MINUTES OF MEETING OF THE AUDIT COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
September 28, 2026

A meeting of the Audit Committee (the "Committee") of New York City Economic Development Corporation (the "Corporation" or "NYCEDC") was held on Monday, September 28, 2026, at the Corporation, One Liberty Plaza, Conference Room 14B, New York, New York 10006.

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

- James McSpiritt
- Betty Woo

The following members of NYCEDC staff were present in person:

- Finance:
  - Amy Chan – Chief Financial Officer
  - Spencer Hobson – EVP/Treasurer
  - Leslie Escobar – Controller
  - Fanny Fung – Assistant Vice President
- Internal Audit ("IA"):
  - Eric Katz – Senior Vice President
  - Jelicia Young – Senior Auditor
- Legal:
  - Mark Silversmith – Special Counsel
- MIS:
  - Delano Clarke – Vice President

Also present were external representatives:

Ernst & Young LLP ("EY"):

- Susan Wheeler – Partner in Charge
- Sherry Ng, Engagement Partner

The meeting was called to order at 9:30 a.m.

1. **<u>Approval of the Minutes of the June 16, 2026 Audit Committee Meeting</u>**

Mr. McSpiritt asked if there were any corrections or adjustments related to the minutes of the June 16, 2026 Audit Committee meeting. There being no corrections or adjustments, Mr.

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McSpiritt motioned to approve the minutes. Ms. Woo seconded the motion and the minutes were approved.

2. **Finance Update – Annual Financial Statements and Investment Report – Management Discussion**

Ms. Escobar reported that the fiscal year 2026 audit was substantially complete and was expected to result in an unmodified opinion, with no significant deficiencies or material weaknesses identified. Ms. Escobar discussed the adoption of GASB Statement No. 103, explaining that implementation primarily involved reorganizing existing disclosures, reclassifying lease-related interest expense from operating to nonoperating expense, and adding a noncapital financing activities section to the statement of cash flows for lease-related interest activity. She noted that these changes did not affect ending net position or require the restatement of prior-year amounts. Ms. Escobar then summarized the highlights of the fiscal year 2026 Financial Statements and Annual Investment Report.

In response to a clarifying question about the treatment of lease-related interest expense, Ms. Chan and Ms. Escobar provided additional clarification regarding its presentation in the financial statements in accordance with GASB 87. In response to a question about the increase in 42nd Street revenue being a one-time event or continuous, Ms. Escobar noted there were annual rent resets but also a one-time transaction. Ms. Chan further explained that purchase options are in place for certain properties and may be exercised in the future. In response to a question regarding the estimated useful life of the ferry vessels, management confirmed an estimated useful life of 25 years. In response to a question about the adoption of GASB 103, Ms. Escobar confirmed that the standard has been implemented and Ms. Chan added that NYCEDC also adopted GASB 105, Subsequent Events, during the fiscal year. Finally, in response to a question about whether the diesel fuel hedging activity was ongoing, management confirmed that it is and noted that NYCEDC holds weekly calls with its fuel hedge advisor to receive market updates and recommendations.

3. **Finance Update – Annual Financial Statements and Investment Report – Ernst & Young Discussion**

Ms. Wheeler reported that the auditors are working toward issuing an unmodified opinion. She noted that the audit remained on schedule and that its scope and key focus areas were consistent with the prior year and the audit plan presented in June. She further stated that the remaining items included completing the financial statement review, performing subsequent-event procedures, obtaining the management representation letter, and finalizing administrative matters. Ms. Wheeler also asked those charged with governance to review the inquiries provided and contact her or Ms. Ng with any questions or additional information.

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Ms. Ng began her presentation by discussing the adoption of GASB 103 and noted that it did not have a significant impact on the financial statements. She then provided an overview of the key audit areas and required communications. In response to an inquiry regarding potential subsequent events, Management responded that no subsequent events are anticipated.

There being no further questions, Mr. McSpiritt motioned to approve the Financial Statements and Investment report, Ms. Woo seconded and the item was approved.

4. **Internal Audit Update**

Mr. Katz provided an update on internal audit activities, noting that two Internal Audit reports, Capital Project Performance and Information Technology General Controls, have been issued since the June 2026 Audit Committee Meeting. He also reported that planning for the execution of the FY27 Internal Audit Plan had commenced.

Mr. Katz provided an overview of open audit issues, reporting that Internal Audit, in collaboration with the respective departments, had validated and closed approximately 15% of the open issues. He further noted that 3 issues were pending validation and 36 remained open, with most expected to be addressed within the next three to twelve months.

5. **Session with External Auditors**

There was a private session with the External Auditors.

6. **Session with Internal Audit**

There was no session with Internal Audit.

7. **Session with Management**

There was a private session with Management.

8. **Adjournment**

There being no questions, comments or objections, Mr. McSpiritt motioned to adjourn the meeting. Ms. Woo seconded the motion and the motion was approved. The meeting was adjourned at 10:13 a.m.

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