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AUDIT COMMITTEE MEETING  
OF THE  
YONKERS INDUSTRIAL DEVELOPMENT AGENCY  
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December 9, 2016  
9:15 a.m.  
470 Nepperhan Avenue  
Yonkers, New York 10701

TRANSCRIPT OF PROCEEDINGS

AGENDA

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- 1. Roll Call
- 2. Approval of Minutes for March 17, 2016 Meeting
- 3. Review and Discussion of Engagement Letter for External Auditing Services for 2016
- 4. Review and Discussion of Audit Plan
- 5. Other Business
- 6. Adjournment

Reported By:

Margaret Prendergast  
902 Pleasantville Road  
Briarcliff, New York 10510

2 A P P E A R A N C E S

3 COMMITTEE MEMBERS

4 CECILE SINGER - CHAIRPERSON

5 MELISSA NACERINO - MEMBER

6 PETER KISCHAK - MEMBER

7

8 IDA STAFF

9 KEN JENKINS - IDA PRESIDENT

10 JAIME MCGILL - IDA EXECUTIVE DIRECTOR

11 MARY LYRAS - IDA/YEDC CHIEF FISCAL OFFICER

12

13 OTHER

14 PATRICK SERENSON - IDA ACCOUNTANT

15 CHARLES MANGIARACINA - PKF O'CONNOR DAVIES

16 ROBERT DANIELE - PKF O'CONNOR DAVIES

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1 Proceedings

2 MS. SINGER: We'll bring the meeting to  
3 order. Have the roll call. Can we take role  
4 call?

5 MS LYRAS: Cecile Singer?

6 MS. SINGER: Present.

7 MS LYRAS: Peter Kischak?

8 MR. KISCHAK: Here.

9 MS LYRAS: Melissa Nacerino?

10 MS. NACERINO: Here.

11 MS LYRAS: We have a quorum.

12 MS. SINGER: All right. You have the  
13 Minutes before you?

14 MR. KISCHAK: Which one are we doing  
15 first?

16 MS. SINGER: If you have a very good  
17 memory. You haven't been here.

18 So, are there any corrections or  
19 additions?

20 (No Response.)

21 MS. SINGER: Now, may I have a motion to  
22 accept the Minutes as submitted?

23 MS. NACERINO: Motion.

24 MS. SINGER: And a second?

25 MR. KISCHAK: Second.

1 Proceedings

2 MS. SINGER: We're going to move to the  
3 Engagement Letter.

4 I'm going to put it on -- who is  
5 presenting?

6 MR. MANGIARACINA: Rob is going to  
7 present. I'm on my farewell tour. I'm a rock  
8 star.

9 MS. SINGER: You're still here, as  
10 requested.

11 MR. MANGIARACINA: I'll be here until  
12 September of '17. So, I'll still be involved in  
13 the 2016 audits for the same year. Bob is the  
14 official partner in charge of both the IDA and the  
15 YEDC audits.

16 MS. SINGER: All right. Bob?

17 MR. KISCHAK: You're up.

18 MR. DANIELE: You're okay with the  
19 engagement letters and all that?

20 MR. MANGIARACINA: I can give a further  
21 explanation. The Engagement Letter has been  
22 drafted and sent to management for your approval.  
23 We've actually started the process in our own shop  
24 to get staff assigned and we're going to be going  
25 in shortly.

1 Proceedings

2 MS. SINGER: Yes. But do you want to  
3 talk about the scope of the audit and --

4 MR. DANIELE: Yes. I've prepared a  
5 PowerPoint. I think you all have it.

6 MS. SINGER: There is an attachment and  
7 it says, "No greater than K-N-O-W."

8 MR. DANIELE: All right. If you turn --

9 MS. SINGER: It's this.

10 MR. DANIELE: Turn to page 2 of the  
11 PowerPoint. We'll briefly go through our overview  
12 of the audit process. Describe the auditor's  
13 reports that are going to be issued. We'll go  
14 through the audit scope and focus. We'll put  
15 together an audit timetable and we'll talk about  
16 dates. And then just the last two is what our  
17 responsibilities are as external auditors and what  
18 management's responsibilities are.

