

Approved on
November 2, 2020

**MINUTES OF MEETING
OF AUDIT AND FINANCE COMMITTEE OF
NEW YORK CITY ENERGY EFFICIENCY CORPORATION**

June 11, 2020

At a meeting of the Directors of the New York City Energy Efficiency Corporation (“NYCEEC”) comprising the Board’s Audit and Finance Committee (the “Committee”), held via videoconferencing on Zoom, at approximately 4:00 p.m. on June 11, 2020, the following Directors and Officers of NYCEEC were present (all participated by videoconferencing unless otherwise noted):

- Marc Khouzami, Director (participated by telephone)
- Renwick Paige, Director (participated by telephone)
- Curtis Probst, co-President
- Fred Lee, co-President
- Jay Merves, Treasurer

Director Sadie McKeown was absent. Also present via videoconferencing by invitation were Warren Ruppel and Raymond Blake, both from Marks Paneth (the “Auditor”); Sean Berry from BTQ Financial; and Naeemah Lajoie, Mike Kerstetter and Kyle Madden-Peister, all from NYCEEC. It was noted that a quorum existed and the meeting was called to order.

Reference was made to the meeting materials previously provided by e-mail to the Committee members (the “Meeting Materials”). Reference was also made to the minutes of the Committee's prior meeting as provided in the Meeting Materials. It was asked if there were any questions or comments on the minutes. None were raised and a motion was made to approve such minutes. The motion was seconded and unanimously approved.

A pre-audit presentation was made by the Auditor. The Auditor gave a detailed presentation of the materials in the Meeting Package, in particular the forthcoming FY2020 financial audit to be conducted by the Auditor. The Auditor noted that any potential impacts of Covid-19 on NYCEEC’s funding, in FY2020 or going forward, will be noted in the upcoming financial audit. The Auditor asked if any of the Committee members had any concerns about (or knowledge of) any instances of fraud, whistleblower activity, or other suspicious activity within NYCEEC. The Committee members did not raise any such concerns or note any such instances. After finishing the pre-audit presentation, the Auditor left the meeting.

A presentation was made generally on NYCEEC’s current financial status by walking through the financial statements and other items included in the Meeting Materials. It was noted that the revised budget is very close to what was anticipated, and revenues are within 1% of anticipated levels. Reference was made to NYCEEC receiving a forgivable loan under the federal government’s Paycheck Protection Program. The Directors asked various questions which were answered.

Reference was made to the proposed FY 2021 budget included in the Meeting Materials. A presentation on such proposed budget was made and various key aspects of the budget were highlighted, including (among others) expected funding from the City during the upcoming fiscal year. It was noted that expenses are being reduced and that NYCEEC is expecting essentially a break-even budget for FY2021.

A motion was made for the Committee to recommend that NYCEEC's Board of Directors approve the proposed FY 2021 budget as included in the Meeting Materials. The motion was seconded and unanimously approved.

Presentations were also made on various other subjects covered by the Meeting Materials, including: a detailed presentation on certain special situations (including the projects at 55 Wall St., 11 W. 126th St. and the Cubit loans). During such presentations, it was noted that there is an offer to buy the company known as Cubit, that there is a potential settlement to the 11 W. 26th St. litigation and that there is indication that the project at 55 Wall St. may be up and running in the near to medium term future. It was noted that due to Covid-19, the office is currently unoccupied as NYCEEC employees are working remotely.

Upon a motion duly made, seconded and unanimously approved, the meeting was adjourned.

Respectfully submitted,



Mike Kerstetter
Meeting Secretary