3/24/2022. Finally, the IDA and the HOA entered into an agreement on 4/15/22 under which the HOA managed the operations of the Garvies Point Public Marina comprised of 47 boat slips during the 2022 summer boating season at no cost to the IDA. In 2023, the IDA released an RFP for a marina operator but received no proposals. Therefore, the IDA exercised an extension of the agreement with the Garvies Point Master HOA to manage the boat slips at the Garvies Point Marina in 2023, with the oversight of the IDA and City of Glen Cove Department of Public Works (DPW). 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.

In September 2020, the IDA Board granted an extension of the sales tax benefit at Garvies Point to RXR, consistent with a PUD Amendment RXR is seeking approval of from the Planning Board and an updated construction timetable. The IDA Board also consented to RXR's application to the Planning Board for the PUD Amendment and noted special considerations for the Planning Board in their review within the approving resolution. In August 2022, the Planning Board approved the PUD Amendment with conditions. Subsequently, RXR submitted an application to the IDA requesting PILOT for 72 additional units, consistent with the PUD Amendment approved by the Planning Board. As of late December 2022, RXR withdrew its IDA application and informed IDA staff that it would be pursuing an alternative plan for the remaining development.

In April 2023, RXR submitted a request for the IDA's consent to file an application with the Planning Board with proposed amendments to the PUD (**2023 PUD Amendment**). The IDA Board gave its consent to this action at the June 13, 2023, IDA Board meeting. The 2023 PUD Amendment includes phasing development of Block A, certain lot line adjustments between Blocks E and F, and the construction of parking and accessory retail on Block D. At the June 2023 meeting, the IDA Board also gave consent for the future transfer of Block F to Georgica Green Ventures, who plan to receive State assistance to develop workforce condominiums at the site. Finally, the IDA Board also consented to the future conveyance of Block D (also known as Li Tungsten Lower Parcel C) from the IDA to RXR. The Planning Board approved the 2023 PUD Amendment and filed a resolution on December 19, 2023. The actual conveyance of the Block D parcel from the IDA to RXR occurred in summer 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).

Georgica Green Ventures LLC

In August 2020, the IDA granted sales and mortgage tax exemptions to the **Georgica Green Ventures LLC (GGV)** affordable housing project at Garvies Point. This project will provide 55 units of affordable rental housing to the City at the Waterfront. In 2019, the IDA Board consented to the transfer of Block G (part of Garvies Point) from RXR to GGV. The closing on the property occurred in 2021 following IDA Board approval of a PILOT extension. A site visit was conducted in May 2023 to observe construction jobs and improvements. Block G, now known as The Green, was completed in 2023, with the housing lottery held in early 2023. A ribbon cutting was held in November 2023, attended by the Mayor's Office, CDA/IDA, Nassau County local and State officials, and many others. The units are 95% leased, with the developer's management company working off of a wait list. The CDA's Housing Choice Voucher Program Office was able to relocate or accommodate from its wait list 20+ voucher holders. 40 units at 60% AMI; 6 units at 100% AMI and 8 units reserved for Section 8 Project Based. The Garvies Point Workforce rentals are also the recipient of HOME funding. In 2023, the IDA Board approved sales and mortgage recording tax exemptions for Block F for GGV, who are planning to acquire the site from RXR for affordable homeownership units. IDA staff worked with GGV on issues related to the closing on Block F throughout 2024, including the regulatory and intercreditor agreements related to the project. All Pilot Revenue received in 2024 by the Garvies Point Bond Trustee was used to pay bond expense in accordance with the indenture. GGV reported 215 construction jobs in 2023. GGV reported 1 FTE in 2024.

Ferry Terminal

The **Ferry Terminal Building** was completed in December 2015 and full project close-out was completed in 2017 with all grant funding reimbursed. Paving and striping of the Ferry Terminal parking lot was completed in 2021 in coordination with RXR and the public amenities work. The City released an RFP for a Ferry Operator in November 2017. Two respondents submitted proposals. The City of Glen Cove accepted the proposal from Hornblower Metro Ferry LLC with the commencement of service targeted for May 2020. The City requested an extension from FHWA and NYSDOT, the funding agencies for the project. Approval was granted to delay the commencement of the ferry service to May 2020, allowing time for the Garvies Point (Phase I), Village Square, and Herb Hill/Garvies Point Road projects to be completed. The ferry operation delay aimed to reduce hazardous construction conditions encompassing the ferry terminal site. A detailed action plan including milestones to achieve this goal in 2018 and received approval for implementation by the FHWA and NYSDOT in 2019. The IDA assisted the City with the RFP process for procuring a ferry operator, leading to the City entering into a letter of intent to contract with Hornblower Metro Ferry, LLC in January 2020. However, due to the COVID-19 pandemic, the NYSDOT and FHWA agreed to an indefinite postponement of the City's commuter ferry service at this time. The City entered into a one-year agreement with Eastern Star Dinner/Event Cruises in May 2019 for a one-year term at an annual cost of \$15,000.00, with subsequent extensions negotiated by the City. In fall 2022, the City/IDA in partnership with Hornblower released a public survey. The survey helped the City of Glen Cove gain a better understanding of the prospective commuter ferry service ridership demand from Glen Cove to Manhattan, given lifted COVID-19 workplace restrictions. As of the end of 2022, the City received approximately 1,500 survey responses. In 2023 and 2024, Glen Cove has continued discussions regarding the ferry terminal site's future use with the USDOT and NYSDOT, both directly and through local elected officials. A proposed fall 2024 commuter ferry pilot service

was tabled by the City Council because of the subsidy required; the City was unable to reach an agreement with the waterfront redeveloper as to timing of the contractually obligated subsidy.

Herb Hill/Garvies Point Road Reconstruction

The **Herb Hill/Garvies Point Road Reconstruction** contract was awarded in January 2017. The team worked with NYSDEC to develop an Excavation Work Plan (EWP) approved by NYSDEC in early November 2017. In 2019, substantial work (approximately 80%) was completed on the project, including the installation of underground utilities (sewer, water, drainage, telecommunications) from the terminus at the west end of Garvies Point Road to near the Slant Fin property. The installation of a temporary bypass at the intersection of Herb Hill Rd., Garvies Point Rd. and Dickson St. was also completed by RXR to facilitate work on the project in 2019. As of late spring 2020, the project was fully completed, transforming the one mile, degraded and inadequate roadway into a corridor for the Waterfront, with new pedestrian sidewalks; sanitary sewer, water, telecommunications, electrical utilities; and stormwater management infrastructure. In addition, the roadway was elevated, with utilities relocated underground, providing resiliency measures for major storm events. Funding for the road project will be provided by NYSDOT, \$6.5 million and \$2.5 million by Empire State Development. The balance of the funding will be paid from bond proceeds totaling \$15,942,847 for the road. Due to escalation caused by project delays and cost increases resulting from the requirements imposed by the NYSDEC and water management issues, the City worked with the IDA, GCLEAC, and RXR to make up to approximately \$13.7M available from the Public Amenities account to the City account for the Road project, as needed. This was memorialized in several agreements executed between the parties, including the First Amendment to the Trust Indenture, PIF Agreement, and Road Agreement. As of the end of 2022, approximately \$7,534,194 was transferred to the City account from the Public Amenities account for the road. Approximately \$30,332,233 has been spent on the road construction (including professional fees). As of the end of 2022, approximately \$6,847,986 has been reimbursed by NYSDOT for the project (full reimbursement). During 2021, ESD Board approval for the grant reimbursement was received; the Grant Disbursement Agreement was reviewed and executed; and the CDA responded to numerous ESD audit requests. The full \$2,500,000 grant reimbursement from ESD was received in December 2021 closing out the grant. The CDA received approval for all project close-out materials for NYSDOT submitted in 2021. Final construction payment issues were resolved and the CDA received the final payment of \$425,468 from NYSDOT on 11/2/22. NYSDOT project close-out is complete. The project is closed with the City as of 2023.

