

# YEDC

*Yonkers Economic Development Corporation*

**Minutes of  
Yonkers Economic Development Corporation  
Audit Committee Meeting  
December 10, 2020  
(Immediately Following IDA Audit Committee Meeting)**

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the Yonkers Economic Development Corp. Audit Committee Meeting scheduled for December 10, 2020 will be held electronically via conference call instead of a public meeting open for the public to attend in person.

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BEFORE:

Cecile D. Singer – President  
Peter Kischak – Member  
Melissa Nacerino – Member

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IDA STAFF:

Jaime McGill – Executive Director  
Siby Oommen – CFO  
Fiona Rodriguez – Administrative Assistant  
Samantha Young – Bookkeeper

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OTHERS:

Robert Daniele – PKF O’Connor Davies  
Jimmy Ciliberti Jr. – IDA Accountant

MS. MCGILL: Okay, so we can begin our YEDC Audit Committee Meetings Cecile again, you're the Chair. So you'll Chair the meeting. I'll start with roll call. Cecile Singer?

MS. SINGER: Here.

MS. MCGILL: Peter Kischak?

MR> KISCHAK: Here.

MS. MCGILL: Melissa Nacerino?

MS. NACERINO: Here.

MS. MCGILL: Madam Chair. We have a quorum.

MS. SINGER: Alright, the first order of business is to look at the minutes. If there are no additions or corrections can I have a motion to accept the minutes as submitted?

MS. NACERINO – I’ll make a motion.

MS. SINGER: Is there a second?

MR. KISCHAK: I second.

MS. SINGER: Then the minutes are accepted as submitted. The next one is the review and discussion of the engagement letter or external auditing. Rob, are you there?

MR. DANIELE: Yes. So we've put together an engagement letter for the Yonkers Economic Development Corporation. Again, the overall scope of the audit process hasn't changed and we left the fee, the same as last year, no increase. I believe it's 17,500.

MS. MCGILL: Yes. No increased for this year. It's the same as we funded for last year.

MS. SINGER: May I have a motion to accept the engagement letter as submitted.

MR. KISCHAK: I'll make a motion.

MS. NACERINO: Second.

MS. SINGER: The engagement letter is accepted as submitted. So, move on the audit plan.

MR. DANIELE: Okay, so we put together the same kind of setup of PowerPoint for the YEDC. So again, we'll go quickly and again some of this is repetitive, but we'll go through an overview of the audit process the reports that we're going to issue the scope and focus again, we're going to try to do this audit concurrently with the IDA. So the audit time it should be the same and again, same types of responsibilities for us and for management.

MS. SINGER: Alright, Rob will you point out what might be different from what you are doing with IDA?

MR. DANIELE: Yes, there's a slide. Yes, well, I'll talk to you about that. Alright, so, page three is again a flow chart of the audit methodology. Again, we're going to do some preliminary work looking at your cash receipts cash disbursements and so on. Again, will assess risk and develop our audit plan and again, if anything, if everything goes according to what we expect and we're going to move forward to complete the audit, issue, the reports and issued are required communications. If we turn a page four this is this is what we do in a narrative form we're going to come in and you know we have narratives and flow charts of how things flow. We're going to get an update on that to see if anything has changed any new policies and procedures have changed as far as internal controls. We're going to look at the significant audit areas and I'll talk to you about that in the next slide. Again, we don't look at every single transaction, but we will do some testing of internal controls on a sample basis, based on what we find we're going to develop our audit plan and then we'll come back. As I said, the end of January into early February complete the audit to our substantive work and do any types of analytical procedures. We're going to document this process and any findings we have, and we're going to communicate those to you folks in an internal control letter and obviously issue our independent auditors report on the financial statements. As far as the YEDC again included in the audit report are our independent auditors report and that's where we what we opine on. That's what we issue an opinion on and then also for the YEDC there are also some supplemental schedules that are included in the front and the back again management will write the management discussion and analysis, which is an overview of the year as seen through the eyes of management and in the back the YEDC also has its own schedule of industrial revenue bonds and notes issued outstanding and retired. As, I mentioned, will issue a separate report on internal control over the financial reports again, in accordance with the government auditing standards. Page six, the audit scope and focus a little bit different than the IDA. But again, we're going to look at the significant areas as far as the YEDC In the past, we had the activity New Market Tax Credits, which kind of went away towards the end of 2018 to 2019.

