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TOWN OF BROOKHAVEN
LOCAL DEVELOPMENT CORPORATION

- - - - -x

AUDIT COMMITTEE MEETING
HELD BY ZOOM VIDEOCONFERENCE

- - - - -x

March 10, 2021
10:23 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
FELIX J. GRUCCI, JR.
GARY POLLAKUSKY
ANN-MARIE SCHEIDT

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
WILLIAM F. WEIR, ESQ., NIXON PEABODY
HOWARD R. GROSS, ESQ.,
WEINBERG GROSS & PERGAMENT, LLP
JEFFREY S. DAVOLI, PKF O'CONNOR DAVIES
ELIZABETH F. CASEY, PKF O'CONNOR DAVIES
OCTAVIO CHACON, PKF O'CONNOR DAVIES

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MR. BRAUN: We'll open the meeting for the audit committee for the Local Development Corporation.

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Back to you, Jeff.

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MR. DAVOLI: Sure.

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Okay. So we can -- I can go through this again, but I think we both will lose our wills to live again. I'll just dispense with everything that related to the audit as far as responsibilities, both our responsibilities as auditors and your responsibility as those charged with governance, audit scope, required communications, all those things, maybe we'll just brush on that real quick.

We do have an unmodified opinion, a clean opinion, on the LDC as well and maybe we can just go to some highlights.

Net position, which is the end result like the date of the LDC, \$615,000 in net position, which was an increase of 328,000, \$610,000 in cash in the bank versus 328,000 at the end of 2019.

Charges for services increased by \$333,000 as a result of two project closings

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versus 2019 where there was zero. Operating

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expenses remained relative flat for the year

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versus the prior year and again, blah, blah,

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blah, blah, blah.

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There's no -- the only difference here

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is there really are no material estimates, you

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know, like the pension liability that is at

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the IDA, there's no material liabilities, it's

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a much smaller and simpler operation. There

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are no uncorrected nor any corrected

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misstatements; again, a testament to internal

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accounting.

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Internal controls of financial

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reporting, there are no deficiencies in

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internal control, whether they be deficiencies

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in internal control, significant deficiencies

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or material weaknesses for the agency and all

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this other down the road stuff still applies

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to the LDC as much as it will apply to the

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IDA.

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MR. BRAUN: Any questions for Jeff?

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MR. GRUCCI: Just a quick question.

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Where did all of that cash come from

25

that we finished the end of the year from, I

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2 don't remember that much activity in the LDC?

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4 MR. DAVOLI: Yeah, it was the two
5 closings; Lori, you want to give some details
6 on the closings?

6

7 MS. LaPONTE: Yes, yes.
8 There were two closings during the
9 year, one was Jefferson's Ferry and the other
10 one was Brookhaven.

10

11 MR. WEIR: Brookhaven Memorial
12 Hospital.

12

13 MS. LaPONTE: Yes.
14 MR. WEIR: So we had two very large
15 year-end closings, one in November, one in
16 December, so . . .

16

17 MR. DAVOLI: Yeah, so that provided
18 \$333,000 in cash.

18

19 MR. GRUCCI: Wow, okay.
20 MR. WEIR: So it was the most active
21 year for the LDC in a while.

21

22 MS. LaPONTE: Yes. The most active
23 year for as long as I've been with them.

23

24 MR. DAVOLI: Yeah.
25 MR. GRUCCI: Not-for-profits pay the
same fees as everyone else?

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MS. MULLIGAN: They follow our fee schedule, which last year the LDC and the IDA fee schedules were the same.

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MR. GRUCCI: Okay.

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MR. BRAUN: Any other questions for Jeff?

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(No response.)

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MR. BRAUN: Hearing none, I need a motion for the committee to recommend the financial statement of the LDC to the board.

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MR. POLLAKUSKY: So moved.

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MR. GRUCCI: Second.

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MR. BRAUN: Call a vote.

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Mr. Grucci?

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MR. GRUCCI: Yes.

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MR. BRAUN: Mr. Pollakusky?

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MR. POLLAKUSKY: Yes.

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MR. BRAUN: Ms. Scheidt?

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MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Braun votes yes.

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Motion carries.

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I'll entertain a motion to conclude the meeting of the LDC audit committee.

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MR. GRUCCI: So moved.

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MR. POLLAKUSKY: Seconded.

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

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MR. GRUCCI: Yes.

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MR. BRAUN: Mr. Pollakusky?

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MR. POLLAKUSKY: Yes.

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MR. BRAUN: Ms. Scheidt?

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MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Braun votes yes.

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The meeting is closed.

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Jeff, thank you very much and thank

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your team.

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MR. DAVOLI: Thank you very much.

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I'd like to thank the board and

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management and accounting, Fred, Lisa, Lori,

16

Jim, everybody all the way up and down the

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organization to make this audit seamless for

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you, less painful for us and we appreciate the

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cooperation. Thank you very much.

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MR. BRAUN: Thank you.

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(Time noted: 10:28 a.m.)

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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.

JOANN O'LOUGHLIN