



ENERGY IMPROVEMENT CORPORATION, LDC

Board Meeting Minutes: March 7, 2013

A meeting of the Board of Directors of EIC was held on Thursday, March 7, 2013.

The meeting was called to order at 6:21pm by Mr. Thielking who acted as chair of the meeting.

PRESENT:

Neil Alexander
Mike Gordon

Kathryn Hoenig
Mary Beth Kass

Lee Roberts
Mark Thielking

ABSENT:

Andrew Chintz

Olivia Farr

Tom Kelly

Leo Wiegman

OTHERS PRESENT:

Tom Bregman

Bob Fischman

Jim Staudt

Ari Tran

MINUTES

On a motion by Mike Gordon and seconded by Mary Beth Kass, it was unanimously agreed to approve the February 7, 2013, minutes. All in favor, so be it

RESOLVED that the EIC Board of Directors meeting minutes of 2/7/13 is approved and accepted by the Board of Directors of which a copy is attached.

ABSTAINED: Lee Roberts

MINUTES

On a motion by Kathryn Hoenig and seconded by Lee Roberts, it was unanimously agreed to approve the February 22, 2013, minutes from the special teleconference meeting of the Board. All in favor, so be it

RESOLVED that the EIC Board of Directors special teleconference meeting minutes of 2/22/13 is approved and accepted by the Board of Directors of which a copy is attached.

ABSTAINED: Neil Alexander

EIC NOMINATING COMMITTEE

The Nominating Committee has determined that the Board of Directors, Municipal Members and near term Municipal Members will best be served by not filling the two seats which are vacant and a seat coming vacant at the time of April Annual Meeting of the Members. The Nominating Committee proposes to conduct interviews with new members as they join the Corporation to assess their interest level and skills to make recommendations to best serve the Corporation.

BY LAWS

A By Law amendment is are being made to accept the appointment of the initial Directors as exempt from required qualifications as specified in the By Laws with all seats expiring at the Annual Meeting of the Board in 2015 and at such time, appointed Directors must meet the qualifications in accordance of the amended By Laws. Adoption of the amended By Laws will be conducted prior to the April Annual meeting or at said meeting.

CERTIFICATE OF INCORPORATION

The Certificate of Incorporation adopted by the Members at the Special Meeting of the Members held on March 4, 2013, will be filed with the Secretary of State by legal counsel.

ADVISORY COMMITTEE ON FOUNDATIONS

On a motion by Lee Roberts and seconded by Mike Gordon approval of the Advisory Committee on Foundations is granted for the purpose of developing a comprehensive, pointed material package. All in favor, so be it

RESOLVED that the Advisory Committee on Foundations is formed for the purpose of developing a comprehensive material package for interested Foundations. Olivia Farr, Mary Beth Kass, Kathryn Hoenig, Tom Bregman and Mark Thielking to serve on this committee along with Carolyn Niemczyk, Advisor.

AUDIT MANAGEMENT LETTER

The Audit Management Letter from O'Connor Davies attesting management has done everything within its power to complete the Audit will be signed by the Thomas Bregman, Program Director.

AUTHORITY BUDGETS OFFICE ANNUAL REPORTING

On a motion by Mike Gordon and seconded by Mary Beth Kass it was unanimously agreed to accept and approve the 2012 Annual Report Progress and Accomplishments, Mission Statement and Performance Measurements and Assessment of Internal Controls as presented to the Board at this meeting for Authority Budgets Office posting. All in favor, so be it

RESOLVED that the 2012 Annual Report Progress and Accomplishments, Authority Mission Statement and Performance Measurements and Assessment of Internal Controls reports are accepted by the Board and approved for Authority Budgets Office posting of which a copy is attached.

CROTON-ON-HUDSON MEMBERSHIP REQUEST

A letter requesting membership has been received from the Village of Croton-on-Hudson. On a motion by Neil Alexander and seconded by Mary Beth Kass it was unanimously agreed to authorize the EIC Program Director to send a letter accepting the membership request from the Village of Croton-on-Hudson. All in favor, so be it

RESOLVED that the Village of Croton-on-Hudson is accepted as a member of EIC and the Program Director is authorized to confirm membership.

MID-HUDSON REGION PLAN

On a motion by Mike Gordon and seconded by Lee Roberts it was unanimously agreed to submit a letter of support to Mid-Hudson Regional Planning. All in favor, so be it

RESOLVED that a letter of support signed by the Chairman of the Board will be submitted to Mid-Hudson Regional Planning of which a copy is attached.