Village Square

The IDA closed on the **Village Square property** with RXR Glen Cove Village Square Owner LLC, in December 2017 and received administrative fees of \$309,736. This 2.5-acre, five story, mixed use project is located in the Downtown Business Improvement District (BID) and centered on a large public plaza, which will help revitalize the downtown area by creating approximately 146 residential rental housing units, including 13 workforce units, approximately 15,000 square feet of commercial space, and including approximately 1,900 square feet of medical office space and 171 parking spaces on site. The IDA estimated 15-25 FTEs and 100-150 construction jobs were created as a result of this project. The City also received a Payment In Lieu of Parking (PILOP) fee totaling \$207,000. The parking lease agreement entails that RXR rent at least 25 spaces per month in the Brewster Street Garage for \$65 per month (plus annual escalator) and the City may allow up to 75 total spots for Village Square in the garage based on demand. The project commenced in August 2017, once RXR's team began demolition and site-clearance work.

Construction continued into 2019 with the majority of vertical and façade work completed. The large public plaza was also substantially completed in 2019. Construction concluded in 2020 with a ribbon cutting held in October of 2020. Additionally, a lottery for the 13 affordable units

was held in June of 2020 with the support of the Long Island Housing Partnership. Pre-leasing began in summer 2020, with full lease-up of the residential units in 2021; demand for the units is high. In December 2020, the City and RXR held a dedication ceremony for the public plaza. In 2021, the BID hosted the annual Downtown Sounds summer musical series in the plaza, with nearby restaurants participating in outdoor dining opportunities. In 2021, the plaza and retail space continued to host the Deep Roots Farmers Market, holiday tree lighting, and Winter Festival during the winter months. During 2021, RXR executed a lease with Chase; Chase relocated their former retail branch on Forest Avenue to a space in the ground floor retail of Village Square. In 2022 the Planning Board approved retail occupancy for Tocolo Cantina, a Mexican eatery, and Tropical Smoothie Café, a nationwide smoothie shop chain. Additionally, the Trubee Hill gift shop opened in Village Square in 2022. Rumble, a nationwide boxing studio chain and Village Square Pharmacy opened in 2023. The IDA reviewed and received copies of all executed retail ground leases. As of 2024, Village Square's available commercial space is fully leased. Village Square reported 57 Full-Time Equivalent jobs in 2024.

The Regency

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 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 a new 22 memory care unit (making the total unit count 121). The improvements significantly enhanced the quality of life for the residents. This project began construction in May 2016 and created 16 new full-time jobs as well as 11 construction phase jobs. The construction of the Alzheimer's units was completed in late 2019 and produced 752 full time equivalent construction and construction related jobs. The Ribbon cutting for the newly named Safe Harbor took place on January 30, 2020. A site visit was conducted June 2023 and all improvements and job creation were validated. The Regency reported 75 Full-Time Equivalent (FTE) jobs in 2024.

Fairfield Glen Cove South Owner LLC (formerly Avalon South)

The IDA Board approved the assignment and transfer of the **Avalon South PILOT (Fairfield Properties)** and related documents to Fairfield Glen Cove South Owner LLC in June 2021. IDA staff conducted an on-site visit of the Fairfield South property in October 2021 and a follow up visit was made in November 2022. Fairfield South reported 13 Full-Time Equivalent (FTE) jobs in 2024.

The Villas – Glen Cove Villas LLC

The IDA closed on the property known as **The Villas with Glen Cove Villas LLC (formally 135 Glen Cove Avenue Corp.)** in December 2021 and received administrative fees of \$421,238. The project will consist of 6 residential buildings of 176 units aggregating 353,394 sq. ft. of space. 16 of those residential units will be affordable. The IDA Board had approved sales and mortgage recording tax exemptions for the project, in addition to a 10-year PILOT, with an option for the PILOT to be extended to 12 years if the following conditions are met: (a) at least 30% of the employees engaged by the Company in the construction of the project are Glen Cove residents earning a prevailing wage; and (b) the Company has made a good faith effort to fill the anticipated 6 FTEs after completion of the project with Glen Cove residents. In January 2022, the IDA Board granted consent to the developer to transfer a minority of ownership interest to MATT Glen Cove LLC. Subsequently, the developer returned to the IDA Board in July 2022 to request consent to transfer a minority of ownership interests in the project to MATT Glen Cove LLC and Glen Cove VM Holdings, LLC managed by Manoj Narang. The consents granted by the IDA Board in 2022 did not materialize. At the IDA meeting on November 14, 2023, Glen

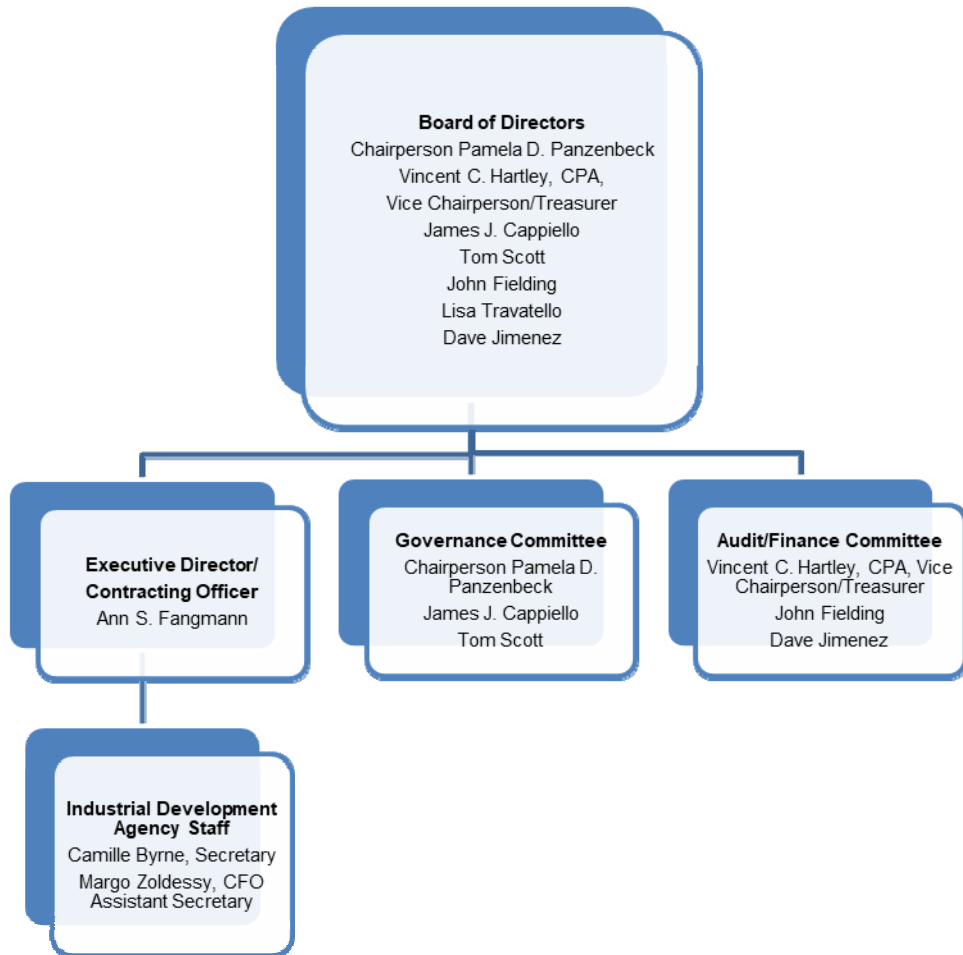
Cove Villa LLC (successor by merger to 135 Glen Cove Avenue Corp.) presented an update on the status of the project and requested an extension of the existing sales tax exemption letter until the end of 2023, which was approved by the IDA Board. At the December 12, 2023, IDA Board meeting, the owner presented another project status update and requested another extension of the existing sales tax letter through the end of February 2024, which was approved by the IDA Board. As of the end of 2024, the project has a Forbearance Agreement approved by the IDA Board, with an extension through February 5, 2025. Various milestones were set by the board for the developer to fulfill in accordance with a resolution approved December 10, 2024. The City Council approved an extension of the Building Permit to December 2, 2025. Glen Cove Villa LLC reported 81 construction jobs in 2024.

