

DOBBS FERRY LOCAL DEVELOPMENT CORPORATION AGENDA

MEETING DATE: MARCH 28, 2023

AGENDA ITEM SECTION: NEW BUSINESS

AGENDA ITEM NO.: 1

AGENDA ITEM: DISCUSSION OF CURRENT BALANCE SHEET AND REVIEW OF AUDIT; AND CONSIDER RESOLUTION TO APPROVE THE FINANCIAL REPORT FOR YEAR ENDING DECEMBER 31, 2021 AND DECEMBER 31, 2022

ITEM BACKUP DOCUMENTATION:

1. DRAFT RESOLUTION: APPROVING THE FINANCIAL REPORT FOR YEAR ENDING DECEMBER 31, 2021 AND DECEMBER 31, 2022
2. LETTER & ATTACHMENTS DATED MARCH 17, 2023 FROM JONATHAN B. GIBBS/PARTNER BST TO THE DOBBS FERRY LOCAL DEVELOPMENT CORPORATION
3. FINANCIAL REPORT DECEMBER 31, 2021 AND 2022

**RESOLUTION OF THE DOBBS FERRY LOCAL DEVELOPMENT CORPORATION
APPROVING THE FINANCIAL REPORTS FOR YEAR ENDING DECEMBER 31, 2021
AND DECEMBER 31, 2022**

WHEREAS, BST & Co. CPAs, LLP have performed an audit of the financial statements of the Village of Dobbs Ferry Local Development Corporation for year ending on December 31, 2021 and on December 31, 2022; and

WHEREAS, BST & Co. CPAs, LLP has provided a report summarizing certain matters required by professional standards to be communicated to the Board of Directors of the Dobbs Ferry Local Development Corporation in their oversight responsibility for the Corporation's financial reporting process.

NOW, THEREFORE, BE IT

RESOLVED that Dobbs Ferry Local Development Corporation hereby accepts and approves the Financial Report for year ending on December 31, 2021 and on December 31, 2022 as submitted by BST & Co. CPAs, LLP.



March 17, 2023

Board of Directors
Village of Dobbs Ferry Local Development Corporation
112 Main Street
Dobbs Ferry, New York 10522

Dear Members of the Board:

We are pleased to present this report related to our audit of the financial statements of the Village of Dobbs Ferry Local Development Corporation (Corporation) as of and for the year ended December 31, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Corporation's financial reporting process.

This report is intended solely for the information and use of the Board members and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to be of service to the Corporation.

Very truly yours,

BST & Co. CPAs, LLP

A handwritten signature in black ink, appearing to read "Jonathan B. Gibbs", is positioned below the typed name. The signature is fluid and cursive, with a large, stylized "J" and "G".

Jonathan B. Gibbs, Partner

JBG/ldb

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- Representation Letter

REQUIRED COMMUNICATIONS

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit, as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities with Regard to the Financial Statement Audit

Our responsibility under auditing standards generally accepted in the United States of America and *Governmental Auditing Standards* issued by the Comptroller General of the United States have been described to you in our arrangement letter dated January 17, 2023. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Corporation. During the year ended December 31, 2022, the Corporation implemented the provisions of GASB Statement No. 91, *Conduit Debt Obligations*. The implementation of this GASB Statement did not have a material effect on the Corporation's financial statements. The Corporation did not adopt or change any other accounting policies during the current year that materially impacted its financial statements.

Significant or Unusual Transactions

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Management's Judgments and Accounting Estimates

There are no sensitive accounting estimates in the Corporation's December 31, 2022, financial statements.



REQUIRED COMMUNICATIONS - CONTINUED

Audit Adjustments and Uncorrected Misstatements

There were no material audit adjustments made to the original trial balance presented to us to begin our audit.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultation's management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of the Corporation, including the representation letter provided to us by management, are attached as Exhibit A.



