

Yonkers Parking Authority

Financial Statements

with Supplementary Information

Year Ended December 31, 2025

Yonkers Parking Authority

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Required Supplementary Information Management's Discussion and Analysis	4
Statement of Net Position	10
Statement of Revenues, Expenses and Changes in Net Position	11
Statement of Cash Flows	12
Comparative Statement of Revenues and Expenses - Budget and Actual	13
Notes to Financial Statements	17
Required Supplementary Information Other Postemployment Benefits - Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios	33
New York State and Local Employees' Retirement System Schedule of the Authority's Proportionate Share of the Net Pension Liability (Asset)	35
Schedule of Contributions	35
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>	37



Independent Auditors' Report

**The Board of Directors of the
Yonkers Parking Authority**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Yonkers Parking Authority ("Authority") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority'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 Authority, as of December 31, 2025, and the respective changes in financial position and cash flows thereof for the year then ended and the comparative statement of revenues and expenses budget and actual for the years ended December 31, 2025 and 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, 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.

Emphasis of Matter – Change in Presentation of Financial Information

As discussed in Note 1 to the financial statements, during the year ended December 31, 2025, the Authority changed its presentation of financial information. In prior years, the Authority presented combining schedules that reported revenues and expenses separately for the Yonkers Parking Authority, Government Center Garage, and Buena Vista Garage, along with a combined total. During the current year, the Authority's Board of Directors adopted a resolution no longer requiring this level of disaggregated presentation. Accordingly, the Authority now presents only total actual revenues and expenses and no longer reports individual combining information for these operations. This change was made in accordance with Governmental Accounting Standards Board Statement No. 100, "*Accounting Changes and Error Corrections*." 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 Authority'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 Authority'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 Authority'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.

Report on Comparative Information

We have previously audited the Authority's 2024 financial statements, and we expressed an unmodified opinion on the financial statements in our report dated April 10, 2025. In our opinion, the comparative information presented herein for the Comparative Statement of Revenues and Expenses – Budget and Actual for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2026 on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

April 24, 2026

Yonkers Parking Authority

Management's Discussion and Analysis ("MD&A")
December 31, 2025

Introduction

The management of the Yonkers Parking Authority ("Authority") offers this overview and analysis of the financial activities of the Authority for the year ended December 31, 2025. This document should be read and considered in conjunction with the combined financial statements, which immediately follow this section, in order to enhance the understanding of the Authority's financial performance.

Financial Highlights

Comparative revenues, expenses and changes in net position are summarized below. Refer to the Authority's combined financial statements for the complete Statement of Activities.

	Years Ended December 31,	
	2025	2024
Operating Revenues	\$ 7,610,370	\$ 7,397,352
Non-Operating Revenues	58,000	42,669
Total Revenues	<u>7,668,370</u>	<u>7,440,021</u>
Operating Expenses	8,250,354	10,129,601
Non-Operating Expenses	81,560	87,305
Total Expenses	<u>8,331,914</u>	<u>10,216,906</u>
Change in Net Position	<u>\$ (663,544)</u>	<u>\$ (2,776,885)</u>

In 2025, the Authority had a decrease in net position of \$663,544 as compared to a decrease of \$2,776,885 in 2024, an improvement of \$2,113,341. There are several factors that drove this change. While the Authority saw operating revenues increase by \$228,349 in 2025, this was partially offset by operating expenses (exclusive of other postemployment benefits) reflecting an increase of \$173,245 (2.6%) compared to the prior year. Accordingly, the main factor driving the balance of the year over year improvement in the change in net position was the decrease in the operating expense recorded for other postemployment benefits, recorded in accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" ("OPEB"). Based upon the actuarially determined calculation with updated assumptions, the amount reflected in operating expenses in 2025 of \$1,531,233 for other postemployment benefits was \$2,052,492 less than the amount reported in 2024 of \$3,583,725.

Overview of the Financial Statements

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. The objective of these standards is to enhance the understandability and usefulness of the external financial reports issued by public authorities.

The financial statement presentation consists of a *Statement of Net Position*, a *Statement of Revenues, Expenses and Changes in Net Position*, a *Statement of Cash Flows*, a *Statement of Revenues and Expenses – Budget and Actual* and accompanying *Notes to Financial Statements*. These statements provide information on the financial position of the Authority and the financial activity and results of its operations during the year. A description of these statements follows:

The *Statement of Net Position* presents information on all of the Authority's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing the change in the Authority's net position during the most recent fiscal year. 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 this statement include items that will result in cash flows in future fiscal periods (for example, the receipt of amounts due from other governments as well as compensated absences, OPEB and net pension liabilities).

The *Statement of Cash Flows* provides information on the major sources and uses of cash during the most recent fiscal year. The statement of cash flows portrays net cash provided or used from operating activities, capital and related financing activities and investing activities.

The *Statement of Revenues, Expenses – Budget and Actual* provides information comparing budgeted expectations with actual results of operations.

Statement of Net Position (Condensed)

The statement of net position presents the financial position of Authority at the end of its fiscal year. A more detailed Statement of Net Position appears in the Authority's financial statements.

	December 31,	
	2025	2024
Current Assets	\$ 5,220,930	\$ 3,906,744
Capital Assets, Net	7,678,547	7,692,621
Total Assets	12,899,477	11,599,365
Deferred Outflows of Resources	971,620	1,197,690
Current Liabilities	980,721	698,680
Non-Current Liabilities		
Due Within One Year	936,142	936,771
Due In More Than One Year	21,963,115	20,844,539
Total Liabilities	23,879,978	22,479,990
Deferred Inflows of Resources	1,005,696	668,098
Net Position	\$ (11,014,577)	\$ (10,351,033)

Current Assets

Current assets as of December 31, 2025 of \$5,220,930 consist of cash and equivalents, receivables and prepaid expenses. Current assets increased by \$1,314,186 primarily as a result of a better cash position and new lease agreements whereby the Authority is the lessor.

Current Liabilities and Non-Current Liabilities Due Within One Year

Current liabilities and non-current liabilities due within one year consist of accounts payable of \$356,108, accrued expenses and taxes of \$252,963, interest payable of \$20,683, unearned revenues of \$350,673, the current portion of revenue bonds payable of \$310,000, the current portion of loans payable of \$72,142, the current portion of compensated absences payable of \$34,000 and the current portion of other postemployment benefits of \$520,000.

