

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

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AUDIT COMMITTEE MEETING
HELD BY ZOOM VIDEOCONFERENCE

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March 16, 2022
9:09 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
FRANK C. TROTTA

ALSO PRESENT:

LISA M. G. MULLIGAN, CHIEF EXECUTIVE OFFICER
LORI J. LaPONTE, CHIEF FINANCIAL OFFICER
JOCELYN LINSE, EXECUTIVE ASSISTANT
TERRI ALKON, ADMINISTRATIVE ASSISTANT
AMY ILLARDO, 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
BRIAN PETERSEN, PKF O'CONNOR DAVIES

1 MR. BRAUN: We will now open the
2 meeting for the Town of Brookhaven Industrial
3 Development Agency Audit Committee. It is
4 now 9:09.

5 The following board members are
6 present: Mr. Grucci, Mr. Pollakusky, Mrs.
7 Scheidt, Mr. Trotta, Mr. Braun. We have a
8 quorum. Lisa?

9 MS. MULLIGAN: Today's meeting has been
10 convened in accordance with Chapter 417 of
11 the Laws of 2021 effective September 2nd,
12 2021, through today, March 16th, 2022,
13 permitting local governments to hold public
14 meetings by telephone and videoconference.

15 MR. BRAUN: Lori?

16 MS. LAPONTE: Okay, I'd like to
17 introduce the partners from PKF O'Connor
18 Davies who performed the audit for the
19 Industrial Development Agency for December
20 31, 2021.

21 We have Jeff Davoli, who has been our
22 partner and needs to rotate off for one year,
23 so he's in this meeting, and also Brian
24 Petersen who is taking over for this interim
25 year is also in the meeting and will present.

1 MR. DAVOLI: Thank you, Lori. I'll
2 turn it over to my partner, Brian Petersen,
3 who has over 15 years of auditing
4 municipalities, school districts and public
5 authorities. Brian?

6 MR. PETERSEN: Good morning, everybody.
7 First, again, I would like to thank Frank,
8 Lori, Lisa, and the staff of the IDA for
9 their assistance for completing the audit
10 timely and effectively.

11 We have prepared our draft opinions on
12 the IDA's financial statements for the year
13 ended December 31st of 2021. We are happy to
14 report that the report received an unmodified
15 clean opinion.

16 Management is responsible for the
17 selection and use of appropriate accounting
18 policies. The significant accounting
19 policies used by the IDA are described in
20 Notes A to the respective financial
21 statements. We had one change in your
22 accounting policy related to the
23 establishment of another post-employment
24 benefit plan which resulted in an additional
25 paragraph in our opinion letter for the IDA.

1 We encountered no difficulties in
2 dealing with management related to the
3 performance of the audit. There were no
4 disagreements with management arising during
5 the course of the audit. Accounting
6 estimates made by management are an integral
7 part of the financial statements and are
8 based on management's knowledge and
9 experience about past and current events and
10 assumptions about future events.

11 Actual results could differ from those
12 estimates. Certain accounting estimates are
13 particularly sensitive because of their
14 significance to the financial statements and
15 their susceptibility to change.

16 The most sensitive estimates affecting
17 the IDA's financial statements were the
18 amounts related to defined benefit plans, the
19 pension and the post-employment benefits.
20 The liability in the related amounts are
21 determined in part based on actuarial
22 evaluation, actuarial assumptions and the
23 census data.

24 Management believes that the estimates
25 used and the assumptions made are adequate

1 based on the information currently available.
2 We, as the auditors evaluated the key factors
3 and assumptions used to develop the estimates
4 and determined that they are reasonable in
5 relation to the financial statements as a
6 whole.

7 Professional standards require us again
8 to communicate to all known and likely mis-
9 statements identified during the audit, other
10 than those that we believe to be trivial and
11 communicate them to the appropriate level of
12 management.

13 We are required to communicate to you
14 mis-statements that remain uncorrected
15 including any related to prior periods and
16 the effect, if any, on our opinions and our
17 reports and request their correction.

18 I'm happy to report that no such mis-
19 statements were noted.

20 Additional reports to be issued,
21 include the report on internal control over
22 financial reporting and our compliance in
23 other matters based on the audit of financial
24 statements performed in accordance with
25 government's auditing standards and also our

1 independent auditor's report on investment
2 compliance required by the Public Authorities
3 Law.

4 I'm happy to report the results of our
5 test resulted and no deficiencies and no non-
6 compliance with laws and regulations were
7 noted. It is important to note that there
8 were no management comments as well this year
9 which is an indication of the quality of
10 management and the staff of the IDA.

11 Once we get clearance from the Audit
12 Committee today, we will be able to move
13 forward with the finalization process of the
14 financial statements.

15 At this point, I would ask if the
16 committee has any questions for Jeff and I?

17 MR. BRAUN: Questions? Going once?
18 Going twice? Hearing none, I'll entertain a
19 motion to accept the report.

20 MR. POLLAKUSKY: So moved, Gary
21 Pollakusky.

22 MR. BRAUN: Is there a second?

23 MS. SCHEIDT: Second to Gary.

24 MR. BRAUN: Thank you. On the vote?
25 Mr. Grucci?

1 MR. GRUCCI: Yes.

2 MR. BRAUN: Mr. Pollakusky?

3 MR. POLLAKUSKY: Yes.

4 MR. BRAUN: Mrs. Scheidt?

5 MS. SCHEIDT: Yes.

6 MR. BRAUN: Mr. Trotta?

7 MR. TROTTA: Yes.

8 MR. BRAUN: Mr. Braun votes yes. The
9 motion is carried. Thank you, gentlemen.
10 Always appreciate your wrap-up and it's nice
11 to know that we're in good shape from an
12 accounting standpoint.

13 MR. DAVOLI: Yes, and we thank you very
14 much.

15 MR. PETERSEN: Yes, thank you.

16 MR. DAVOLI: It's a pleasure dealing
17 with a professional organization like this,
18 and we really appreciate the cooperation that
19 we received during the audit.

20 MS. MULLIGAN: Thank you, guys.

21 MR. BRAUN: If there's no further
22 business, I'll entertain a motion to adjourn
23 the meeting of the IDA's Audit Committee.

24 MR. TROTTA: Motion. Frank Trotta.

25 MR. BRAUN: Second?

1 MR. POLLAKUSKY: Second. Gary.

2 MR. BRAUN: Thank you, Gary. On the
3 vote. Mr. Callahan -- excuse me, Mr.
4 Callahan is not with us. Mr. Grucci?

5 MR. GRUCCI: Yes.

6 MR. BRAUN: Mr. Pollakusky?

7 MR. POLLAKUSKY: Yes.

8 MR. BRAUN: Mrs. Scheidt?

9 MS. SCHEIDT: Yes.

10 MR. BRAUN: Mr. Trotta?

11 MR. TROTTA: Yes.

12 MR. BRAUN: Mr. Braun votes yes. We
13 are adjourned.

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15 (Meeting adjourned: 9:15 a.m.)

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CERTIFICATION

I, Lisa Previti, certify that the foregoing is a true and accurate transcript from an electronic sound recording of the video in the above-entitled matter.

Lisa Previti

Lisa Previti