EXHIBIT A
SIGNIFICANT WRITTEN COMMUNICATIONS
BETWEEN MANAGEMENT AND OUR FIRM

Representation Letter



Village of Dobbs Ferry

Mayor

Vincent Rossillo

Board of Trustees

Nicole Sullivan – Deputy Mayor

Shari Rosen Ascher

Jessica Galen

Michael Patino

Matthew Rosenberg

Lawrence Taylor

**Village Administrator**

Richard Leins

Village Treasurer

Jeff Chuhta

Village Clerk

Elizabeth Dreaper

Village Justice

David Koenigsberg

BST & Co. CPAs, LLP
10 British American Blvd.
Latham, NY 12110

This representation letter is provided in connection with your audits of the financial statements of the Village of Dobbs Ferry Local Development Corporation (Corporation) as of and for the years ended December 31, 2022 and 2021, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of March 17, 2023:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated January 17, 2023, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party transactions, including those with the Village of Dobbs Ferry, New York, have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
8. We have no direct or indirect, legal or moral, obligation for any debt of any organization, public or private, or to special assessment bond holders, that is not disclosed in the financial statements.

Financial Statements - Continued

9. We have not completed the process of evaluating the effect from adopting the guidance in Governmental Accounting Standards Board Statements as discussed in Note 6 to the financial statements. The Corporation is, therefore, unable to disclose the effects that adopting the guidance in these accounting standards will have on its financial position and the results of operations when such guidance is adopted.
10. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the periods of these audits.
11. We have no knowledge of any uncorrected misstatements in the financial statements.

Information Provided

12. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audits;
 - c. Unrestricted access to persons within the Corporation from whom you determined it necessary to obtain audit evidence; and
 - d. Minutes of the meetings of the members and committees of members, or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. All transactions have been recorded in the accounting records and are reflected in the financial statements.
14. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
15. We have no knowledge of allegations of fraud or suspected fraud, affecting the Corporation's financial statements involving:
 - a. Management.
 - b. Employees who have significant roles in the internal control.
 - c. Others where the fraud could have a material effect on the financial statements.
16. We have no knowledge of any allegations of fraud or suspected fraud affecting the Corporation's financial statements received in communications from employees, former employees, analysts, regulators, or others.
17. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.

Information Provided - Continued

18. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements, and we have not consulted legal counsel concerning litigation or claims.
19. We have disclosed to you the identity of the Corporation's related parties and all related-party relationships and transactions of which we are aware.
20. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Corporation's ability to record, process, summarize, and report financial data.
21. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
22. During the course of your audits, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.
23. With respect to Management's Discussion and Analysis presented as required by Governmental Accounting Standards Board to supplement the basic financial statements:
 - a. We acknowledge our responsibility for the presentation of such required supplementary information.
 - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.

Compliance Considerations

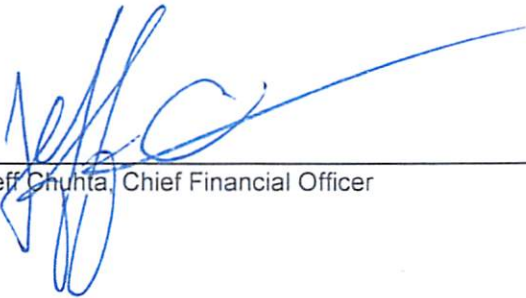
24. In connection with your audits conducted in accordance with *Government Auditing Standards*, we confirm that management:
 - a. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
 - b. Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Corporation.
 - c. Has identified and disclosed to you all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
 - d. Has identified and disclosed to you all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.
 - e. Has identified and disclosed to you all instances that have occurred, or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements.

Compliance Considerations - Continued

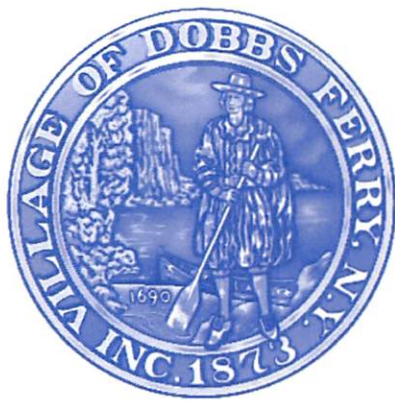
- a. Is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.
- b. Acknowledges its responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.
- c. as taken timely and appropriate steps to remedy fraud; noncompliance with provisions of laws, regulations, contracts and grant agreements; or abuse that you report.
- d. Has a process to track the status of audit findings and recommendations.
- e. Has identified for you previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- f. Has provided views on your reported findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report.