Non-Current Liabilities Due in More Than One Year

The non-current liabilities consist of the amounts due in more than one year for revenue bonds payable, loans payable, compensated absences, other postemployment benefit liability and net pension liability. As of December 31, 2025, the non-current portion of revenue bonds payable was \$1,650,000, the non-current portion of loans payable was \$513,677, the non-current portion of the compensated absences was \$310,419, the other postemployment benefit liability was \$18,515,480 and the non-current portion of the net pension liability was \$973,539. The total amount of non-current liabilities amounts to \$21,963,115.

Capital Assets

The Authority established the following capitalization thresholds effective January 1, 2018 for the following groups of assets:

Office equipment	\$	1,000
Parking lot improvements		5,000
Capital construction		2,000
Highway and street equipment		1,000
Automobiles and trucks		1,000
Right-to-use leased assets		1,000

Assets that are capitalized will be depreciated/amortized over their estimated useful lives. Depreciation/amortization will be calculated on the straight-line basis, (with no salvage value), using estimated useful lives as follows:

Land	no depreciation
Office equipment	7 years
Parking lot improvements	40 years
Capital construction	40 years
Highway and street equipment	10 years
Automobiles and trucks	5 years
Right-to-use leased assets	Lease term

This resulted in a depreciation/amortization expense for the year ended December 31, 2025 of \$440,422.

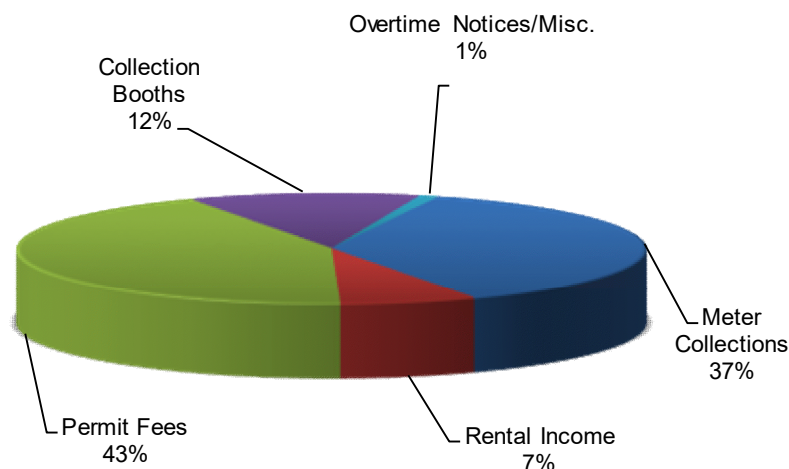
A comparative summary of capital assets is as follows:

	December 31,	
	2025	2024
Capital Assets:		
Land (Permit of Use)	\$ 698,231	\$ 698,231
Construction-in-progress	-	2,900,000
Office equipment	347,003	347,003
Automobile and trucks	1,411,870	1,319,970
Parking meters and lot equipment	1,423,971	1,367,077
Parking lot and garage improvements	10,223,360	7,045,806
Right-to-use leased land	241,754	241,754
Right-to-use leased equipment	12,001	12,001
Total Capital Assets	14,358,190	13,931,842
Less Accumulated Depreciation/Amortization:		
Office equipment	330,883	322,943
Automobile and trucks	1,313,664	1,270,607
Parking meters and lot equipment	874,853	739,327
Parking lot and garage improvements	3,906,488	3,652,589
Right-to-use leased land	241,754	241,754
Right-to-use leased equipment	12,001	12,001
Total Accumulated Depreciation/Amortization	6,679,643	6,239,221
Capital Assets, Net	\$ 7,678,547	\$ 7,692,621

Statement of Revenues, Expenses and Change in Net Position

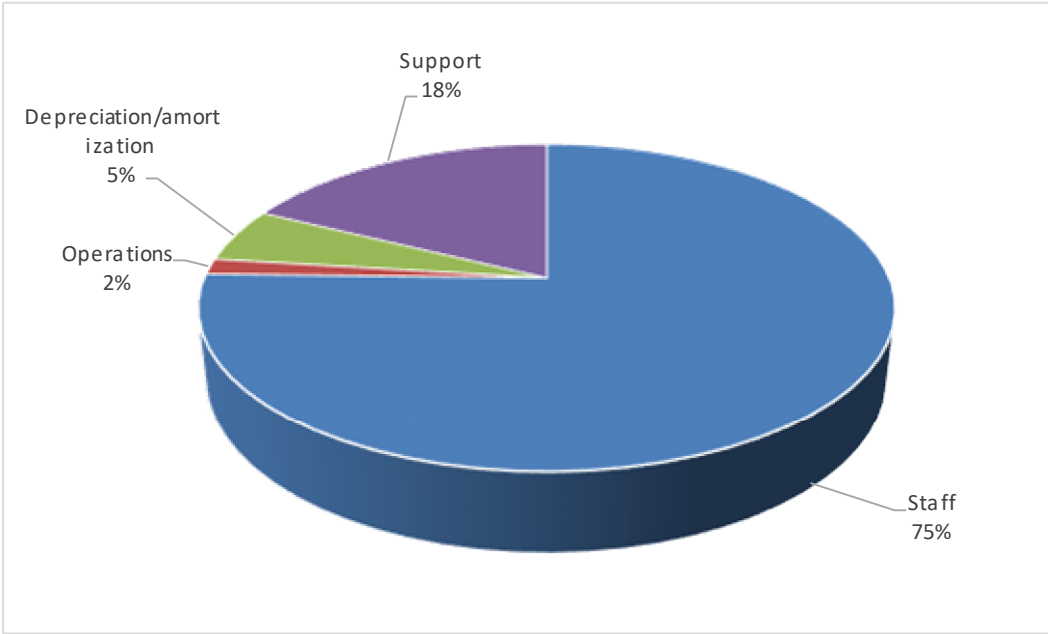
The statement of revenues, expenses and change in net position presents the Authority's results of operations. The Authority also presents information regarding details of revenues and expenses as it relates to the Authority's adopted/final budgets. Refer to the Authority's financial statements following this MD&A for more detail. Total operating revenues of the Authority for the year ended December 31, 2025 were \$7,610,370.

Operating Revenues 2025



Revenues from permit fees are the largest source of revenue administered by the Authority and represent 43% of total revenues generated. Meter collections represent 37% of total revenues, followed by collection booths at 12%, rental income at 7% and overtime notices issued by our security personnel and miscellaneous revenue at 1%.

Operating Expenses 2025



Total expenses for the year were \$8,331,914. Operating expenses totaled \$8,250,354 and non-operating expenses totaled \$81,560.

