

AUDIT COMMITTEE

DATE: August 29, 2017

LOCATION: 4060 Sunrise Highway, Oakdale

ATTENDANCE: Edward Lee, KPMG Audit Partner
John Pontecorvo, KPMG, Manager, Audit
James F. Gaughran, Chairman
Patrick Halpin, Board Member
Mario R. Mattera, Board Member
Jeffrey W. Szabo, CEO
Timothy Hopkins, Esq.
Donna Mancuso, Chief Human Resources Officer
Douglas Celiberti, Chief Financial Officer
Alicia Simson, Internal Audit Manager
Elizabeth Vassallo, Director of Finance
Donna Malone, Accounting Manager
Maria Trupia, Executive Assistant/Secretary to the Board

The meeting was called to order by Mr. Gaughran at 4:10 p.m. upon all Members of the Committee being present.

On motion made by Mr. Halpin, duly seconded by Mr. Mattera, and unanimously carried, it was

RESOLVED, To accept the Minutes of the April 26, 2017 Audit Committee Meeting.

Doug Celiberti discussed the year-end status with the Members. He then introduced Edward Lee, Audit Partner and John Pontecorvo, Manager of KPMG.

Mr. Lee distributed the 2017 Audit Results, Financial Statements and the Annual Investment Report which was all reviewed with the members.

Mr. Lee stated that due to the delays with New York State providing the Authority with the GASB 68 Pension Report, completion and distribution of the draft audit reports have been delayed, but the audit report should be ready for the August 31st filing date.

Mr. Lee discussed the audit and other results, stating that there are no instances of non-compliance or other matters to report. KPMG will issue an unmodified opinion on the Authority's financial statements as of and for the year ended May 31, 2017. Mr. Lee discussed their report on Internal Controls over Financial Reporting and on Compliance and other matters based on an Audit of Financial Statements performed in accordance with Government Auditing Standards and will report that there are no instances of

noncompliance or other matters to report. KPMG will also issue an unmodified opinion on the Authority's schedule of investments as of and for the year ended May 31, 2017. Mr. Lee also stated that with regard to KPMG's report on Internal Controls over Reporting of the Schedule of Investments and on Compliance and other matters based on an Audit of the Schedule of Investments Performed in accordance with Government Auditing Standards will report that there are no instances of noncompliance or other matters to report.

Mr. Lee then reviewed the accounting policies, practices and estimates. He discussed the GASB 68 and all that is included.

Next, Mr. Lee reviewed the Management Representation Letter, as well as accounting pronouncements to be implemented in future fiscal years.

The committee members thanked Mr. Lee and Mr. Pontecorvo for their presentation.

On motion made by Mr. Halpin, duly seconded by Mr. Mattera, and unanimously carried, to recommend the approval of the Audited Financial Statements for the year ending May 31, 2017.

On motion made by Mr. Mattera, duly seconded by Mr. Halpin, and unanimously carried, to recommend the approval of the Annual Investment Report for the year ending May 31, 2017.

On motion made by Mr. Halpin, duly seconded by Mr. Mattera, and unanimously carried, to recommend the approval of the Annual PARIS Report and that the Report be submitted electronically to the New York State Authority Budget Office.

At 4:30 p.m., the Audit Committee went into an Executive Session with KPMG.

On motion made by Mr. Halpin, duly seconded by Mr. Mattera, and unanimously carried, the meeting of the Audit Committee was adjourned at 4:40 p.m.

Respectfully submitted:

Maria Trupia, Executive Assistant/Secretary to the Board

Reviewed by:

Alicia Simson, Internal Audit Manager