19 So page 3 and 4, page 3 is a flowchart.  
20 Page 4 is the narrative of the flowchart. We'll  
21 come in, and I believe we're scheduled to come in  
22 next week, to do some preliminary testing. We get  
23 an update of our understanding of the IDA, it's  
24 controls and the information flow. We assess  
25 financial recording risks. We take a risk-based

## Proceedings

1  
2 approach and we'll discuss some of the areas that  
3 we look at. We design an audit plan based on the  
4 risk assessment. Like I said, we'll come in and  
5 evaluate internal controls. We develop a plan.  
6 If everything, when we do that preliminary work,  
7 if everything is in accordance to our  
8 understanding, we go ahead and execute the audit  
9 plan. We come in and do what we call a  
10 substantive testing where we drill down into  
11 account analysis and look into what is --

12 MS. SINGER: Bob, be cognizant of the  
13 fact we have two new members of the Audit  
14 Committee --

15 MR. DANIELE: Yes, okay.

16 MS. SINGER: That have not been through  
17 this before. So, it's not as pro forma.

18 MR. DANIELE: Okay.

19 MS. SINGER: So, where there's an  
20 explanation --

21 MR. DANIELE: Elaborate, sure.

22 MS. SINGER: Right.

23 MR. DANIELE: As I said, we will perform  
24 some preliminary testing. We'll go through your  
25 cash receipts. We go through cash disbursements.

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We go through your payroll. Again, if there are findings, we either expand the scope or we come and report it to you before, you know, they're, what we call, material weaknesses. None of those have been reported --

MS. SINGER: So, then just tell them what "material" means. Because that's -- materiality is a word that you don't want to see, so --

MR. DANIELE: I guess significant deficiency or material weaknesses is something that we believe you wouldn't pick up and we wouldn't pick up and it would just misstate your financial statements. Something to the point where there's a breakdown in the controls somewhere. So, we would have to go back and reassess that area.

MS. SINGER: And it's a reporting.

MR. DANIELE: So again, if everything goes according to plan, we execute the plan. We develop the financial statements. We have certain required communications that we'll discuss in a few minutes. Then we do have to develop what's called an internal control that are communications

## Proceedings

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2 of internal control matters that we report to you.

3 As I said, page 4 is just a narrative of  
4 the flowchart. Where again, and I'm not going to  
5 read every bullet, but we come in and we update  
6 our understanding as to the IDA, it's controls and  
7 it's environments, any new areas. For the new  
8 folks, there have been -- last year, the IDA  
9 absorbed some of the Yonkers Pier activities or  
10 consolidated into the IDA. So, the IDA did  
11 receive or certain assets were transferred to the  
12 IDA from those entities and certain liabilities or  
13 certain loans that the IDA is responsible for. We  
14 identify some --

15 MS. SINGER: That's very important here  
16 because we had a discussion at the last meeting  
17 about something where there was an intersect  
18 between the IDA and the EDC and those are  
19 critical. So, all of those things are very  
20 important for us to understand as we move forward.

21 MR. DANIELE: Okay. Again, we identify  
22 significant audit areas and materiality. And  
23 again, some of the areas that we focus on in your  
24 cash and equivalents and your certain restricted  
25 cash accounts for Economic Development projects.

## Proceedings

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2 As I mentioned, because the IDA absorbed the  
3 activities of the Yonkers Pier, it did also  
4 transfer certain capital assets. So, that's a  
5 large number, six or seven million dollars worth  
6 of leasehold improvements that the IDA absorbed  
7 from the Yonkers Pier that was dissolved.

8 MS. SINGER: So that again, those are  
9 critical to take note of because it's transactions  
10 that are from other places that come to us and we  
11 have to understand them and what the implications  
12 are.