Economic Factors That Will Affect the Future

Economic Development - Downtown Yonkers and Technology

The revitalization and expansion of downtown Yonkers continues and has resulted in added parking needs providing added revenues at the Buena Vista Garage and surrounding parking zones. This continued development has led to increased lot and meter rental for construction equipment storage.

The Authority continues to grow revenues through the use of pay-by-app technology.

In the coming years, the use of stand-alone meters could be phased out and replaced by the Parkmobile app.

Capital Investment Program

In order to maintain current levels of service and gauge future capital needs, we have developed a capital investment plan. However, in spite of increased parking demands in the downtown area, increasing operating costs, combined with uncertainty of a significant portion of future revenues, demands a cautious approach in outlaying the funds for such expenses, necessary though they may be. In the past, the Authority has used reserve funds for capital expenses. However, this reserve should be utilized only as an emergency reserve fund.

Infrastructure

As part of its Capital Investment Program, the Authority has allocated funds for necessary capital upgrades.

Despite daily maintenance of our garages, the physical deterioration due to normal wear and tear, as well as years of weather-related issues, the Authority's facilities require timely renovation to avoid costlier restorations in the future. The Buena Vista Garage ("BVG") and the Government Center Garage ("GCG") were in need of substantial repairs, which have been completed. We had procured a bond in the amount of \$3 million to help with the cost of refurbishing the GCG, along with the City.

We have replaced two cars in our fleet this year, along with new fencing in a lot. In accordance with the Capital Investment Program, we have begun repaving lots and performing deferred maintenance where necessary.

Electric Car Charging Stations/Vehicle Sharing

The use of electric cars is promoted and encouraged in the Authority's facilities. Currently, GCG has 24 locations for charging electric cars. BVG has 14 charging stations. The charging stations are used daily in the garages. Electric charging stations have also been installed on street parking and in various lots. We are beginning to see revenue. All of the above initiatives will result in greater efficiency, convenience and safety for our customers.

Economic Overview

The continued economic developments in Yonkers have boded well for the YPA, as permit revenues have increased for the first time in years. The overall economy projections are positive however YPA is facing a possible slowdown in revenues unless additional facilities are built.

During 2026, an additional lot in downtown Yonkers will open, providing much needed parking for the area.

Ongoing public/private developments throughout Yonkers, especially in the downtown area, promise a bright outlook for the future of the citizens of Yonkers. The projects in question will require additional parking capacity, resulting in potential new revenues for the Authority and likewise promising a more positive outlook for the Authority's future.

Request for Information

This financial report provides a general overview of the Authority's fiscal health. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to Ms. Gail Burns, Executive Director, Yonkers Parking Authority, 8 Buena Vista Avenue, Yonkers NY 10701.

Yonkers Parking Authority

Statement of Net Position

December 31, 2025

ASSETS

Current assets

Cash and equivalents	\$ 3,766,674
Accounts receivable	407,572
Leases receivable	926,286
Prepaid expenses	120,398

Total Current Assets 5,220,930

Non-current assets

Capital assets

Not being depreciated	698,231
Being depreciated, net	6,980,316

Total Non-Current Assets 7,678,547

Total Assets 12,899,477

DEFERRED OUTFLOWS OF RESOURCES

Pension related 971,620

LIABILITIES

Accounts payable	356,108
Accrued expenses and taxes	252,963
Accrued interest payable	20,683
Due to City of Yonkers	294
Unearned revenues	350,673

Total Current Liabilities 980,721

Non-current liabilities

Due within one year	936,142
Due in more than one year	21,963,115

Total Non-Current Liabilities 22,899,257

Total Liabilities 23,879,978

DEFERRED INFLOWS OF RESOURCES

Leases related	911,770
Pension related	93,926

Total Deferred Inflows of Resources 1,005,696

NET POSITION

Net investment in capital assets	5,132,728
Unrestricted	(16,147,305)

Total Net Position \$ (11,014,577)

See notes to financial statements.

Yonkers Parking Authority

Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2025

OPERATING REVENUES

Permits, fees and other revenues \$ 7,610,370

OPERATING EXPENSES

Staff 4,689,906
Other postemployment benefits 1,531,233
Operations 126,990
Support 1,461,803
Depreciation/amortization 440,422

Total Operating Expenses 8,250,354

Loss from Operations (639,984)

NONOPERATING REVENUES (EXPENSES)

Interest income 58,000
Interest expense (81,560)

Total Nonoperating Expenses (23,560)

Change in Net Position (663,544)

NET POSITION

Beginning (10,351,033)

Ending \$ (11,014,577)

See notes to financial statements.

Yonkers Parking Authority

Statement of Cash Flows
Year Ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from permits, fees and other revenues	\$ 7,452,055
Payments to suppliers	(1,441,733)
Payments to employees and for benefits	(4,786,963)
	<hr/>
Net Cash from Operating Activities	1,223,359

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	(426,348)
Principal paid on loan	(68,771)
Interest paid on loan	(36,406)
Principal paid on revenue bonds	(300,000)
Interest paid on revenue bonds	(45,154)
	<hr/>
Net Cash from Capital and Related Financing Activities	(876,679)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	58,000
	<hr/>
Net Change in Cash and Equivalents	404,680

CASH AND EQUIVALENTS

Beginning of Year	3,361,994
	<hr/>
End of Year	\$ 3,766,674

RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES

Loss from operations	\$ (639,984)
Adjustments to reconcile income from operations to net cash from operating activities	
Depreciation	440,422
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources	
Accounts receivable	(213,443)
Leases receivable	(804,139)
Prepaid expenses	108,076
Deferred outflows of resources - ERS	226,070
Accounts payable	38,984
Accrued expenses and taxes	180,855
Unearned revenues	62,202
Compensated absences	(137,002)
Net pension liability	92,487
Other postemployment benefit liability payable	1,531,233
Deferred inflows of resources-leases	797,065
Deferred inflows of resources-OPEB	(459,467)
	<hr/>
Net Cash from Operating Activities	\$ 1,223,359

See notes to financial statements.