Request for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in the Agency's finances. Questions and comments concerning any information provided in this report or requests for additional information, contact the Industrial Development Agency, Chief Executive Officer at (516) 676-1625.

Organizational Chart

***GLEN COVE INDUSTRIAL DEVELOPMENT AGENCY
ORGANIZATIONAL CHART***



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

Statement of Net Position
December 31, 2024

ASSETS

Cash and equivalents	\$ 111,961
Investments	605,836
Accounts receivable	38,890
Prepaid expenses	5,187
	<u>761,874</u>
Total Current Assets	<u>761,874</u>
Non-current assets	
Land held for sale / resale	31,650
Restricted cash	438,884
	<u>470,534</u>
Total Non-Current Assets	<u>470,534</u>
Total Assets	<u>1,232,408</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	54,030
OPEB related	123,203
	<u>177,233</u>
Total Deferred Outflows of Resources	<u>177,233</u>

LIABILITIES

Accounts payable	86,172
Accrued expenses	12,000
Compensated absences (short-term)	3,000
Other post employment benefit liability (short-term)	44,000
Unearned revenues	7,000
Non-current liabilities	
Escrow deposits	8,220
Capital improvements deposits	430,664
Due to the Glen Cove Community Development Agency ("CDA")	946,753
Compensated absences	25,677
Net pension liability	54,337
Other post employment benefit liability	934,878
	<u>2,552,701</u>
Total Liabilities	<u>2,552,701</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	39,695
OPEB related	245,366
	<u>285,061</u>
Total Deferred Inflows of Resources	<u>285,061</u>

NET POSITION

Unrestricted	<u>\$ (1,428,121)</u>
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See notes to financial statements.

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

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

OPERATING REVENUES

Fees and other revenue \$ 288,608

OPERATING EXPENSES

Salaries and benefits 194,854
Contractual expenses 230,845
Depreciation 608
Redevelopment costs not recoverable 4,528

Total Operating Expenses 430,835

Loss from Operations (142,227)

NON-OPERATING REVENUES

Interest income 29,944

Change in Net Position (112,283)

NET POSITION

Beginning of Year (1,315,838)

End of Year \$ (1,428,121)

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

Statement of Cash Flows
Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from fees for fees and other revenue	\$ 279,993
Cash paid for salaries and benefits	(174,817)
Cash paid for contractual expenses	(204,456)
Cash paid for redevelopment costs not recoverable	(4,528)
	<u>(103,808)</u>
Net Cash from Operating Activities	<u>(103,808)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital improvements deposits	<u>220,261</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	29,944
Purchase of investments	(1,301,239)
Sale of investments	1,383,874
	<u>112,579</u>
Net Cash from Investing Activities	<u>112,579</u>
Net Change in Cash and Equivalents	229,032
CASH AND EQUIVALENTS	
Beginning of year	<u>321,813</u>
End of year	<u>\$ 550,845</u>
RECONCILIATION OF CASH AND EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and equivalents	\$ 111,961
Restricted cash	438,884
	<u>\$ 550,845</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES	
Loss from operations	\$ (142,227)
Adjustments to reconcile loss from operations to net cash from operating activities	
Depreciation	608
Accounts receivable	3,085
Due from the Glen Cove Community Development Agency ("CDA")	536
Prepaid expenses	(42)
Deferred outflows of resources - pension	16,423
Deferred outflows of resources - OPEB	90,805
Accounts payable	22,431
Accrued expenses	4,000
Unearned revenues	(2,000)
Escrow deposits	(9,700)
Compensated absences	4,395
Other post employment benefit liability	(36,426)
Net pension liability	(41,255)
Deferred inflows of resources - pension	26,474
Deferred inflows of resources - OPEB	(40,915)
	<u>(103,808)</u>
Net Cash from Operating Activities	<u>\$ (103,808)</u>

See notes to financial statements.

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

Notes to Financial Statements
December 31, 2024

Note 1 - Organization and Purpose

The Glen Cove Industrial Development Agency (“Agency”) (“IDA”) was created by a special act of the New York State Legislature on May 17, 1974. Under the provisions of Chapter 374 of the 1974 Laws of New York State, the purpose of the Agency is to encourage economic growth in the City of Glen Cove (“City”). The Agency is exempt from federal, state and local income taxes. The Agency's principal activity and source of revenue has been the issuance of Industrial and Civic Revenue Bonds and Straight Lease Agreements. The fees received from the issuance of the bonds and straight lease agreements have been expended for legal services, the development of the Glen Cove Waterfront, and infrastructure.

The City exercises oversight responsibility over the Agency. As such, the Agency is a component unit of the City. The following criteria regarding the manifestation of oversight were considered by the Agency in its evaluation of the Agency activities:

Financial interdependency - The Agency is responsible for its debts and is entitled to surpluses. The City is not responsible for the Agency's debt or entitled to surplus. The Agency does not receive financial benefit nor does it impose financial burden on the City with the exception that the IDA is covered against personal injury, workers' compensation and other risks under the City's self-insurance program.

Appointment of Government Authority - the City, the primary government, appoints all members of the Agency's governing body, the Board of Directors. The governing board is exclusively responsible for all decisions.

Appointment of management - The officers of the Agency are appointed by the Board of Directors. The activities under the purview of management are within the scope of the reporting entity and management is responsible to the Board of Directors.

The ability to significantly influence operations - The City can significantly influence the Agency's operations. This authority includes, but is not limited to, adoption of program budgets, control over assets, including facilities and properties, short term borrowing, signing contracts, and developing new programs.

Accountability for fiscal matters - The responsibility and accountability over the Agency's fund is vested in the Agency's management and Board of Directors.

Financial Reporting Entity

The Agency 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 Agency's financial statements have been discretely presented in the City's financial statements.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accounting policies of the Agency conform to generally accepted accounting principles as applicable to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Agency reports its operations on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Agency uses an enterprise fund (proprietary fund) to account for its activities. The measurement focus of the proprietary fund is the flow of economic resources. With this measurement focus, all assets and liabilities associated with the operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

As a proprietary fund, the Agency uses the accrual basis of accounting, and economic resources measurement focus. Under this method, revenues are recognized when earned and expenses are recognized when incurred. The Agency's unbilled receivables are recognized as revenues at year-end.

The Agency 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 Agency's principal ongoing operation. The principal operating revenues of the Agency are administrative fees charged by the Agency and reimbursement of operating expenses. Operating expenses include salaries and benefits, contractual expenses, depreciation and redevelopment costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

Cash and Equivalents, Investments and Risk Disclosure

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

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

Collateral is required for these deposits at 102% of all deposits not covered by Federal deposit insurance. The Agency has entered into a custodial agreement with its depository which holds its deposits. This agreement authorizes the obligations that may be pledged as collateral. Such obligations include among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

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.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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 Agency does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Agency does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Agency’s deposits may not be returned to it. GASB Statement No. 40, “Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3”, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution’s trust department but not in the Agency’s name. The Agency’s aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 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 Agency does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

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

Accounts Receivable

Accounts receivable balances are reflected net of an allowance for doubtful accounts. The allowance for doubtful accounts is the Agency’s best estimate of the probable losses in the existing accounts receivable balance. The Agency did not have any doubtful accounts at December 31, 2024.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Due From/To Other Funds - During the course of its operations, the Agency has numerous transactions between related organizations to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Prepaid Expenses

Prepaid items represent payments made by the Agency for which benefits extend beyond year end. These items reflect costs applicable to future accounting periods and are recorded as prepaid at the time of purchase and as an expense in the year the goods or services are consumed.

