LONG ISLAND POWER AUTHORITY

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING

HELD ON MARCH 25, 2026

The Finance and Audit Committee of the Long Island Power Authority ("LIPA") was convened at 9:48 a.m. at LIPA's Headquarters, Uniondale, NY, pursuant to legal notice given on March 20, 2026 and electronic notice posted on the LIPA's website.

The following LIPA Trustees were present in person:

David Manning, Committee Chair
Valerie Anderson Campbell, Committee Member
Anthony M. La Pinta, Trustee

Representing LIPA, in person, were Carrie Meek Gallagher, Chief Executive Officer; Bobbi O'Connor, Chief Legal Officer and General Counsel; Donna Mongiardo, Chief Financial Officer; Richard Tinelli, Controller; Cathy Widmark, Director of Audit Services; Vinay Dayal, Director of Finance and Treasury; and Gaspare Tumminello, Manager of External Affairs. Participating via video conferencing was Jason Horowitz, Deputy General Counsel.

Representing PSEG Long Island, in person, were Scott Jennings, President and Chief Operating Officer, and Martin Shames, Senior Director of Finance.

Representing KPMG, were Kevin Lyons, Lead Audit Engagement Partner; Stephen Scelfo, Lead Audit Engagement Senior Manager; and Dorina Cipollone, Senior Audit Manager.

Representing the Department of Public Service was Nick Forst, Director.

Chair Manning welcomed everyone to the Finance and Audit Committee meeting of the Long Island Power Authority Board of Trustees.

Chair Manning stated that the first item on the agenda is the adoption of the minutes from the January 28, 2026 Committee meeting.

Upon motion duly made and seconded, the minutes of the January 28, 2026 meeting were approved unanimously.

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Chair Manning stated that the next item on the agenda is the Overview of Financial Results to be presented by Donna Mongiardo and Martin Shames.

Ms. Mongiardo and Mr. Shames presented the Overview of Financial Results and then took questions from the Trustees.

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Chair Manning stated that the next item on the agenda is the Discussion of Internal Audit Activities. to be presented by Cathy Widmark.

Ms. Widmark presented the Discussion of Internal Audit Activities, and then and then took questions from the Trustees.

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Chair Manning stated that the next item on the agenda is the Discussion of the 2025 Financial Report, to be presented by Richard Tinelli.

Mr. Tinelli presented the Discussion of the 2025 Financial Report, and then and then took questions from the Trustees.

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Chair Manning stated that the next item on the agenda is the Discussion of the 2025 Audit Results with Independent Auditors, to be presented by representatives from KPMG.

Mr. Lyons and associates presented the Discussion of the 2025 Audit Results with Independent Auditors, and then and then took questions from the Trustees.

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At approximately 10:29 a.m., Chair Manning stated that the Committee would adjourn to Executive Session to discuss personnel matters with KPMG. Chair Manning stated that no votes would be taken and that the Committee would resume its open session.

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After noting that no votes were taken in the Executive Session, the public portion of the meeting of the Finance and Audit Committee reconvened at approximately 10:46 a.m.

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Chair Manning stated that the next item on the agenda is Consideration of Recommendation to Approve the 2025 Financial Report to be presented by Richard Tinelli.

Mr. Tinelli presented the following action item and took questions from the Trustees:

Requested Action

The Finance and Audit Committee (the "Committee") of the Board of Trustees (the "Board") is requested to recommend approval of the 2025 Financial Report (the "Financial Report") prepared in accordance with Section 2800(1) of the Public Authorities Law ("PAL"), in the form attached as Exhibit "B."

Financial Report

Section 2800(1) of the PAL requires LIPA to submit an annual report to the Governor, the Chairman and ranking minority member of the Senate Finance Committee, the Chairman and ranking minority member of the Assembly Committee on Ways and Means, the State Comptroller, and the Authorities Budget Office, within ninety days after the end of LIPA's fiscal year. Under Section 2800(1)(a)(2) of the PAL, the Financial Report shall include the following: audited financials; grant and subsidy programs; operating and financial risks; current bond ratings; and long-term liabilities. Section 2800(3) of the PAL requires the Financial Report to be approved by the Board.

Recommendation

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

A motion was made and seconded, and the Trustees unanimously adopted the following resolution:

<u>RESOLUTION RECOMMENDING APPROVAL OF THE 2025 FINANCIAL REPORT OF THE LONG ISLAND POWER AUTHORITY</u>

WHEREAS, Section 2800(1) of the Public Authorities Law ("PAL") requires public authorities such as the Long Island Power Authority ("LIPA") to prepare an annual report; and

WHEREAS, LIPA's annual report includes, among other things, a financial report, as defined under Section 2800(1)(a)(2) of the PAL (the "Financial Report"); and

WHEREAS, LIPA has prepared its Financial Report, which, pursuant to Section 2800(3) of the PAL, is subject to the approval of the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED, that the Finance and Audit Committee of the Board of Trustees hereby recommends approval of the 2025 Financial Report of the Long Island Power Authority, in the form presented at this meeting.

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Chair Manning stated that the next and final item on the agenda is Consideration of Recommendation to Approve the 2025 Investment Report and the 2026 Board Policy on Investments, to be presented by Vinay Dayal.

Mr. Dayal presented the following action item and took questions from the Trustees:

<u>Requested Action</u>

The Finance and Audit Committee (the "Committee") of the Board of Trustees (the "Board") is requested to adopt a resolution recommending approval of: (i) LIPA's Annual Investment Report for 2025 in the form attached hereto as Exhibit "B"; and (ii) the 2026 Board Policy on Investments in the form attached hereto as Exhibit "C".

<u>Annual Investment Report for 2025</u>

Section 2925 of the Public Authorities Law ("PAL") requires that LIPA annually review and approve an investment report. LIPA's investments are either: (i) managed by an investment manager in primarily short-term, highly liquid investments; or (ii) invested in broad-based, low-cost equity and fixed-income mutual funds. All investments of LIPA funds are governed by the Board Policy on Investments. LIPA's investments were compliant with the terms and conditions of the Policy for 2025 and performed consistently with LIPA Staff's expectations, given the nature of the investments.

<u>2026 Board Policy on Investments</u>

The Board is also required by Section 2925(6) of the PAL to annually review and approve the Board Policy on Investments, which details the Board's operative instructions to LIPA

Staff regarding the investing, monitoring, and reporting of LIPA funds. The Board Policy on Investments was last reviewed and approved in March 2025. LIPA Staff has reviewed the Board Policy on Investments, which is attached hereto as Exhibit "C," and recommends no material modifications for 2026.

Recommendation

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

A motion was made and seconded, and the Trustees unanimously adopted the following resolution:

RESOLUTION RECOMMENDING APPROVAL OF THE ANNUAL INVESTMENT REPORT FOR 2025 AND THE 2026 BOARD POLICY ON INVESTMENTS

RESOLVED, that the Finance and Audit Committee of the Board of Trustees hereby recommends approval of the Annual Investment Report for the period ended December 31, 2025, in the form presented at this meeting; and

BE IT FURTHER RESOLVED, that the Finance and Audit Committee of the Board of Trustees hereby recommends approval of the Board Policy on Investments in the form presented at this meeting.

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Chair Manning then entertained a motion to adjourn, which was duly made and seconded, after which the meeting concluded at approximately 10:51 a.m.

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