13 MR. DANIELE: We also look at your  
14 accounts payable and there's a category called Due  
15 to Other Entities. Again, relating to the  
16 Economic Development projects. Again, with the  
17 absorption of the leasehold improvements from the  
18 Pier, the IDA also absorbed their loans payable.  
19 So there's certain loans out there that are due  
20 over the next 10 or 20 years or so. And then we  
21 look at the fund balance or what we call net  
22 position to make sure that certain, certain other  
23 monies are restrictive for a specific purpose.  
24 So, we make sure that those are adhered to, those  
25 particular restrictions.

## Proceedings

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2 Again, on page 4, we perform selective  
3 tests of internal controls and that will happen  
4 next week. I believe it's scheduled for the 13th  
5 and the 14th. Again, as I mentioned, we assess  
6 risk and material misstatement. We develop an  
7 audit plan based on that risk. We perform that  
8 audit plan. We document the process and our  
9 findings. As I mentioned before, we are required  
10 to communicate any internal control matters that  
11 we identify. I believe there was one comment last  
12 year and it related to Custodial Credit Risk. The  
13 IDA is required to have all of this cash  
14 collateralized and I believe there was some under  
15 collateralization last year that management is on  
16 top of and I believe should be corrected.

17 MS. SINGER: So, what it means is  
18 collateralized -- so, in banking when somebody  
19 would come to us and they have to have a  
20 collateralized account, it is that you put certain  
21 assets behind it that would have the same value,  
22 et cetera.

23 MR. DANIELE: Yes.

24 Page 5, audit reports to be issued. We  
25 issue an independent audit report on the financial

## Proceedings

1  
2 statements. There's a -- right after the Table of  
3 Contents, you look within the audit report, you'll  
4 see a two page report, an independent auditor's  
5 report. Those two pages are what we rely on.  
6 Really these financials statements are your  
7 financial statements although we, you know,  
8 although we, you know, we assist in developing and  
9 preparing those financial statements. They are  
10 management's financial statements. The only two,  
11 you know, the independent auditor's report is the  
12 only page that we really rely on.

13 Included in the independent audit  
14 report, again, is the Yonkers Pier activities  
15 that's rolled into the IDA in 2015 and continued.

16 MS. SINGER: And if you have a question,  
17 ask it because this is the time to really -- it's  
18 a learning process. So, these are the things that  
19 you look at and were very complex transactions.  
20 We had so many different things flowing through so  
21 many agencies. And so, the objective is always  
22 transparency. So when you look at anything that  
23 comes from us, it's supposed to be in a format in  
24 a way that it will be totally transparent. No one  
25 can say that you're hiding something or that

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something -- you can't follow it and track it.

MS. MCGILL: And we'll give you a copy of the 2015 final audit report before you leave just so you have -- until you become a little bit more familiar with these things.

MR. DANIELE: Yes, just to mention that last year was the first year where the Yonkers Pier closed and the IDA absorbed those. There was another entity, New Main Street Development Corp, that also was dissolved and the IDA picked up some smaller liabilities. We don't see that -- we won't see that 2016. Obviously, those activities will occur because now we absorbed those assets and those liabilities. But we won't have transfers because, you know, the entities were dissolved in 2016.

Continuing on page 5, in addition, there are certain required supplementary information that's included in the auditor's report. There's something called Management Discussion and Analysis that's written by management. It's really an overview of the year that's seen through the eyes of management. We don't really apply on it what we call the MDA. We do read it to make

## Proceedings

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2 sure that the numbers that are mentioned in that  
3 report corollate to the auditor's financial  
4 statements. But those really -- it's the year  
5 of -- a review of the year as seen through the  
6 eyes of management.

7           There's also a schedule of the  
8 Industrial Revenue Bonds and those issued, that's  
9 required. I know that speaking to Mary and  
10 there's certain -- we confirm these with all the  
11 various banks that do these transactions. So that  
12 process has been undertaken to get that  
13 information gathered. There's also a schedule of  
14 straight lease transactions for 2016. And then  
15 there's a schedule of payments on those taxed  
16 pilots that's also reported. We also report on  
17 internal controls for financial reporting. The  
18 compliance on the matters based on the audit,  
19 again, performed with what we call Government  
20 Auditing Standards. And there's also an  
21 independent audit --

22           MS. SINGER: There's GAP. You should  
23 tell them what GAP is.

24           MR. DANIELE: Generally Accepting  
25 Accounting Principles, the lowest government

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auditing standards.

