

## **AGENDA**

NASSAU COUNTY INTERIM FINANCE AUTHORITY  
**AUDIT AND INTERNAL CONTROLS COMMITTEE MEETING**  
**OCTOBER 21, 2021**

### **Call to Order**

### **Action Items**

- I. Approval of Audit and Internal Controls Committee Meeting Minutes of September 14, 2021
- II. Authorization to Continue to Employ a Consultant to Provide Assistance and to Take Related Actions

### **Discussion Item**

September 2021 Cash Basis Results

### **Adjournment**

**TAB I**

DRAFT – SUBJECT TO REVIEW AND REVISION

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**  
**MEETING OF THE AUDIT AND INTERNAL CONTROLS COMMITTEE**  
**MINUTES OF SEPTEMBER 14, 2021**

The Audit and Internal Controls Committee of the Nassau County Interim Finance Authority convened on September 14, at 6:27 PM via public zoom audio and visual teleconference, pursuant to legal notice given on September 8, 2021 and electronic notice posted on the Authority’s website.

Committee Members on call: Christopher Wright, Chairman  
Adam Barsky  
Mo Meghji

Committee Members absent: Lester Petracca

Staff on call: Evan Cohen, Executive Director  
Carl Dreyer, Treasurer  
Kathleen Stella, Corporate Secretary  
Jeremy Wise, General Counsel  
Martha Worsham, Deputy Director

**Call to Order/Roll Call**

The meeting was called to order at 6:27 PM.

**1. Approval of Minutes**

Upon a motion duly made by Committee Member Barsky and seconded by Committee Member Meghji the Committee approved the minutes from the meeting on May 26, 2021.

Positive votes: 3      Negative votes: 0

RESOLUTION NO. 21-94

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MAY 26,

DRAFT – SUBJECT TO REVIEW AND REVISION

2021 AUDIT AND INTERNAL CONTROLS COMMITTEE MEETING OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

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RESOLVED, that the Minutes of the Audit and Internal Controls Committee meeting of the Authority held on May 26, 2021 are hereby approved and all actions taken by the Committee Members present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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**2. Approve Submission of NIFA’s 2022 Budget and FY 2022 – FY 2025 Financial Plan to the Office State Comptroller and the Authorities Budget Office to Comply with 2 NYCRR, Part 203**

NIFA Treasurer, Carl Dreyer, stated that the proposed budget for 2022 submitted for approval as part of the proposed financial plan for 2022-2025 is \$305,000 greater than what was assumed in the financial plan adopted last year because of an anticipated extension of labor negotiations for up to twelve months in 2022. He further stated that this cost was classified as a control period related expenditure that would not otherwise be incurred if the county was not in a control period. Mr. Dreyer continued by stating that the total for NIFA's core operating expenses in 2023 and 2024 were each \$25,000 less than the plan that was approved by the Directors last year due to lower pension contribution rates recently published by the New York State Comptroller. Mr. Dreyer further stated that the financial plan includes projected inflation adjusted increases to salary, pension and health benefits to the extent allowed by NIFA policy and are in accordance with estimates provided by the New York State and Local Retirement System and the State Department of Civil Service

Upon a motion duly made by Committee Member Megjhi and seconded by Committee Member Barsky the Committee approved the following resolution

Positive votes: 3      Negative votes: 0

RESOLUTION NO. 21- 95

APPROVE SUBMISSION OF NIFA’S 2022 BUDGET AND FY 2022 – FY 2025 FINANCIAL PLAN TO THE OFFICE OF THE STATE COMPTROLLER AND THE AUTHORITIES BUDGET OFFICE TO COMPLY WITH 2 NYCRR, PART 203 AND THE TAKING OF RELATED ACTIONS

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RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed with the records of the Audit and Internal Controls Committee (“Committee”) of the Nassau County Interim Finance Authority; and be it further

DRAFT – SUBJECT TO REVIEW AND REVISION

RESOLVED, that the Committee acknowledges enactment of 2 NYCRR, Part 203 (the “Regulations”) and its requirement that the Directors of the Nassau County Interim Finance Authority receive, review and approve a proposed Budget for FY 2022 (“Budget”) and a proposed Financial Plan for FY 2022 – FY 2025 (“Plan”); and be it further

RESOLVED, that the Committee hereby conditionally approves the Budget and Plan subject to the conditions outlined in the Materials; and be it further

RESOLVED that the Committee recommends to the Directors that they approve the Budget and Plan so that they may be disclosed and subsequently, if no negative comments from the public are received, officially filed with the State Comptroller and any other necessary parties.

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### **Executive Session**

Committee member Megjhi made a motion that was seconded by Committee member Barsky to temporarily adjourn the Audit and Internal Controls Committee meeting and go into Executive Session to discuss legal and contractual matters.

At 6:45 PM the open session of the Audit and Internal Controls Committee meeting was temporarily adjourned, and an Executive Session of the Committee was convened.

Positive votes: 3      Negative votes: 0

### RESOLUTION NO. 21-96

#### EXECUTIVE SESSION - PURSUANT TO SECTION 105 OF THE PUBLIC OFFICERS LAW

RESOLVED, that pursuant to Section 105 of the Public Officers Law, the Directors of the Nassau County Interim Finance Authority shall convene in Executive Session for the purpose of legal and contractual matters pursuant to the Open Meeting law.

