

Approved on  
October 28, 2020

**MINUTES OF MEETING  
OF BOARD OF DIRECTORS OF  
NEW YORK CITY ENERGY EFFICIENCY CORPORATION**

**June 17, 2020**

At a regular meeting of the Board of Directors (the "Board") of the New York City Energy Efficiency Corporation (the "Corporation") held remotely by Zoom video conference call, at 4:00 p.m. on the afternoon of June 17, 2020, the following Directors and Officers were present:

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|--|-------------------------------|
| - Jeff Brodsky, Director and Chairperson | - Sadie McKeown, Director     |
| - Mark Chambers, Director                | - Renwick Paige, Director     |
| - Kim Darga, Director                    | - Bruce Schlein, Director     |
| - Ashok Gupta, Director                  | - Elizabeth Zeldin, Director  |
| - Greg Hale, Director                    | - Curtis Probst, co-President |
| - Marc Khouzami, Director                | - Fred Lee, co-President      |
| - Susan Leeds, Director and Secretary    | - Jay Merves, Treasurer       |

Also in attendance by invitation were Mike Kerstetter, Naeemah Lajoie and Kyle Madden-Peister of the Corporation. It was noted that a quorum existed and the meeting was called to order.

1. Approval of Prior Meeting's Minutes.

Reference was made to the minutes of the Board meeting held on February 5, 2020, as included in the Meeting Package previously circulated to the Board by e-mail (the "Meeting Package"). It was asked if there were any comments or questions on the minutes and none were raised. A motion to approve the minutes was made, seconded and unanimously approved.

2. Committee Meetings.

Reference was made to the April 2, 2020 meeting of the Board's Audit and Finance Committee ("A&F Committee") and the related meeting minutes included in the Meeting Package. Reference was also made to the Unanimous Written Consent approved by the A&F Committee as of April 3, 2020, a copy of which was also included in the Meeting Package. It was asked if there were any comments or questions on such minutes or on such Unanimous Written Consent and none were raised.

A brief oral report was given on the June 11, 2020 meeting of A&F Committee. It was noted that at such meeting, among other things, the A&F Committee had reviewed the proposed FY2021 budget and had recommended that the full Board approve such budget.

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3. FY 2020 Review and COVID-19 Update.

It was noted that the Corporation's 2020 fiscal year was coming to an end and a discussion was had reviewing the Corporation's FY2020 activities and performance. In the course of such conversation various topics were discussed including, among other things, loans made by the Corporation that benefit low- and moderate-income communities, the prepayment of the Ecosave loans, difficulties faced by some projects in completing construction given the COVID-19 pandemic, continuing delays in getting paid under the Corporation's contract with the City of New York (the "City"), and challenges faced with getting the new expanded City contract completed. It was also noted that because of the COVID-19 pandemic the entire staff of the Corporation continue to work remotely and that the Corporation was unable to use its leased office space. Various options concerning the leased office space were discussed, including the possibility of terminating the lease on nine months' prior notice.

4. Approval of Annual Budget for FY 2021.

Reference was made to the proposed resolution in the Meeting Package concerning the FY 2021 budget for the Corporation. The Chairperson of the A&F Committee noted that the committee had reviewed the budget and that it was the committee's recommendation that the budget be approved by the Board.

A detailed presentation was given orally on the matter. During such presentation various risk factors were discussed that could impact the budget, including uncertainty around revenues from acting as the administrator of the City's C-PACE program and uncertainty related to the COVID-19 pandemic. It was also noted that if the funds expected to be paid under the Corporation's contract with the City were significantly delayed or at risk, then further budgetary adjustments may be required. A discussion was had and several questions were asked and answered.

A motion was made to approve the resolution concerning the FY2021 budget in the form attached hereto at Exhibit A. The motion was seconded and unanimously approved.

5. Other Matters.

Oral presentations and updates were given on various other topics, including the status of the Corporation's loan from JPMorgan Chase & Co. under the Small Business Administration's Paycheck Protection Program, prospective transactions in the "pipeline", successes in attracting philanthropic financial support, possible actions that could be taken with respect to the Corporation's leased office space, the loans in the Corporation's portfolio that are considered "special situations" (including the loans for the projects known as 11 West 126th St., Cubit, and

55 Wall St.), the status of the City's C-PACE program and continuing delays in issuance of the City's rules which starts the public comment and hearing process.

Stemming from such presentations and updates, numerous questions were asked and answered and a robust conversation was had. Following the presentations and related discussions, it was asked if there were any additional comments or questions from any members of the Board and none were raised.

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

Respectfully submitted,



Mike Kerstetter  
Secretary of the Meeting

**RESOLUTION**

**Approval of Fiscal Year 2021 Budget**

WHEREAS, the Audit and Finance Committee has reviewed the proposed budget for fiscal year 2021 prepared by NYCEEC staff and its fiscal agent BTQ Financial, LLC, a copy of which is attached hereto at Exhibit A (the "2021 Budget"); and

WHEREAS, the Audit and Finance Committee recommends that the Board adopt the 2021 Budget.