MS. SINGER: So, not only do we, you know, do the internal but we have to conform with the regulatory. And that's -- they are different. In other years, there are very often changes to what's in GAP. So, that's another piece.

MR. DANIELE: Yes, we make sure that your report is in compliance to the standards.

There's also an independent report that's also included in the packet with the compliance with Section 2925 of the New York State Public Authority Law. The IDA is a public authority. And really that section is -- deals with your investments. Makes sure that, in fact, you do have a policy that's adopted. I don't believe that the IDA has investments per se but it is a requirement to include that at the end of the year.

Page 6 is an audit scope and focus, as I mentioned before. Some of the larger areas that we look at are your cash and equivalents as well as your restrictive cash. Last year there was certain property that was conveyed to the IDA from the Yonkers Community Development Agency, two and

## Proceedings

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2 a half -- 2.6 million dollars. That was to be  
3 restricted, pay off a bank loan that was absorbed,  
4 I believe, by the IDA. So, there was a bank loan  
5 that the Yonkers Community Development Agency was  
6 required to have for this New Market Tax Credit  
7 Program in regards to the Larkin Garage debt that  
8 was developed here in Yonkers. That note was held  
9 by Sterling Bank, formerly Hudson Valley Bank.

10 MS. SINGER: When the transaction  
11 occurred, it was Hudson Valley Bank.

12 MR. DANIELE: Yes, Hudson Valley Bank.

13 MS. SINGER: Originally. And so, I had  
14 a big conflict because I was involved in the -- I  
15 sat on the Loan Committee. So, I saw all the  
16 tracks. So, it's interesting for you to know that  
17 it was something very difficult for a banking  
18 institution to do because there were no clear  
19 flows and no guarantees, et cetera. So this was  
20 the way that it was handled. It was very creative  
21 and ordinarily would not have happened unless you  
22 really understood all the mechanisms and hoped  
23 that they would work. So it was on faith, which  
24 was interesting.

25 MR. DANIELE: And it was all documented

## Proceedings

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2 with the attorneys and lawyers.

3 We look at accounts receivable,  
4 estimates related to collections if we need to  
5 have an allowance to get certain amount of  
6 receivables. We look at that and propose an  
7 entry, if need be. Again, as I mentioned before  
8 because about 6.3 million was transferred to the  
9 IDA from the Yonkers Pier, the IDA now has capital  
10 assets in that amount so that's a large area and  
11 that's something that we look at.

12 The IDA also has receivables due from  
13 Economic Development projects correlated with  
14 their restrictive cash. So that's one of the  
15 focus areas that we look at. In the past, it had  
16 amounts due to other governments, I believe in  
17 Westchester County. Some of that was resolved in  
18 prior years. But that's an area that we continue  
19 to look at. We'll make sure that now that the  
20 loan payable that were absorbed by the Yonkers  
21 Pier, that those payments are happening on  
22 schedule. In particular, there's a \$925,000 New  
23 Market Tax Credit loan to the National Development  
24 Corporation. And then there's a little over  
25 \$900,000 loan to the New York Power Authority.

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Again, that was absorbed by the IDA.

There was a new reporting requirement that began last year for pensions. Not to get technical, it's Governmental Accounting Standards Board Statement Number 68. And that will continue this year. We're required to report certain liabilities based on the folks that are in the New York State Retirement System under the --

MS. SINGER: You're suppose to set aside the money to show what the -- in other words, what you owe.

MR. DANIELE: Right. You get a bill from the New York State, you pay that bill but in the end, they invest those monies. Whatever those assets are versus what the net position of the plan is, there's a certain shortfall in your proportion that's shared in its shortfall that needs to be refunded as a liability. You really have no control. I mean, it's not something that you would cut a check for but it's a reporting. It's a requirement and that began last year.

