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TOWN OF BROOKHAVEN
LOCAL DEVELOPMENT CORPORATION

-----x

BOARD MEETING

HELD BY CONFERENCE CALL

-----x

June 17, 2020
12:05 p.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.
GARY POLLAKUSKY
ANN-MARIE SCHEIDT
FRANK C. TROTTA

ALSO PRESENT :

LISA M.G. MULLIGAN, CHIEF EXECUTIVE OFFICER
LORI 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
PETER L. CURRY, ESQ., FARRELL FRITZ
DANIEL P. DEEGAN, ESQ.,
FORCHELLI DEEGAN TERRANA
ERIC J. RUSSO, ESQ.,
VANBRUNT, JUZWIAK & RUSSO
GWEN O'SHEA, CDCLI
PHILLIP BARTKOVICH, CONIFER REALTY, LLC
JOANNA CUEVAS, CONIFER REALTY, LLC
ALLEN HANDELMAN, CONIFER REALTY, LLC
ROGER PANAY, CONIFER REALTY, LLC
RUSSELL A. MOHR, THE BENJAMIN COMPANIES
MEREDITH BLACK, ESQ., THE BENJAMIN COMPANIES
DANIELLE L. RIZZO, ESQ.,
THE BENJAMIN COMPANIES
CAROLE TROTERRE, TODD SHAPIRO ASSOCIATES

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MR. BRAUN: We do have a quorum, Local Development Corporation. This is Fred Braun. I'll just identify the other board members that are present: Felix Grucci, Frank Trotta and Marty Callahan and Lisa, do you want to identify the staff members?

MS. MULLIGAN: Also on the call is Lisa Mulligan, Lori LaPonte, Jocelyn Linse, Annette Eaderesto, Jim Tullo, Amy Illardo, Bill Weir, Howard Gross, Terri Alkon and then we have Phil Bartkovich from Conifer, Peter Curry, really in the IDA, from Farrell Fritz and he will chime in when his project comes up and Carole Troterre from Todd Shapiro's office.

Did anyone else just join?

MS. SCHEIDT: Ann-Marie Scheidt just joined.

MS. O'SHEA: This is Gwen O'Shea with Community Development Corporation of Long Island.

MR. POLLAKUSKY: Gary Pollakusky.

MR. BRAUN: All right, thank you.

The minutes from our meeting of May 13th have been sent to everyone; can I

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have a motion to accept those minutes?

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MS. SCHEIDT: So moved.

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MR. TROTTA: Second.

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MR. BRAUN: Thank you.

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Are there any questions?

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(No response.)

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MR. BRAUN: All those in favor?

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Mr. Braun votes yes.

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Mr. Grucci?

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MR. GRUCCI: Yes.

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MR. BRAUN: Mr. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Ms. Scheidt?

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MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: Mr. Pollakusky?

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MR. POLLAKUSKY: Yes.

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MR. BRAUN: Minutes are accepted.

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Let me turn it over to Lori LaPonte for

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the CFO report.

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MS. LaPONTE: Okay.

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Good afternoon everyone.

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Included in the packages is the profit

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and loss budget versus actual for the period

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January through May 2020.

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I just want to point out the middle column is the May activity on the report that's in your package.

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During the month of May, we had one income item, which was a termination fee for one of the projects, IGHL, for 1,250. The other expenditures that are represented here just are recurring monthly website and accruals for accounting and insurance.

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Any questions on this financial report for the month of May, the five months?

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(No response.)

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MS. MULLIGAN: Did someone just join the call?

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MR. DEEGAN: Yeah, Dan Deegan's here.

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MR. GRUCCI: I just want to make sure I'm reading this right.

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Under the column that says May 20th, we're showing a loss of 1,015 for the month?

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MS. LaPONTE: Correct. And then the next column is the year to date, is a loss of 207.

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MR. GRUCCI: Got you. Okay. Thank

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you.

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MS. LaPONTE: You're welcome.

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MR. BRAUN: I need a motion to accept

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the CFO's report.

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MR. GRUCCI: So moved.

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MR. BRAUN: Mr. Grucci made the motion;

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is there a second?

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MR. CALLAHAN: Second.

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MR. BRAUN: Thank you.

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Any additional questions?

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(No response.)

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MR. BRAUN: All those in favor?

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Mr. Braun votes yes.

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Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: 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. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Motion carries. Thank you.

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Lori, back to you.

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MS. LaPONTE: Okay.

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Included in your package is our final draft of the audit for your approval for the year ended December 31, 2010. As mentioned, this was delayed. The auditors had given us a draft back in March and I had given them comments back in March, but I didn't get second draft till late May.

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So I've reviewed it. I can go through, I just want to point out the points that are different or new, but feel free to let me know if you have any questions.

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So on the report titled the financial statements, the independent auditor's report, on page one is our opinion, it's a clean opinion, meaning it's unqualified, there's no items noted.

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Turning on page five, it's kind of a three-year analysis of our position and our activities for the LDC. There's a small loss of '19 of \$5,000 and that's basically just the insurance costs are higher than the annual . .

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. just pointing out on the financial

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statement -- I'm getting like a backlash, is

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it just me, like a squeak?

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MR. TROTTA: No, I hear it, also.

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Somebody should --

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MS. LaPONTE: Okay.

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MR. TROTTA: Mike it.

