

# SALES TAX ASSET RECEIVABLE CORPORATION

## MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

September 24, 2009

A meeting of the Board of Directors (the “Board”) of the Sales Tax Asset Receivable Corporation (the “Corporation”) was held on September 24, 2009 at approximately 5:15 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present in person:

- Mark Page, Director of Management and Budget of The City of New York (the “City”)

The following directors were represented by their designees:

- William C. Thompson, Jr., Comptroller of the City, represented by Michael Stern
- Christine Quinn, Speaker of the City Council, represented by Raymond Majewski
- Michael Cardozo, Corporation Counsel of the City, represented by Olivia O’Neill
- Jeffrey Kay, Director of the Mayor’s Office of Operations, represented by George Davis, III

A quorum of directors was present. Uyen Nguyen 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.

The meeting was called to order by Mr. Page.

### **Approval of Minutes**

The first item on the agenda was the approval of the minutes of the meeting of the Board held on April 24, 2009. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was approved:

**WHEREAS**, the Board of Directors of the Sales Tax Asset Receivable Corporation has reviewed the minutes of its meeting held on April 24, 2009; it is therefore

**RESOLVED**, that the minutes of the meeting of April 24, 2009 be, and they hereby are, approved.

### **Acceptance of the independent auditors’ report on the audited financial statements for the fiscal years ended June 30, 2009 and June 30, 2008 and authorization to release such financial statements**

The second item on the agenda was the acceptance of the independent auditor’s report on the audited financial statements for the fiscal years ended June 30, 2009 and June 30, 2008, and

authorization to release such financial statements. A motion was made to adopt the resolution set forth below with respect to said acceptance and authorization. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the Audit Committee has met with the independent auditors of the Sales Tax Asset Receivable Corporation (the “Corporation”) and has reviewed the independent auditors’ report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2009 and June 30, 2008 and such financial statements; and

**WHEREAS**, the Audit Committee believes the independent auditors’ report and the financial statements are reasonable and appropriate and has recommended that the Board accept the independent auditors’ report and authorize the release of the financial statements; it is therefore

**RESOLVED**, that the Board hereby accepts the independent auditors’ report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2009 and June 30, 2008 and authorizes the release of such audited financial statements; provided that both the independent auditors’ report and the audited financial statements may be amended to reflect non-material changes acceptable to the Comptroller of the Corporation.

#### **Authorization of the Annual Report for Presentation to the Members**

The third item on the agenda was the authorization and ratification of the preparation of the Corporation’s Annual Report of the Board of Directors and authorization of its presentation to the Members of the Corporation. A motion was made to adopt the resolution set forth below. The motion was seconded and, there being no objections, approved.

**WHEREAS**, Section 519 of the New York Not-For-Profit Corporation Law (the “N-PCL”) requires that the Board of Directors of not-for-profit corporations present an annual report relating to the financial conditions of such corporations to the members of such corporations at their annual meeting; and

**WHEREAS**, in compliance with Section 519 of the N-PCL the Board of Directors of the Corporation has caused an annual report relating to the Corporation’s fiscal year 2009 (the “Annual Report”) to be prepared; it is therefore

**RESOLVED**, that the Board of Directors does hereby authorize and ratify the preparation of the Annual Report and its presentation to the Members of the Corporation; and

**FURTHER RESOLVED**, that the Annual Report be entered in the minutes of this meeting of the Board of Directors.

#### **Adoption of Amended and Restated Audit Committee Charter**

The fourth item on the agenda was the adoption of the Amended and Restated Audit Committee Charter (the “Charter”). Mr. Page explained that the Governance Committee had reviewed the

changes to the Charter and recommended that the Board adopt the Charter. A motion was made to adopt the resolution set forth below with respect to the adoption of the Charter. The motion was seconded and, there being no objections, approved.

**WHEREAS**, pursuant to section III(a)(ii) of the Governance Committee Charter, the Governance Committee of the Sales Tax Asset Receivable Corporation (the “Corporation”) may periodically review the Audit Committee Charter and recommend changes to the Board of Directors of the Corporation; and

**WHEREAS**, the Governance Committee believes the changes as reflected in the Amended and Restated Audit Committee Charter, including changes made to comply with the amended Directive 22 of the Office of the Comptroller of the City of New York, are reasonable and appropriate and has recommended that the Amended and Restated Audit Committee Charter be adopted by the Board of Directors of the Corporation in the form attached hereto as Exhibit A; and

**WHEREAS**, the Board of Directors of the Corporation has reviewed the Amended and Restated Audit Committee Charter as attached hereto; it is therefore

**RESOLVED**, that the Board of Directors of the Corporation hereby adopts the Amended and Restated Audit Committee Charter, a copy of which shall be filed with the minutes of the Board of Directors of the Corporation.

### **Approval of Investment Guidelines**

The fifth item on the agenda was the approval of the Investment Guidelines. Mr. Page explained that no changes had been made to the Investment Guidelines. A motion was made to adopt the resolution set forth below. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the Sales Tax Asset Receivable Corporation (the “Corporation”), adopted Investment Guidelines on October 4, 2007 to establish policies for the investment of its funds and subsequently amended the Investment Guidelines on February 4, 2009; and

**WHEREAS**, the Corporation is required annually to review its Investment Guidelines; and

**WHEREAS**, the Board of Directors has reviewed the attached Investment Guidelines and has deemed them to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Investment Guidelines, a copy of which will be filed with the Minutes of the Meeting, are hereby approved.

### **Approval of Investment Report**

The sixth item on the agenda was the approval of the Fiscal Year 2009 Investment Report (the “Investment Report”). Mr. Page described the components of the Investment Report, which was included in the Board’s package and is attached hereto. A motion was made to adopt the

resolution set forth below approving the Investment Report. The motion was seconded and, there being no objection, approved.

**WHEREAS**, the Sales Tax Asset Receivable Corporation (the “Corporation”), pursuant to the Corporation’s Investment Guidelines, is required to annually prepare and approve an Investment Report; and

**WHEREAS**, the Board has reviewed the attached Investment Report and has deemed it to be reasonable and appropriate, it is therefore

**RESOLVED**, that the Investment Report is hereby approved.

**Presentation by Governance Committee Chair**

The last item on the agenda was a presentation by the Governance Committee Chair. Olivia O’Neill, the Acting Chair of the Governance Committee, reported the findings and activities of the Committee during fiscal year 2009 to the Board.

**Adjournment**

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



ASSISTANT SECRETARY