Yonkers Parking Authority

Comparative Statement of Revenues and Expenses - Budget and Actual
Years Ended December 31,

	2025			
	Adopted Budget	Final Budget	Actual	Variance with Final Budget
OPERATING REVENUES				
Permits, fees and other revenues				
Meter collections	\$ 2,603,046	\$ 2,603,046	\$ 2,846,758	\$ 243,712
Rental income	107,450	107,450	516,250	408,800
Permit fees	3,259,491	3,259,491	3,267,082	7,591
Collection booths	975,401	975,401	904,858	(70,543)
Overtime notices	44,175	44,175	54,000	9,825
Miscellaneous	-	-	21,422	21,422
	<u>6,989,563</u>	<u>6,989,563</u>	<u>7,610,370</u>	<u>620,807</u>
Reimbursement from City of Yonkers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Revenues	<u>\$ 6,989,563</u>	<u>\$ 6,989,563</u>	<u>\$ 7,610,370</u>	<u>\$ 620,807</u>
OPERATING EXPENSES				
Staff				
Personnel	\$ 3,129,744	\$ 3,129,744	\$ 2,910,135	\$ 219,609
Employee benefits	1,564,469	1,564,469	1,248,372	316,097
Payroll taxes	242,694	242,694	224,574	18,120
Retirement benefits	483,912	483,912	306,825	177,087
	<u>\$ 5,420,819</u>	<u>\$ 5,420,819</u>	<u>\$ 4,689,906</u>	<u>\$ 730,913</u>
Other postemployment benefits	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,531,233</u>	<u>\$ (1,531,233)</u>
Operations				
Telephone	\$ 24,996	\$ 24,996	\$ 27,949	\$ (2,953)
Postage	2,000	2,000	2,226	(226)
Printing	1,000	1,000	33	967
Advertising	2,000	2,000	64,692	(62,692)
Office supplies	51,000	51,000	32,090	18,910
	<u>\$ 80,996</u>	<u>\$ 80,996</u>	<u>\$ 126,990</u>	<u>\$ (45,994)</u>

2024			
Adopted Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,561,839	\$ 2,561,839	\$ 2,738,586	\$ 176,747
475,152	475,152	482,485	7,333
3,084,229	3,084,229	3,148,018	63,789
731,232	731,232	771,356	40,124
57,180	57,180	41,145	(16,035)
9,636	9,636	48,867	39,231
6,919,268	6,919,268	7,230,457	311,189
-	-	166,895	166,895
<u>\$ 6,919,268</u>	<u>\$ 6,919,268</u>	<u>\$ 7,397,352</u>	<u>\$ 478,084</u>
\$ 2,848,204	\$ 2,848,204	\$ 2,734,152	\$ 114,052
1,451,052	1,451,052	1,365,584	85,468
226,344	226,344	221,665	4,679
359,880	359,880	473,053	(113,173)
<u>\$ 4,885,480</u>	<u>\$ 4,885,480</u>	<u>\$ 4,794,454</u>	<u>\$ 91,026</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,583,725</u>	<u>\$ (3,583,725)</u>
\$ 21,884	\$ 21,884	\$ 26,168	\$ (4,284)
4,200	4,200	1,487	2,713
1,992	1,992	-	1,992
4,992	4,992	1,596	3,396
53,988	53,988	29,850	24,138
<u>\$ 87,056</u>	<u>\$ 87,056</u>	<u>\$ 59,101</u>	<u>\$ 27,955</u>

(Continued)

Yonkers Parking Authority

Comparative Statement of Revenues and Expenses - Budget and Actual (Continued)
 Years Ended December 31,

	2025			Variance with Final Budget
	Adopted Budget	Final Budget	Actual	
OPERATING EXPENSES (Cont'd)				
Support				
Insurance	\$ 372,792	\$ 372,792	\$ 385,566	\$ (12,774)
Utilities	188,996	188,996	246,247	(57,251)
Professional fees	83,996	83,996	86,989	(2,993)
Uniforms	11,004	11,004	13,238	(2,234)
Fuel	30,000	30,000	25,767	4,233
Rent	257,400	257,400	185,700	71,700
Service agreements	163,656	163,656	227,818	(64,162)
Repairs and maintenance	138,296	138,296	106,060	32,236
Facility maintenance	85,692	85,692	86,123	(431)
Tuition/board	2,496	2,496	2,884	(388)
Bank charges	58,321	58,321	94,981	(36,660)
Miscellaneous	11,296	11,296	430	10,866
Cooperative agreement expense	33,864	33,864	-	33,864
	<u>\$ 1,437,809</u>	<u>\$ 1,437,809</u>	<u>\$ 1,461,803</u>	<u>\$ (23,994)</u>
Depreciation/amortization	<u>\$ 405,154</u>	<u>\$ 405,154</u>	<u>\$ 440,422</u>	<u>\$ (35,268)</u>
Total Operating Expenses	<u>\$ 7,344,778</u>	<u>\$ 7,344,778</u>	<u>\$ 8,250,354</u>	<u>\$ (905,576)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	\$ 34,767	\$ 34,767	\$ 58,000	\$ 23,233
Interest expense	-	-	(81,560)	(81,560)
Appropriation of fund balance	<u>(84,706)</u>	<u>(84,706)</u>	<u>-</u>	<u>84,706</u>
	<u>\$ (49,939)</u>	<u>\$ (49,939)</u>	<u>\$ (23,560)</u>	<u>\$ 26,379</u>

See independent auditors' report.

2024			
Adopted Budget	Final Budget	Actual	Variance with Final Budget
\$ 320,280	\$ 320,280	\$ 285,864	\$ 34,416
107,004	107,004	224,267	(117,263)
83,988	83,988	82,855	1,133
21,000	21,000	6,919	14,081
39,996	39,996	26,386	13,610
257,400	257,400	253,200	4,200
181,440	181,440	200,158	(18,718)
97,630	97,630	105,700	(8,070)
51,484	51,484	85,537	(34,053)
3,000	3,000	2,964	36
60,000	60,000	66,286	(6,286)
15,704	15,704	694	15,010
-	-	-	-
<u>\$ 1,238,926</u>	<u>\$ 1,238,926</u>	<u>\$ 1,340,830</u>	<u>\$ (101,904)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351,491</u>	<u>\$ (351,491)</u>
<u>\$ 6,211,462</u>	<u>\$ 6,211,462</u>	<u>\$ 10,129,601</u>	<u>\$ (3,918,139)</u>
\$ 21,120	\$ 21,120	\$ 42,669	\$ 21,549
(542,868)	(542,868)	(87,305)	455,563
(186,058)	(186,058)	-	186,058
<u>\$ (707,806)</u>	<u>\$ (707,806)</u>	<u>\$ (44,636)</u>	<u>\$ 663,170</u>

Yonkers Parking Authority

Notes to Financial Statements
Year Ended December 31, 2025

Note 1 - Summary of Significant Accounting Policies

Organization

The Yonkers Parking Authority ("Authority") was formed in 1964, with an intended life of 35 years, for the purpose of constructing, operating and maintaining the parking facilities in the City of Yonkers, New York ("City"). The termination date has been extended under the Public Authorities Law through the final redemption of any and all revenue bonds. The Authority is a public benefit corporation organized under the laws of the State of New York.