PRESENTATIONS

January 2013 Expense Report - Presented by Tom Bregman

Energize Advisory Committee Update – Presented by Tom Bregman

Finance Advisory Committee Update – Presented by Mark Thielking

On a motion by Lee Roberts and seconded by Kathryn Hoenig, there being no other business before the Board, the meeting was adjourned at 8:25pm.

The next meeting of the EIC Board of Directors will be held on April 4, 2013, at 6:15pm at the Town of Bedford's Offices at 425 Cherry Street.



ENERGY IMPROVEMENT CORPORATION, LDC

Board Meeting Minutes: February 7, 2013

A meeting of the Board of Directors of EIC was held on Thursday, February 7, 2013.

The meeting was called to order at 6:27pm by Mr. Thielking who acted as chair of the meeting.

PRESENT:

Neil Alexander
Andrew Chintz
Mike Gordon

Olivia Farr
Mary Beth Kass
Kathryn Hoenig

Mark Thielking
Leo Wiegman

ABSENT:

Tom Kelly
Lee Roberts

OTHERS PRESENT:

Tom Bregman

Joe DeSindaco

Linda Whitehead

Ari Tran

MINUTES

On a motion by Mary Beth Kass and seconded by Mike Gordon, it was unanimously agreed to approve the January 3, 2013 minutes. All in favor, so be it

RESOLVED that the EIC Board of Directors meeting minutes of 1/3/13 is approved and accepted by the Board of Directors of which a copy is attached.

ABSTAINED: Olivia Farr, Kathryn Hoenig

CERTIFICATE OF INCORPORATION

Ari Tran presented the revisions to the Certificate of Incorporation. Bond counsel with legal counsel's concurrence states since the revisions do not significantly alter the powers of the Corporation and court approval is not required.

On a motion by Leo Wiegman and seconded by Mike Gordon, it was unanimously agreed to approve the Certificate of Incorporation with no further changes but those that have been directed by the Board at this meeting on February 7, 2013, and to present such certificate to the Corporation's Members for consideration of adoption. All in favor, so be it

RESOLVED that the Certificate of Incorporation is approved by the Board to be presented to EIC's Members for consideration of adoption with no further changes but those that have been directed by the Board at this meeting on February 7, 2013.

The Board of Directors is calling for a Special Meeting of the Members and has set this meeting for March 4, 2013, at Noon to be held at EIC office in Yorktown Heights. Members will receive a meeting notice and revised Certificate of Incorporation via first-class mail prior to the meeting. On a motion by Mike Gordon and seconded by Olivia Farr it was unanimously agreed to set the Special Meeting of the Members. All in favor, so be it

RESOLVED a Special Meeting of the Members is set for March 4, 2013, at Noon to be held at the EIC office in Yorktown Heights for the purpose of considering adoption of the Board approved amended Certificate of Incorporation.

OFFICIAL NEWSPAPER FOR LEGAL NOTICE

On a motion by Mike Gordon and seconded by Leo Wiegman, it was unanimously agreed to approve the Journal News as the official newspaper for legal noticing. Journal News has a broader circulation and will reach a larger audience. All in favor, so be it

RESOLVED that the Journal News is the official newspaper for the purpose of legal noticing.

REQUEST FOR PROPOSAL FOR SHORT-TERM LINE OF CREDIT

The Finance Committee recommends the Board approve the request for proposals from firms interested in providing short-term capital services related to EIC's EnergizeNY Benefit Finance Programs. The response deadline will be February 26th, preliminary results are expected to be posted on or about March 5th and interviews will be scheduled as necessary the week of March 12th.

On a motion by Kathryn Hoenig and seconded by Andrew Chintz it was unanimously agreed to seek proposals for short-term line of credit. All in favor, so be it

RESOLVED that the Finance Committee will invite requests for proposals for short-term capital services with results expected on or about March 12th.

2012 AUDIT

On a motion by Mike Gordon and seconded by Neil Alexander, it was unanimously agreed to approve the EIC Director to sign an agreement with O'Connor Davies for the purpose of performing the Annual Audit for 2012 for the sum of \$3000. So be it,

RESOLVED that the Director is granted approval to sign an agreement with O'Connor Davies to perform the Annual Audit for 2012 for the sum of \$3000.

2012 EXPENSE REPORT

The 2012 Expense Report has been finalized and will be used for the aforementioned financial audit.

Energy Advisory Committee Tom Bregman provided status update on market and outreach programs as well as IT and tools.