Very truly yours,

VILLAGE OF DOBBS FERRY
LOCAL DEVELOPMENT CORPORATION



Jeff Chunta, Chief Financial Officer



**Village of Dobbs Ferry
Local Development Corporation**

(A Component Unit of the Village of Dobbs Ferry, New York)

Financial Report

December 31, 2022 and 2021

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Financial Report

December 31, 2022 and 2021

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Independent Auditor's Report

Chairman and Corporation Board
Village of Dobbs Ferry Local Development Corporation
Dobbs Ferry, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Village of Dobbs Ferry Local Development Corporation (Corporation), a component unit of the Village of Dobbs Ferry, New York, as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 auditor's 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.

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2023, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

BST+Co.CPAs, LLP

Latham, New York
March 17, 2023



Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Management's Discussion and Analysis

December 31, 2022 and 2021

The following Management's Discussion and Analysis (MD&A) provides an introduction and overview of the financial activities and performance of the Village of Dobbs Ferry Local Development Corporation (Corporation) for the years ended December 31, 2022 and 2021. The MD&A is designed to assist the reader in focusing on significant matters. The following presentation is by necessity highly summarized, and in order to gain a thorough understanding of the Corporation's financial condition, the following financial statements, notes and supplementary information should be reviewed in their entirety.

Overview of Financial Statements

The Corporation's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board (GASB). The Corporation is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets, if any, are capitalized and are depreciated over their useful lives. See *Notes to the Financial Statements* for a summary of the Corporation's significant accounting policies.

The *Statements of Net Position* present information on the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Corporation's financial position.

The *Statements of Revenues, Expenses, and Changes in Net Position* present information showing how the Corporation's net position changed during the most recent years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in these statements for some items will result in cash flows in future periods.

The *Statements of Cash Flows* relate to the flows of cash. Consequently, only transactions that affect the Corporation's cash accounts are recorded in these statements. A reconciliation is provided at the bottom of the statement of cash flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

Financial Highlights

In 2010, the Corporation was formed and began implementing strategies to support economic activity in the Village of Dobbs Ferry, New York (Village) that is otherwise not permissible under New York State law by the Village.

From 2010 through 2014, the Corporation successfully closed on several development projects, which consisted of the Children's Village Project, the Masters School Project and the Mercy College Project. In total, conduit bonds in excess of \$81 million were issued to help secure financing for the aforementioned projects.

No other projects have been brought before the Corporation for action as of the date of this report.

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Management's Discussion and Analysis December 31, 2022 and 2021

Financial Analysis of the Corporation

The tables below present condensed financial information derived from the Corporation's financial statements as of and for the years ended December 31, 2022, 2021, and 2020.

Condensed Statements of Net Position

	2022	2021	2020	Increase (Decrease) 2022-2021	Increase (Decrease) 2021-2020
Current assets	\$ 60,219	\$ 62,117	\$ 63,050	\$ (1,898)	\$ (933)
Current liabilities	1,104	-	-	1,104	-
Net position	<u>\$ 59,115</u>	<u>\$ 62,117</u>	<u>\$ 63,050</u>	<u>\$ (3,002)</u>	<u>\$ (933)</u>

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2022	2021	2020	Increase (Decrease) 2022-2021	Increase (Decrease) 2021-2020
Operating revenues	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	\$ -
Non-operating revenues	474	67	330	407	(263)
Total revenues	2,474	2,067	2,330	407	(263)
Operating expenses	5,476	3,000	3,821	(821)	(821)
Change in net position	<u>\$ (3,002)</u>	<u>\$ (933)</u>	<u>\$ (1,491)</u>	<u>\$ (2,069)</u>	<u>\$ 558</u>

The Corporation's operating revenues consist of annual fees for services. These annual fees are paid by the organizations that issued conduit bonds through the Corporation. Annual operating expenses consist of professional services for legal and auditing arrangements. In addition, the Corporation incurs professional development expenses for allowable projects. Expenses for professional development projects vary from year to year depending upon the Corporation's resources and needs of the Village.