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At 7:20 PM a motion was made and seconded to come out of Executive Session and resume the Committee meeting.

Positive votes: 3      Negative votes: 0

DRAFT – SUBJECT TO REVIEW AND REVISION

**Reconvened**

Chairman Wright noted that there was no votes or actions taken in the Executive Session and reconvened the Audit and Internal Controls Committee meeting.

**Adjournment**

Upon a motion made by Committee Member Barsky seconded by Committee Member Meghji and the meeting was adjourned at 7:21 PM.

Respectfully submitted,

Kathleen Stella  
Corporate Secretary

**TAB II**

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

October 21, 2021

TO: Christopher Wright, Adam Barsky, Lester Petracca, Mo Meghji

FROM: Evan Cohen

SUBJECT: Continued Employment of PKF O'Conner Davies

REQUEST FOR: Authorization to Continue to Employ a Consultant to Provide Assistance and to Take Related Actions

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### **Background:**

As a result of NIFA's Treasurer resigning abruptly on March 28, 2008, the Directors authorized the employment of Albrect, Viggiano, Zureck & Company ('AVZ') to assist staff in performing NIFA's treasury function. AVZ continued to provide support and independent oversight after the successor Treasurer was brought on board. AVZ was acquired by PKF O'Connor Davies ("PKF") in September 2020. The acquisition has not affected NIFA as we have the same people assigned to us as before the acquisition.

### **Discussion:**

AVZ has been of significant help to staff by answering inquires and reviewing Treasury's books and functions. In addition, they have assisted in preparing NIFA's financial statements since 2008. The use of an outside firm to provide accounting assistance also enhances NIFA's internal controls. The current contract has a term that expires on December 31, 2021.

A request for proposals was created and posted on the New York State Contract Reporter from which two proposals were received: PKF and another firm who subsequently withdrew their proposal. Additionally, NIFA staff and the MWBE Division of the Empire Development Corp conducted independent outreach campaigns, which contacted approximately forty firms and received no proposals.

I recommend the reappointment of PKF rather than conducting another search because, aside from the apparent lack of outside interest, it has given our Treasurer the ability to tap their Firm's expertise, which derives from now the 27<sup>th</sup> largest public accounting and consulting firm nationally, consisting of approximately 700 professional staff.

PKF's proposed hourly fees are slightly more than their current fees and under their proposed contract would be as follows: Partner \$295, Manager \$270, Senior \$175, Staff \$130 and Clerical \$100 ("New Fees"). The New Fees and proposed contract would be effective January 1, 2022. The total authorization for AVZ for the five-year period ending December 31, 2021 has been \$200,000 of which we have spent \$68,975.08.

**Requested Action:**

The Committee is being asked to approve and forward to the Directors a request that they continue the employment of PKF as consultants to the Authority for an additional term commencing January 1, 2022 and continuing for five years or the total additional expenditure of \$200,000, whichever comes first.

**Attachments:**

Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 21-

AUTHORIZATION TO CONTINUE THE EMPLOYMENT OF PKF O'CONNOR DAVIES  
AS CONSULTANTS TO THE NASSAU COUNTY INTERIM FINANCE AUTHORITY AND  
TO TAKE RELATED ACTIONS

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WHEREAS, the Nassau County Interim Finance Authority ("NIFA") or the ("Authority") was created by Chapter 84 of the Laws of 2000 (the "Act") to be a corporate governmental agency constituting a public benefit corporation to issue bonds that are backed by county sales tax revenues as well as to perform certain budgetary oversight functions as set out in the Act; and

WHEREAS, the Authority currently has a Treasury Department that performs a variety of functions, including the principal and interest payments on approximately \$1,148.9 million of outstanding NIFA bonds; and

WHEREAS, as a result of NIFA's Treasurer resigning on March 28, 2008, the Directors authorized the employment of the accounting firm of Albrecht, Viggiano, Zureck & Company, P.C. ("AVZ") to assist NIFA staff; and

WHEREAS, AVZ, now PKF O'Connor Davies, continues to have a large presence on Long Island and has experience in the types of areas that NIFA needs to compliment the skills of its Treasurer; and

WHEREAS, PKF O'Connor Davies has adequately performed its assigned tasks and responsibilities since being hired; and

WHEREAS, AVZ was previously hired from the State approved procurement contract vendor list, but said list no longer exists for accounting firms; and

WHEREAS NIFA had issued a Request for Proposals and conducted an outreach program to solicit proposals to which PKF O'Connor Davies was the only responsible respondent;

NOW, THEREFORE, BE IT RESOLVED, that the Materials presented to this meeting are hereby ordered to be filed with the records of the Audit and Internal Controls Committee (the "Committee") of the Nassau County Interim Finance Authority; and be it further

RESOLVED, that this Committee approves the request to continue the employment of PKF O'Connor Davies as consultants to the Authority for an additional term commencing January 1, 2022 and continuing for five years or the total additional expenditure of \$200,000, whichever comes first, and all in accordance with the Materials; and be it further

RESOLVED that Committee recommends that this resolution be forwarded to the NIFA Directors for their review and approval.

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Christopher Wright  
Chairperson

Dated: October 21, 2021