Land held for Sale/Resale

The Agency may acquire properties to redevelop and resell. The property values will be carried at the lower of cost or estimated realizable value. Properties are periodically reviewed or appraised for impairment and the carrying values are adjusted as necessary.

Capital Assets

As a proprietary fund, the capital assets and long-term liabilities of the Agency are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activities are included in net position. As a proprietary fund, the operating statements of the Agency present increases (revenues) and decreases (expenses) in net position.

Capital assets acquired by the Agency are stated at cost (or estimated historical cost) including interest capitalized during construction, where applicable. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of donation. There are no reversionary interests by the grantor in any of the assets, the date of donation in the case of gifts. The Agency capitalizes assets whose cost exceeds \$500.

Depreciation of all exhaustible fixed assets used by the Agency is charged as an expense against its operations. Accumulated depreciation is reported in net position. Depreciation is provided over the estimated useful lives of the assets.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 3-5 years for equipment.

The Agency's measurement focus on income determination and capital maintenance requires the net amount of interest cost for qualifying assets to be capitalized during the period of construction. The Agency has capitalized the interest expenses related to amounts owed for the Waterfront Development Project. These were considered in connection with the evaluation of the impairment of the property.

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. Unearned revenues consist of amounts received in advance and/or grants received before the eligibility requirements have been met.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

The Agency has reported unearned revenues of \$7,000 for fees received in advance.

Deferred Outflows/Inflows of Resources

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

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

The Agency has reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the statement of net position. These amounts are detailed in the discussion of the Agency's pension and other postemployment benefit liabilities in Note 7.

Long-Term Liabilities

In the statement of net position, long-term debt and other long-term obligations are reported as liabilities.

Capital Improvement Deposits

The Garvies Point Master Homeowners Association ("HOA") is responsible for setting aside money for future capital repairs and replacement for the public amenities at the waterfront. As the Agency has oversight over the HOA's management of the public amenities, budgeted amounts have been deposited by the HOA and held by the Agency for these future capital repairs.

Net Pension Liability (Asset)

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

Other Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the Agency provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Compensated Absences

The liability for compensated absences includes salary related payments, which have been earned for services previously rendered by employees in accordance with the Agency's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent years and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments that are directly and incrementally associated with payments for the leave. The Agency utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the Statement of Net Position as current and long-term liabilities.

Net Position

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

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

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

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.

Application of Restricted and Unrestricted Resources

In order to calculate the amounts to report as restricted and unrestricted fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expense incurred, it is the Agency's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Agency's policy to use fund balance in the following order: committed, assigned and unassigned.

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,

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is March 25, 2025.

Cumulative Effect of Change in Accounting Principle

The Agency implemented the provisions of GASB Statement No. 101, “*Compensated Absences*” for the year ended December 31, 2024. In addition to the value of unused leave time owed to employees upon separation from employment, the Agency now also recognizes as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result, the Agency has reported a cumulative effect of change in accounting principle to the January 1, 2024 net position of \$-0-.

Note 3 - Investments

Investments held in 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 8, 2024	April 8, 2025	\$ 555,675
Certificate of deposit	November 15, 2024	May 15, 2025	<u>50,161</u>
Total			<u>\$ 605,836</u>

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

Note 4 - Land Held for Sale / Resale

The IDA owns a parking lot and an area located between the RXR Village Square and the post office which is maintained by the City. The carrying value of this asset is \$31,650 as of December 31, 2023.

On November 22, 2016, the IDA sold the Waterfront Properties to RXR Glen Isle Partners, LLC for the Purchase price of \$15M less advances of \$2,401,048 and a receivable of \$2.36M, for net cash received of \$10,238,952. These funds were used to repay the debt owed by the IDA and the Glen Cove Community Development Agency (“CDA”), to the Housing and Urban Development (“HUD”), Environmental Protection Agency (“EPA”), Nassau County and the City. The IDA also entered into a Master Tax Agreement, PILOT, with the Redeveloper and received an administrative fee of \$10M.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 4 - Land Held for Sale / Resale (Continued)

On November 22, 2016, the IDA and the Glen Cove Local Economic Assistance Corporation (“Corporation”) entered into a Loan Agreement, whereby the IDA borrowed \$124,562,833 from the Corporation. These funds were raised from a Public Bond Offering of the Corporation, and are being used by the IDA to fund its infrastructure and public amenities obligations, related to the Garvies Point Project. The repayment of the bonds is from the PILOT payments on the property, by the property owners. These Bonds are non-recourse to the City and its Agencies, and are treated as conduit debt by the IDA. After closing, in November 2016, the amount of \$122,515,088, (\$124,562,833 less OID of \$2,047,745) was deposited into Bank of NY Mellon.

During the year ended December 31, 2024, the Trustee made interest payments in aggregate of \$4,327,188. The outstanding balance of the conduit debt obligations totaled \$165,874,332 at December 31, 2024.

Note 5 - Restricted Cash

Restricted cash consists of funds held in escrow by the Agency for various projects and activities. Funds are released as authorized invoices are presented for payment or reimbursement. The balance of these restricted escrow deposits at December 31, 2024 was \$8,220. In addition, at December 31, 2024, the Agency is holding \$430,664 in restricted cash on behalf of the Garvies Point Homeowners Association for future capital improvements as the Agency has oversight over the management of the public amenities.

Note 6 - Capital Assets

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

	Balance January 1, 2024	Additions	Balance December 31, 2024
	<u> </u>	<u> </u>	<u> </u>
Capital Assets, being depreciated - Machinery and equipment	\$ 14,690	\$ -	\$ 14,690
Less Accumulated Depreciation for Machinery and equipment	<u>14,082</u>	<u>608</u>	<u>14,690</u>
Total Capital Assets, being depreciated, net	<u>\$ 608</u>	<u>\$ (608)</u>	<u>\$ -</u>

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 7 - Long-Term Liabilities

The following table summarizes changes in the Agency’s long-term liabilities for the year ended December 31, 2024:

	Balance January 1, 2024	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2024	Due Within One Year
Escrow deposits (Note 5)	\$ 17,920	\$ -	\$ 9,700	\$ 8,220	\$ -
Capital improvements deposits (Note 5)	210,403	220,261	-	430,664	-
Due to the Glen Cove Community Development Agency ("CDA")	942,789	3,964	-	946,753	-
Compensated absences	24,282	6,395	2,000	28,677	3,000
Net pension liability	95,592	-	41,255	54,337	-
Other post employment benefit obligations payable	1,015,304	6,965	43,391	978,878	44,000
Long-Term Liabilities	<u>\$ 2,306,290</u>	<u>\$ 237,585</u>	<u>\$ 96,346</u>	<u>\$ 2,447,529</u>	<u>\$ 47,000</u>

Compensated Absences

Accumulated unpaid vacation, sick pay, and other employee benefit amounts are accrued when incurred. At December 31, 2024, the Agency had a compensated absences liability for accumulated unpaid vacation and sick pay of \$28,677.

Pension Plans

New York State and Local Employee’s Retirement System

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service.

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 7 - Long-Term Liabilities (Continued)

Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2024 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
4 A15	17.6 %
6 A15	11.2

At December 31, 2024, the Agency reported the following for its proportionate share of the net pension liability for ERS:

<u>Measurement date</u>	<u>March 31, 2024</u>
Net pension liability	\$ 54,337
Agency's proportion of the net pension liability	0.0003690 %
Change in proportion since the prior measurement date	(0.0000768) %

The net pension liability was measured as of March 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2024, the Agency recognized its proportionate pension expense of \$19,485.

