

STATE OF NEW YORK  
CITY OF YONKERS



**Minutes of  
Yonkers Economic Development Corporation  
Audit Committee Meeting  
December 9, 2021  
(Immediately Following IDA Audit Committee Meeting at 1:00 p.m.)**

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BEFORE:

Cecile D. Singer – President  
Peter Kischak – Member  
Melissa Nacerino – Member (Absent)

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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. SINGER: I would like to call the meeting of the YEDC meeting to order. The first order of business is the roll call.

MS. MCGILL: We have Cecile Singer?

MS. SINGER: Here.

MS. MCGILL: Peter Kischak?

MR. KISCHAK: Here.

MS. MCGILL: Melissa Nacerino is excused Madam Chair. We have a quorum.

MS. SINGER: The next the next order of business is the approval of the Minutes for the March 25 meeting you have the minutes before you are there any additions or deletions?

MR. KISCHAK: I have not issues.

MS. SINGER: All right, if there are none, may I have a motion to accept the minutes as submitted.

MR. KISCHAK: I make that motion.

MS. SINGER: And I second that the next order of business is the review and discussion of the engagement letter for auditing external services for 2021

MS. MCGILL: Rob Daniele you're muted. Rob will review the engagement letter?

MS. SINGER: All right, so you have the engagement letter before you.

MR. DANIELE: Yes, so the separate engagement letter for the Yonkers Economic Development Corporation it outlines the audit scoping objectives which hasn't changed from last year, unless there's some new if the EDC received any new federal grants, with all the stimulus that could be new, but the. The fee is \$18,000 and I think that's up like \$500 from last year a minimal increase, there are some new reporting requirements with the state will talk about that in the planning.

MS. SINGER: Pete do you have any question about the engagement letter?

MR. KISCHAK: I do not.

MS. SINGER: So, may I have a motion to accept the engagement letter as submitted.

MR. KISCHAK: I make that motion to accept it.

MS. SINGER: And I second the motion and now we can go on to the audit plan.

MR. DANIELE: So if we turn a page to very quickly for the Yonkers Economic Development Corporation again. Similar process with the IDA will go through an overview of the audit process, the reports that we're going to issue, some of the areas that we're going to focus on the audit timing is generally the same as the IDA when we're in there, we segregate some time to do the YEDC there's some interrelated transaction, so we like to do both one after the other, and again we'll just close with some of our responsibilities and manage its responsibilities. The next two pages of the slide again, one is a graph and one is a narrative but we again, we will come in, in a few weeks and we're going to document our understanding of the corporation any updates to its policies we're going to look at internal controls we're going to sample some items payroll cash receipts cash disbursements just to see if they're following the intention of the EDC will identify against significant on in areas. We're going to assess what we call risk of material misstatement we're going to develop our audit plan we're going to perform that audit plan if we find anything. Different about the risk assessment we're going to go back and reassess or maybe we'll look at items even further will drill down into account analysis. If everything goes according to plan we're going to document the process we're going to document our findings. We're going to communicate to you any items that we find as far as internal controls and then we'll move forward to prepare the financial statements, an issue the independent auditors report next page. So what we issue is obviously the financial statements you'll get a balance sheet and income statement, the first couple of pages are independent auditors report. We're going to give you an opinion on the financial statements, based on what we derived from the audit but also included in the reporting packages this supplemental information so there's what we called management discussion and analysis and this is a document that is prepared by management to give you kind of an overview of the year or review of the year, as seen through the eyes and management it's not an audited document, but we do read it and make sure that the numbers that are disclosed agree to what's reported.

In the financial statements and similar to the IDA you have some back schedules, the schedule of industrial revenue bonds and notes issued. Outstanding and (*inaudible*) remember, just like the IDA the YEDC is just a middle person these loans are not on your books, but you help the transaction go through so they're part of supplemental disclosures and back. We also issue a report on internal controls again in accordance with government auditing standards again those will have our comments, if any, and, obviously, if anything, rises to more than a normal control deficiency we're going to let you know before we issue those reports, and then lastly, we have to issue an independent auditors report on investment guidelines, because you're not public authority. I don't believe the white really has investments, but it's something that requires the.