The City constructed a public parking facility known as the Government Center Garage ("Garage"). On November 1, 1978, and by amendment dated December 10, 1979, the City entered into an agreement with the Authority whereby the Authority operates and maintains the Garage. All operating revenues in excess of the Authority's cost of operation are retained by the Authority.

The City constructed a public parking facility known as the Buena Vista Garage ("Buena Vista"). In February 2004, the City entered into an agreement with the Authority whereby the Authority operates and maintains the Garage. If the reimbursable expenses exceed the receipts, then the City will reimburse the Authority.

The accompanying financial statements include the accounts of the Authority, the Garage and Buena Vista.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). These principles define the accounting for the operations of various fund types utilized by governmental entities, including the proprietary fund type which the Authority utilizes. Proprietary funds are described as follows:

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing board is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from the resources of the fund or through the issuance of debt, and such assets and liabilities are recorded in the fund.

In accordance with GAAP, the Authority utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. The principal operating revenue of the Authority is daily parking fees and monthly permits. Operating expenses include personnel services and benefits, utilities and maintenance costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Data

The Authority's administration prepares a proposed budget for the approval by the Board of Directors.

The following categories of expenses exceeded their budgetary provisions by the amounts indicated:

Other postemployment benefits	\$ 1,531,233
Operations:	
Telephone	2,953
Postage	226
Advertising	62,692
Support:	
Insurance	12,774
Utilities	57,251
Professional fees	2,993
Uniforms	2,234
Service agreements	64,162
Facility maintenance	431
Tuition/board	388
Bank charges	36,660
Depreciation/amortization	35,268
Interest expense	81,560

Accounts Receivable

Accounts receivable include amounts due from customers for services provided by the Authority. Accounts receivable are recorded and revenues recognized as earned. Allowances are recorded when appropriate.

Leases Receivable

The Authority is a lessor for a noncancellable lease of parking space. The Authority recognizes a lease receivable and a deferred inflow of resources.

At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease-term, and (3) lease receipts.

- The Authority uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is comprised of fixed payments from the lessee.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

The Authority monitors changes in circumstances that would require remeasurement of its lease, and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Prepaid Expenses

Prepaid expenses consist of costs which have been satisfied prior to the end of the fiscal year, but represents items which will benefit subsequent periods using the consumption method as described in Note 5.

Capital Assets

Capital assets are tangible and intangible assets defined by the Authority as assets with an initial cost between \$1,000 - \$5,000 and an estimated useful life in excess of one year. Such assets (except intangible right-to-use assets, which are discussed in Note 7) are recorded at historical cost or estimated historical cost if purchased or constructed. 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 the donation. Intangible assets follow the same capitalization policies as tangible assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction-in-progress are not depreciated. The other tangible and intangible property, plant and equipment and right-to-use assets of the Authority are depreciated/amortized using the straight line method over the following estimated useful lives.

	<u>Years</u>
Office equipment	7
Automobiles and trucks	5
Parking meters and lot equipment	10
Parking lot and garage improvements	40
Right-to-use leased land	1-2
Right-to-use leased equipment	5

Expenditures for maintenance and repairs are charged to expense, and renewals and betterments are capitalized. Upon sale or retirement, the cost of the asset and the related accumulated depreciation/amortization are removed from the accounts and the resulting gain or loss is included in the results of operations.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report 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/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report 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.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

The Authority's deferred outflows/inflows of resources in relation to the New York State and Local Employees' Retirement System are described in Note 7. The deferred inflows of resources in relation to its leases is described in Note 4.

Leases

The Authority is a lessee for noncancellable leases of land and equipment. The Authority recognizes a lease liability and an intangible right-to-use lease asset ("lease asset"). The Authority recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and purchase option price that the Authority is reasonably certain to exercise. The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use leased assets are reported with other capital assets and right-to-use leased liabilities are reported with long-term liabilities on the Statement of Net Position.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncement

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosure for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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 GASB Statement No. 102 are effective for the Authority's fiscal year ended December 31, 2025. Management has determined that no events 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.

Change in Reporting Entity Presentation

During the year ended December 31, 2025, the Authority changed its presentation of financial information. In prior years, the Authority presented combining schedules that reported revenues and expenses separately for the Yonkers Parking Authority, Government Center Garage, and Buena Vista Garage, along with a combined total.

During the current year, the Authority's Board of Directors adopted a resolution no longer requiring the presentation of financial information for these operations on a disaggregated basis. Accordingly, the Authority now presents only total actual revenues and expenses and no longer reports individual combining information for these operations. Management believes this revised presentation is appropriate based on the Authority's current reporting requirements.

This change was made in accordance with the provisions of Governmental Accounting Standards Board Statement No. 100, *"Accounting Changes and Error Corrections."*

The prior year financial statements have not been restated to reflect this change. Accordingly, certain information presented in the current year is not directly comparable to the prior year presentation.

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 April 24, 2026.

Note 2 - Cash and Equivalents, Investments and Risk Disclosures

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 Authority's deposits and investment policies are governed by New York State statutes. The Authority is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Authority has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize 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.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 2 - Cash and Equivalents, Investments and Risk Disclosures (Continued)

Investments

Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Authority 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 Authority 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 Authority's deposits may not be returned to it. GASB Statement No. 40 *"Deposits 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 Authority's name. The Authority's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2025.

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 Authority 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 a government's investments in a single issuer. The Authority's investment policy limits the amount on deposit at each of its banking institutions.

Note 3 - Accounts Receivable

Accounts receivable of \$407,572 at December 31, 2025 consists of amounts owed by various customers for parking permits. The Authority expects such amounts to be collected in full and, as such, no allowance for uncollectible amounts is required.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 4 - Leases Receivable

The Authority has three parking leases that extend beyond a year. The Authority has recognized \$71,854 in lease revenue included in rental income and \$4,926 in interest revenue during the current fiscal year related to these leases. As of December 31, 2025, the Authority's receivable for lease payments was \$926,286. Also, the Authority has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease terms. As of December 31, 2025, the balance of the deferred inflows of resources was \$911,770.

