

BILLS FOR THE BOARD MEETING OF 2/10/14

| BILL DATE | CHECK NUMBERS | TYPE | SEQ | FUND 01 | | FUND 02 | | FUND 03 | | FUND 05 | | FUND 06 | | FUND 10 | | FUND 11 | | TOTALS |
|-----------|---------------|------|-----|------------------------|--|------------------------------|--|-----------------------------|--|---------------------------|--|-------------------------|--|-----------------------------|--|-------------------------|----------|------------|
| | | | | GENERAL FD & APPROP | | TRUST & AGENCY NON-APPROP | | CAP PROJECTS FD & APPROP | | SEWER FUND FD & APPROP | | BID FUND FD & APPROP | | HOUSING FUND FD & APPROP | | CDA FUND FD & APPROP | | |
| 2/7/2014 | 80480-80485 | P/R | 1 | 167,119.68 | | | | | | | | | | | | | | |
| 2/10/2014 | 80486-80590 | A/P | 2 | 100,905.65 | | 11,986.67 | | 68,791.12 | | 14,620.73 | | 1,296.40 | | | | | 4,421.85 | 187,458.66 |
| | | | | | | | | | | 13,973.99 | | | | | | | 3191 | 195,691.34 |
| | | | | 268,025.33 | | 11,986.67 | | 68,791.12 | | 28,594.72 | | 1,296.40 | | | | | 4,455.76 | 383,158.00 |

FIVE LARGEST BILLS PAID
BOARD MEETING OF 2/10/14

| VENDOR | AMOUNT | PURPOSE |
|--------------------|--------------|---------------------------|
| CHESTERFIELD ASSOC | \$67,600.00 | CAMPBELL STREET BULKHEAD |
| FUTURE HOLDINGS | \$11,972.29 | TAX REDEMPTION |
| SIDNEY BOWNE | \$11,650.00 | OAK STREET REHABILITATION |
| EASTERN RESOURCE | \$11,481.12 | LANDELL |
| GLOBAL MONTICELLO | \$9,368.62 | DIESEL |
| TOP FIVE TOTAL | \$112,072.03 | |

MAYOR
PAUL V. PONTIERI, JR.
DEPUTY MAYOR
JOHN A. KRIEGER
VILLAGE CLERK
PATRICIA M. SEAL



INCORPORATED
VILLAGE OF PATCHOGUE

TRUSTEES
GERARD J. CREAN
JOSEPH E. KEYES, JR.
LORI B. DEVLIN
WILLIAM HILTON
THOMAS E. FERB

TO: Mayor Paul V. Pontieri
Board of Trustees

FROM: Patricia M. Seal, Village Clerk

RE: **AGENDA FOR BOARD MEETING OF FEBRUARY 10, 2014**

1. **Flag Salute**
2. **Safety Message**
3. **Village Clerk**
 - a. Approve Board Meeting minutes of January 13, 2014
 - b. Approve Board Meeting minutes of January 27, 2014
4. **Village Treasurer Krawczyk**
 - a. Village Bills (see attached)
 - b. Top 5 Bills To Be Paid (see attached)
 - c. Budget Adjustments
 - d. Budget Transfers
 - e. Budget Loans
 - f. Other Items
5. **Public Hearings**
 - a. Continuation of January 13, 2104 hearing to amend Section 435-43(H)(4)(f) of Village Code to regulate the use of sandwich board signs
6. **Mayor Pontieri**
 - a. Resolution authorizing the replacement of the roof at the Patchogue Theatre at a maximum estimated cost of \$350,000 and authorizing the issuance of \$350,000 serial bonds for the project

- b. Resolution authorizing the decommissioning of a pump station and installation of sewer lines in and for the Village at a maximum estimated cost of \$800,000 and authorizing the issuance of \$800,000 bonds for the project