We look at your agency fee revenue. Again, in 2015, it was about 1.4 million dollars. And these are -- when these transactions happen,

## Proceedings

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2 the IDA gets, I believe, one percent of any new  
3 bonds that are issued, new pilots. So, it went  
4 from 1.3 million dollars in '14 to 1.4 million  
5 dollars in 2015 and hopefully that continues to  
6 climb. It's one of the major credit reserves for  
7 the agency.

8 And then from the expense side, we look  
9 at salaries. We look at payroll and those  
10 benefits. We look at any grants. We look at any  
11 consulting and professional fees. The IDA also  
12 handles the Workforce Investment Grant. That was  
13 taken over from the City of Yonkers a couple of  
14 years back. So, it records that income and those  
15 expenses. That's usually on a cost reimbursement  
16 basis. So, there's really no, what we call PNO  
17 affect. No revenue or expense affect. Whatever  
18 is spent, is claimed for and collected. There may  
19 be some timing differences at the end of the year  
20 where there may be a receivable on the books  
21 because the money was claimed in December but the  
22 IDA didn't receive it until January, February.  
23 So, there is a match in there. There's really no  
24 affect on the bottom line.

25 Page 7 is, again, the audit timing.

## Proceedings

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2 Again, we are here doing our audit communications  
3 related to the audit probe today. We do have a  
4 team scheduled to come in to do preliminary work  
5 on December 13th and 14th. We do have the audit,  
6 the year end audit, where we do our substantive  
7 testing and our analytical reviews. I believe  
8 that's scheduled for January 30th. Did we decide?  
9 The 23rd, the week of January 23rd. We expect to  
10 have some drafts of the reports some time later in  
11 February or early March. We do meet with the  
12 board -- these reports are required to be filed  
13 with the Regulatory Agencies by the end of March,  
14 90 days after year end. So, we do meet with  
15 the -- you folks again some time in mid-March,  
16 toward the end of March to go over the drafts and  
17 any final changes that are reported by you.

18 Page 8 and 9, 10 are really just some of  
19 our responsibilities and what management's  
20 responsibilities are. Again, I'm not going to go  
21 through each -- every bullet but we're really here  
22 to form and express an opinion about whether the  
23 financial statements present fairly, again, in  
24 conforming to Generally Accepted Accounting  
25 Principles and Government Auditing Standards.

## Proceedings

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2 Again, we perform those audits to obtain  
3 reasonable assurance that the financials  
4 statements are free from material misstatement.  
5 We are required to communicate to you any  
6 significant deficiencies or material weaknesses  
7 that are uncovered during the audit. We do advise  
8 management in appropriateness of accounting  
9 policies and since we assist you in preparing the  
10 financial statements, we make sure they're in  
11 accordance with the standards. There are entries  
12 that we proposed. Again, we are required to  
13 attach those and communicate those to you in our  
14 management letter. Again, if there's any fraud or  
15 suspicions of fraud, we bring them to your  
16 attention as soon as we uncover that. And again,  
17 we would inform management of those issues.  
18 Again, as I mentioned before, we do consider  
19 internal controls for the purposes of forming or  
20 developing our audit plan. We don't provide an  
21 opinion on internal controls. And then we also  
22 are required to perform tests that comply with  
23 certain laws, regulations, contracts and any type  
24 of transfers.

25 Page 11, management, as I mentioned

## Proceedings

1  
2 before, is responsible for the selection and use  
3 of the appropriate accounting policies and since  
4 we assist management in preparing the financial  
5 statements, we make sure that the year end report  
6 is within the standards. We make sure that --  
7 management is responsible to make sure the  
8 financial statements are prepared in accordance  
9 with Generally Accepting Accounting Principles.  
10 And again, with our assistance, we make sure that  
11 that's occurring. And they're also responsible  
12 for the design and the implementation of programs  
13 to prevent and detect fraud and to comply with all  
14 those regulations with certain contracts.

15 That's really it. It will be helpful to  
16 take a look at the 2015 financial statements and I  
17 can provide those if you don't have those.