Note 5 - Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method. Prepaid expenses consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods.

Note 6 - Capital Assets

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

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Capital Assets, not being depreciated:				
Land (Permit of Use)	\$ 698,231	\$ -	\$ -	\$ 698,231
Construction-in-progress	2,900,000	-	2,900,000	-
 Total Capital Assets, not being Depreciated	 <u>\$ 3,598,231</u>	 <u>\$ -</u>	 <u>\$ 2,900,000</u>	 <u>\$ 698,231</u>
Capital Assets, being depreciated/amortized:				
Office equipment	\$ 347,003	\$ -	\$ -	\$ 347,003
Automobiles and trucks	1,319,970	91,900	-	1,411,870
Parking meters and lot equipment	1,367,077	56,894	-	1,423,971
Parking lot and garage improvements	7,045,806	3,177,554	-	10,223,360
Right-to-use leased land	241,754	-	-	241,754
Right-to-use leased equipment	12,001	-	-	12,001
 Total Capital Assets, being Depreciated/Amortized	 <u>10,333,611</u>	 <u>3,326,348</u>	 <u>-</u>	 <u>13,659,959</u>
Less Accumulated Depreciation/Amortization for:				
Office equipment	322,943	7,940	-	330,883
Automobiles and trucks	1,270,607	43,057	-	1,313,664
Parking meters and lot equipment	739,327	135,526	-	874,853
Parking lot and garage improvements	3,652,589	253,899	-	3,906,488
Right-to-use leased land	241,754	-	-	241,754
Right-to-use leased equipment	12,001	-	-	12,001
 Total Accumulated Depreciation/ Amortization	 <u>6,239,221</u>	 <u>440,422</u>	 <u>-</u>	 <u>6,679,643</u>
 Total Capital Assets, being Depreciated/Amortized, net	 <u>\$ 4,094,390</u>	 <u>\$ 2,885,926</u>	 <u>\$ -</u>	 <u>\$ 6,980,316</u>
Capital Assets, net	<u>\$ 7,692,621</u>	<u>\$ 2,885,926</u>	<u>\$ 2,900,000</u>	<u>\$ 7,678,547</u>

Depreciation/Amortization expense for the year ended December 31, 2025 was \$440,422.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities

The following table summarizes changes in the Authority's long-term indebtedness for the year ended December 31, 2025:

	Balance January 1, 2025	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2025	Due Within One Year
Revenue Bonds Payable	\$ 2,260,000	\$ -	\$ 300,000	\$ 1,960,000	\$ 310,000
Loans Payable	654,590	-	68,771	585,819	72,142
Other Non-current Liabilities:					
Compensated Absences	481,421	-	137,002 **	344,419	34,000
Other Postemployment Benefit Liability	17,504,247	2,051,980	520,747	19,035,480	520,000
Net Pension Liability	881,052	92,487	-	973,539	-
Total Other Non- Current Liabilities	18,866,720	2,144,467	657,749	20,353,438	554,000
Total Long-Term Liabilities	<u>\$ 21,781,310</u>	<u>\$ 2,144,467</u>	<u>\$ 1,026,520</u>	<u>\$ 22,899,257</u>	<u>\$ 936,142</u>

**The change in the compensated absences liability is presented as a net change.

Revenue Bonds

On February 23, 2022, the Authority issued \$3,460,000 of Parking Facilities Revenue Bonds, Series 2022A, maturing through June 15, 2031, bearing interest at 2.14%. The bonds were issued to finance certain improvements to the Government Center Garage and to refund the Authority's Revenue Bonds, Series 1999A. The bonds are direct obligations of the Authority and are secured by the Authority's net revenue, as defined in the bond indentures. Interest expense for 2025 was \$45,154.

The aggregate annual maturities of revenue bonds outstanding at December 31, 2025 are as follows:

Year	Principal	Interest
2026	\$ 310,000	\$ 38,627
2027	315,000	31,940
2028	325,000	25,091
2029	330,000	18,083
2030	335,000	10,968
2031	345,000	3,691
	<u>\$ 1,960,000</u>	<u>\$ 128,400</u>

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

Loans Payable

Loans payable totaling \$585,819 as of December 31, 2025 consists of the following:

\$370,322 represents a loan from the City for the Saw Mill River lot. Commencing February 1, 2012, the repayment terms require thirty annual payments of \$34,170, which includes interest at 5% per annum. Interest expense for 2025 was \$19,262.

\$215,497 represents a loan from the New York Power Authority (“NYPA”) for the installation of LED lighting in the Authority’s garages. Commencing in July 2019, the repayment terms require 119 monthly payments of \$5,462, which includes interest at 4.77% per month. Interest expense for 2025 was \$17,144.

Year	City of Yonkers		NYPA		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 15,653	\$ 18,516	\$ 56,489	\$ 9,054	\$ 72,142	\$ 27,570
2027	16,436	17,733	59,243	6,300	75,679	24,033
2028	17,258	16,912	62,132	3,412	79,390	20,324
2029	18,121	16,049	37,633	601	55,754	16,650
2030	19,027	15,143	-	-	19,027	15,143
2031 - 2035	110,392	60,455	-	-	110,392	60,455
2036 - 2040	140,892	29,957	-	-	140,892	29,957
2041	32,543	1,627	-	-	32,543	1,627
	<u>\$ 370,322</u>	<u>\$ 176,392</u>	<u>\$ 215,497</u>	<u>\$ 19,367</u>	<u>\$ 585,819</u>	<u>\$ 195,759</u>

Compensated Absences

The liability for compensated absences represents the vacation, holiday, personal and sick time (“leave”/“leave days”) and salary related payments which have been earned for services previously rendered by employees in accordance with the Authority’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 employee shall receive a cash payment for all overtime, personal and vacation time earned for no more than 55 vacation days. Employees who resign or retire are entitled to receive a full day’s pay for one-half of the accumulated sick days over and above 165 days. The Authority 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. The Authority has determined that the potential liability for vested or accumulated vacation, holiday, personal and sick leave presented in accordance with the provisions of GASB Statement 101, “Compensated Absences” at December 31, 2025 was \$344,419.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

Other Postemployment Benefit Liability (“OPEB”)

In addition to providing pension benefits, the Authority provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Authority may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Authority and the retired employee. Substantially all of the Authority's employees may become eligible for those benefits if they reach normal retirement age while working for the Authority. 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, 2025, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits *	17
Active employees	<u>30</u>
	<u>47</u>

* As of January 1, 2025 there are 9 spouses of current retirees covered under the retiree's medical plan, compared to 8 spouses as on January 1, 2024.

