

STATE OF NEW YORK

CITY OF YONKERS

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Minutes of

The City of Yonkers YEDC

Audit Committee Meeting

March 28, 2023 - 2:30 P.M.

At

470 Nepperhan Avenue, Suite 200

Yonkers, New York 10701-3892

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B E F O R E:

CECILE SINGER - President & CEO

MELISSA NACERINO - Member

VICTOR GJONAJ - Member

I D A S T A F F:

JAIME MCGILL - IDA Executive Director

JIM CAVANAUGH - IDA President & CEO

SIBY OOMMEN - IDA Chief Fiscal Officer

P R E S E N T

ROBERT DANIELE - PKF O'Connor Davies

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PROCEEDINGS

MS. SINGER: I'd like to call the audit committee of the YEDC to order. The first order of business is the roll call.

MR. OOMMEN: Cecile Singer?

MS. SINGER: Here.

MR. OOMMEN: Melissa Nacerino?

MS. NACERINO: Here.

MR. OOMMEN: Victor Gjonaj?

MR. GJONAJ: Here.

MR. OOMMEN: Madam Chair, we have a quorum.

MS. SINGER: We have a quorum.

The next order of business is the approval of the minutes of March 31st and December 20th meetings. You have those minutes before you.

MS.McGILL: So Victor, this one you can't vote on.

MS. NACERINO: Make a motion to accept the minutes.

MS. SINGER: All right.

MS. MCGILL: Cecile, Victor

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1 can't vote, so you have to be the
2 second. Victor can't vote on the March
3 minutes so you would have to vote

4 MS. SINGER: All right. So
5 then I second the motion. Any
6 objections? If there are no
7 objections, the minutes are accepted
8 as submitted.

9 Next order of business is the
10 review and discussion of the report
11 to the Audit Committee.

12 MS. MCGILL: Cecile, if I may,
13 we just need to go back and vote
14 separately on the December 20th
15 minutes, which both Victor and
16 Melissa can vote on.

17 MS. SINGER: Oh, they were?
18 All right.

19 MS. MCGILL: So we took March
20 and now we have to take December
21 separately.

22 MS. SINGER: So then we'll go
23 back to December.

24 MS. NACERINO: I make a motion
25 to accept the December minutes.

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MR. GJONAJ: Motion to accept.

MS. SINGER: Since the minutes were accepted and there are no objections, the minutes are accepted as submitted.

Now we'll go to the review and discussion of the Audit Committee report.

MR. DANIELE: Again, thank you, and I'm glad to present the audit results for the Yonkers Economic Development Corporation.

Just wanted to thank Siby and Jaime again in the work with the outside accountant -- again, in conjunction with the IDA -- for bringing the books and records up to present to us so that we can audit them.

I prepared a -- the same report to the Audit Committee. Quickly, if we start on page 1, obviously, our work is complete, the financial statements have been reviewed with

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management. Once you accept these we can go final with them, with the exception of some public authorities' documents that we'll get today or tomorrow.

Same approach to the IDA. The EDC is a little less in scope as far as audit work, but same audit approach: We kind of get an understanding of any changes, any information flow, then we look at the agency fees that are generated based on contracts that are closed on in the fiscal year.

So if we turn to the financial highlights, we're going to turn to page 3 again, comparing the activities for 2021, you can see the YEDC generated agency fees of almost \$1.1 million, compared to \$350,000 last year.

You did close on some large projects: Lionsgate, \$700,000 was generated; Ridge Hill, another

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2 \$327,000. Those are some bigger
3 items.

4 Your expenses, most are in
5 line. Consulting fees are down,
6 actually, compared to 2021. The EDC
7 was paying some consulting fees for
8 the repair on the garage -- and that
9 occurred through August -- and those
10 costs are now absorbed by the City of
11 Yonkers. You have your professional
12 fees, you can see that's up. And
13 that's mostly your outside attorneys,
14 Harris Beach, mostly on the Cacace
15 garage. And that's what caused the
16 increase in the current here.

17 The other expenses are in line
18 with the exception of community
19 relations. You can see that's up
20 \$1.2 million. The Economic
21 Development Corporation did spend
22 \$750,000 for funding for a War
23 Memorial, as well as, I believe, Ray
24 Park. So that was some big costs in
25 the current year that were all

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approved by the board.

So you had operating revenues of \$1.1 million; you had operating expenses of \$1.5 million. So the EDC generated a loss, if you will, in the current year, to the tune of about \$422,000. You subtract that from your opening net position of \$3.2 million and end the year at \$2.8 million.