7. **B.I.D. Report – Dennis Smith**

8. **Chamber of Commerce Report – David Kennedy**

9. **Trustees**

a. **Deputy Mayor Krieger**

- 1. Theatre Report
- 2. Request approval to hire Cullen & Danowski, LLP to provide audit services for the year ending May 31, 2014 for the Village including the Justice Court at a cost not to exceed \$28,000
- 3. Request approval for the residents of Highland Avenue to hold the 17th annual block party on Saturday, July 12th, with a rain date requested for July 19th
- 4. Request approval for the Patchogue Lioness Club to hold the 11th annual "Walk for a Guide Dog" on Sunday, May 18th
- 5. Request approval to hire James F. Burns and Pedro Ramos as Public Safety officers at \$16.25/hr

b. **Trustee Keyes**

- 1. DPW Report
- 2. CDA Report
- 3. Request approval for Barbara Stark to attend an Excel training class in Islandia on March 12th & 13th at a cost not to exceed \$350 for the cost of the course plus expenses

c. **Trustee Crean**

d. **Trustee Ferb**

- 1. Building & Housing Report
- 2. Request approval to waive the permit fee for Young Israel of Patchogue for a replacement sign

e. **Trustee Devlin**

1. Planning & Zoning Report
2. Economic Development Report

f. **Trustee Hilton**

1. Parks & Recreation Report
2. Request approval for the Patchogue Family YMCA to hold a 5k Run/Walk on Sunday, April 27th starting at 9am

10. **Public to be Heard**

BOND RESOLUTION DATED FEBRUARY 10, 2014.

A RESOLUTION AUTHORIZING THE REPLACEMENT OF THE ROOF AT THE THEATER IN AND FOR THE VILLAGE OF PATCHOGUE, SUFFOLK COUNTY, NEW YORK, AT A MAXIMUM ESTIMATED COST OF \$350,000 AND AUTHORIZING THE ISSUANCE OF \$350,000 SERIAL BONDS OF SAID VILLAGE TO PAY THE COST THEREOF.

BE IT RESOLVED, by the affirmative vote of not less than two-thirds of the total voting strength of the Board of Trustees of the Village of Patchogue, Suffolk County, New York, as follows:

Section 1. The replacement of the roof at the theater in and for the Village of Patchogue, Suffolk County, New York, is hereby authorized at a maximum estimated cost of \$350,000.

Section 2. It is hereby determined that the plan for the financing of the aforesaid maximum estimated cost shall be by the issuance of \$350,000 serial bonds of said Village hereby authorized to be issued therefor pursuant to the provisions of the Local Finance Law.

Section 3. It is hereby determined that the period of probable usefulness of the aforesaid specific object or purpose is ten years, pursuant to subdivision 12(a)(3) of paragraph a of Section 11.00 of the Local Finance Law. It is hereby further determined that the maximum maturity of the serial bonds herein authorized will not exceed five years.

Section 4. The faith and credit of said Village of Patchogue, Suffolk County, New York, are hereby irrevocably pledged for the payment of the principal of and interest on such bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year. There shall annually be levied on all the taxable real property of said Village, a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 5. Subject to the provisions of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the serial bonds herein authorized, including renewals of such notes, is hereby delegated to the Village Treasurer, the chief fiscal officer. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said Village Treasurer, consistent with the provisions of the Local Finance Law.

Section 6. All other matters except as provided herein relating to the serial bonds herein authorized including the date, denominations, maturities and interest payment dates, within the limitations prescribed herein and the manner of execution of the same, including the consolidation with other issues, and also the ability to issue serial bonds with substantially level or declining annual debt service, shall be determined by the Village Treasurer, the chief fiscal officer of such Village. Such bonds shall contain substantially the recital of validity clause provided for in Section 52.00 of the Local Finance Law, and shall otherwise be in such form and contain such recitals, in addition to those required by Section 51.00 of the Local Finance Law, as the Village Treasurer shall determine consistent with the provisions of the Local Finance Law.

Section 7. The validity of such bonds and bond anticipation notes may be contested only if:

- 1) Such obligations are authorized for an object or purpose for which said Village is not authorized to expend money, or
- 2) The provisions of law which should be complied with at the date of publication of this resolution are not substantially complied with,

and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

3) Such obligations are authorized in violation of the provisions of the Constitution.

Section 8. This resolution shall constitute a statement of official intent for purposes of Treasury Regulations Section 1.150-2. Other than as specified in this resolution, no monies are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside with respect to the permanent funding of the object or purpose described herein.

Section 9. This resolution takes effect immediately, and shall be published in summary form in the official newspaper of said Village for such purpose, together with a notice of the Village Clerk in substantially the form provided in Section 81.00 of the Local Finance Law.

BOND RESOLUTION DATED FEBRUARY 10, 2014.

