Local Development Corporation
Audit Committee Meeting Notice
Pavilion
1 Washington St, Hempstead NY
November 17, 2026, 8:25 AM

A Livestream of the meeting may also be viewed at www.tohldc.org. Select "Meeting Information and then Youtube – Live Stream and Recorded Meetings."

Members: Robert Bedford, Chairman, Eric Mallette, Jack Majkut, Jill Mollitor, Mike Lodato, Fred Parola

- Contract Review and Adoption of Accounting Contract for Sheehan and Co. for 2027

Contact: Michael Lodato, Corporate Administrator
michlod@hempsteadny.gov
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SHEEHAN
ACCOUNTANTS & ADVISORS

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October 26, 2026

To the Board of Directors and Management
Town of Hempstead Local Development Corporation
350 Front Street
Hempstead, New York 11550-4037

We are pleased to confirm our understanding of the services we are to provide Town of Local Development Corporation (the "Corporation" or the "Organization"), a component unit of the Town of Hempstead, New York, for the year ended December 31, 2026.

Audit Scope and Objectives

We will audit the financial statements of the Corporation, and the disclosures, which collectively comprise the basic financial statements of the Corporation as of and for the year ended December 31, 2026. Accounting standards generally accepted in the United States of America ("U.S. GAAP") provide for certain required supplementary information ("RSI"), such as Management's Discussion and Analysis ("MD&A"), to supplement the Corporation's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to the Corporation's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. GAAP; and 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, non-compliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable 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 government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or 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 an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS 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, fraudulent financial reporting, or misappropriation of assets that comes 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. Our responsibility as auditors 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.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to those inquiries.

We have identified the following significant risk of material misstatement as part of our audit planning:

- Management override of controls

Please note that the risk assessment process is fluid throughout the engagement and modifications may be made to our identification of significant risks during the audit process.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

The audit documentation for this engagement is the property of Sheehan & Company, CPA, PC (Sheehan) and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of Sheehan personnel. Furthermore, upon request, we may provide copies of

selected audit documentation to regulators. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other government agencies.

Audit Procedures - Internal Control

We will obtain an understanding of the government and its environment, including internal control, sufficient to identify and ass the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. 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 non-compliance 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*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. 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 and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Corporation's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. 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*.

Nonattest Services

We will provide the following additional nonattest services:

- We will assist in drafting the financial statements and related notes in conformity with U.S. generally accepted accounting principles and in implementing all applicable Governmental Accounting Standards Board ("GASB") pronouncements, based on information provided by you. The responsibility for the financial statements, implementation of all applicable GASB pronouncements, and all representations contained therein remains with management and those charged with governance.

- We will maintain detailed depreciation schedules for the Corporation based on information provided by management, including the assignment of asset lives, salvage values and depreciation methods.

These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You are responsible for all management decisions and for performing all management functions and for designating an individual possessing suitable skill, knowledge and/or experience to oversee the nonattest services we will provide. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities. You are responsible for evaluating the adequacy and results of the above nonattest services performed and accepting responsibility for the results of such services. This includes your review and approval of all adjustments we may propose to the accounting records of the Corporation or its financial statements as a result of these services.

By signing this engagement letter, we have assumed that you are the person responsible for these nonattest matters of the Corporation from whom we shall receive all inquiries and requests. If this is not a correct assumption, please furnish us with the name of the individual with whom this work should be coordinated.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if

currently known). 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written 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 affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud 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, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and non-compliance with provisions of laws, regulations or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. GAAP. 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 written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with U.S. GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (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 supplementary information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and 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 other 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.

You agree to assume all management responsibilities relating to any non-audit services we may provide. You will be required to acknowledge in the management representation letter our assistance with any non-audit services and that you have approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee any non-audit services we many provide by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management agrees to indemnify Sheehan for any damages, including attorney fees, caused in whole or part, by the Organization's failure to fulfill these responsibilities, including from any negligent or intentional misrepresentations made by the Organization or Management, or its affiliates, officers, directors or employees in the management representation letter, or in connection with the services provided under this engagement letter.