Finance Advisory Committee: Mark Thielking provided update on:

- EIC Municipal Agreement Article 6, section d, requires amendment to define terms of reserve of Federal monies and EIC is working on language with Squires Sanders.
- Outreach to foundations for donations has begun.
- Deutsche Bank is now officially the trustee of EIC.
- Binding of Bankers and Media Insurance policies has been completed thanks to Kathryn Hoenig's efforts.
- Squires Sanders issued tax and QEBC opinion letters which will require additional edification for clarification on components.

Annual Board Evaluations distributed and are to be completed and submitted at next Board meeting.

Annual Meeting of the Members and Annual Meeting of the Board is set for March 7th.

On a motion by Mark Thielking and seconded by Mike Gordon at 8:40pm, the Board left the regular meeting and reconvened in Executive Session for the purpose of discussion of the Commercial Program Director position.

The Executive Session ended at 9:30pm and the Board resumed the regular meeting.

On a motion by Leo Wiegman and seconded by Mike Gordon there being no other business before the Board, the meeting was adjourned at 9:32pm.

The next meeting of the EIC Board of Directors will be held on March 7, 2013, at 6:15pm at the Town of Bedford's Offices at 425 Cherry Street.



ENERGY IMPROVEMENT CORPORATION, LDC

Special Meeting of the Board: February 22, 2013

A special Meeting of the Board of EIC was held via teleconference on Monday, February 22, 2013.

The meeting was called to order at 12:04pm by Mr. Thielking who acted as chair of the meeting.

TELECONFERENCE ATTENDEES:

Andrew Chintz	Kathryn Hoenig	Lee Roberts
Olivia Farr	Mary Beth Kass	Mark Thielking
Mike Gordon	Tom Kelly	

ABSENT:

Neil Alexander	Leo Wiegman
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OTHER ATTENDEES:

Tom Bregman	Joe DelSindaco	Ari Tran
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MUNICIPAL AGREEMENT

Mark Thielking presented revisions to the municipal agreement. As municipalities join EIC with their own reserves the municipal agreement needs to reflect reserve funds that can and may be segregated for their own losses. Reserve funds will be held at a bank or trust company authorized to do business in New York State and will be invested in accordance to EIC's investment guidelines. EIC reserves the right to refuse financing if reserve funds are inadequate. Permanent loss will be reimbursed in proportion to the amount that EIC made up the loss. On a motion by Mike Gordon and seconded by Tom Kelly it was unanimously agreed to approve the amendments to the municipal agreement as discussed and authorize distribution to EIC's members. So be it,

RESOLVED that the Board approves the amendments to the municipal agreement and authorizes distribution to EIC's members as discussed by the Board at the teleconference meeting on February 22, 2013, of which a copy is attached.

LOCAL LAW

Amendment to clarify that EIC is acting on behalf of the municipality and not the property owner. On a motion by Kathryn Hoenig and seconded by Lee Roberts it was unanimously agreed to approve the amendments to the local law as discussed. So be it,

RESOLVED that the amendments to the local law as discussed by the Board at the teleconference meeting on February 22, 2013 are approved of which a copy is attached.

AUDIT COMMITTEE

Mark Thielking nominated Andrew Chintz and Kathryn Hoenig to fill open positions on the Audit Committee. On a motion by Lee Roberts and seconded by Tom Kelly, it was unanimously agreed to appoint Andrew Chintz and Kathryn Hoenig as members to the Audit Committee. All in favor, so be it

RESOLVED that Andrew Chintz and Kathryn Hoenig will now serve on the Audit Committee.

Abstained: Andrew Chintz, Kathryn Hoenig

On a motion by Mark Thielking and seconded by Kathryn Hoenig at 12:26pm, the Board left the teleconference regular meeting and reconvened in Executive Session for the purpose of discussion of Personnel issues of filling positions.

The Executive Session ended and the Board returned to the regular teleconference meeting at 12:54pm.

On a motion by Lee Roberts and seconded by Mike Gordon there being no other business before the Board, the teleconference meeting was adjourned at 12:55pm.



Annual Report on Progress and Accomplishments – 2012 FINAL REPORT

Operations:

The Energy Improvement Corporation (EIC) is a NYS Not for Profit Local Development Corporation whose mission is to save money and reduce the waste of energy by enabling energy related improvements through innovative community based outreach and marketing efforts and innovative financing options. EIC has two areas of focus: Energize marketing and outreach services through the Energize NY Program and finance services for qualified energy upgrades through the Energize NY Finance Program. All services and activities are funded by grants won in 2010 by the Town of Bedford in partnership with the Northern Westchester Energy Action Consortium and the Bedford 2020 Coalition.