A RESOLUTION AUTHORIZING THE DECOMMISSIONING OF A PUMP STATION AND INSTALLATION OF SEWER LINES IN AND FOR THE VILLAGE OF PATCHOGUE, SUFFOLK COUNTY, NEW YORK, AT A MAXIMUM ESTIMATED COST OF \$800,000 AND AUTHORIZING THE ISSUANCE OF \$800,000 BONDS OF SAID VILLAGE TO PAY THE COST THEREOF.

BE IT RESOLVED, by the affirmative vote of not less than two-thirds of the total voting strength of the Board of Trustees of the Village of Patchogue, Suffolk County, New York, as follows:

Section 1. The decommissioning of a pump station and installation of sewer lines in and for the Village of Patchogue, Suffolk County, New York, including incidental improvements, costs and expenses in connection therewith, are hereby authorized, **SUBJECT TO PERMISSIVE REFERENDUM**, at a maximum estimated cost of \$800,000.

Section 2. The plan for the financing of the aforesaid maximum estimated cost is by the issuance of \$800,000 bonds of said Village, hereby authorized to be issued therefor pursuant to the Local Finance Law.

Section 3. It is hereby determined that the period of probable usefulness of the aforesaid class of objects or purposes is forty (40) years pursuant to subdivision 4 of paragraph a of Section 11.00 of the Local Finance Law. It is hereby further determined that the maximum maturity of the bonds herein authorized will exceed five years.

Section 4. The faith and credit of said Village of Patchogue, Suffolk County, New York, are hereby irrevocably pledged for the payment of the principal of and interest on such bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year. There shall annually be levied on all the taxable real property of said

Village, a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 5. Subject to the provisions of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the bonds herein authorized, including renewals of such notes, is hereby delegated to the Village Treasurer, the chief fiscal officer. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said Village Treasurer, consistent with the provisions of the Local Finance Law.

Section 6. All other matters except as provided herein relating to the bonds herein authorized including the date, denominations, maturities and interest payment dates, within the limitations prescribed herein and the manner of execution of the same, including the consolidation with other issues, and also the ability to issue bonds with substantially level or declining annual debt service, shall be determined by the Village Treasurer, the chief fiscal officer of such Village. Such bonds shall contain substantially the recital of validity clause provided for in Section 52.00 of the Local Finance Law, and shall otherwise be in such form and contain such recitals, in addition to those required by Section 51.00 of the Local Finance Law, as the Village Treasurer shall determine consistent with the provisions of the Local Finance Law.

Section 7. The validity of such bonds and bond anticipation notes may be contested only if:

- 1) Such obligations are authorized for an object or purpose for which said Village is not authorized to expend money, or
- 2) The provisions of law which should be complied with at the date of publication of this resolution are not substantially complied with,

and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

3) Such obligations are authorized in violation of the provisions of the Constitution.

Section 8. The Village Treasurer is hereby further authorized, at his sole discretion, to execute a project finance loan agreement, and any other agreements with the New York State Department of Health and/or the New York State Environmental Facilities Corporation, including amendments thereto, and including any instruments (or amendments thereto) in the effectuation thereof, in order to effect the financing or refinancing of the objects or purposes described in Section 1 hereof, or a portion thereof, by a bond or note issue of said Village in the event of the sale of same to the New York State Environmental Facilities Corporation.

Section 9. This resolution shall constitute a statement of official intent for purposes of Treasury Regulations Section 1.150-2. Other than as specified in this resolution, no monies are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside with respect to the permanent funding of the object or purpose described herein.

Section 10. Upon this resolution taking effect, the same shall be published in summary form in the official newspaper of said Village designated for such purpose, together with a notice of the Village Clerk in substantially the form provided in Section 81.00 of the Local Finance Law.

Section 11. **THIS RESOLUTION IS ADOPTED SUBJECT TO PERMISSIVE REFERENDUM.**



**FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY**

Dear Board of Directors,

This letter is to obtain board approval to hold a 5K Run/Walk on April 27th, 2014 at 9am. The Patchogue Family YMCA hopes to raise awareness and funding for our local community children. Pending your approval all proceeds will go to our 'Send a Kid to Camp' Scholarship Fund.

We have been in contact with the Recreation and Parks Director for the Village of Patchogue they have informed us the above date is available. They have also supplied the approved 5K course. With your approval we would like to move forward making sure our local community children have a safe fun summer environment.

