

Town of Brookhaven  
**Local Development Corporation**  
**Finance Committee**  
MEETING AGENDA  
**Wednesday, August 17, 2022**

1. MINUTES

September 15, 2021

2. CFO'S REPORT

Budget  
Banking

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TOWN OF BROOKHAVEN  
LOCAL DEVELOPMENT CORPORATION

- - - - -x

FINANCE COMMITTEE MEETING  
HELD BY ZOOM VIDEOCONFERENCE

- - - - -x

September 15, 2021  
9:08 a.m.

TRANSCRIPT OF PROCEEDINGS

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A P P E A R A N C E S :

**MEMBERS :**

FREDERICK C. BRAUN, III  
MARTIN CALLAHAN  
FELIX J. GRUCCI, JR.  
LENORE PAPROCKY  
GARY POLLAKUSKY

**ALSO PRESENT :**

LISA M.G. MULLIGAN, CHIEF EXECUTIVE OFFICER  
LORI J. LaPONTE, CHIEF FINANCIAL OFFICER  
JAMES M. TULLO, DEPUTY DIRECTOR  
JOCELYN LINSE, EXECUTIVE ASSISTANT  
TERRI ALKON, ADMINISTRATIVE ASSISTANT  
AMY ILLARDO, ADMINISTRATIVE ASSISTANT  
ANNETTE EADERESTO, ESQ., AGENCY COUNSEL  
WILLIAM F. WEIR, ESQ., NIXON PEABODY  
HOWARD R. GROSS, ESQ.,  
WEINBERG GROSS & PERGAMENT, LLP

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MR. BRAUN: It is now 9:08. This is the meeting of the Finance Committee of the Local Development Corporation. A quorum is present.

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Just a quick announcement --

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MS. MULLIGAN: Bill has one thig to say.

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MR. WEIR: This meeting is being conducted electronically via Zoom pursuant to Senate bill 50001 and Assembly bill 40001, which temporarily modifies the Open Meetings Law to allow for electronic meetings of public meetings to be conducted electronically due to COVID.

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MS. MULLIGAN: If everybody would just when you speak, state your name. So this is Lisa Mulligan. When you speak, just state your name, just to facilitate things with the transcription, which, by the way, this meeting will be transcribed.

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MR. BRAUN: Just in terms of order of business, we will have a Finance Committee meeting of the Local Development Corporation. When that is adjourned, we will have a Finance

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Committee meeting of the IDA. When that is

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adjourned, we will go into the regular

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business of the Local Development Corporation

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and when that's concluded, the IDA.

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So as I said, this is the meeting of

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the Finance Committee of the Local Development

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Corporation.

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Before we go into the budget, I need a

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motion to accept the minutes of our meeting of

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April 21st of 2021.

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MR. POLLAKUSKY: So moved.

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MR. BRAUN: Is there a second?

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MR. GRUCCI: Second.

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MR. BRAUN: On the vote, Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: Ms. Paprocky?

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MS. PAPROCKY: Yes.

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MR. BRAUN: Mr. Pollakusky?

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MR. POLLAKUSKY: Yes.

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MR. BRAUN: Mr. Grucci?

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MR. GRUCCI: Yes.

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MR. BRAUN: Mr. Braun votes yes, the

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motion carries.

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I will turn it over to Lori LaPonte for

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a discussion of the budget.

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MS. LaPONTE: Good morning everyone.

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Included in the information that was sent is a draft budget of the LDC for the year ended 12/31/22. Basically I'll go through some of the assumptions and please ask if you have any questions.

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We have no expectations of closings during 2022, so the revenue is just limited to our administrative income and also our interest income.

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The other item I wanted to mention is these costs, the estimate budget costs, represent our prior costs plus an inflation.

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On this schedule, you can see over to the right I did a lot of comparisons. I showed the prior year's budget just for your informational purposes, I annualized our 731 results for informational purposes and the bottom column is some differences between where the budget we're expecting and what the differences are and the one thing I want to point out is our 731 results have not fully had the effect of the cost sharing agreement,

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so the 731 '21 results lag behind where we

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expect them to be, lag -- the expenses will be

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higher.

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Does anybody need me to explain that

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further?

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(No response.)

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MS. LaPONTE: And most of the budget

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estimates were based on discussions with Fred,

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Lisa and myself. We grabbed fees from the

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insurance broker, we grabbed fees from the

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accountant, things that we knew what would

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increase and then just generally we looked at

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like a cost of living three percent, but as

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mentioned today, Fred was mentioning it, could

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be as high as six to eight percent, we don't

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know, but we still think we have enough

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coverage based on that.

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MR. GRUCCI: Lori, just a quick

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question for you.

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Is it possible to share your screen and

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put that up?

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MS. MULLIGAN: You want me to do that,

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Lori?

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MS. LaPONTE: I would appreciate it

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because I'm actually on my laptop, not on my  
desktop.

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MS. MULLIGAN: Just so everybody knows,  
the packet that Terri sent out yesterday at,  
hold on, I apologize, the packet that Terri  
sent out yesterday at about 4:49 p.m. has all  
of the -- has each of the meeting packets in  
it, so if you open that email, you'll have  
everything, but I am going to share -- I'm  
going to open that and share my screen.

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MS. LaPONTE: Thank you. I probably  
could have done it on my laptop, I apologize.

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MS. MULLIGAN: It's not necessary.

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MS. LaPONTE: Felix, next time I'll be  
more prepared, apologies.

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MR. GRUCCI: It's not a problem. I saw  
it and I read it online, but I didn't print it  
out and I'm not technically savvy enough to  
figure out how to still keep Zoom on and open  
up those files.

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MS. MULLIGAN: Don't worry about it,  
give me two seconds and I will share my  
screen.

