

**LONG ISLAND POWER AUTHORITY**

**MINUTES OF THE PERSONNEL AND COMPENSATION COMMITTEE**

**MEETING HELD ON MAY 18, 2016**

*The Personnel and Compensation Committee of the Long Island Power Authority (the "Authority") was convened at 11:06 a.m. at LIPA Headquarters, Uniondale, NY, pursuant to legal notice given on May 13, 2016, and electronic notice posted on the Authority's website annually.*

*The following Trustees of the Authority were present:*

**Thomas J. McAteer, Committee Chair  
Matthew Cordaro, Committee Member  
Jeffrey Greenfield, Committee Member  
Sheldon Cohen  
Ralph Suozzi**

**Representing the Authority were Thomas Falcone, Chief Executive Officer; John Mostel, General Counsel & Secretary to the Board of Trustees; Bobbi O'Connor, Deputy General Counsel & Assistant Secretary to the Board of Trustees; Rick Shansky, Managing Director of Operations Oversight; John Little, Managing Director of Strategy and Policy; and Barbara Dillon, Director of Human Resources & Administration.**

**Joseph A. Branca was present as the proposed nominee for the position of Chief Financial Officer ("CFO") of the Long Island Power Authority.**

*Committee Chair McAteer noted the committee quorum and welcomed everyone to the Personnel and Compensation Committee meeting of the Long Island Power Authority Board of Trustees.*

*Chair McAteer stated that the first item on the agenda is the adoption of the minutes from the April 21, 2016 meeting.*

*Trustee Greenfield made a motion to accept the minutes of the April 21, 2016 meeting. Chair McAteer abstained from voting. Upon motion duly made and seconded the minutes were approved.*

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*At approximately 11:08 a.m., Chair McAteer stated that the Committee would adjourn to Executive Session to discuss personnel matters. The Chair noted that no votes would be taken and that the committee would be returning to public session. The Chair entertained a motion to adjourn, which was duly made and seconded.*

*At approximately 11:45 a.m. the Committee returned to public session.*

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*Committee Chair McAteer stated that next item on the agenda is recommendation for appointment of Chief Financial Officer which would be presented by Mr. Falcone.*

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

### **Requested Action**

The Personnel and Compensation Committee (the “Committee”) of the Board of Trustees (the “Board”) is requested to adopt a resolution recommending that the Board approve a resolution appointing Joseph A. Branca as Chief Financial Officer (“CFO”) of the Long Island Power Authority and its wholly owned subsidiary, the Long Island Lighting Company d/b/a/ LIPA (collectively “LIPA”).

### **Background**

In March 2016, the Chair of the Committee, in coordination with LIPA staff, established an executive search process for the purpose of recruiting a CFO. This process included establishing an internal search committee consisting of six members of the Authority’s executive staff (the “Search Committee”), creating a job description and position profile, and advertising the opportunity on the LIPA website, LinkedIn, and with utility industry specific organizations and job boards. From the more than 100 resumes received, seven candidates were selected for interviews after which the Search Committee unanimously recommended Joseph A. Branca to the Committee for their review and approval. Mr. Branca has met with each member of the Committee and with the Chair of the Finance and Audit Committee, and this morning, the Committee adopted a resolution recommending that the full Board appoint Mr. Branca to the position of CFO.

Mr. Branca has 40 years of financial experience in both the public and private sectors, including most recently eighteen years of experience as an investment banker, having financed over \$45 billion of infrastructure, public power, transportation, and housing investment. Mr. Branca is currently Managing Director and Head of Northeast Public Finance for Bank of America Merrill Lynch, where he has been employed since 2005.

Mr. Branca's public sector experience includes serving as CFO of the Empire State Development Corporation ("ESDC") (formerly the New York State Urban Development Corporation), which is New York State's chief economic development agency. Mr. Branca served as CFO of ESDC from 1985 to 1987 and again from 1993 to 1997, and his responsibilities included all the financial areas of the Corporation, including bond financings, treasury operations, real estate loan and lease management, and the issuance of state-supported debt for the construction and rehabilitation of university, correctional, and other state facilities.

Over the course of his career, Mr. Branca has also held positions in consulting, credit analysis, commercial finance, real estate management, treasury, financial analysis, economic development, and real estate development. Mr. Branca holds an MBA in Finance from St. John's University, a BBA in Accounting from St. Bonaventure University, and a Certificate in Real Estate Investment Analysis from the Wharton School of the University of Pennsylvania. He is a Board member of the Council of Development Finance Agencies, a former Governor and President of the Municipal Forum of the City of New York, and a former Board member of the New York State Environmental Facilities Corporation, the United Nations Development Corporation, and St. Pius V High School. Mr. Branca is also a Long Island native and LIPA customer.

Based on Mr. Branca's extensive experience and the thorough search process conducted by the Selection Committee, with guidance from the P&C Committee, I believe Mr. Branca is well-suited to serve as LIPA's CFO at an annual salary of \$250,000. Mr. Branca will begin at LIPA on a mutually agreed upon date with LIPA's Chief Executive Officer upon fulfilling the resignation and notice provisions of his employment with his current employer, which is expected to be no later than August 31, 2016. Mr. Falcone will continue to serve as LIPA's CFO until such time as Mr. Branca commences his employment at the Authority.

### **Recommendation**

Based on the foregoing, I recommend approval of the above-requested action.

*A motion was made and seconded, and the Trustees unanimously adopted the*

*following resolution:*

**RECOMMENDATION FOR APPOINTMENT TO OFFICE OF CHIEF FINANCIAL OFFICER**

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**RESOLVED, that Joseph A. Branca be, and hereby is, appointed Chief Financial Officer of the Long Island Power Authority (“Authority”) and its wholly owned subsidiary, the Long Island Lighting Company d/b/a/ LIPA (“LIPA”), at an annual salary of \$250,000, effective upon a mutually agreed upon date with the Authority’s Chief Executive Officer upon fulfilling the resignation and notice provisions of his employment with his current employer, until the earlier of his resignation or removal; and be it further**

**RESOLVED, that the Chief Financial Officer shall be an officer of the Authority and LIPA, within the meaning of the Authority’s enabling legislation (Chapter 517 of the Laws of 1986), as amended, including Section 1020-bb of the Public Authorities Law, and all other applicable laws.**

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*At approximately 11:57 a.m. Chair McAteer entertained a motion to adjourn the meeting of the Committee, which was duly made, seconded and carried.*