Please feel free to contact me with any questions or concerns you may have regarding this community event.

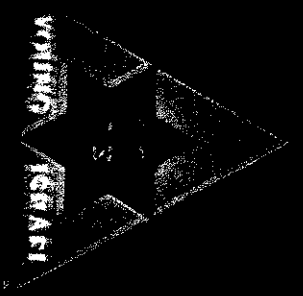
Best Regards,

Christina Butcher
Health Enhancement Director
Patchogue Family YMCA/ Brookhaven Roe Y Center
Tel: (631) 891-1800 Ext: 813
E-mail: Christina.Butcher@ymcali.org
Website: www.ymcali.org/patchogue

Chabad
אגודת חב"ד

of
Patchogue

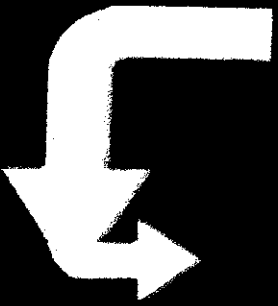
280



Jewish Center

631-903-0174

Shabbos Service: Saturday 9AM



ENTRANCE AROUND CORNER
ON 28 MOWBRAY STREET

www.ChabadYIP.com



Young Israel of Patchogue

28 Mowbray Street
Patchogue, New York 11772
631-654-0882

October 25, 2013

Carol Giglio
14 Baker St.
Patchogue NY 11772
Ref-Bldg. No: 7286

Dear Carol,

Our outside sign was destroyed by hurricane Sandy. We are preparing a new similar sign a little smaller (5X5 feet).

Enclosed is a copy of the new proposed sign, which was presented to the board for approval.

We respectfully request that any required permit fees be waived with regards to this replacement sign.

Sincerely,


Rabbi Berel Sasonkin

Dear Owner/Manager,

We would like to take a moment of your valuable time to tell you about our upcoming QuickBooks and Excel training classes in your area. Our company provides training classes in many cities coast-to-coast.

The classes run from 9:00 am to 4:30 pm, with 30 minute lunch break. Every student is provided with a notebook computer for use during the class. Registration cost for any single class is \$259 or save 10% with any two or more classes at \$229 each. We accept Visa, MasterCard and PayPal.

Long Island: Hampton Inn, 1600 Veterans Memorial Hwy, Islandia, NY

| | <u>Level 1</u> | <u>Level 2</u> |
|------------|-------------------|-------------------|
| QuickBooks | Mon, Mar 10, 2014 | Tue, Mar 11, 2014 |
| Excel | Wed, Mar 12, 2014 | Thu, Mar 13, 2014 |

For full details, including course topic outlines, please visit our website, at www.crystal-training.net or call us at 1-800-535-8176.

Best regards,

Crystal Training

Phone: 1-800-535-8176 Fax: 1-800-455-7012

Live operators: Monday - Friday from 8AM EST to 8PM EST/5AM PST to 5PM PST

Web: www.crystal-training.net Email: info@crystal-training.net

The Patchogue Lioness Lions Club

P. O. Box 1401
Patchogue, New York 11772
631-289-4485



RECEIVED
VILLAGE OF PATCHOGUE

FEB 05 2014

January 24, 2014

VILLAGE CLERK'S OFFICE

Mayor Paul Pontieri and
Patchogue Village Trustees
14 Baker Street
Patchogue, New York 11772

Dear Mayor Pontieri and Board:

The Patchogue Lioness Lions Club requests your permission to host its 11th Annual "Walk For A Guide Dog" on Sunday, May 18, 2014, from 9:00 a.m. to 10:30 a.m., rain or shine. The two-mile walk, pending your approval, will be through Patchogue Village, beginning and ending at the Patchogue Fire Department building on Jennings Avenue. We will until the first week of May to decide on our route depending on the status of Village construction.

As in the past, all proceeds will be used to sponsor and train a guide dog puppy at the Guide Dog Foundation for the Blind, Inc., in Smithtown. We expect approximately 125 walkers. We thank you in advance for your consideration. We have, as in the past, requested authorization from the Patchogue Fire Department to use the firehouse for registration and refreshments as well as the 5th Precinct.