The Authority's total OPEB liability of \$19,035,480 was measured as of December 31, 2025, and was determined by an actuarial valuation as of January 1, 2025.

The total OPEB liability in the January 1, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	2.00%
Discount rate	4.41%
Healthcare cost trend rates	8.50% for 2025, decreasing to an ultimate rate of 4.037% for 2075 and later years
Retirees' share of benefit-related costs	Varies from 0% to 100%, depending on applicable retirement year and bargaining unit

The discount rate was based on the Fidelity General Obligation 20-year AA Municipal Bond Index.

Mortality rates were based on the sex-distinct and job category-specific headcount weighted PUB-2016 Public Retirement Plans Mortality Tables for employees, healthy retirees and contingent survivors, adjusted for mortality improvements with Scale MP-2021 mortality improvement scale on a generational basis.

The actuarial assumptions used for turnover rates in the January 1, 2025 valuation were assumed to follow experience under the New York State Employees' Retirement System and were based on the April 1, 2020 to March 31, 2025 experience study released by the Retirement Systems Actuary and published in their August 2025 report.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

The Authority's change in the total OPEB liability for the year ended December 31, 2025 is as follows:

Total OPEB Liability - Beginning of Year	<u>\$ 17,504,247</u>
Changes for the year:	
Service cost	482,395
Interest	746,437
Differences between expected and actual experience and changes of assumptions	823,148
Benefit payments	<u>(520,747)</u>
Net Changes	<u>1,531,233</u>
Total OPEB Liability - End of Year	<u><u>\$ 19,035,480</u></u>

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.41%) or 1 percentage point higher (5.41%) than the current discount rate:

	1% Decrease (3.41%)	Current Discount Rate (4.41%)	1% Increase (5.41%)
Total OPEB Liability	<u>\$ 22,221,190</u>	<u>\$ 19,035,480</u>	<u>\$ 16,460,552</u>

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.50% decreasing to 3.037%) or 1 percentage point higher (9.50% decreasing to 5.037%) than the current healthcare cost trend rates:

	1% Decrease (7.50% decreasing to 3.037%)	Healthcare Cost Trend Rates (8.50% decreasing to 4.037%)	1% Increase (9.50% decreasing to 5.037%)
Total OPEB Liability	<u>\$ 16,221,789</u>	<u>\$ 19,035,480</u>	<u>\$ 22,563,119</u>

For the year ended December 31, 2025, the Authority recognized OPEB expense of \$2,051,980 in the financial statements.

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

Pension Plan

New York State and Local Employees' Retirement System

The Authority participates in the New York State and Local Employees' Retirement System ("System"). This System is a cost-sharing, multiple-employer defined benefit pension plan. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. 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 System, 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 Authority also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Employees who joined the System before January 1, 2010 contribute 3% of their salary for the first ten years of membership while those who joined on or after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan year ended March 31, 2025 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
4 A15/41J	19.5 %
6 A15/41J	12.7

At December 31, 2025, the Authority reported the following for its proportionate share of the net pension liability for ERS:

Measurement date	March 31, 2025
Net pension liability	\$ 973,539
Authority's proportion of the net pension liability	0.0056780 %
Change in proportion since the prior measurement date	(0.0003058) %

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority'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, 2025, the Authority recognized pension expense of \$306,825 for ERS.

At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 241,639	\$ 11,398
Changes of assumptions	40,828	-
Net difference between projected and actual earnings on pension plan investments	76,381	-
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	271,111	82,528
Authority's contributions subsequent to the measurement date	<u>341,661</u>	<u>-</u>
	<u>\$ 971,620</u>	<u>\$ 93,926</u>

\$341,661 reported as deferred outflows of resources related to ERS, resulting from the Authority's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	
2026	\$ 242,774
2027	306,514
2028	(43,209)
2029	<u>29,954</u>
	<u>\$ 536,033</u>

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

The total pension liability for the March 31, 2025 measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in valuation were as follows:

Measurement date	March 31, 2025
Actuarial valuation date	April 1, 2024
Investment rate of return	5.9% *
Salary scale	4.3%
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's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

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.

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	25 %	3.54 %
International Equity	14	6.57
Private Equity	15	7.25
Real Estate	12	4.95
Opportunistic/ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	4	5.55
Fixed Income	22	2.00
Cash	1	0.25
	<u>100 %</u>	

Yonkers Parking Authority

Notes to Financial Statements (Continued)
Year Ended December 31, 2025

Note 7 - Long-Term Liabilities (Continued)

The real rate of return is the 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 System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, as well as what the Authority'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%)
Authority's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,817,544</u>	<u>\$ 973,539</u>	<u>\$ (566,207)</u>

The components of the collective net pension liability as of the March 31, 2025 measurement date for ERS were as follows:

Total pension liability	\$ 247,600,239,000
Fiduciary net position	<u>230,454,512,000</u>
Employers' net pension liability	<u>\$ 17,145,727,000</u>
Fiduciary net position as a percentage of total pension liability	<u>93.08%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2025 represent the employer contribution for the period of April 1, 2025 through December 31, 2025 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, 2025 were \$341,661.

Voluntary Defined Contribution Plan

The Authority 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 Authority will contribution 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Yonkers Parking Authority

Notes to Financial Statements (Concluded)
Year Ended December 31, 2025

Note 8 - Unearned Revenues

Unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Authority has reported unearned revenues of \$350,673 for permit fees received in advance for the year ended December 31, 2025. The Authority amortizes such amounts into income as the permit fees are earned.

Note 9 - Commitments and Contingencies

Litigation

The Authority is a defendant in lawsuits arising from normal business activities. Management has reviewed pending litigation with legal counsel and believes that those actions are without merit or that the ultimate liability, if any, resulting from these actions will not be material to the financial statements.

Risk Management

The Authority purchases various conventional insurance policies to reduce its exposure to loss. The general liability policies maintained provide coverage up to \$1 million per occurrence and \$2 million in the general aggregate. The Authority's public officials' liability policy provides coverage of \$1 million per occurrence and \$2 million in the general aggregate. The Authority maintains a Flea Market general liability policy which provides coverage up to \$1 million per occurrence and \$2 million in the general aggregate. The Authority also maintains an umbrella liability policy which provides coverage up to \$5 million per occurrence and \$5 million in the general aggregate. Property insurance for fire loss is also maintained for the Authority's buildings and contents. Total liability coverage is \$6 million per occurrence and \$7 million in the aggregate.