Objective:

EIC's objective is to increase energy efficiency in buildings to reduce energy use and costs, support and develop the local economy and improve the quality of life (health, safety, comfort, Green House Gas Emissions and air quality) of community participants. EIC seeks a market transformation that dramatically increases building energy efficiency upgrades from a historically low baseline of fewer than 1% of New York buildings to a significantly higher concentration in the EIC areas of operation.

The program will continue to increase the number of assessments and the assessment to upgrade ratio through a mix of; 1) web services and social media, 2) local municipal engagement and program rollout, 3) the development and deployment of a toolkit that supports a robust community based marketing effort and 4) the rollout of Energize Finance, a Property Assessed Clean Energy (PACE) Benefit Financing program that will help building owners finance their upgrades.

Significant Accomplishments for 2012:

Work accomplished in 2012 are in four general categories: 1) Web, Social Media, CRM (Customer Relationship Management) System and Homeowner Dashboard, 2) Energize Toolkit / Toolkit Index, 3) Launching NWEAC Towns, and 4) Energize Finance.

1. *Web, Social Media, CRM (Customer Relationship Management) System and Homeowner Dashboard*
 - a. Updated energizeny.org web site to manage and distribute leads from around the region. Launched balance of NWEAC municipal web sites.
 - b. Deployed the second generation of our CRM (Customer Relationship Management) system and dashboard. Staff is now using these to message and track homeowners. Dashboard is not accepting and processing GJGNY applications with NO STAFF INTERVENTION required for more than 50% of all homeowner applicants. Data from the CRM Data system will be used to connect the local communities to residents interested but hesitant about completing an upgrade.
 - c. Extended virtual and hyper-local outreach with an active presence on Facebook, Twitter, local blogs and local media properties.

- d. Completed API and data integration project
 - e. Released commercial version of NYSERDA's online Assessment Application (first in the state) in our homeowner dashboard.
2. *Tools / Toolkit Index* – Created Updated and extended tools and index to be used by NWEAC and other municipalities and organizations to promote and support Energize in the other NWEAC communities.
- a. Continued to expand our virtual outreach and extended our active presence on Facebook and Twitter
 - b. Updated the Energize “Contractor Rating Index” to help homeowners select a Home Performance contractor
 - c. Added new Energy Coach Videos
 - d. Extended the Field Manual (doc)
 - e. Program overview (ppt)
 - f. Real Estate / Energize Branding presentation (ppt)
 - g. Extended the “Energize Home Brand” and presented the second and third round of certificates to Bedford homeowners.
 - h. Facebook and social media training (classroom)
 - i. Energize mission, vision and core values (doc)
 - j. Post upgrade anti-rebound training (PDF)
 - k. Continued newsletter (email) distribution
 - l. Logo and branding (various templates and jpgs)
 - m. Program banners (printed)
 - n. Marketing collateral templates (doc, PDF, etc.)
3. *Launching NWEAC Towns* – Launched all the remaining NWEAC municipalities except for Village of Croton on Hudson. Continued outreach/signups throughout 2012 have resulted in 1,00+ homeowners in our database with 500+ in process and 260+ with completed upgrades,
4. *Energize NY Finance Program Development*
- i. Completed all legal work to begin accepting Municipal Members
 - ii. NY Municipalities now being accepted as Members
 - iii. Trustee Bank chosen
 - iv. RFP for Credit Services being readied
 - v. Pre-Applications for Financing being accepted at Energize Web site

5. *Additional Accomplishments:* a) Launched Senior Outreach program, 2) continued outreach and development of the “Energize Contractor Corps” , c) moved staff and offices to new space in Yorktown, d) continued Energize Advisory Committee and Finance Advisory Committee meetings, e) continued case study project to examine before and after energy use on 10-25 homes in NWEAC geography with five completed cases finalized.

6. *Results:*

279 homes upgraded in NWEAC geography (137% increase year over year)

\$3,515,400 in local economic activity

31 jobs created for local economy

\$326,430 in annual homeowner cost savings

658 tons (110 cars³) in CO₂ emission's reductions

7. *Outlook*

EIC’s mission and ultimate success will hinge on moving past the current focus on the grant deliverables and leverage our proprietary methods and processes into delivering a superior Energize product that is determined to be essential to the goals of our clients and stakeholders. The Energize NY Program will continue to provide a high level of direct homeowner support and be expanding to support commercially owned building stock as well to further deliver the services and community benefits municipalities require. In 2013, ENY will seek to exceed 300 new upgrades.

The Energize Finance Program has completed all required documentation and legal work in 2012 to offer financings in member municipalities by the 2nd Quarter 2013. Two municipalities in Westchester are currently members and thirteen additional municipalities throughout the Mid Hudson Valley are in process to become members. Expanding membership and scaling up financing demand is key to the long term sustainability of the Energize effort.

