

MINUTES OF THE AUDIT COMMITTEE
OF
BUILD NYC RESOURCE CORPORATION

September 14, 2023

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 in-person on Thursday, September 14, 2023.

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

- Shanel Thomas
- James Prendamano

The following members of NYCEDC staff were present:

- Finance: Jeanny Pak, CFO; Spencer Hobson, EVP/Treasurer; Amy Chan, Controller; Leslie Escobar, Deputy Controller; Carol Ann Butler, AVP
- Internal Audit (“IA”): Jennie Wallace, EVP
- Compliance Department (“Compliance”): Shin Mitsugi, SVP and the Corporation’s Compliance Officer
- Strategic Investments Group (“SIG”): Noah Schumer, AVP and the Corporation’s Deputy Executive Director; Brinda Ganguly, EVP; Leyla Arcasoy, Associate

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

- Danielle Hurlburt – Managing Director
- Anisha Patel – Assurance Senior

Ms. Thomas called the meeting to order at 9:57 a.m.

1. Approval of the Minutes of the June 6, 2023 Audit Committee meeting

Ms. Thomas asked if there were any questions or comments related to the minutes of the June 6, 2023 meeting. There being no questions or comments, Ms. Thomas motioned to approve the minutes. Mr. Prendamano seconded the motion, and the motion was approved.

2. Finance Update

Ms. Chan stated that her team would be presenting the financial highlights from operations for FY2023, which would be followed by a presentation of the audit results from Ernst & Young.

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 \$9.1 million, which represents an increase of \$992,000 as compared to FY2022 of \$8.1 million.

Ms. Escobar explained the components causing the increase in net position. Operating income was about \$740,000, which is about \$75,000 less compared to the prior fiscal year due to fewer bond closings. Investment income was \$252,000 due to improved market conditions. As a result, with operating income of \$740,000 and an investment income of \$252,000, there was an increase in net position of \$992,000 from \$8.1 million in the prior year to \$9.1 million at fiscal year-end.

Ms. Escobar then presented Build NYC's statement of net position. Build NYC's unrestricted net position is primarily made up of about \$9.5 million of unrestricted cash, cash equivalents, and investments, offset by \$400,000 of current payables and unearned payables. Ms. Escobar noted that Build NYC's net position of \$9.1 million is currently \$300,000 above the target net position level established by the Board of four times the annual management fee, or \$8.8 million. Management is continuing to monitor this to strategically build the reserve back up over the course of the past few years.

Ms. Escobar provided an overview of the Schedule of Investments highlighting the investment components of Build NYC's portfolio. She noted that approximately 95% of unrestricted investments are held in US Agency Securities and the remaining 5% are held in money markets, all of which are compliant with the Corporation's Investment Policies Guidelines.

There were no questions or comments.

3. EY Audit Plan

Ms. Hurlburt presented the Build NYC Audit Results. EY expects to be issuing an unmodified opinion on the Build NYC financial statements and schedule of investments upon

completion of all final procedures. Ms. Hurlburt commented that the procedures were consistent as those discussed for NYCIDA. She noted that there were no issues or findings to report to the Committee Members.

There being no questions or comments, Ms. Thomas motioned to approve the financial statements and investment report, as well as the EY audit update. Mr. Prendamano seconded the motion, and the motion was approved.

4. Internal Audit Activity Update

Ms. Wallace provided the status of the FY2023 Build NYC audit plan and stated that there are no open issues to report. Ms. Wallace then discussed the status of the FY2024 Audit Plan.

There being no questions or comments, Ms. Thomas motioned to approve the proposed FY2024 Internal Audit update. Mr. Prendamano seconded the motion, and the motion was approved.

5. Compliance Activity Update

Mr. Mitsugi stated there are no specific updates at this time for Build NYC, and separately noted that he looked forward to working with Ms. Wallace on the upcoming audit for the Corporation.

Ms. Thomas motioned to approve the proposed FY2024 Audit Plan. Mr. Prendamano seconded the motion, and the motion was approved.

6. Session with External Auditors

A private session with EY was not held at this time.

7. Session with Management

A private session with Management was not held at this time.

8. Session with Internal Audit

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

9. Other Business

No other business was discussed at this time.

10. Adjournment

There being no further business, the meeting was adjourned at 10:05 a.m.