If we turn back to page 2, you can see that mostly, the \$2.8 million is all in the form of cash. And again, to Jim's point, this is also in Signature Bank, but obviously, the new bank has taken over and these deposits are fully collateralized, as well as with the \$250,000 FDIC, as well as collateral that's required in New York State for theres cash and CDs and things like that.

So again, you did spend some money down based on these activities, but you still have \$2.8 million as of

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12/31/2022.

We also have to report the schedule of cash and investments to the public authorities. Again, no different than what's reported here, the \$2.8 million. And we also have a report to those charging governments to you folks. And again, I'm happy to report that there were no findings to report to the Yonkers Economic Development Corporation as of 12/31/2022.

Again, the back schedule, it's pretty much the same as the IDA. We issued an opinion, it's a clean opinion, it's the highest level of opinion that we can offer to an entity.

And again, really, there aren't many estimates here. It's mostly money that's spent during the year. You don't have receivables; you don't have payables. There's really no estimates to make. Your balance

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2 sheet is basically cash. Again, \$2.8
3 million.

4 You do have -- and the EDC
5 doesn't have the supplemental
6 schedules -- it does have a small
7 schedule in the back.

8 Again, these aren't audited,
9 but we do have the EDC confirm these
10 with the banks. So whatever's
11 reported as your schedule of
12 indebtedness, these aren't
13 liabilities to the corporation, but
14 you are the middle person that
15 facilitated these transactions. And
16 again, that's what we call
17 supplemental so we really don't offer
18 an opinion on it, but as I said, they
19 are confirmed with the banks.

20 MS. SINGER: All right. And
21 you have the management
22 representation letter?

23 MR. DANIELE: Yeah, the
24 representation letter is included in
25 here. And again, these are what our

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responsibilities are, what your responsibilities are, and all the information that you gave us so that we can do the audit.

Those are separate documents as well. Once you approve those, you'll sign that form and we'll finalize the audit reports so they can upload them to the public authorities commission.

MS. SINGER: And your comments on internal controls?

MR. DANIELE: Yeah. Everything was operating in accordance with what we expected. So again, no findings, you know, as far as the EDC. There really isn't salaries. It's mostly consulting and professional fees, so you don't have salaries and benefits and things like that.

MS. SINGER: Do you have any questions?

MR. GJONAJ: I'll make a motion.

MS. NACERINO: No questions.

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MS. SINGER: So we have a motion.

MS. NACERINO: Second the motion.

MS. SINGER: You second the motion. All right. Any further discussion? Then the report to the Audit Committee is accepted as submitted.

We are not going to do a second executive session because the questions are the same for both the YEDC and the IDA, so we'll end.

We'd like to congratulate you on the clean opinion. And that's a very important thing both for the future of the agencies and for the way that business was handled, because we certainly had a -- many fees, many inquiries.

And Jaime, you do an outstanding job --

MS. MCGILL: Thank you very much.

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2 MS. SINGER: -- of managing all
3 of that. And wherever I go I hear
4 more comments about the City of
5 Yonkers, about Lionsgate, about the
6 development on the waterfront. So I
7 think if we did a retrospective on
8 what's been done with the IDA and the
9 EDC in this city, I think that we
10 have remarkable staff who have been
11 able to carry out an amazing amount
12 of work and development. That's
13 pointed to everybody today. So we
14 congratulate you on that. We are
15 fortunate to have the people who are
16 here with the board, devoted to the
17 future of the city.

18 And I don't know if you can
19 find anymore pieces of land to
20 develop, so...

21 MR. GJONAJ: That was a good
22 one.

23 MS. SINGER: But I'm sure, if
24 you can find any pieces, you'll have
25 the -- there are inquiries, so there

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are more and more people who want to come to Yonkers. And that's a testament to what's been done and what's being done. So we all feel fortunate to be part of this organization, and we thank you for the work that has been done.

MS. MCGILL: Thank you, Cecile.

MS. SINGER: If there's any further business? There's no further business.

May I have a motion to adjourn?

MS. NACERINO: Make a motion.

MR. GJONAJ: Motion.

MS. SINGER: Seconded. Any objections? Then we stand adjourned.

(Time noted: 2:43 P.M.)

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C E R T I F I C A T E

STATE OF NEW YORK)
: SS.:
COUNTY OF WESTCHESTER)

I, NATHAN DAVIS, a Notary Public for
and within the State of New York, do hereby
certify:

That the witness whose examination is
hereinbefore set forth was duly sworn and
that such examination is a true record of
the testimony given by that witness.

I further certify that I am not
related to any of the parties to this
action by blood or by marriage and that I
am in no way interested in the outcome of
this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 31st day of March 2023.



NATHAN DAVIS

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