NOW, THEREFORE, IT IS RESOLVED, that the Board hereby adopts the 2021 Budget, as may be amended and/or modified by one or both of NYCEEC's co-Chief Executive Officers, as necessary.

FY 2021 Budget

*[see next page]*

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# Fiscal Year 2021 Proposed Budget

	FY21 Proposed BUDGET	FY20 Approved BUDGET	Change Increase / (Decrease)	FY21 Proposed BUDGET	FY20 Preliminary YE FORECAST	Change Increase / (Decrease)
<b>REVENUE</b>						
Contributions - Government	\$770,000	\$770,000	\$0	\$770,000	\$770,000	\$0
Contributions - Private	275,000	266,250	8,750	275,000	216,802	58,198
Service Revenue - Government	900,000	1,435,000	(535,000)	900,000	1,127,494	(227,494)
Service Revenue - Private	356,250	168,750	187,500	356,250	158,333	197,917
Loan and Program Fee	225,000	252,000	(27,000)	225,000	62,569	162,431
Program Revenue - Interest	1,410,000	2,128,888	(718,888)	1,410,000	2,178,669	(768,669)
Investment Income	2,500	2,500	0	2,500	43,385	(40,885)
Miscellaneous Revenue	0	0	0	0	14,409	(14,409)
<b>TOTAL REVENUE</b>	<b>3,938,750</b>	<b>5,023,388</b>	<b>(1,084,638)</b>	<b>3,938,750</b>	<b>4,571,661</b>	<b>(632,911)</b>
<b>EXPENSE</b>						
<b>Salary &amp; Fringe Benefits</b>						
Salaries	1,881,000	2,060,000	(179,000)	1,881,000	1,846,147	34,853
Fringe Benefits	434,250	506,763	(72,513)	434,250	449,047	(14,797)
% of Fringe Benefit to Salary	23.09%	24.60%	1.51%	23.09%	24.32%	1.24%
<b>Total Salary &amp; Fringe Benefits</b>	<b>2,315,250</b>	<b>2,566,763</b>	<b>251,513</b>	<b>2,315,250</b>	<b>2,295,194</b>	<b>(20,056)</b>
<b>Program Expenses</b>						
Travel & Meals	10,000	17,000	(7,000)	10,000	15,052	(5,052)
Training	12,000	12,000	0	12,000	8,037	3,963
Financial Advisor	35,000	60,000	(25,000)	35,000	17,885	17,115
Project Technical Consulting	30,000	50,000	(20,000)	30,000	0	30,000
Legal	75,000	175,000	(100,000)	75,000	97,463	(22,463)
Marketing and Website	38,000	109,000	(71,000)	38,000	72,847	(34,847)
HR Consulting	53,000	69,000	(16,000)	53,000	62,822	(9,822)
Loan Interest & Financing Fees	404,000	920,000	(516,000)	404,000	853,741	(449,741)
Loan Loss Provision	105,000	105,000	0	105,000	166,694	(61,694)
Other Consulting	60,000	60,000	0	60,000	42,876	17,124
Surveillance	120,000	120,000	0	120,000	45,394	74,606
<b>Total Program Expenses</b>	<b>942,000</b>	<b>1,697,000</b>	<b>755,000</b>	<b>942,000</b>	<b>1,382,811</b>	<b>440,811</b>
<b>Administrative Expenses</b>						
Payroll and Benefits Administration	13,000	13,000	0	13,000	15,953	(2,953)
Insurance	40,000	40,000	0	40,000	36,944	3,056
Furniture&Equipment	10,000	10,000	0	10,000	171	9,829
Supplies	11,000	11,000	0	11,000	6,436	4,564
Occupancy	260,000	260,000	0	260,000	265,726	(5,726)
Audit Services	36,000	36,000	0	36,000	24,500	11,500
Fiscal Agent Service Fee	190,000	190,000	0	190,000	174,096	15,904
IT and Telecommunication	100,000	100,000	0	100,000	127,929	(27,929)
Depreciation	8,500	24,000	(15,500)	8,500	21,295	(12,795)
Bank and Miscellaneous Fees	4,000	4,000	0	4,000	5,288	(1,288)
<b>Total Administrative Expenses</b>	<b>672,500</b>	<b>688,000</b>	<b>15,500</b>	<b>672,500</b>	<b>678,338</b>	<b>5,838</b>
<b>TOTAL EXPENSES</b>	<b>3,929,750</b>	<b>4,951,763</b>	<b>1,022,013</b>	<b>3,929,750</b>	<b>4,356,343</b>	<b>426,593</b>
<b>Unrestricted NET INCOME</b>	<b>9,000</b>	<b>71,625</b>	<b>(62,625)</b>	<b>9,000</b>	<b>215,318</b>	<b>(206,318)</b>
Restricted Additions	0	0	0	0	483,750	(483,750)
Restricted Releases-TRNA	0	0	0	0	(372,534)	372,534
<b>CHANGE IN TRNA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,216</b>	<b>(111,216)</b>
<b>Surplus / (Deficit)</b>	<b>9,000</b>	<b>71,625</b>	<b>(62,625)</b>	<b>9,000</b>	<b>326,534</b>	<b>(317,534)</b>