Thank you for your consideration to our request. Lari can be reached at 475-0070 or Louise at 516-647-5453. We look forward to your kind reply.

In friendship and thanks, Happy and safe 2014!

Lions Best,

A handwritten signature in cursive script, appearing to read 'Lari'.

Louise
Lions Lari Fiala and Louise Ebert
Walk Co-Chairs

/le

RECEIVED
VILLAGE OF PATCHOGL

JAN 28 2014

VILLAGE CLERK'S OFFIC

January 22, 2014

Village of Patchogue
14 Baker Street
Patchogue, New York 11772
Att: Village Clerk

Dear Ms. Patricia M. Seal,

I am requesting permission to close Highland Avenue between Park and Hillside for the 17th Annual Block Party between the hours of 10:00am and midnight on Saturday, July 12, 2014 (rain date: July 19, 2014).

Please supply the road blocks as in the past years. If possible, please clean the street as close to the above mentioned date as possible.

Thank you for helping Highland Avenue have fabulous block parties!

Sincerely,



Diane Poulos

Block Party Representative

MEMORANDUM

To: Mayor Paul Pontieri
Deputy Mayor John A. Krieger
Board of Trustees

From: Jim Berberich, Director of Public Safety

Re: **REQUEST TO HIRE JAMES BURNS AND PEDRO RAMOS AS
PUBLIC SAFETY OFFICERS.**

Date: February 7, 2014

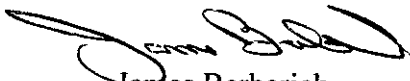
The undersigned requests the hiring of James F. Burns of 11 Colony Dr. West Sayville, NY and Pedro Ramos of 422 Scherger Ave. E. Patchogue, NY to the position of Public Safety Officer. At the present time there is a need to supplement the current patrol staff in an effort to keep weekly hours under the required 28 hrs/week and to address parking meter enforcement.

Both of the above applicants possess the necessary requirements for this position.

James Burns is a recently retired Suffolk County Court Officer with extensive security experience.

Pedro Ramos possesses a Bachelor's Degree in Criminal Justice with three years experience in the security field.

The starting salary for this position is \$16.25/hr.


James Berberich
Director of Public Safety

AMENDING SECTION 435-43(H)(4)(f) OF THE VILLAGE CODE TO REGULATE THE USE OF SANDWICH BOARD SIGNS

Be it enacted by the Village Board of the Incorporated Village of Patchogue:

The Code of the Incorporated Village of Patchogue, County of Suffolk, New York, is amended by:

AMENDING Section 435-43(H)(4)(f) of the Village Code which shall read as follows:

[New Language]

[Language to be Deleted]

§ 435-43 Permit application, compliance and fees.

H. Construction standards. Signs, lighting devices and awnings shall be securely mounted and in accordance with applicable building codes. Signs shall not protrude above roof lines unless authorized by special permit of the Architectural Review Board. New electrical installations and like-kind repair or replacement of existing electrical installations which affect signs, lighting devices or facades shall require certification by an electrical underwriter, and such certificate shall be filed with the Building and Housing Department. The following standards shall also apply to the construction or placement of signs, lighting devices, and awnings.

(4) Banners, flags, posters, flyers, and interior signs.

(f) Signboards/sandwich boards must be reasonable in size, shape and design, **and may not exceed two feet in width and 42 inches in height.** The boards **must be placed against the exterior wall of the establishment displaying the board and may not be placed on any public sidewalk.** ~~The boards~~ shall not obstruct the ~~reasonable use of a sidewalk or~~ egress from parked vehicles and must be removed and brought in at the nightly closing of the business. Displays shall be limited to one board per establishment.

This Local Law shall take effect immediately.

Aye Nay

Aye Nay

___ ___ Mayor Pontieri

___ ___ Trustee Hilton

CULLEN & DANOWSKI, LLP
CERTIFIED PUBLIC ACCOUNTANTS

VINCENT D. CULLEN, CPA
(1950 - 2013)

JAMES E. DANOWSKI, CPA
PETER F. RODRIGUEZ, CPA
JILL S. SANDERS, CPA
DONALD J. HOFFMANN, CPA
CHRISTOPHER V. REINO, CPA
ALAN YU, CPA

January 6, 2014

**RECEIVED
VILLAGE OF PATCHOGUE**

JAN 14 2014

Board of Trustees and Mayor
Incorporated Village of Patchogue
14 Baker Street
Patchogue, New York 11772

VILLAGE CLERK'S OFFICE

Dear Members of the Board:

We are pleased to confirm our understanding of the services we are to provide the Incorporated Village of Patchogue (Village) for the year ended May 31, 2014. We will audit the financial statements of the governmental funds, fiduciary funds and account groups of the Village and the aggregate discretely presented component units, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Incorporated Village of Patchogue as of and for the year ended May 31, 2014.

