

**MINUTES OF THE AUDIT COMMITTEE**  
**OF**  
**BUILD NYC RESOURCE CORPORATION**

**September 20, 2021**

A meeting of the Audit Committee of the Board of Directors (the “Committee”) of Build NYC Resource Corporation (“Build NYC” or the “Corporation”) was held at 9:00 a.m. on Monday, September 20, 2021, at 1 Liberty Plaza, Conference Room (14A), New York, NY 10006.

The following members of the Committee were present at the above indicated meeting of the Committee (the “Meeting”), constituting a quorum:

- Khary Cuffe
- James Prendamano

The following members of NYCEDC staff were present:

- Finance: Fred D’Ascoli – the Corporation’s CFO, Spencer Hobson – EVP/Treasurer, Amy Chan – the Corporation’s Assistant Treasurer, Leslie Escobar – the Corporation’s Assistant Treasurer, Carol Ann Butler – AVP, Christine Robinson – AVP
- Internal Audit (“IA”): Jennie Wallace EVP
- Compliance Department (“Compliance”): Shin Mitsugi – SVP and the Corporation’s Compliance Officer
- Strategic Investments Group (“SIG”): Emily Marcus - AVP and the Corporation’s Executive Director

Present by means of a conference call were representatives from Ernst & Young LLP (“EY”):

- Kimberly Hancy – Engagement Partner
- Adam Wolken – Manager

Mr. Cuffe called the meeting to order at 9:42 a.m.

**1. Approval of the Minutes of the May 12, 2021 Audit Committee meeting**

Mr. Cuffe asked if there were any questions or comments relating to the minutes of the May 12, 2021 meeting. There being no questions or comments, Mr. Cuffe motioned to approve the minutes. Mr. Prendamano seconded the motion, and the motion was approved.

**2. Presentation of the Annual Financial Statements – Management Discussion**

Ms. Chan noted that EY will be issuing an unmodified opinion. She mentioned that the Auditors' Report (in accordance with Government Auditing Standards) concluded that there were no findings, and no internal control issues noted by the external auditors (EY).

Ms. Escobar presented the Build NYC financial position as of year-end and discussed the financials. She discussed the Statement of Revenues, Expenses, and Changes in Net Position. Build NYC had an ending net position of \$7.3 million, which represents a decrease of \$1.5 million as compared to FY2020 of \$8.8 million. Fee income increased approximately \$1.5 million as a result of closing 12 transactions in FY2021 as compared to 6 transactions in FY2020. Operating expenses remain flat as compared to the prior year. Special project costs increased by \$1.1 million due to costs of \$2 million for the Power Station at BerkleeNYC (a public-private partnership with Berklee College of Music).

Ms. Escobar discussed the Statement of Net Position. The net position of \$7.3 million is primarily comprised of unrestricted cash, cash equivalents, and investments of \$7.8 million offset with approximately \$500,000 of current payables and unearned revenue.

Ms. Escobar provided an overview of the Schedule of Investments highlighting the investment components of Build NYC's portfolio. As for the breakout of investments, 44% of the unrestricted investments are held in government securities, 29% in commercial paper, and 26% in money markets, all of which are compliant with the Corporation's Investment Policies Guidelines.

**EY Audit Plan**

Ms. Hancy commented that the high-level audit procedures for Build NYC are similar to the high-level audit procedures discussed in the NYCIDA Committee meeting.

Ms. Hancy stated that EY did not identify any material misstatements, material weaknesses, instances of fraud or non-compliance with laws and regulations. This is a required communication under Government Auditing Standards.

Mr. Cuffe asked if there were any questions or comments related to the presentation of the Build NYC annual Financial Statements and the Schedule of Investments report. There being no questions or comments, Mr. Cuffe motioned to approve the statements for presentation and approval by the full board, Mr. Prendamano seconded, and the motion was approved.

**3. Internal Audit Activity Update**

Ms. Wallace commented that all FY2021 Build NYC audits have been completed and reports have been issued. As Ms. Wallace described in the NYCIDA meeting, there are two open issues for Build NYC that overlap with NYCIDA. Ms. Wallace then discussed some proposed changes to the FY2022 Audit Plan, aligning with NYCIDA.

Mr. Cuffe asked if there were any questions or comments related to the FY2022 Build NYC Audit Plan changes. There being no questions or comments, Mr. Cuffe motioned to approve the Audit Plan changes, Mr. Prendamano seconded, and the motion was approved.

**4. Compliance Activity Update**

Mr. Mitsugi stated that there are no updates on Build NYC.

**5. Session with External Auditors**

A private session with EY was not held at this time

**6. Session with Management**

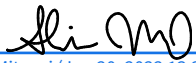
A private session with Management was not held at this time

**7. Session with Internal Audit**

A private session with Internal Audit was not held at this time

**8. Adjournment**

There being no further business, the meeting was adjourned at 9:57 a.m.



[Shin Mitsugi \(Jan 20, 2022 13:38 EST\)](#)

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Assistant Secretary

Date: 01/20/2022  
New York, New York