At December 31, 2024, the Agency reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to ERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 17,502	\$ 1,482
Changes of assumptions	20,544	-
Net difference between projected and actual earnings on pension plan investments	-	26,543
Changes in proportion and differences between Agency contributions and proportionate share of contributions	2,084	11,670
Agency contributions subsequent to the measurement date	13,900	-
	<u>\$ 54,030</u>	<u>\$ 39,695</u>

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 7 - Long-Term Liabilities (Continued)

\$13,900 reported as deferred outflows of resources related to ERS resulting from the Agency’s accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

Year Ended March 31,		
2025	\$	(13,441)
2026		7,000
2027		14,100
2028		(7,224)
2029		
Thereafter		-
	<u>\$</u>	<u>435</u>

The total pension liability for the March 31, 2024 measurement date was determined by using an actuarial valuation as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

Measurement date	March 31, 2024
Actuarial valuation date	April 1, 2023
Investment rate of return	5.9%
Salary scale	4.4%
Inflation rate	2.9%
Cost of living adjustments	1.5%

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

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

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

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

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 7 - Long-Term Liabilities (Continued)

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.30 %
International Equity	15	6.65
Private Equity	10	7.25
Real Estate	9	4.60
Opportunistic/ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	3	5.79
Fixed Income	23	1.50
Cash	1	0.25
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.9%.

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

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Agency's proportionate share of the net pension liability (asset)	<u>\$ 170,842</u>	<u>\$ 54,337</u>	<u>\$ (42,968)</u>

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

Notes to Financial Statements (Continued)
 December 31, 2024

Note 7 - Long-Term Liabilities (Continued)

The components of the collective net pension liability of ERS as of the March 31, 2024 measurement date were as follows:

	ERS
Total pension liability	\$ 240,696,851,000
Fiduciary net position	225,972,801,000
Employers' net pension liability	\$ 14,724,050,000
Fiduciary net position as a percentage of total pension liability	93.88%

Employer contributions to ERS are paid annually and cover the period through the end of the ERS's fiscal year, which is March 31st. Retirement contributions as of December 31, 2024 represent the projected employer contribution for the period of April 1, 2024 through December 31, 2024 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2024 were \$13,900.

Voluntary Defined Contribution Plan

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

Other Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the Agency provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Agency may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Agency and the retired employee as noted below. Substantially all of the Agency's employees may become eligible for those benefits if they reach normal retirement age while working for the Agency. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At December 31, 2024, the following employees were covered by the benefit terms:

Active employees	7
Retired employees	7
	14

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 7 - Long-Term Liabilities (Continued)

The Agency’s total OPEB liability of \$978,878 was measured as of December 31, 2024, and was determined by an actuarial valuation as of December 31, 2024.

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.30%
Salary increases	3.30%
Discount rate	4.28%
Healthcare cost trend rates	5.0% for 2024, decreasing by up to .5% per year to an ultimate rate of 4.5%
Retirees' share of benefit-related costs	Varies depending on applicable retirement year and bargaining unit

The discount rate was based on the 20-year Municipal Bond Rate.

Mortality rates were based on the RP-2014 Headcount-Weighted Healthy Mortality Tables with White Collar Adjustments, projected generationally with Scale MP-2020.

The actuarial assumptions used in the December 31, 2022 valuation for turnover and retirement for ERS was based on the April 1, 2015 to March 31, 2020 experience study released by the Retirement Systems Actuary and published in their August 2020 report.

The Agency’s change in the total OPEB liability for the year ended December 31, 2024 is as follows:

Total OPEB Liability - Beginning of Year	\$	1,015,304
Service cost		39,889
Interest		38,776
Changes of benefit terms		-
Differences between expected and actual experience		(32,586)
Changes in assumptions or other inputs		(39,114)
Benefit payments		<u>(43,391)</u>
Total OPEB Liability - End of Year	\$	<u>978,878</u>

The following presents the total OPEB liability of the Agency, as well as what the Agency’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.28%) or 1 percentage point higher (5.2%) than the current discount rate:

	1% Decrease (3.28%)	Current Discount Rate (4.28%)	1% Increase (5.28%)
Total OPEB Liability	\$ 1,130,433	\$ 978,878	\$ 856,959

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 7 - Long-Term Liabilities (Continued)

The following presents the total OPEB liability of the Agency, as well as what the Agency’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.00% decreasing to 3.50%) or 1 percentage point higher (6.00% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (4.00% decreasing to 3.50%)	Current Healthcare Cost Trend Rates (5.00% decreasing to 4.50%)	1% Increase (6.00% decreasing to 5.50%)
Total OPEB Liability	\$ 823,527	\$ 978,878	\$ 1,179,195

For the year ended December 31, 2024, the Agency recognized OPEB expense of \$61,511. At December 31, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 56,404	\$ 226,104
Differences between expected and actual experience	66,799	19,262
	<u>\$ 123,203</u>	<u>\$ 245,366</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	
2025	\$ (22,936)
2026	(16,721)
2027	(16,721)
2028	(29,049)
2029	(22,868)
Thereafter	<u>(13,868)</u>
	<u>\$ (122,163)</u>

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

Notes to Financial Statements (Continued)
December 31, 2024

Note 8 - Related Parties

During 2004, the City, CDA and IDA entered a Tri-party Municipal Cooperation Agreement, regarding sharing of resources between the City and the Agencies.

As of December 31, 2024, \$946,753 was due to the CDA for the Waterfront Development expenditures financed by the CDA's Community Development Block Grant and other grants.

Administrative Fee

The operations of the Glen Cove Local Economic Assistance Corporation are administered by the Agency. A fee amounting to \$2,000 was received by the Agency for the services provided in 2024.

Note 9 - Commitments and Contingencies

Litigation

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

Note 10 - Risk Management

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

Note 11 - 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.

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.

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

Notes to Financial Statements (Concluded)
December 31, 2024

Note 11 - Recently Issued GASB Pronouncements (Continued)

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 Agency believes will most impact its financial statements. The Agency will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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Glen Cove
Industrial Development Agency
(A Component Unit of the City of Glen Cove)

Required Supplementary Information

December 31, 2024

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

Required Supplementary Information - Schedule of Changes in the
Agency's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)(2)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability:				
Service cost	\$ 39,889	\$ 42,900	\$ 66,855	\$ 62,362
Interest	38,776	40,658	24,921	21,029
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(32,586)	33,687	36,821	-
Changes of assumptions or other inputs *	(39,114)	43,002	(263,585) (4)	(57,620)
Benefit payments	<u>(43,391)</u>	<u>(37,274)</u>	<u>(33,720)</u>	<u>(30,807)</u>
Net Change in Total OPEB Liability	(36,426)	122,973	(168,708)	(5,036)
Total OPEB Liability – Beginning of Year	<u>1,015,304</u>	<u>892,331</u>	<u>1,061,039</u>	<u>1,066,075</u>
Total OPEB Liability – End of Year	<u>\$ 978,878</u>	<u>\$ 1,015,304</u>	<u>\$ 892,331</u>	<u>\$ 1,061,039</u>
City's covered-employee payroll	<u>\$ 136,820</u>	<u>\$ 125,322</u>	<u>\$ 124,377</u>	<u>\$ 120,940</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>715.45%</u>	<u>810.16%</u>	<u>717.44%</u>	<u>877.33%</u>
* Discount Rate	<u>4.28%</u>	<u>4.00%</u>	<u>4.31%</u>	<u>2.25%</u>

Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

(4) Decrease in liability is due to change in discount rate since the prior year reporting.

See independent auditors' report.

