

RIVERHEAD IDA ECONOMIC JOB DEVELOPMENT CORP
HYBRID AUDIT COMMITTEE MEETING 2025
AGENDA
March 13, 2025

PRESENT FROM COMM: Douglas William, Chairman
James Farley
Barbara Rizzi

ABSENT:

OTHERS IN ATTENDANCE:

Brian Sawma, EFPR Group (Virtual)
Tracy Stark- James, IDA
Denise Cooper, CFO
Terance Walsh, LDC Counsel(Virtual)

Chairman Douglas Williams opened the meeting at 2:46 pm.

Brian Sawma from EFPR Group gave a presentation on the LDC's annual financial audit before the committee.

Brian Sawma introduced the engagement team from EFPR Group. Brian was responsible for supervising the field work and initial review of statements. Aaron Woodward, also fieldwork supervisor and prepared first draft of statements before presenting to Douglas Zimmerman who did the final review and has the overall relationship with RIDA EJDC.

They began the field work in the beginning of February. Draft financials were initially presented on March 3rd.

Brian Sawma stated that they expect to issue an unmodified opinion which is a clean opinion on the basic financial statements. He continued stating that all records and information were available upon request. There were no difficulties performing this audit. There were no instances of non-compliance.

Total Assets increased \$105 to \$354 this year consisting of cash. The Corporation has no liabilities for the year ending December 31, 2024 and the Net position increased \$105 to a balance of \$354. Operating revenue decreased \$135,625 to \$250 due to the issuance of Series 2023 Revenue Bonds for a project that closed December of 2023. Operating expenses decreased \$135,755 to \$145, due to project fees that were transferred to the Riverhead IDA during 2023.

There was a transaction fee of \$250 related to a federal tax subsidy agreement between the LDC and Riverhead Charter School. There wasn't any non-operating interest income for 2024.

The CFO noted that the bond figure on Note 5 needs to be changed because she received an email from the Riverhead Charter School explaining that they made an additional payment toward their bonds.

The committee did not take action regarding the audit and instead deferred recommendation for a subsequent committee meeting to be held during the next LDC corporation meeting.

James Farley moved to accept and recommend the Assessment of Effectiveness of Internal Controls Report to the full board. Barbara Rizzi seconded. Motion carried with 3 affirmative votes.

The committee considered the existing Whistleblower Policy and made no recommendations for change at this time. James Farley motioned to recommend the reauthorization of the Whistleblower Policy to the full board for readoption. Barbara Rizzi seconded. The motion carried with 3 affirmative votes.

Barbara Rizzi motioned to adjourn the meeting. James Farley seconded. Motion carried with 3 affirmative votes.

The meeting adjourned at 2:57pm

Riverhead IDA Economic Job Development Corporation
Assessment of the Effectiveness of Internal Controls
December 31, 2024

Objectives: The importance of an adequate system of internal control is to: (a) promote effective and efficient operations so as to help the authority carry out its mission; (b) provide reasonable, but not absolute, assurance that assets are safeguarded against inappropriate or unauthorized use; (c) promote the accuracy and reliability of accounting data and financial reporting to ensure transactions are executed in accordance with management's authorization and recorded properly in accounting records; (d) encourage adherence to management's policies and procedures for conducting programs and operations; and (e) ensure compliance with applicable laws and regulations. Furthermore, a successful system of internal control includes performing an annual assessment to identify potential weaknesses in policies or procedures and to implement corrective actions.

The internal control structure and procedures of the Corporation are discussed with the external auditor on an annual basis as well as continuously reviewed by the Chief Fiscal Officer. As a result the current internal controls provide an effective and accurate means to report financial matters.

Please refer to the report dated March 24, 2025 from our independent auditor for an assessment of our internal control structure and procedures.

RIVERHEAD IDA ECONOMIC JOB DEVELOPMENT CORPORATION:
STATEMENT OF INTERNAL CONTROLS
(Year Ending December 31, 2024)

Adopted by Resolution March 24, 2025

The internal control structure and procedures of the Riverhead IDA Economic Job Development Corporation (the "LDC") are regularly reviewed by the officers, CFO and consultant of the LDC as well as by the LDC's independent accountants annually.

This statement certifies that the management of the LDC has documented and assessed the internal control structure and procedures of the LDC for the year ending December 31, 2024. This assessment found the LDC's internal controls to be adequate and that no deficiencies were identified.

By:


Name: JAMES A. McCLELLAN
Title: Chairman