Next page. So, similar to the IDA not much you know a little bit less activity in the IDA but again we're going to focus on cash and we're going to look at operating revenues management fees, Agency fees and it's similar to the IDA salaries payroll and employee benefits seem to be some of the large expenses so we're going to look at those pretty much at 100% and then there's some other not what we call non up bringing some interest income and some expenses again not significant for the YEDC and given COVID you know, obviously, interest rates are all time low so it's not generating what we might have saw in the past but it's an item that will look at next slide nice again same as the IDA we're doing our planning meeting today December 9 we're going to come back in a few weeks early January to do some internal control testing again we don't look at 100% of the items. But we do a sample and based on that sample if we're comfortable, we can move on, if not, will increase the sample or when we come back to do the audit we're going to do more, what we call substitute testing and actually drill down into account analysis we haven't seen that in the past, everything generally is in accordance with our understanding of how it should work but, obviously, if there are any issues you'll know about it sooner than later. Again we'll finish the audit probably sometime in February and these reports should be filed with the state by March 31 so we'll probably schedule a final meeting sometime late in March to present the results and again if pages eight 910 is just I'm not going to bore you with our responsibilities and your responsibilities but as I mentioned, with the IDA we do the financial statements for the YEDC but that doesn't preclude management from still making sure that internal controls are followed that you're following regulations of laws and contracts, so those are items that we've looked at as part of the audit as well, and again if there's any type of fraud or any allegations of fraud we're going to communicate that to you immediately and then, if there's any internal control findings we're going to communicate that to you as well pretty much the same procedures as we've done in the past and that's really it.

MS. SINGER: All right, so then do you have any questions?

MR. KISCHAK: I do not.

MS. SINGER: The you know the concern is always with the EDC is it's a more of an outlier and it's something that we have to focus on and be sure that we dot all the i's and cross all the t's is because it's most important in in this, and so we look for your expertise in this area and for the concentration on the multiple things the EDC is doing in different ways and now I would like to again, ask staff to leave, so we may have an executive session.

MS MCGILL: Sure, a Cecile may I just know one thing for the record in Rob Danielle's presentation when he discussed operating expenses, he did say that salaries and benefits were a large part of that expense,

I just want to note that, why does he does not carry any salaries or benefits as part of as part of their budget so.

MR. DANIELE: I apologize if there is a management fee, there is a payment me there is no W-2 salaries, if you will, I probably shouldn't probably brought that over from the IDA meeting. You're absolutely right there isn't salaries and benefits, there is like a management type fee. So there is an agreement that we look at Thank you.

MS. SINGER: All right, so this so that's one of the things that as we look at all of this, and thank you Jaime for calling that to our attention.

MS. MCGILL: We just need to take a vote, we need to get motion, to go into executive session.

MS. SINGER: Yes, if you want to make a motion.

MR. KISCHAK: I'll make a motion to go into the executive session.

MS. SINGER: And I'll second a second.

MS. MCGILL: Okay, Fiona is going to bring you guys into to private executive session. Fiona's just working on it.

MS. RODRIGUEZ: Okay, I think you're in.

MS. MCGILL: Welcome back to Cecile you're muted.

MS. SINGER: All right, Jamie we have had a very satisfactory discussion with Rob and we pointed out that we feel the YEDC has some transactions that are particularly important to focus upon and to report and that we look forward to the same cooperation from our wonderful staff that we have had before, and to his expertise and keeping all of the transactions, where they should be, and reporting accurately and so that was the discussion, and now that we're back in the session is there any other business?

MS. MCGILL: No other business on our end.

MS. SINGER: No other business. If there is no further business, may I have a motion to adjourn the audit committee meeting of the YEDC?

MR. KISCHAK: I'll make that motion Cecile.

MS. SINGER: All right, I second and thank you for your attention and for being patient and this made.

MS. MCGILL: Thank you so much, everyone. Thank you Cecile for making this work today.

Adjournment