

FOR CONSIDERATION

January 28, 2026

TO: The Finance and Audit Committee

FROM: Carrie Meek Gallagher

SUBJECT: Consideration of Recommendation to Approve the Annual Review of the Finance Board Policy Package

Requested Action

The Finance and Audit Committee (the “Committee”) of the Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution recommending that the Board approve the annual review of the Board Financial policies (i.e., Prompt Payment and Interest Rate Exchange Agreements).

Board Policies on Prompt Payment and Interest Rate Exchange Agreement

In accordance with the New York State Public Authorities Law (“PAL”) and governance best practices, the Board has adopted the Board Policy on Prompt Payment and the Board Policy on Interest Rate Exchange Agreements. Section 2880 of the PAL requires public authorities to adopt a prompt payment policy. Additionally, the Board Policy on Interest Rate Exchange Agreements was adopted “to properly manage the interest rate risks associated with [LIPA’s] assets and debt portfolio.”

LIPA Staff has reviewed the Board Financial policies (i.e., Prompt Payment and Interest Rate Exchange Agreements) and recommends no changes at this time.

Recommendation

Based upon the foregoing, I recommend approval of the above requested action by adoption of a resolution in the form attached hereto.

Attachments

Exhibit “A” Resolution

RESOLUTION RECOMMENDING APPROVAL OF THE ANNUAL REVIEW OF THE FINANCE BOARD POLICY PACKAGE

WHEREAS, in accordance with the New York State Public Authorities Law (“PAL”) and governance best practices, the Board has the Board Policy on Prompt Payment and the Board Policy on Interest Rate Exchange Agreements; and

WHEREAS, Section 2880 of the PAL requires public authorities to adopt a prompt payment policy; and

WHEREAS, the Board Policy on Interest Rate Exchange Agreements was adopted “to properly management the interest rate risks associated with [LIPA’s] assets and debt portfolio.”

NOW, THEREFORE, BE IT RESOLVED, the Finance and Audit Committee hereby recommends that the Board of Trustees approve the annual review of the Board Financial policies (i.e., Prompt Payment and Interest Rate Exchange Agreements).

Dated: January 28, 2026