Client Promises

The Corporation hereby promises that it will make every diligent effort to maintain proper books and records that accurately reflect its business activities that will be completely truthful with Sheehan and that Sheehan may rely upon both oral and written statements and responses to questions. The Organization further promises to immediately advise Sheehan if it becomes aware of any inaccuracy in its recordkeeping or dishonesty in any of its business dealings, including its statements to Sheehan. The Corporation acknowledges that the promises are the cornerstone of its relationship with Sheehan., are made to induce Sheehan to accept this audit engagement and that Sheehan would not accept this engagement without such promises.

Electronic Signatures and Copies

All parties to this agreement agree that a digital signature shall be effective to prove each party's agreement to the terms of this document. An electronically transmitted signature to this agreement, if included, will be deemed an acceptable original for purposes of consummating this agreement and binding the party providing such electronic signature. Furthermore, the parties agree that the terms of this agreement may be proved through an electronic facsimile, including a scanned electronic copy in Portable Document Format ("PDF") or other digital format and that no original hard-copy document need be retained to prove the terms of this agreement. This

agreement may be transmitted in electronic format and shall not be denied legal effect solely because it was formed or transmitted, in whole or in part, by electronic record.

E-mail Communication

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third-party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Mediation Provision

Disputes arising under this agreement (including the scope, nature and quality of services to be performed by us, our fees and other terms of the engagement) shall be submitted to mediation. A competent and impartial third-party, acceptable to both parties, shall be appointed to mediate and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Offers of Employment

At any time during the course of our engagement hereunder, should management offer an employee of Sheehan a position of employment within the Corporation or any affiliated or related organizations, or enter into substantive discussions with such an employee concerning possible employment by the Organization, we request that we be notified of your intentions immediately. Professional standards require that we remain independent and any offers of employment to a current employee of Sheehan may impede that independence. As a result, additional procedures may be required to ensure the independence and integrity of management's financial statements and that may result in additional costs.

The Corporation acknowledges that Sheehan has incurred significant costs in recruiting and training its personnel. Therefore, without the prior written consent of Sheehan, the Corporation agrees not to recruit or hire any Sheehan personnel. In the event that the Corporation hires any Sheehan employee, the Corporation agrees to pay Sheehan a fee of 35% of the employee's current base salary at Sheehan as liquidated damages to cover the cost of replacing such employee. This fee is due upon notification to Sheehan that the employee has been hired.

SHEEHAN ACCOUNTANTS & ADVISORS

Damages Limited to Lesser of Actual Damages or Fees Paid

By signing this engagement letter, you agree that our liability arising from this engagement shall be limited to the lesser of any actual damages which may have been caused by our negligent acts or omissions, or the amount of the fees which you pay for our services for this engagement.

Hosting Services

As an attest client, Sheehan cannot retain your documents on your behalf. This is in accordance with ET 1.295.143 of the *AICPA Code of Professional Conduct.* Management accepts responsibility for the Corporation's own financial and non-financial information system as well as its own electronic security and back-up services for data or records. Management acknowledges that Sheehan does not take custody of or store the Corporation's data or records and that the Corporation will be provided with a copy of all such data and records at the conclusion of the engagement such that the Corporation's records are complete.

Use of Portals for Transmitting Data and Information

Sheehan's online portal is used solely to transmit data and is not intended to store the Corporation's information. The Corporation is responsible for downloading any deliverables and other documents from the portal that it wishes to retain for its own records. After approximately 30 days, data and other content will be removed from the portal automatically.

