



**Audit Committee Meeting
Minutes
October 15, 2012**

Present Committee Members

Cecile Singer, Chairperson
Michael Baratta, Member

Absent Committee Members

Martin Ball, Sr., Member

Non-Committee Members Present

Melvina M. Carter, Yonkers IDA President, CEO
Jesus A. Lopez, Yonkers IDA CFO
Charles Mangiaracina, O'Connor Davies Munns
Pat Serenson, Accountant

Roll Call

Cecile Singer, Chairperson called the Meeting to order at 8:40 a.m. A roll call was taken. The following Committee Members were noted to be present: Cecile Singer and Michael Baratta. A quorum was established for the conduct of business.

Approval of Minutes for March 20, 2012

Chairperson Singer referenced the first item on the Agenda which was the Approval of Minutes for March 20, 2012. No changes were necessary to the Minutes.

A motion to approve the Minutes for March 20, 2012 was made by Michael Baratta and seconded by Cecile Singer. *Approved 2-0*

Review and Discussion of Audit Plan

Charles Mangiaracina, O'Connor Davies explained the Audit Plan and reviewed the areas of expected audit focus. Mr. Mangiaracina advised the cash in any institution needed to be treated as high risk and go through regular channels which it then must pass the test of balances and details, then internal control reviews. Mr. Mangiaracina advised that the account receivables and fixed assets did not present a fraud risk. In addition, the restricted cash presented a moderate fraud risk; therefore it will need to be submitted to review of transaction authorization. Mr. Mangiaracina explained that the accounts payable demonstrated moderate risk, therefore test and review of internal controls was needed due to government agencies. Mr. Mangiaracina stated that although there was no risk they are required to issue conformation and review of payments between agencies.

Chairperson Singer inquired about the fee for 2013 Audit and the increase. Mr. Mangiaracina indicated that the fee did not increase by much and CEO Carter confirmed that in 2012 the fee was \$22,000 and in 2013 it would increase slightly to \$22,300. Mr. Mangiaracina continued to advise that bonds sponsored demonstrated low risk and the revenue section reviewed projects and minutes, along with payroll section which reviewed payroll records. Mr. Mangiaracina mentioned that there were no expected issues with the YIDA audit.

A motion was made by Michael Baratta to Approve the Audit Plan. The motion was seconded by Cecile Singer. *Approved 2-0*

Review and Discussion of Engagement Letter

Chairperson Singer referenced the next item on the Agenda which was the Review and Discussion of the Engagement Letter. Mr. Mangiaracina indicated that the Engagement Letter would authorize the scope of service for the Yonkers Industrial Development Agency for the year ending December 31, 2012. Mr. Mangiaracina advised that the estimated fee would be \$22,300 and the audit objective will be to review the chart risk assessment process, assessing the risk to financial statements, by performing tests and internal controls to issue a report and provide the findings to the board.

A motion was made by Cecile Singer to Approve the Engagement Letter. The motion was seconded by Michael Baratta. *Approved 2-0*

Review and Discussion of the 2013 IDA Budget

Melvina Carter, IDA CEO reviewed the proposed budget for 2013 and mentioned two items on the income section which was the \$268,000 grant to NMSDC for the Daylighting and the management fees which were zero since OCDM were not receiving any fees from the YEDC. CFO Carter explained that due to the fact that New York State Office of the State Comptroller does not allow IDA employees to work in any capacity for Local Development Corporations, Jesus Lopez, IDA CFO will become an employee of the YEDC to avoid any future conflicts. Chairperson Singer added that the Agency should receive confirmation from New York State regarding this issue to ensure CFO Lopez would be authorized to be employed by the YEDC and at the same time perform duties for the Agency.

A motion was made by Michael Baratta to Approve the Engagement Letter. The motion was seconded by Cecile Singer. *Approved 2-0*

Legal Updates

No legal updates

Other Business

No other business was reported

Adjournment

A motion to adjourn was made at 8:55 a.m. unanimously. *Approved 2-0*