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Do you see it?



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MR. GRUCCI: Yes, I do, thank you.

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MS. MULLIGAN: Okay.

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MS. LaPONTE: Okay.

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So just to recap, the first column all the way to the left, revised budget, that's

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the budget that we set forth that was revised

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midyear to take effect for the changes and

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adding additional costs to the LDC for the

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employees that in the past were volunteers, so

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that was our revised budget number, so I

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started with that figure.

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Then for the estimate, what I did was

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the second column is I looked at if there's

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any projects in-house, there are none. I

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looked at we will get fixed admin fees from

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each of the existing projects, about 6,000 and

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I took down interest income a few dollars

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because the rates have continued to -- they're

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practically below zero at this point, they're

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zero, they're around like .1001. So that's

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where we got the projected revenues from.

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Now the other expenditures are

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allocations with the cost sharing agreement

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between the IDA and LDC, so that's where I got

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that estimate column for 12/31/22. A net

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deficit of 103, but we have fund balance

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that's built up of a few hundred thousand from

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the closings, so that net deficit will be

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absorbed.

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The next column is the 12/31/20 actual

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audit results just for informational purposes

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and that's the year we had the two big

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closings you'll see in that year.

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The next column is the 7/31 year to

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date IDA results excluding the cost sharing

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for the -- between IDA and LDC, we just signed

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that agreement, so we're actually doing that

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cost sharing; in the next meeting you'll

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probably see all these numbers have been

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adjusted for cost sharing now that we're

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finalized.

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I did an annualization of those costs

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at 7/31 and then I did a comparison budget

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versus actual based on the annual. I also

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reviewed this budget in detail with both Lisa

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and Fred.

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Any questions?

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MR. BRAUN: The only question I have is

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the Finance Committee needs to recommend the budget to the full board and while I'd like to do that today, I don't know that we can because we're going to need to see those cost sharing numbers I think before the Finance Committee really has an opportunity to approve this and move it ahead, so we may have to have another Finance Committee meeting in October, unless the board is happy with this, the Finance Committee is happy with this and plus or minus the adjustments is recommending it to the board, I'm happy to listen to any thoughts anybody had.

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MR. GRUCCI: Fred, is it possible to approve the budget subject to the final numbers on the cost sharing, provided the cost numbers aren't less than the numbers that Lori has embedded into the budget?

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MS. LaPONTE: I'd like to comment to that.

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Felix, I actually know the hard cost sharing numbers for the first and second half of the year, it's just that it's -- I'm having Lisa go through an enormous Excel schedule and

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an allocation, so I can actually give you the

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highest number each quarter will be, will be

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with everything fully loaded, another 15,000

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and that's giving us about a 3,000 cushion, so

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I'm confident.

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MR. BRAUN: Felix, if you want, we can

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approve this subject to those adjustments that

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Lori will make and to be reviewed by Lisa and

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myself.

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MS. MULLIGAN: And can't we bring it to

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the board and say the Finance Committee

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approved this pending this and here's the

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pending?

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MR. BRAUN: Yes.

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MS. MULLIGAN: Because I don't have it

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on the agenda for the board meeting today, my

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plan was to push it until next month to have

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the board accept the agenda -- the budget at

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our October meeting.

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MR. BRAUN: Okay.

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So we need a motion to accept this

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budget, budget is subject to change, to

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approve it at the Finance Committee meeting

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and it will be brought to the full board at

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the October meeting.

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MR. GRUCCI: So moved.

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MS. MULLIGAN: Lori?

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MS. LaPONTE: Yes.

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Fred, before you make that motion, I do not foresee the budget changing, it's just the comparison numbers will change.

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MR. BRAUN: Well, you'll have cost allocations in there by then, right?

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MS. LaPONTE: Yeah, the budget is based on those cost allocations, the budget is based on the rent, but as you can see year-to-date I don't have the rent expense, so the budget to me is good including cost allocations. It's the year-to-date numbers where compared to don't show that. I apologize.

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MR. BRAUN: All right.

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MS. LaPONTE: That's what I mean.

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So I'm comfortable with that budget number.

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MR. POLLAKUSKY: Felix made the motion. I'll second the motion.

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MR. BRAUN: Thank you, Gary.

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On the vote, Mr. Callahan?

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2 MR. CALLAHAN: Yes.

3 MR. BRAUN: Ms. Paprocky?

4 MS. PAPROCKY: Yes.

5 MR. BRAUN: Mr. Pollakusky?

6 MR. POLLAKUSKY: Yes.

7 MR. BRAUN: Mr. Grucci?

8 MR. GRUCCI: Yes.

9 MR. BRAUN: Mr. Braun votes yes, the  
10 motion's carried.

11 Is there any other business to be  
12 brought before the Finance Committee?

13 (No response.)

14 MR. BRAUN: Hearing none, a motion to  
15 adjourn?

16 MR. GRUCCI: So moved.

17 MR. POLLAKUSKY: Second.

18 MR. CALLAHAN: Marty Callahan.

19 MR. BRAUN: Mr. Pollakusky on the  
20 second.

21 On the vote, Mr. Callahan?

22 MR. CALLAHAN: Yes.

23 MR. BRAUN: Ms. Paprocky?

24 MS. PAPROCKY: Yes.

25 MR. BRAUN: Mr. Pollakusky?

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MR. POLLAKUSKY: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Mr. Braun votes yes.

The meeting of the Local Development  
Corporation Finance Committee is adjourned.

(Time noted: 9:18 a.m.)

I, JOANN O'LOUGHLIN, a Notary Public  
for and within the State of New York, do hereby  
certify that the above is a correct transcription  
of my stenographic notes.

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JOANN O'LOUGHLIN