	2020	2019	2018
\$	43,868	\$ 39,114	\$ 38,115
	30,026	28,336	23,020
	-	-	-
	(17,726)	-	-
	158,662	187,725	(53,759)
	(29,321)	(28,082)	(23,542)
	185,509	227,093	(16,166)
	<u>880,566</u>	<u>653,473</u>	<u>669,639</u> (3)
\$	<u>1,066,075</u>	<u>\$ 880,566</u>	<u>\$ 653,473</u>
\$	<u>113,768</u>	<u>\$ 116,109</u>	<u>\$ 88,803</u>
	<u>937.06%</u>	<u>758.40%</u>	<u>735.87%</u>
	<u>1.93%</u>	<u>3.26%</u>	<u>3.64%</u>

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

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

Schedule of the Agency's Proportionate Share of the Net Pension Liability (Asset) (1)

	2024 (3)	2023 (4)	2022 (3)	2021 (3)
Agency's proportion of the net pension liability (asset)	<u>0.0003690%</u>	<u>0.0004458%</u>	<u>0.0004096%</u>	<u>0.0004702%</u>
Agency's proportionate share of the net pension liability (asset)	<u>\$ 54,337</u>	<u>\$ 95,592</u>	<u>\$ (33,483)</u>	<u>\$ 468</u>
Agency's covered payroll	<u>\$ 99,312</u>	<u>\$ 87,253</u>	<u>\$ 86,137</u>	<u>\$ 116,270</u>
Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>54.71%</u>	<u>109.56%</u>	<u>(38.87%)</u>	<u>0.40%</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>	<u>99.95%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

Schedule of Contributions

	2024	2023	2022	2021
Contractually required contribution	\$ 14,966	\$ 11,718	\$ 15,693	\$ 15,457
Contributions in relation to the contractually required contribution	<u>(14,966)</u>	<u>(11,718)</u>	<u>(15,693)</u>	<u>(15,457)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Agency's covered payroll	<u>\$ 102,773</u>	<u>\$ 98,571</u>	<u>\$ 86,310</u>	<u>\$ 116,270</u>
Contributions as a percentage of covered payroll	<u>14.56%</u>	<u>11.89%</u>	<u>18.18%</u>	<u>13.29%</u>

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

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

(3) Decrease in the Agency's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

(4) Increase in the Agency's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

See independent auditors' report.

<u>2020 (2)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>0.0004465%</u>	<u>0.0004801%</u>	<u>0.0002401%</u>	<u>0.0002710%</u>	<u>0.0002276%</u>	<u>0.0001230%</u>
<u>\$ 118,230</u>	<u>\$ 34,018</u>	<u>\$ 3,465</u>	<u>\$ 18,926</u>	<u>\$ 36,534</u>	<u>\$ 11,629</u>
<u>\$ 117,776</u>	<u>\$ 117,399</u>	<u>\$ 45,574</u>	<u>\$ 70,647</u>	<u>\$ 55,390</u>	<u>\$ 88,566</u>
<u>100.39%</u>	<u>28.98%</u>	<u>7.60%</u>	<u>26.79%</u>	<u>65.96%</u>	<u>13.13%</u>
<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>
<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>\$ 16,186</u>	<u>\$ 15,688</u>	<u>\$ 13,664</u>	<u>\$ 12,038</u>	<u>\$ 7,028</u>	<u>\$ 10,749</u>
<u>(16,186)</u>	<u>(15,688)</u>	<u>(13,664)</u>	<u>(12,038)</u>	<u>(7,028)</u>	<u>(10,749)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 117,776</u>	<u>\$ 117,399</u>	<u>\$ 45,574</u>	<u>\$ 70,647</u>	<u>\$ 55,390</u>	<u>\$ 88,566</u>
<u>13.74%</u>	<u>13.36%</u>	<u>29.98%</u>	<u>17.04%</u>	<u>12.69%</u>	<u>12.14%</u>

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OTHER SUPPLEMENTARY INFORMATION



The following are not required supplementary information (RSI), under the accounting principles generally accepted in the United States of America and are provided for the purpose of additional analysis.

This other supplementary information is provided to meet the General Municipal Law 859, the disclosures regarding the Agency's Straight-lease and industrial and civic facilities revenue bonds and notes projects.

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

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

<u>Project Name Owner Name and Address</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance at January 1, 2024</u>
RXR - Garvies Point (GCLEAC)	11/16	1/56	5.00%	\$ 27,020,000	\$ 27,020,000
625 RXR Plaza	11/16	1/29	6.00%	22,531,396	33,721,910
Uniondale, NY 11556	11/16	1/32	5.63%	71,336,437	105,820,000
	11/16	1/56	5.50%	<u>3,675,000</u>	<u>-</u>
Totals				<u>\$ 124,562,833</u>	<u>\$ 166,561,910</u>

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.

Retired in 2024	Accreted Interest	Balance at December 31, 2024
\$ -	\$ -	\$ 27,020,000
1,649,905	962,327	33,034,332
-	-	105,820,000
-	-	-
<u>\$ 1,649,905</u>	<u>\$ 962,327</u>	<u>\$ 165,874,332</u>

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

Other Supplementary Information
Schedule of Indebtedness - Straight-Lease Transactions
December 31, 2024

<u>Project Name Owner Name and Address</u>	<u>Total Amount of Lease</u>	<u>Project Purpose Code</u>	<u>Original Estimate of Jobs to be Created</u>	<u>Original Estimate of Jobs to be Retained</u>
Fairfield Glen Cove South 538 Broadhollow Road Melville, NY 11747	\$ 67,836,474	6	8	0
Glen Cove TDG 7600 Jericho Turnpike Suite 110 Woodbury, NY 11797	5,523,135	6	8	8
Fair Housing 33 Front Street Hempstead, NY 11550	50,000	6	0	1
Samuel Pierce 1551 Franklin Avenue (1st Fl) Mineola, NY 11501	347,301	6	2	1
RXR Village Square 625 RXR Plaza Uniondale, NY 11556	48,831,467	6	10	0
Georgica Green 50 Quadrangle (Suite 118) Jericho, NY 11753	31,713,518	2	2	0
135 Glen Cove Ave Corp (Livingston) The Villas at Glen Cove Glen Cove, NY 11542	55,345,000	2	6	0

Tax Exemptions						
County	Real Property Tax		Sales Tax	Mortgage Recording	Total Exemptions	
	Local	School				
\$ 87,753	\$ 758,016	\$ 1,932,274	\$ -	\$ -	\$ 2,778,043	
21,140	37,322	100,996	-	-	159,458	
26,884	46,068	104,846	-	-	177,798	
11,326	93,854	248,021	-	-	353,201	
10,827	296,869	784,512	-	-	1,092,208	
27,513	87,369	241,156	-	-	356,038	
14,653	39,223	103,651	-	-	157,527	

(Continued)

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

Other Supplementary Information
Schedule of Indebtedness - Straight-Lease Transactions (Continued)
December 31, 2024

<u>Project Name Owner Name and Address</u>	<u>Total Amount of Lease</u>	<u>Project Purpose Code</u>	<u>Original Estimate of Jobs to be Created</u>	<u>Original Estimate of Jobs to be Retained</u>
RXR Garvies Point 625 RXR Plaza Uniondale, NY 11556	1,000,000,000	6	222	0
The Regency 94 School Street Glen Cove, NY 11542	15,500,000	2	16	0
Arcadia 772 W. Beech Street Long Beach, NY 11561	5,188,139	2	1	0

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.

Tax Exemptions					
County	Real Property Tax		Sales Tax	Mortgage Recording	Total Exemptions
	Local	School			
\$ 697,045	\$ 2,555,196	\$ 6,064,487	\$ -	\$ -	\$ 9,316,728
78,834	124,053	319,886	-	-	522,773
-	-	-	-	-	-

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

Other Supplementary Information
Schedule of Payments in Lieu of Taxes
December 31, 2024

Project	Total PILOT	County	Local	School
The Regency	\$ 502,530	\$ 75,781	\$ 119,249	\$ 307,500
Fairfield Glen Cove South	1,747,689	55,206	476,874	1,215,609
TDG Glen Cove LLC	77,682	10,299	18,182	49,201
Fair Housing	74,911	11,327	19,410	44,174
RXR Garvies*	4,827,043	80,206	1,940,499	2,806,338
Puntillo	61,041	1,957	16,220	42,864
RXR Village Square	194,267	1,926	52,803	139,538
Georgica Green*	63,205	1,050	25,409	36,746
Livingston	161,500	15,023	40,212	106,265
Totals	\$ 7,709,868	\$ 252,775	\$ 2,708,858	\$ 4,748,235

*All actual PILOT revenue received paid for Bond expense. No PILOT revenue was received by affected jurisdictions.