Workers' compensation coverage is secured at statutory levels. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. The Authority purchases conventional health insurance (New York State Health Insurance Program, NYSHIP) from the New York State Department of Civil Service Employee Benefits Division.

Note 10 - Recently Issued GASB Pronouncements

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

GASB Statement No. 104, "*Disclosure of Certain Capital Assets*", has been issued to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 105, "*Subsequent Events*", has been issued to improve the financial reporting requirements for subsequent events (recognized/nonrecognized), thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

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

Yonkers Parking Authority

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

	2025	2024	2023
Total OPEB Liability:			
Service cost	\$ 482,395	\$ 410,183	\$ 200,995
Interest	746,437	641,757	510,244
Changes of benefit terms	-	-	-
Differences between expected and actual experience and changes of assumptions	823,148	3,052,167 (4)	1,005,869
Benefit payments	(520,747)	(520,382)	(388,434)
Net Change in Total OPEB Liability	1,531,233	3,583,725	1,328,674
Total OPEB Liability – Beginning of Year	17,504,247	13,920,522	12,591,848
Total OPEB Liability – End of Year	<u>\$ 19,035,480</u>	<u>\$ 17,504,247</u>	<u>\$ 13,920,522</u>
Authority's covered-employee payroll	<u>\$ 3,047,137</u>	<u>\$ 2,746,219</u>	<u>\$ 2,699,210</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>624.70%</u>	<u>637.39%</u>	<u>515.73%</u>
Discount Rate	<u>4.41%</u>	<u>4.16%</u>	<u>3.77%</u>

(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) Medical plan premium increases for post-65 retirees between 2022 and 2024 was higher than the expected trend.

See independent auditors' report.

2022	2021	2020	2019	2018
\$ 400,637	\$ 517,920	\$ 416,486	\$ 296,008	\$ 331,121
330,248	360,178	417,915	475,510	438,328
-	-	-	-	-
(6,827,967)	821,977	1,168,248	2,673,241	(952,876)
(387,766)	(228,684)	(252,635)	(220,878)	(193,182)
(6,484,848)	1,471,391	1,750,014	3,223,881	(376,609)
19,076,696	17,605,305	15,855,291	12,631,410	13,008,019 (3)
<u>\$ 12,591,848</u>	<u>\$ 19,076,696</u>	<u>\$ 17,605,305</u>	<u>\$ 15,855,291</u>	<u>\$ 12,631,410</u>
<u>\$ 2,782,290</u>	<u>\$ 2,819,254</u>	<u>\$ 3,063,855</u>	<u>\$ 3,099,054</u>	<u>\$ 2,978,074</u>
<u>452.57%</u>	<u>676.66%</u>	<u>574.61%</u>	<u>511.62%</u>	<u>424.15%</u>
<u>4.05%</u>	<u>1.84%</u>	<u>2.00%</u>	<u>2.75%</u>	<u>3.71%</u>

Yonkers Parking Authority

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

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

	2025 (2)	2024 (3)	2023 (2)	2022 (3)
Authority's proportion of the net pension liability (asset)	<u>0.0056780%</u>	<u>0.0059838%</u>	<u>0.0064332%</u>	<u>0.0067070%</u>
Authority's proportionate share of the net pension liability (asset)	<u>\$ 973,539</u>	<u>\$ 881,052</u>	<u>\$ 1,379,529</u>	<u>\$ (548,267)</u>
Authority's covered payroll	<u>\$ 2,444,557</u>	<u>\$ 2,403,659</u>	<u>\$ 2,522,314</u>	<u>\$ 2,537,639</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>39.82%</u>	<u>36.65%</u>	<u>54.69%</u>	<u>(21.61%)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.08%</u>	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	\$ 455,548	\$ 407,679	\$ 319,106	\$ 505,651
Contributions in relation to the contractually required contribution	<u>(455,548)</u>	<u>(407,679)</u>	<u>(319,106)</u>	<u>(505,651)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	<u>\$ 2,521,776</u>	<u>\$ 2,746,219</u>	<u>\$ 2,699,210</u>	<u>\$ 2,782,290</u>
Contributions as a percentage of covered payroll	<u>18.06%</u>	<u>14.85%</u>	<u>11.82%</u>	<u>18.17%</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 proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

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

See independent auditors' report.

<u>2021 (3)</u>	<u>2020 (2)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>0.0078318%</u>	<u>0.0084013%</u>	<u>0.0089331%</u>	<u>0.0097538%</u>	<u>0.0095207%</u>	<u>0.0104177%</u>
<u>\$ 7,798</u>	<u>\$ 2,224,720</u>	<u>\$ 632,940</u>	<u>\$ 314,799</u>	<u>\$ 894,583</u>	<u>\$ 1,672,070</u>
<u>\$ 2,870,572</u>	<u>\$ 3,054,168</u>	<u>\$ 2,991,754</u>	<u>\$ 2,911,361</u>	<u>\$ 2,915,836</u>	<u>\$ 2,738,356</u>
<u>0.27%</u>	<u>72.84%</u>	<u>21.16%</u>	<u>10.81%</u>	<u>30.68%</u>	<u>61.06%</u>
<u>99.95%</u>	<u>86.39%</u>	<u>98.20%</u>	<u>98.20%</u>	<u>94.70%</u>	<u>90.70%</u>
<u>5.90%</u>	<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>
<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>\$ 476,333</u>	<u>\$ 461,557</u>	<u>\$ 448,124</u>	<u>\$ 452,096</u>	<u>\$ 417,703</u>	<u>\$ 553,032</u>
<u>(476,333)</u>	<u>(461,557)</u>	<u>(448,124)</u>	<u>(452,096)</u>	<u>(417,703)</u>	<u>(553,032)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 2,819,254</u>	<u>\$ 3,063,855</u>	<u>\$ 3,099,054</u>	<u>\$ 2,978,074</u>	<u>\$ 2,927,003</u>	<u>\$ 2,811,619</u>
<u>16.90%</u>	<u>15.06%</u>	<u>14.46%</u>	<u>15.18%</u>	<u>14.27%</u>	<u>19.67%</u>



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*

The Board of Directors of the Yonkers Parking Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Yonkers Parking Authority ("Authority") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated April 24, 2026, which includes an emphasis of matter paragraph regarding a change in presentation of financial information.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 Authority'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 Authority'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

April 24, 2026