Contacting the Corporation's Financial Management

This financial report is designed to provide a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the funds it receives. If you have any questions about this report or need additional financial information, please contact:

Village Administrator
Village of Dobbs Ferry
112 Main Street
Dobbs Ferry, New York 10522.

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Statements of Net Position

		December 31,	
		2022	2021
ASSETS			
CURRENT ASSETS			
Cash		\$ 58,219	\$ 59,117
Accounts receivable		2,000	3,000
		<u>\$ 60,219</u>	<u>\$ 62,117</u>
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Due to the Village		\$ 1,104	\$ -
NET POSITION			
Unrestricted		59,115	62,117
		<u>\$ 60,219</u>	<u>\$ 62,117</u>

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended December 31,	
	2022	2021
OPERATING REVENUES		
Administrative fees	\$ 2,000	\$ 2,000
OPERATING EXPENSES		
Professional fees	5,476	3,000
Operating loss	(3,476)	(1,000)
OTHER INCOME		
Interest income	474	67
Change in net position	(3,002)	(933)
NET POSITION, <i>beginning of year</i>	62,117	63,050
NET POSITION, <i>end of year</i>	\$ 59,115	\$ 62,117

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Statements of Cash Flows

	Years Ended December 31,	
	2022	2021
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Receipts from customers	\$ 3,000	\$ 2,000
Payments to vendors	(4,372)	(3,000)
	<u>(1,372)</u>	<u>(1,000)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		
Interest income earned	<u>474</u>	<u>67</u>
Net decrease in cash	(898)	(933)
CASH, beginning of year	<u>59,117</u>	<u>60,050</u>
CASH, end of year	<u>\$ 58,219</u>	<u>\$ 59,117</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating loss	\$ (3,476)	\$ (1,000)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities		
(Increase) decrease in		
Accounts receivable	1,000	(1,000)
Due from the Village	-	1,000
(Decrease) increase in		
Due to the Village	<u>1,104</u>	<u>-</u>
	<u>\$ (1,372)</u>	<u>\$ (1,000)</u>

See accompanying Notes to Financial Statements.

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Organization and Summary of Significant Accounting Policies

a. Business Organization

The Dobbs Ferry Local Development Corporation (Corporation) was incorporated in November 2010 under Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The mission of the Corporation is to conduct activities that will relieve and reduce unemployment, promote and provide for additional maximum employment, improve and maintain job opportunities, lessen the burdens of government, and act in the public interest. The sole member of the Corporation is the Village of Dobbs Ferry, New York (Village) acting by and through its Mayor, ex officio. The Corporation is managed by a Board of Directors consisting of not less than three but no more than seven Directors that serve at the pleasure of the Village. The Corporation is considered a component unit of the Village. The Village is not liable for the bonds or notes of the Corporation.

The income of the Corporation is exempt from Federal, State and local income taxes.

b. Basis of Accounting and Financial Statement Presentation

The accounts of the Corporation are maintained in a single proprietary fund on the economic resource's measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for government entities. The Governmental Accounting Standards Board (GASB) is the primary standard-setting body for establishing governmental accounting and financial reporting principles. With this measurement focus, all assets and liabilities associated with operations are included on the statements of net position.

c. Net Position

The following terms are used in reporting net position:

- Net Investment in Capital Assets - consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - is reported as restricted when constraints placed on net position use are either:
 - Externally imposed by creditors (such as debt covenants), grantors, contributors, laws, or regulations of other governments, or
 - Imposed by law through constitutional provisions or enabling legislation.
- Unrestricted - is the net amount of assets and liabilities that is not included in the determination of the net investment in capital assets or restricted components of net position described above.

d. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Notes to Financial Statements December 31, 2022 and 2021

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

e. Adoption of New Accounting Standard

Effective January 1, 2022, the Corporation implemented the provisions of GASB Statement No. 91, *Conduit Debt Obligations*. The implementation of this GASB Statement did not have a material effect on the Corporation's financial statements.

f. Subsequent Events

The Corporation has evaluated subsequent events for potential recognition or disclosure through March 17, 2023, the date the financial statements were available to be issued.