Beyond the NWEAC geography the program will be supporting, via a sub-contractor, additional Energize “starter towns” as part of a small NYSERDA grant. The project will bring a subset of the Energize toolkit, plus technical support to be delivered by the Croton Energy Group, to interested communities in the 7 county mid-Hudson Valley region including the non-NWEAC communities of Southern Westchester.



Authority Mission Statement and Performance Measurements

Name of Public Authority:

Energy Improvement Corporation

Public Authority's Mission Statement:

The overarching goal of the Energy Improvement Corp is to save money and energy, and reduce greenhouse gas emissions in northern Westchester, and perhaps beyond, by enabling energy related improvements that meet or exceed state standards through innovative community based outreach and marketing efforts.

In addition, it will be a purpose of the Corporation to facilitate and finance qualified energy efficiency improvement projects and renewable energy system projects for residents, organizations, institutions and businesses in participating municipalities in New York while operating in a financially self sufficient manner.

Date Mission was Adopted: October 4th, 2011 in its final form

List of EIC Performance Goals:

- Build a complete set of underwriting standards and develop financing offerings to enable energy efficiency improvement projects and renewable energy system projects for residents, organizations, institutions and businesses in participating municipalities in New York.
- Develop a large constituency intending to upgrade their properties (1,500+ properties)
- Develop an easy-to-access set of tools for communities that aim to build their constituency for energy efficiency upgrades.

Additional questions:

1. Have the EIC board members acknowledged that they have read and understood the mission of the public authority?

The Mission was distributed, discussed, edited and adopted at our 10/4/11 Board Meeting.

2. Who has the power to appoint the management of the public authority?

The Board of Directors hires the Executive Director and the Board or the Executive Director hires staff. This is delineated in the by-laws as follows:

“4.1 Officers and Employees. The Board of Directors, in its discretion, may elect officers and hire administrative staff. In the event that the Directors do so elect, the officers of the Corporation shall be: Executive Director, one or more Vice Presidents (the number thereof to be determined by the Board of Directors from time to time), a Treasurer, a Secretary, and such Assistant Treasurers, Assistant Secretaries and other officers as the Board of Directors may authorize from time to time.

4.6 Executive Director. The Executive Director shall have general charge of the business and affairs of the Corporation shall hire and manage and operate the day-to-day affairs of the Corporation and may delegate executive assignments to the other officers of the Corporation; shall see that the resolutions and directives of the Board of Directors are carried into effect (except in those instances in which the responsibility therefore is assigned to some other person by the Board of Directors); and, in general, shall discharge all duties incident to the office of Executive Director and such other duties as may be prescribed by the Board of Directors from time to time.”

3. If the EIC Board appoints management, do you have a policy you follow when appointing the management of the public authority?

Candidates for management positions can be recommended by anyone and credentials pertinent to management functions are assessed based on specific job descriptions prepared by either the Board or by the prospective Supervisor for that position, with the advice and counsel of the Board, subject to approval by the Board.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Board is actively engaged in overseeing the preparation of

- Financing offerings, through its Finance Committee and Finance Advisory Committee
- Marketing material and strategy, through its Energize Advisory Committee and
- Operations through its
 - Audit Committee
 - Finance Committee and
 - Governance Committee

Each Advisory committee also actively reaches out to community experts and activists to engage capability and broad participation in meeting marketing, financing and operations responsibilities. All committees operate in accordance with the requirements of the Open Meetings Law.

This report in its entirety has been submitted, read and approved by the Board of Directors at our 4/ /2013 meeting



Assessment of the Effectiveness of EIC's Internal Controls

A. Define the Authority's Major Business Functions

1) Marketing and Outreach targeted at increasing the uptake of Home Performance Energy Efficiency upgrades and other energy improvements within EIC Member Municipalities and NWEAC Municipalities benefited by DOE, NYSERDA grants.

2) Energize NY Benefit Finance offerings to facilitate and finance qualified energy efficiency improvement projects and renewable energy system projects for residents, organizations, institutions and businesses in participating municipalities in New York while operating in a financially self sufficient manner.

B. Determine the Risks Associated with Its Operations

1) Internal Financial

C. Identify the Internal Control Systems in Place

1) Procurement Policy that specifies actions related to spending funds grants to Energize Program

2) Monthly review of expenses

D. Assess the Extent to Which the Internal Control System is Effective

1) Effective

E. Take Corrective Action If a weakness is Identified

1) Monthly reviews of Budget spending. Monthly reviews by Board Chair, Treasurer, and other officers as needed.