

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE OF FISCAL
YEAR 2005 SECURITIZATION CORPORATION**

April 24, 2009

A meeting of the Audit Committee (the "Committee") of Fiscal 2005 Securitization Corporation (the "Corporation") was held on April 24, 2009 at approximately 2:50 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following members of the Committee or their alternates were present:

Carol Kostik - alternate for William C. Thompson, Jr.,
Comptroller of The City of New York (the "City")

Albert F. Moncure, Jr. - alternate for Michael A. Cardozo,
Corporation Counsel of the City

constituting a quorum of the Committee. Kathy Blyn served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation, and employees of various agencies of the City and the State of New York.

The meeting was called to order by Ms. Kostik, Chairperson of the Committee.

Approval of Minutes of Meeting of February 4, 2009

The first item on the agenda was approval of the minutes of the meeting of the Audit Committee that was held on February 4, 2009. A motion was made to approve the resolution set forth below adopting such minutes. The motion was seconded and, there being no objections, approved.

WHEREAS, the Audit Committee of the Fiscal Year 2005 Securitization Corporation has reviewed the minutes of the previous meeting of the Audit Committee held on February 4, 2009; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of February 4, 2009, be, and they hereby are, approved.

Recommendation to Board: Approval of Independent Auditors Contract

The second item on the agenda was a proposed recommendation to the Board of Directors that it approve a contract with KPMG LLP (“KPMG”) to be the Corporation’s independent auditors. Ms. Kostik explained that KPMG had been chosen by a selection committee composed of staff of the City Comptroller’s Office and of the Corporation. Michele Mark Levine, the Comptroller of the Corporation, described the procedures used by the selection committee in this process. A brief discussion ensued, after which a motion was made to approve the resolution set forth below with respect to such recommendation. The motion was seconded and, there being no objections, approved.

WHEREAS, the Audit Committee of the Fiscal Year 2005 Securitization Corporation (the “Corporation”) is authorized, pursuant to Section III(a) of the Audit Committee Charter, to recommend to the Board of Directors of the Corporation the appointment and retention of the Corporation’s independent auditors; and

WHEREAS, following a request for proposals, the selection committee of the Corporation has selected the firm of KPMG LLP; it is hereby

RESOLVED, that Audit Committee recommends that the Board authorize the Officers of the Corporation to enter into an agreement with KPMG LLP to serve as independent auditors for the Corporation’s financial statements for the fiscal years ending June 30, 2009, 2010 and 2011 with a one one-year extension upon recommendation of the Audit Committee to cover the audit of the Corporation’s financial statements for the fiscal year ending June 30, 2012, which agreement shall contain such other terms and conditions which are not inconsistent with this resolution as the staff of the Corporation shall determine, and which agreement shall provide for compensation not to exceed the following rates:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Audit	\$14,000	\$14,000	\$14,000	\$14,000

Special Projects (per hour)				
Partners	\$228	\$228	\$228	\$228
Managing Directors	\$220	\$220	\$220	\$220
Managers	\$164	\$164	\$164	\$164
Senior Associates	\$128	\$128	\$128	\$128
Associates	\$96	\$96	\$96	\$96

Recess Meeting, Pending Approval of Auditor Selection by Board of Directors; Reconvening of the Meeting

The third item on the agenda was a motion to recess the meeting pending approval of the independent auditor selection by the Board of Directors. Such motion was made, seconded and, there being no objections, approved. Subsequent to the adjournment of the meeting of the Board of Directors, wherein the Board approved the retention of the independent auditor, a motion to reconvene the meeting of the Committee was made and seconded and, there being no objections, approved.

Presentation of Audit Plan Including Discussion of New Accounting and Auditing Standards

The fourth item on the agenda was the presentation of the Audit Plan of KPMG including a discussion of new accounting and auditing standards. Ms. Levine introduced Tony Dalessio of KPMG who then introduced the other members of the KPMG team, consisting of Ken Deon, Brendan Kennedy and Greg Driscoll. The various team members then proceeded to discuss and explain the 2009 Audit Plan as well as the new emerging accounting and auditing standards all of which were contained in a booklet provided to the Committee members. A brief discussion with respect to the new standards then ensued.

Review of Annual Agency Financial Integrity Compliance Statement

The fifth item on the agenda was a review of the annual Financial Integrity Compliance Statement of the Corporation. Ms. Levine explained that the Committee is required to review the Corporation's annual Financial Integrity Compliance Statement pursuant to the City Comptroller's Directive 1 which is in the format of a checklist. She informed the Committee members that based on its review the Corporation's staff finds that internal controls are adequate.

Internal Controls

The sixth and final item on the agenda was a discussion of the Internal Control policies of the Corporation. Ms. Levine pointed out that the Internal Controls manual provided to the Committee members was in draft form and encouraged the members to submit their comments and questions.

Adjournment

There being no further business to come before the Committee, on motion duly made and seconded, there being no objections, the meeting was duly adjourned.



ASSISTANT SECRETARY