Note 2 - Cash

In accordance with the provisions of Section 10 of the General Municipal Law of New York State, all Corporation deposits, including certificates of deposit and special time deposits in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC) under the provisions of the Federal Deposit Insurance Act, must be collateralized by a pledge of eligible securities, letters of credit, or surety bonds. As of December 31, 2022, and 2021, the FDIC insurance or collateral held by the pledging bank's trust department in the Authority's name, was sufficient to secure the Corporation's deposits.

The Corporation's investment policies are governed by state statutes. In addition, the Corporation has its own written investment policy. Corporation monies must be deposited in FDIC insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, obligations of New York State or its localities, and Certificates of Participation.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the federal government.

Note 3 - Industrial Revenue Bond and Note Transactions

Revenue bonds and notes issued by the Corporation are secured by loan agreements from organizations that utilized the proceeds for various projects. The repayment terms of the loan agreements match the repayment terms of the bonds and notes issued by the Corporation. The bonds and notes are considered conduit debt and, therefore, are not obligations of the Corporation or the Village. As such, the Corporation does not record the assets resulting from completed loan agreements or liabilities resulting from completed bonds and notes issued in its accounts. The Corporation's primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising there from are controlled by trustees or banks acting as fiscal agents. For providing this service, the Corporation receives administrative fees from the borrowing organizations. Such administrative fee income is recognized upon authorization and closing of bonds and notes.

Revenue bonds and notes outstanding at December 31, 2022 and 2021, were follows:

Obligor	Original Issue Amount	Original Issue Date	Current Interest Rate	Outstanding December 31, 2021	Principal Payments 2022	Outstanding December 31, 2022	Final Maturity Date
The Masters School Project	\$ 32,000,000	06/13	2.95%	\$ 26,807,931	\$ (969,900)	\$ 25,838,031	7/43
Mercy College Project	36,855,000	07/14	4.0% - 5.0%	36,855,000	-	36,855,000	7/44
				<u>\$ 63,662,931</u>	<u>\$ (969,900)</u>	<u>\$ 62,693,031</u>	

Village of Dobbs Ferry Local Development Corporation

(A Component Unit of the Village of Dobbs Ferry, New York)

Notes to Financial Statements December 31, 2022 and 2021

Note 4 - Accounting Pronouncements Issued But Not Yet Implemented

The Corporation has not yet implemented the following accounting pronouncements:

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as an infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which GASB defines in this statement as a PPP in which: (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Under this statement, a government generally should recognize a right-to-use subscription asset and a corresponding subscription liability. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 99, *Omnibus 2022*. This statement addresses a variety of topics. The requirements of this statement related to the extension of the sue of LIBOR, accounting for Supplement Nutrition Assistance Program distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of the provisions of GASB Statement No. 34, *Basis Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended, and terminology updates related to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, were effective upon issuance of the statement in April 2022. The requirements of this statement related to leases, PPPs, and SBITAs are effective for reporting periods beginning after June 15, 2022. The requirements of this statement related to financial guarantees and the classification of reporting of derivative instruments within the scope of GASB 53 are effective for reporting periods beginning after June 15, 2023.

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Notes to Financial Statements December 31, 2022 and 2021

Note 4 - Accounting Standards Issued But Not Yet Implemented - Continued

GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and change to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting – understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements. This statement prescribes the accounting and financial reporting for (1) each type of accounting changes and (2) error corrections. This statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This statement requires disclosures in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about quantitative effects of beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information and supplementary information. For periods that are earlier than those included in the basic financial statements, information presented as required supplementary information and supplementary information should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical

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Notes to Financial Statements

December 31, 2022 and 2021

Note 4 - Accounting Standards Issued But Not Yet Implemented - Continued

information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

Management has not estimated the extent of the potential impact of these statements on the Corporation's financial statements.



**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**

Board of Directors
Village of Dobbs Ferry Local Development Corporation
Dobbs Ferry, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Village of Dobbs Ferry Local Development Corporation (Corporation), a component unit of the Village of Dobbs Ferry, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated March 17, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph 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 Compliance and Other Matters

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

Purpose of this Report

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

BST+Co.CPAs, LLP

Latham, New York
March 17, 2023

