

Public Meeting of the Community Development Agency Audit Committee was held in the Municipal Building, 14 Baker Street, Patchogue, New York, on February 2, 2012.

1. Meeting was called to order at 6:30 p.m. by Chair Toni Dean, also present were Members David L. Reese, Donald R. Wachsmuth, and Ernest C. Swinson. Also attending was, Executive Director Marian H. Russo and Christopher Reino, Auditor from Cullen & Danowski, LLP. M. Russo stated that Mr. Reino was the auditor for the CDA and for the Village of Patchogue. Chair Dean declared a quorum.
2. Report by Chris Reino

Mr. Reino stated that he was the external auditor for the Village of Patchogue, for an auditing firm specializing in government auditing. Mr. Reino stated that there were seven partners within the firm. Also, out of the seven partners six of them have expertise in dealing with various aspects of government accounting. Mr. Reino stated that he was hired in 2005 with the Village of Patchogue and that the CDA was a component unit of the Village of Patchogue, so as part of the audit the CDA is audited.

Mr. Reino stated that the CDA receives more than \$500,000 in Federal funds, mainly through the Section 8 Program. Mr. Reino stated that the CDA is required to have a Federal Single Audit.

Mr. Reino stated that Federal Single Audit was also part of the Village audit.

M. Russo stated that the Federal Single Audit was provided to the Board.

Chair Dean thanked Mr. Reino for attending the meeting. Also, as the audit committee she felt that it was important to meet with Mr. Reino and hear what he has to say about the entire process of the audit and help us understand what we could do as a committee and a Board meet our responsibilities in helping our finances were in order.

Mr. Reino stated that there were two things that he does for the CDA. The first was the Federal Single Audit. Mr. Reino stated that the single audit used to be encompassed within the financial statements within the Village and now with the electronic filing with HUD certain reports had to be submitted separately. Mr. Reino stated that after two years of separating the reports it was decided the best thing was to separate those reports.

Mr. Reino stated that his firm does compliance testing and far as the Audit Committee your responsibility was the financial oversight over the CDA and to have competent staff, which the CDA does.

Mr. Reino stated that he has to follow a compliance supplement and make sure that the CDA was complying with each program and there was program objectives and audit procedures that needed to be performed. Mr. Reino gave the Board information from the Federal Clearing House regarding the two programs and it shows what he has to do, step by step.

Mr. Reino stated that the CDA had no findings and that the CDA was in compliance.

Mr. Reino stated that if there were concern there would be in the Audit and separate letters issued and would be communicated at the annual Village meeting because ultimately responsible because the CDA is a unit within the Village.

T. Dean asked Mr. Reino if the CDA would be notified before the Village if there were any findings. Mr. Reino stated that as he comes across anything he would deal with Ms. Russo and Ms. Harris and Ms. Monte, Deputy Treasurer.

Mr. Reino stated that he also does agreed upon procedure work, where he assists with the requirement electronic filings with HUD and the New York State Comptroller's office.

T. Dean asked if the Federal Government advises when they were coming. Mr. Reino stated he has not seen the Federal Government come in to do an audit, but they do check to see if the audits were being done. Mr. Reino stated normally they do notify that they were coming.

T. Dean asked Mr. Reino if he had any recommendations to our board that could assist us in filling our responsibilities. Also, it was our responsibility to notice that there were correct internal controls, what would be the best way to do that. Mr. Reino stated that was part of their job and that the handouts that he distributed to the Board were what needed to be done.

D. Reese asked if there were any more questions for Mr. Reino. There was no comment.

3. Adjournment:

- i. Motion to adjourn D. Wachsmuth and D. Reese. Motion carried. Meeting adjourned at 6:45 pm.

Respectfully submitted,

Toni Dean