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MS. LaPONTE: I just want to point out

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a couple of things, like I said, in the

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footnotes. This is very similar to our prior

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year.

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On page 11, all of the recent

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accounting principles, GASB, kind of said

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based on COVID, we're delaying everything for

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a year. So that's on page 11 of the

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footnotes, no pen, just basically says any

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accounting that would have been affected for

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us to implement in the future year, 2020, the

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year we're in right now, has been delayed.

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But you should note there was nothing that's

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going to change our results anyway whether or

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not it was delayed.

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The other item they added to the

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footnotes, which again, I've seen this and I

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expected this, is on page 15 of the footnote,

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they mention the uncertainty of a subsequent

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event being a COVID issue and the effect it

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may or may not have on business, it's an

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unknown and the financial impact is

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undeterminable for any entity at this point,

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so I just want to point those out to you.

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The other remaining opinions in this

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package is our compliance opinions just

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showing laws and regulating. These are clean

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opinions. Last opinion in there is the

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investment policy, also a clean opinion.

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These are all required to be done as part of

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our PARIS filing.

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The auditors had asked if we needed

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that to join in and do the presentation and

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because of the agenda, we kind of came up with

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it, made sense. I can do this as concise as

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they can, but if the board decides they want

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to speak with them, that's also fine. As part

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of that, they give an auditor communication,

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which is a direct letter that's included in

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your package, just telling you that there were

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no issues with me or management or anything

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2 they saw, so I've also included that.

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MR. BRAUN: Lori, the opinion is not dated. That will be dated and sent to us in final form once the board accepts this; is that correct?

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MS. LaPONTE: That would be correct. If it's today, I call them, Lisa signs a representation letter and it would probably be dated today --

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MR. BRAUN: Thank you.

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MS. LaPONTE: -- or tomorrow.

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MR. BRAUN: We need --

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MR. GRUCCI: Who's the auditor that did the report for us?

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MS. LaPONTE: It's Albrecht, Viggiano.

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The individuals on the account is Octavio Chacon, Jeff Davoli and Elizabeth Casey.

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MR. GRUCCI: Got it. Thank you.

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MS. LaPONTE: You're welcome.

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MR. BRAUN: We need a motion to approve the draft financials.

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MR. TROTTA: So moved.

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MR. POLLAKUSKY: Second.

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MR. BRAUN: Are there any additional

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questions of Lori?

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(No response.)

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MR. BRAUN: Mr. Braun votes yes.

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Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: 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. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Motion carries. Thank you.

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Lori, one more thing, I guess.

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MS. LaPONTE: Yeah.

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So now that we have the final audit

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accepted and approved, we will continue and

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finalize PARIS and the initial extension has

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been through June 30th. We're going to need

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30 more days because we're going to need to

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present it to you at the next meeting and get

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your approval. I don't see a problem with

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doing that as far as number one, having it

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2 done because it's been done since March, just
3 waiting for the audit and I don't see a
4 problem with them not giving us an extra few
5 days, so I just want to mention that will be
6 presented at the next board meeting,
7 July 15th.

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Any questions?

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MR. BRAUN: Any questions of Lori with
regard to PARIS?

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(No response.)

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MR. BRAUN: Okay. Thank you, Lori.

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Lisa, back to you; there's a
resolution.

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MS. MULLIGAN: So the next item on the
agenda is a resolution for the Jefferson's
Ferry project.

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To refresh your memory, this is the
Active Retirement Community doing business as
Jefferson's Ferry, it's a not-for-profit in
Setauket. These are bonds of \$100 million,
but not to exceed \$125 million. We had a
public hearing this morning, there were no
comments and this is a final authorizing
resolution.

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Bill, did you have anything that you wanted to add?

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MR. WEIR: No. The project's ready for approval and this is an extremely well-run continuing care retirement community and for the board's recollection, you had issued bonds for them in 2016 to refund all their prior bonds, so this is the second financing you've done for Jefferson's Ferry.

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MR. BRAUN: Bill, should this say Active Retirement Community doing business as Jefferson's Ferry for the minutes?

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MR. WEIR: Active Retirement Community, Inc. doing business as Jefferson's Ferry, correct.

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MR. BRAUN: Thank you.

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MR. WEIR: Jefferson's Ferry is a d/b/a, but that's what it's known as.

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MR. BRAUN: A motion to approve the resolution.

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MR. GRUCCI: So moved.

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MR. POLLAKUSKY: Second.

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MR. BRAUN: Any additional questions?

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(No response.)

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MR. BRAUN: Mr. Braun votes yes.

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Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: 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. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Motion carries.

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Lisa, is there any further business for

15

the Local Development Corporation?

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(No response.)

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MR. BRAUN: Lisa, are you there?

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MS. MULLIGAN: I'm still here.

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I have no other business for the LDC,

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except that our next meeting is scheduled for

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July 15th.

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MR. BRAUN: Thank you.

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I will entertain a motion to adjourn

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the LDC meeting.

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MS. SCHEIDT: So moved.

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MR. POLLAKUSKY: Second.

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MR. BRAUN: All those in favor?

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(Multiple ayes.)

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MR. BRAUN: Excuse me, I should have

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gone down the list.

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Mr. Braun votes yes.

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Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: 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. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Motion carries. The LDC

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meeting is adjourned.

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(Time noted: 12:17 p.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