18 MS. SINGER: Right, right. And so, the  
19 challenge is -- so, when you look today in modern  
20 accounting, what you ask accountants to do and  
21 auditors to do is to look at the risks that are  
22 involved and then to take what they are doing and  
23 give you an in-depth where the risks are the  
24 greatest. So, for us there is one obvious risk  
25 all the time is that we have a very small staff.

## Proceedings

1  
2 And so, it's very, it's very difficult to have the  
3 kinds of separations, the checks and balances that  
4 exist when you have a larger staff. So, that's  
5 always a risk that you have to be aware of. It's  
6 also, they do a remarkable job for the number of  
7 people that we have. Nevertheless, it's our job  
8 to make sure that wherever we can, we have a  
9 system of checks and balances. So that when  
10 somebody does something, there's somebody else  
11 that also looks at it when it's something that's  
12 material to us. And so, that's the challenge for  
13 Jaime when she looks at everything, how this  
14 should be done. And for our accountants and  
15 auditors, when they are auditing, to look at the  
16 places where you have the risks. And to be sure  
17 that you're covering those adequately and that  
18 they are analyzed adequately.

19 Now, do you see any unusual things  
20 because of GAP and because of all the other things  
21 where our risks are elevated?

22 MR. DANIELE: Not in particular. I  
23 mean, as you mentioned, we always look at  
24 segregation of duties as an issue. But I think  
25 because you have Pat, an outside person, that kind

## Proceedings

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2 of puts the information together and then it's  
3 reviewed by management. I think you do have that  
4 level, an additional level of assurance that there  
5 is a second eye, second set of eyes looking at the  
6 numbers and making sure that they are recorded  
7 through the end of the year at what we call a  
8 Accrual Basis Accounting. And all the  
9 transactions with Pat and within that particular  
10 year so I think you do have a set of eyes that is  
11 looking at this above and beyond what some other  
12 entities don't have.

13 MS. SINGER: So, just explain the  
14 Accrual Basis, you know, how you do it.

15 MR. DANIELE: Yes, so, during a year  
16 transactions happen. You write checks, revenues  
17 come in. Your year end is December 31st. There  
18 are transactions that may occur shortly thereafter  
19 that really relate to December or prior. So,  
20 certain items are recorded back to December when  
21 the audit is performed. So, you know, we come in  
22 for the period January, February, March of the  
23 current year, 2017, and we'll look at those  
24 transactions to say, "Hey, do they relate to  
25 2016?" So, we will propose an entry to bring

## Proceedings

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2 those back to 2016. And the same thing on the  
3 receivable and revenue side. There are cash  
4 receipts that really should have been recorded in  
5 December but the IDA doesn't receive them until  
6 January or February but they relate to 2016, we'll  
7 record an accounts receivable per indemnity. So,  
8 cash basis are your transactions that happen every  
9 day and you're writing checks and you're recording  
10 receipts. Accrual Basis is bringing that  
11 activities that happens after the fact that really  
12 belongs to that year, bringing that back in that  
13 reporting.

14 MS. SINGER: Do you have any questions?

15 MR. KISCHAK: I have no questions.

16 MS. SINGER: Do you have any questions?

17 MS. NACERINO: I'm familiar with all  
18 this accounting, unfortunately.

19 MS. SINGER: All right. So, today we're  
20 going to look at the engagement letter. So, with  
21 the engagement -- so we looked at the scope. So,  
22 if we have any concerns about something, so this  
23 is the time you would say, "When you are doing  
24 your audit, when you are looking at all of things  
25 -- are the things that we think you should pay

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particular attention to."

So, one of the things when you have transfers in, transfers out, when you have a complex structure where you absorb some other entity, you want to be able to look to all of those things because those are differences and they're things that we can be questioned about too. So, what we also have to be aware is we are also public. We are a public entity. And if somebody is looking at our statements and say, "Well, now you have Yonkers Pier. It was over here and now its over here and now its over there. And then you did something else." You want to be sure that what we are doing is something that we can explain and that makes sense for us and will make sense to others because that's critical for an entity such as ours. This is a political entity. It's also that the State of New York has never liked IDAs. They have tried very hard to get rid of them. So that we are always under a microscope. We're a large city. We're one of the big five cities in New York State. So it's not like when people say, "New Rochelle did this and Mount Vernon did that." It's a very different

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kind of a structure. So those are the things we have to be aware of when you look. And also, we want to be sure that our expenditures are reasonable and that we asked the questions of the accountants if there are differences between this year and last year. We want to know what else is being done and why is it different and why the amounts are elevated.