So we don't have to deal with that aspect, but some of the significant audit areas or your, your cash in any cash equivalents. We're going to look at your operating revenue any management fees Agency fees

related to any of those Agency notes that are issued against their salaries and payroll, we're going to look at those at their management agreements, we're going to look at those professional fees. We're going to look at those and then some not operating expenses and revenues. Interest income that's a byproduct of the YEDC activity and any other expense not directly associated with the activities of the YEDC. Those are reported below the line, but ultimately will look at those as well.

Page seven, is the audit timing. Again, as I mentioned we're going to try to do some preliminary work towards the end of December into early January, and then we'll come back at the end of January, or possibly early February to do the actual substantive work and then complete the audit and do our analytical views. We hope to have a draft for you folks, you know, mid to second week or third week of March meet with you folks, any corrections that way we can go final before March 31<sup>st</sup>. No different than the IDA and then again the next three pages and I don't have to read every bullet. We take the same, you know, same responsibilities for us and for management. We were looking at the all of the information as a whole to form an opinion on the financial statements. The good news is, we've issued clean opinions over the past several years, you know, ever since I've gotten involved, for many years. So I don't expect anything different, but again, obviously, when we do the audit will, we will let you know if there's any changes again. We are required to report to you if there's any fraud or anything that we uncover will put that to you immediately. Again, if there's any internal control findings will report that to you immediately. But we also have to put that in writing as well and it's included in our management letter and then again and just page eleven even though we do prepare the financial statements they're still your responsibility.

So just know you're still responsible to make sure that the you're complying with laws, regulations provisions of contracts, as well as grant agreements and you're responsible for the design and implementation of programs and controls to make sure that your prevent and detect fraud. That's really it the other than the sum of the significant audit areas the scopes on these Agency types. These, these kinds of entities are relatively the same. We're going to confirm with third parties as best as we can. We definitely confirm all the cash balances independently with all the banks, the loans, we confirm with third parties on anything else. If we need to confirm receivables with third parties we will do that.

MS. SINGER: Rob, can you also tell us with (inaudible) COVID approaching is there any difference you can point out to us if it's affected everybody in different ways? So we would like to be sure that we can rely upon what's happening. So, give us some insight on how you're approaching this.

MR: DANIELE: Yes. So that's a great point. Obviously Corona shut down the world for some time during this past year. So we're going to you know, we need to make sure that as far as the IDA Agency. Some of those closings, if you will probably didn't happen when they were expected, but probably got pushed off. So we're going to look to make sure that you know, I don't expect significant variances, only to the effect that maybe things got, you know, instead of closing in April, May or June, they might have got pushed off. So something that you might have expected in September or October could get pushed off until the New Year. So we're going to look to make sure that the revenues look reasonable Your expenses, pretty much should be consistent given, you know, other than making some legal fees or things like that. That again if items can occur you may not have those expenses. Your salaries are still there; your benefits are still there. Your retirement costs are still there; your loan payments still need to be made will make sure that you're collecting the revenue from the restaurant. Peter Kelly will make sure that those are our current if that was impacted with COVID will need to take a look at that and, you know, so we'll have to analyze allowances and things like that to make sure that you did receive what you're supposed to or feed it and maybe was shifted and you may see a rise and receivables and payables because things didn't happen as expected, but eventually occur down the road. So, yes it impacted the world and impacted audits and it will impact the way we do this audit. Whether we do it in

person or partially remotely. We've established secure portals. So you so that the finance folks can upload information to us. So I don't see that being an issue but you know your offices are big enough where we could socially distance if we have to send you know, one or two people. Actually, you know observe rather than scanning items. So, good point. And yes, it's something you know.

MS. SINGER: Yes, so what I would like from you is an addendum with a resume of how COVID is affecting what you have done and what impact it will have on us so we have a complete understanding as we go through this.

MR. DANIELE: Okay.

MS. SINGER: Is there any other business?

MS. MCGILL: We have no other business.

MS. SINGER: With no other business. I'm going to ask for a motion to adjourn the meeting.

MR. KISCHAK: I make a motion.

MS. SINGER: Second?

MS. NACERINO: I second.

MS. SINGER: Right and we have interviewed and had comments about how staff and our auditors working together. So, we will not go through that again. Right, and so, thank you. Thank you, Rob for what you do and thanks to our wonderful staff is operated under such difficult conditions, and we hope that as we move forward we will be able to have a board structure and don't ever (inaudible) what God because it goes to both So, so be careful next time. So, we could get together. Thank you.

MS. MCGILL: Thank you, Cecile.

MS. SINGER: Thank you Fiona for all that you do.

MS. RODRIGUEZ: Thank you Cecile.

MR. DAINLE: Thank you.

MS. NACERINO: Thank you everyone.

Adjournment