Schedule of Exemptions

The Regency	\$ 522,773	\$ 78,834	\$ 124,053	\$ 319,886
Fairfield Glen Cove South	2,778,043	87,753	758,016	1,932,274
TDG Glen Cove LLC	159,458	21,140	37,322	100,996
Fair Housing	177,798	26,884	46,068	104,846
RXR Garvies	9,316,728	697,045	2,555,196	6,064,487
Puntillo	353,201	11,326	93,854	248,021
RXR Village Square	1,092,208	10,827	296,869	784,512
Georgica Green	356,038	27,513	87,369	241,156
Livingston	157,527	14,653	39,223	103,651
Totals	\$ 14,913,774	\$ 975,975	\$ 4,037,970	\$ 9,899,829

See independent auditors' report.

**GLEN COVE INDUSTRIAL DEVELOPMENT AGENCY
OTHER SUPPLEMENTARY INFORMATION**

Certain industrial development revenue bonds issued by the Agency are secured by property, which is leased to companies and is retired by lease payments. The bonds are not obligations of the Agency, City or State. The Agency does not record the assets or liabilities resulting from completed bond and note issues in its accounts. Its primary function is to arrange financing between the borrowing companies and the bond and note holders. Trustees or banks acting as fiscal agents control funds arising from these transactions.

The Agency receives bond administration fees from the borrowing companies for providing this service. Such administrative fee income is recognized immediately upon the issuance of the bonds and notes.

National Healthplex (Glen Cove Regency) - Bonds

The 1992 Series A Bonds, Series B Bonds and the Series B Note, were defeased when the Regency reorganized its debt on April 19, 2016. The Glen Cove Local Economic Assistance Corporation issued \$24M of Tax Exempt Bonds and The Regency also received a \$15.5M loan from Municipal Capital Appreciation Partners III (VA), L.P. for a new Alzheimer unit.

On December 15, 2013, the IDA entered into a PILOT agreement with the Regency (Project code 2801-13-02). The term is for 40 years beginning in 2014 and expires December 31, 2049. The IDA received an admin fee of \$118,750. The total projects costs are \$15,500,000 for a new Alzheimer unit which was to be completed in May 2019. In 2016, the Regency paid an additional admin fee \$150,000 for an extension of the PILOT to run concurrently with the bond issuance. The Regency paid a total PILOT of \$502,530 in 2024 and reported 75 FTEs. The corporate address for the National Healthplex is 94 School Street, Glen Cove, NY 11542.

The following chart depicts the PILOT payments and tax exemptions for 2024:

PAYMENTS MADE BY THE GC REGENCY

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 75,781	\$ 78,834
Local	119,249	124,053
School	307,500	319,886
Total	<u>\$ 502,530</u>	<u>\$ 522,773</u>

Fairfield Glen Cove South Owner LLC

In 2024, the payments made by Fairfield and the amount of tax exemptions were as follows:

PAYMENTS MADE BY FAIRFIELD GLEN COVE SOUTH

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 55,206	\$ 87,753
Local	476,874	758,016
School	1,215,609	1,932,274
Total	<u>\$ 1,747,689</u>	<u>\$ 2,778,043</u>

Please note that while the original estimate of jobs to be created for Avalon North and Avalon South is listed on the PARIS system as 14 and 20 respectfully, the correct number of jobs per Avalon’s agreements with the IDA are 6 for Avalon North and 8 for Avalon South.

The original FTE information listed in PARIS is unable to be changed. The corporate address for Fairfield Glen Cove South LLC is 538 Broadhollow Road, Melville, New York 11747.

The IDA Board approved the assignment and transfer of the Avalon South PILOT and related documents to Fairfield Glen Cove South Owner LLC in June 2021. PILOT Payments of \$1,747,689 were paid in 2024. IDA staff conducted an on- site visit of the Fairfield South property in October 2022. In 2024, 13 total FTEs were reported, with 8 retained and 5 FTE’s created.

Men on the Move – Glen Cove Storage, LLC (“MOTM”) PHR Glen Cove Storage, LLC

On August 1, 2011, the IDA entered into a straight Lease Agreement, (“Pilot Agreement”) with MOTM Code # (2801-11-01), regarding the property located at 88-90 Hazel Street, City of Glen Cove. The total cost of the project was approximately \$7,553,000. MOTM/PRGC is required by the contract to create at least 3 new full- time jobs within one year after the scheduled completion date and maintain these jobs throughout the term of the lease. The IDA collects a \$1,000 annual admin fee from MOTM/PRGC. MOTM paid an administrative fee of \$60,148 to the IDA. The PILOT commenced in the tax year 2012-2013 and will last for 10 years. In December 2013, MOTM sold to PR Glen Cove Storage LLC, (“PRGC”) Code #(2801-13-01). The IDA received an admin fee of \$70,375. PRGC beginning in 2014 and are also required to employ 3 full time equivalents. The received an admin fee of \$70,375. PRGC beginning in 2014 and are also required to employ 3 full time equivalents. The total purchase price was \$18,100,000. PRGC is required under the lease contract and payments in lieu of taxes agreement to make the following future real property taxes payments. As of 2023, the PILOT is over. PRGC’s corporate address is c/o Self Storage Management, LLC, 3050 Peachtree Road NW, Suite 300, Atlanta GA 30305. The IDA Board approved by resolution an acceptance of payment by PR Glen Cove Storage, LLC as Assignee toward PILOT arrears and legal fees incurred by the Agency 11/14/2023. The amount received by the IDA was remitted of Glen Cove and the IDA agreements were terminated.

TDG Glen Cove LLC

On December 27, 2013, the IDA entered into a PILOT Agreement with TDG. (Project code # 2801-12-03). The purchase price was \$5,523,135. The PILOT term is for 15 years and began in 2014. During construction 25 jobs were created and 8 full time positions post construction in the first year. In the second and third years 6 and 7 full time positions, are required respectively, per the lease agreement. The Movie theatre opened in April 2014. TDG paid \$77,682 in tax payments in 2024 and reported 30 FTEs. The corporate office is located at The DiNoto Group TDG Glen Cove, LLC, 7600 Jericho Tpke, Suite 110, Woodbury, New York 11797. The following are the real property tax payments and tax exemptions:

PAYMENTS MADE BY GC TDG

	PILOT	EXEMPTIONS
County	\$ 10,299	\$ 21,140
Local	18,182	37,322
School	49,201	100,996
Total	<u>\$ 77,682</u>	<u>\$ 159,458</u>

Fair Housing Development Fund Corporation

In December 2014, the IDA closed on a PILOT agreement with Fair Housing Development Corp. (“Stanley Park”) Project Code (2801-01- 2014). Stanley Park, an existing Low Income Housing project in Glen Cove, completed a 40 year HUD PILOT in 2013 and requested a PILOT for 7 years from the IDA to allow it to repay real estate taxes owed to the City as well as to prevent a substantial rent increase to its existing tenants. The PILOT for Stanley Park began in 2016 and the IDA received a \$5,000 administrative fee. In 2024 a PILOT payment of \$74,911 was paid and reported 1 FTE’s. The corporate address of JMI Management Co. Inc 1983 Marcus Ave Suite 137 Lake Success, NY 11042. The following are the real property tax payments and tax exemptions:

PAYMENTS MADE BY FAIR HOUSING

	PILOT	EXEMPTIONS
County	\$ 11,327	\$ 26,884
Local	19,410	46,068
School	44,174	104,846
Total	<u>\$ 74,911</u>	<u>\$ 177,798</u>

50 Glen Partners LLC

In December 2015, the IDA entered into a lease agreement with 50 Glen Partners LLC. Project code (2801-15-01). The PILOT will began in the 2016-2017 tax year. The IDA Board consented to a property ownership transfer to 50 Glen Realty in February 2022. The corporate office is located at 50 Glen Realty, P.O. Box 348, Monsey, NY 10952. The PILOT for 50 Glen Partners LLC has ended.