Do we have last years in here?

MR. JENKINS: No. Just this year.

MS. MCGILL: The engagement letter?

MR. JENKINS: Yes.

MS. MCGILL: We can get a copy of that.

MR. JENKINS: Yes, all right.

MS. SINGER: What was the fee last year for accounting?

MR. JENKINS: It's the same.

MR. DANIELE: We left it flat.

MR. JENKINS: It's the same.

MR. DANIELE: There was no increase.

MR. JENKINS: And it's an estimate.

It's on page 6 of the engagement letter. So, on page 6 of the engagement letter under fees and billing of 28,500, is an estimated number.

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MR. DANIELE: That's our fee. I mean, we haven't billed extra or anything. That's what is was for the past couple of years.

MS. SINGER: And what was last year's fee?

MR. JENKINS: The same.

MS. SINGER: The same. So, there's no change.

MR. DANIELE: No, we left the IDA flat. I think the YEDC went up 2 or 3 percent.

MS. SINGER: Right. But, you have the caveat, right, that if you do any additional work then you submit.

MR. DANIELE: Right. That's something -- we've done some work but we haven't passed that along just because of our relationship.

MS. SINGER: We appreciate that.

MR. JENKINS: It all goes to our long-term relationship, so --

MS. SINGER: Right.

So, do you have any questions about the engagement letter?

MR. KISCHAK: Just, how long have you been working for the city, I mean, the IDA?

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MR. DANIELE: The firm?

MR. KISCHAK: Yes.

MR. DANIELE: We've been doing the IDA forever.

MS. SINGER: Yes, as long as I --

MR. MANGIARACINA: I took over as the partner in charge when Frank Ranger was -- I replaced Frank Ranger. That was probably about 9 years ago.

MR. DANIELE: It has to be over at least 15 years, I would say.

MR. MANGIARACINA: It was a Ted Kilson account previously.

MS. SINGER: Right.

MR. MANGIARACINA: Ted Kilson is a firm that was in Westchester County that merged with O'Connor Davies back in 2005, 11 years ago.

MS. SINGER: Yes, they've been here for a long time. Whenever there was a change in the person who was actually in charge of the audit, I asked for Charles Mangiaracino to be here because he was the anchor. And he knew what had transpired before and with all the complexities, it's very important to have somebody who

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understands the total as well.

MR. MANGIARACINA: Thank you very much.

MS. SINGER: So, it's not just -- so even though it's not a high-priced item, what they're doing for us, it's very critical to have the understanding of what we do and how we do it and all the complexities involved.

So, if there are no questions, may I have a motion to accept the engagement letter as submitted?

MS. NACERINO: I accept.

MS. SINGER: Second?

MR. KISCHAK: Second.

MS. SINGER: Is there any other business? Are there any things we want to know?

MR. KISCHAK: No. I'll just learn from experience.

MS. SINGER: Do you have any --

MS. NACERINO: No.

MS. SINGER: I'm going to ask for a motion to adjourn the IDA Audit Committee Meeting.

MS. NACERINO: Motion to adjourn.

MR. KISCHAK: Second.

(Whereupon, the Board Meeting

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C E R T I F I C A T I O N

STATE OF NEW YORK )

) ss.

COUNTY OF WESTCHESTER )

I, MARGARET PRENDERGAST, Court Reporter and Notary Public within and for the County of Westchester, State of New York, do hereby certify:

That I reported the proceedings that are hereinbefore set forth, and that such transcript is a true and accurate record of said proceedings.

AND, I further certify that I am not related to any of the parties to this action by blood or 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 \_\_\_\_\_ day of. \_\_\_\_\_, 2016.

\_\_\_\_\_  
MARGARET PRENDERGAST