The following additional information accompanies the basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

- Schedule of Expenditures of Federal Awards
- Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
- Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Water Fund
- Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Sewer Fund

If applicable, the following other information accompanying the basic financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- Management's Responses to the Schedule of Findings
- Corrective Action Plan

We will also audit the Village's Justice Court Funds, which are reported on the cash basis of accounting.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with the Uniform System of Accounts, another Comprehensive Basis of Accounting prescribed by the New York State Office of the State Comptroller, and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on -

- Internal control related to the financial statements and compliance with laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and OMB Circular A-133 in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes as well as the preparation and electronic filing of the Village's Annual Update Document with the New York State Office of the State Comptroller. You will be required to acknowledge in the written representation

letter our assistance with preparation of the financial statements and schedule of expenditures of federal awards and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, related notes and the Annual Update Document prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; and fair presentation of the financial statements in conformity with the requirements of the New York State Office of the State Comptroller (Regulatory Basis); and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are responsible for including all informative disclosures that are appropriate for the Regulatory Basis. Those disclosures will include (1) a description of the Regulatory Basis, including a summary of significant accounting policies, and how the Regulatory Basis differs from GAAP; (2) informative disclosures similar to those required by GAAP; and (3) additional disclosures beyond those specifically required that may be necessary for the financial statements to achieve fair presentation.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we may determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary of prior audit findings, if applicable, should be available for our review upon commencement of our interim audit work.

You are responsible for the preparation of the schedule of expenditures of federal awards in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) that you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) that the methods of measurement or presentation have not changed from those used in the prior year; (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are responsible for the preparation of the supplementary information in conformity with the requirements of the New York State Office of the State Comptroller. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the requirements of the New York State Office of the State Comptroller; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with the requirements of the New York State Office of the State Comptroller; (3) that the methods of measurement or presentation have not changed from those used in the prior period; and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention unless clearly inconsequential and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditor's is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories and other assets, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Incorporated Village of Patchogue's compliance with applicable laws, regulations, contracts and agreements, including grant agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Incorporated Village of Patchogue's major programs. The purpose of these procedures will be to express an opinion on the Incorporated Village of Patchogue's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We understand that your employees will prepare confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Cullen & Danowski, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the New York State Office of the State Comptroller or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Cullen & Danowski, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the cognizant agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Incorporated Village of Patchogue
For the Year Ended May 31, 2014

Christopher V. Reino, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

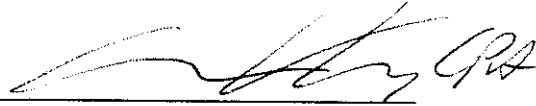
Our fee for these services of \$28,000 is based upon our projection of the time that we will spend on the engagement at our standard governmental hourly rates. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

A copy of our most recent external peer review report dated May 16, 2012, accompanies this letter.

We appreciate the opportunity to be of service to the Incorporated Village of Patchogue and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

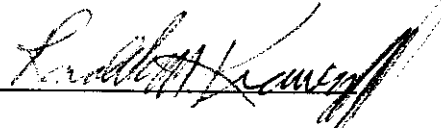
Cullen & Danowski, LLP



Christopher V. Reino, Partner

RESPONSE:

This letter correctly sets forth the understanding of the Incorporated Village of Patchogue.

By: 

Name: RONALD M. KRAWCZYK

Title: TREASURER

Date: 1/30/14

R.A. MERCER & CO., P.C.

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System Review Report

May 16, 2012

To the Partners of
Cullen & Danowski, LLP
and the Peer Review Committee of the
New York State Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Cullen & Danowski, LLP in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Cullen & Danowski, LLP in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Cullen & Danowski, LLP has received a peer review rating of *pass*.

R.A. Mercer & Co, P.C.

R.A. Mercer & Co, P.C.

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