RXR Garvies

The IDA closed on the Waterfront Revitalization Project in November 2016 for \$15M less debt payments paid by RXR on the IDA’s behalf of \$2.4M for a net sales price of \$12.6M. These funds went to the repayment of loans for the waterfront. The IDA entered into a PILOT agreement with RXR and received an administrative fee of \$10M. The PILOT began in 2017 and will benefit the City, its citizens 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’s (“redeveloper”) Garvies Point waterfront destination will bring 460 new jobs during the construction phase of 5-6 years, and 545 jobs post- completion. There will also be new tax revenues and new money infused into the Glen Cove economy.

RXR, their entities and the Beacon Condominium Owners was invoiced and paid \$4,828,310 in PILOT payments for the Garvies Point Project. All revenue was used to pay bond expense and the taxing jurisdictions received \$0 in PILOT Project Code (2801- 01A-2016). In 2024, \$54,691 was also paid to MuniCap, the administrator for the bonds, and **UMB Bank N.A.**, the Bond Trustee, for fees. The original Bond Trustee of the **Bank of NY Mellon** was replaced in 2024. ~\$1,506,087 had originally been drawn from the Debt Service Reserve Fund (DSRF) to pay off debt service requirements that were due on the bonds as of January 1, 2025. A Significant Event Notice detailing this transfer was posted on EMMA January 6th. Subsequently, it was determined that the Stabilization Fund, which held ~7.5M, should have first been used to pay off the interest due on the bonds and then go to the Turbo Redemption Fund (TRF) to partially pay off principal on the Series 2016B Bonds as outlined in the Indenture. Thus, ~\$1,506,087 was transferred from Stabilization back to the DSRF and the remaining \$5,310,000 was transferred from Stabilization to the TRF to partially pay off the Series B Bonds. The Stabilization Fund is now completely expended. This was a one-time event.

RXR reported no construction jobs with a total of 50 FTEs retained and 65 FTEs created for a total of 115 FTEs. RXR’s corporate address is 625 RXR Plaza, Uniondale, NY 11556 for both projects. The following are the real property tax payments and tax exemptions:

PAYMENTS MADE BY RXR GARVIES

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 80,206	\$ 697,045
Local	1,940,499	2,555,196
School	<u>2,806,338</u>	<u>6,064,487</u>
Total	<u>\$ 4,827,043</u>	<u>\$ 9,316,728</u>

All actual PILOT revenue received paid for bond expense. No PILOT revenue was received by affected jurisdictions.

Michael S. Puntillo Development Company

On December 28, 2016, the IDA entered into a PILOT agreement with Michael S. Puntillo Development Company, LLC. (“Samuel Pierce”) The PILOT began in 2017 and the IDA received an administrative fee of \$40,000. PILOT Payments of \$61,041 were paid in 2024. In 2024, 5 FTEs were reported by the management company. The corporate address is A-1 Realty Management, Inc., 1551 Franklin Avenue, 1st Floor, Mineola, New York 11501, Attention: Peter Alizo.

In 2024, the payments made by Samuel Pierce, PILOT and the amount of tax exemptions were as follows:

PAYMENTS MADE BY SAMUEL PIERCE

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 1,957	\$ 11,326
Local	16,220	93,854
School	<u>42,864</u>	<u>248,021</u>
Total	<u>\$ 61,041</u>	<u>\$ 353,201</u>

RXR Village Square Owner LLC

In December 2017, the IDA entered into a PILOT agreement with RXR Village Square. (“RXR VS”) Project code (2081-1-2017). The IDA received a fee of \$306,236. The PILOT began in 2019. RXR VS made a PILOT payment of \$194,267 in 2024 and reported 49 FTEs created and 8 retained for a total of 57 FTEs in 2024. RXR Village Square’s corporate address is 625 RXR Plaza, Uniondale, NY 11556.

The following are the real property tax payments and tax exemptions:

PAYMENTS MADE BY RXR VILLAGE SQUARE

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 1,926	\$ 10,827
Local	52,803	296,869
School	<u>139,538</u>	<u>784,512</u>
Total	<u>\$ 194,267</u>	<u>\$ 1,092,208</u>

135 Glen Cove Ave Corp (“Livingston”) - The Villas at Glen Cove

The IDA closed on the property known as The Villas with 135 Glen Cove Avenue Corp. in December 2021.

PILOT payments commenced in 2024 for the amount of \$161,499. The company reported 81 construction jobs in 2024. The corporate address of 135 Glen Cove Ave 2188 Kirby Lane Muttontown, NY 11791.

PAYMENTS MADE BY LIVINGSTON

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 15,023	\$ 27,513
Local	40,212	87,369
School	<u>106,265</u>	<u>241,156</u>
Total	<u>\$ 161,500</u>	<u>\$ 356,038</u>

Arcadia Landing LLC

In July 2021, the IDA closed on the Breton Hills property with Arcadia Landing LLC. The IDA Board approved sales tax exemptions for the project in April 2020. FTE employees amounted to 5 Full time jobs created at the project location; 30 construction jobs created. The project is not receiving a PILOT. The corporate address for Arcadia Landing LLC is 772 W. Beech Street, Long Beach, New York 11561. As of 2023, this project is now closed with the IDA.

Georgica Green Ventures LLC

In August 2020, the IDA granted sales and mortgage tax exemptions to the Georgica Green Ventures LLC (GGV) affordable housing project at Garvies Point. This project provides 55 units of affordable rental housing at the Waterfront. In 2019, the IDA Board consented to the transfer of Block G (part of Garvies Point) from RXR to Georgica Green. The closing on the property occurred in 2021 following IDA Board approval of a Payment in Lieu of Taxes (PILOT) extension. Block G, now known as The Green, was completed in 2023, with the housing lottery held in early 2023. A ribbon cutting was held in November 2023, attended by the Mayor’s Office, Glen Cove Community Development Agency/Industrial Development Agency (CDA/IDA), Nassau County local and State officials, and many others. The units are fully leased, with the developer’s management company working off a wait list. The CDA’s Housing Choice Voucher Program Office was able to relocate or accommodate 20+ voucher holders from its wait list. Forty units are available to residents earning up to 60% of the area median income (AMI), six units to residents earning up to 100% AMI, and eight units are reserved for Section 8 Project Based Vouchers.

In 2024 1 FTE retained jobs was reported and \$0 reported in sales tax exemption. Bond expenses of \$29,174 were reported in 2024. PILOT payments of \$63,205 were paid in 2024. The corporate address of Georgica Green is 50 Quadrangle, Suite 118, Jericho, New York 11753. The project is now completed and occupied.

PAYMENTS MADE BY GEORGICA GREEN

	<u>PILOT</u>	<u>EXEMPTIONS</u>
County	\$ 1,050	\$ 27,513
Local	25,409	87,369
School	<u>36,746</u>	<u>241,156</u>
Total	<u>\$ 63,205</u>	<u>\$ 356,038</u>

All actual PILOT revenue received paid for bond expense. No PILOT revenue was received by affected jurisdictions.



**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 Industrial Development Agency**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Glen Cove Industrial Development Agency ("Agency") 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 Agency's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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