Reporting

We will issue a written report upon completion of our audit of Corporation's financial statements. Our report will be addressed to the Members of the Board of Directors of the Corporation. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is 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 an opinion, we may decline to express an opinion or issue reports, or we may withdraw from this engagement.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Corporation is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Engagement Administration, Fees and Other

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

We will provide copies of our reports to the Corporation; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Sheehan and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to regulators or their 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 Sheehan 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 five years after the report release date or for any additional period requested by regulators. If we are aware that a federal awarding Corporation or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Alyson Terwilliger, CPA is the engagement partners and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Audit fieldwork is expected to begin by early February 2027 and a draft of the financial statements is

expected to be delivered approximately 4-5 weeks after the receipt of all requested information. Issued financial statements are expected to be delivered by March 26, 2027. Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Our fee for these services will be $13,000. Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will schedule the engagement based in part on deadlines, working conditions and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. Should this occur, a new fee estimate will be discussed and arrived at before any work commences.

This fee assumes there are no significant changes to the Corporation's internal control structure and no significant impact of any new GASB pronouncements to the Corporation. Should this occur, a new fee estimate will be discussed and arrived at before any work commences.

Our stated fees for this engagement, as set forth in this Agreement, may increase to the extent Sheehan is required to perform additional work to assist your personnel or reperform work as a result of being provided inaccurate documents or schedules.

We will not undertake any accounting services (including but not limited to reconciliation of accounts and preparation of requested schedules) or increase our fees as set forth in this Agreement without first discussing the same with the Corporation, and obtaining approval, which approval will be reflected through a written change order or additional engagement letter for such additional work.

If, as a result of our services to you with respect to our engagement, we are required or requested by government regulation, subpoena, or other legal process to provide information or documents to you or a third-party, or to provide our personnel as witnesses, in connection with legal or administrative proceedings in which we are not a party, we shall be entitled to compensation for our time and reimbursement for our reasonable out-of-pocket expenditures (including legal fees) in complying with such requests or demands. Nothing herein, however, is intended to relieve us of our duty to observe the confidentiality requirements of our profession.

SHEEHAN
ACCOUNTANTS & ADVISORS

No legal proceeding or action, regardless of form, with respect to a claim arising out of or relating to the services provided under this agreement may be brought by either of us more than one year after the date of delivery of the report(s) and/or tax returns contemplated by this engagement.

This agreement shall be governed by the law of the State of New York without regard to choice of law principles. Any action brought in connection with, arising from or relating to this Agreement, shall be brought exclusively in the federal or state courts located in New York, county of New York and the parties hereby irrevocably consent to the jurisdiction of such courts.

We reserve the right to amend any of the terms in this letter at any time as a result of any changes in laws or regulations affecting the accounting profession, which may preclude us from providing the services described in this letter on the terms we have agreed upon.

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the Corporation and management and that no other person, organization or entity shall be authorized to enforce the terms of this engagement.

This letter comprises the complete and exclusive statement of the agreement between us, superseding all proposals oral or written and all other communications between us and may be modified only by a writing signed by our firm and the Corporation. If any provision of this letter is determined to be unenforceable, all other provisions shall remain in force.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our most recent peer review report accompanies this letter.

We appreciate the opportunity to be of service to you 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 attached copy and return it to us.

Very truly yours,

Sheehan & Company CPA, P.C

Sheehan & Company C.P.A., P.C.

Enc.

SHEEHAN
ACCOUNTANTS & ADVISORS

RESPONSE:

This letter correctly sets forth the understanding of the Town of Hempstead Local Development Corporation.

Board Member Signature: _____

Title: _____

Management Signature: _____

Title: _____

HHM

CERTIFIED PUBLIC ACCOUNTANTS

Report on the Firm's System of Quality Control

November 19, 2025

To The Owners of Sheehan & Company CPA P C and the Peer Review Committee of the Pennsylvania Institute of CPAs.

We have reviewed the system of quality control for the accounting and auditing practice of Sheehan & Company CPA P C (the firm) in effect for the year ended June 30, 2025. 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 (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards,* and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Sheehan & Company CPA P C in effect for the year ended June 30, 2025, 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.* Sheehan & Company CPA P C has received a peer review rating of *pass.*

Henderson Hutcherson & McCullough, PLLC

266 Inman Street East, Cleveland, TN 37311 | T 423.756.7771 | F 423.265.8125