

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE OF THE  
NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY**

September 25, 2009

A meeting of the Audit Committee (the “Committee”) of the New York City Transitional Finance Authority (the “Authority”) was held on September 25, 2009 at approximately 2:10 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following Committee members were represented by their designees:

William C. Thompson, Jr., Comptroller of The City of New York (the “City”), represented by Carol Kostik;

Christine C. Quinn, Speaker of the City Council, represented by Raymond Majewski;

David M. Frankel, Commissioner of the Department of Finance of the City, represented by Dara Jaffee; and

David Burney, Commissioner of the Department of Design and Construction of the City, represented by Jeff Bonne;

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 Authority and employees of various agencies of the City and the State of New York.

The meeting was called to order by Mr. Majewski, the Chairperson of the Committee.

### Approval of Minutes

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

**WHEREAS**, the Audit Committee of the New York City Transitional Finance Authority has reviewed the minutes of the previous meeting of the Audit Committee held on April 24, 2009; it is therefore

**RESOLVED**, that the minutes of the Audit Committee meeting of April 24, 2009, are hereby approved.

### Presentation by Management and Independent Auditors Regarding the Audited Annual Financial Statements of the Authority

The next item on the agenda was a presentation by the Authority staff and Marks Paneth & Shron LLP (“Marks Paneth”), the Authority’s independent auditors, with respect to the financial statements of the Authority for fiscal years ended June 30, 2009 and June 30, 2008. Michele Mark Levine, the Comptroller of the Authority, asked Eileen Moran, the Deputy Comptroller of the Authority, to discuss the financial statements. Ms. Moran introduced Warren Ruppel and Dina Holinka of Marks Paneth. She then described important features of the financial statements and with Ms. Levine, answered questions presented by Committee members. Mr. Ruppel then proceeded to discuss his firm’s audit of the Authority’s financial statements. A booklet containing the audited financial statements had been provided to the members of the Committee and is attached hereto

### Audit Committee Meets with Independent Auditors in Executive Session

Mr. Majewski then informed the Committee that it would be advisable to meet with Marks Paneth in executive session, in accordance with the recommendation of the American Institute of Certified Public Accountants and the Government Finance Officers Association. He said that executive session would allow the auditors to meet privately with Committee members to express any concerns about the Authority's management and allow Committee members to ask questions about and/or express any concerns they may have. He went on to explain that if any material areas of concern that are appropriate for public meetings were raised in executive session, the Committee would bring them to the attention of the full Board in order that they may be addressed appropriately in accordance with laws and procedures governing the Authority. A motion was made for the meeting to go into Executive Session. The motion was seconded and, there being no objections, approved.

### Public Meeting of the Committee Resumes

The public meeting of the Committee resumed and Mr. Majewski informed the meeting that no material issues appropriate for the public meeting had arisen.

### Recommendation to the Board of Directors to Accept the Independent Auditors' Report on the Audited Financial Statements of the Authority for the Fiscal Years Ended June 30, 2009 and June 30, 2008, and to Issue Such Financial Statements

The final item on the agenda was a recommendation to the Board of Directors to accept the report of Marks Paneth with respect to the Authority's audited financial statements for the fiscal years ended June 30, 2009 and June 30, 2008, and to issue such financial statements. A motion was made to approve the resolution set forth below with respect to the audited financial statements. The motion was seconded and, there being no objections, approved.

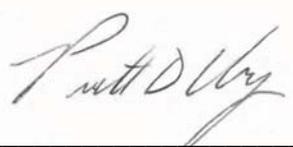
**WHEREAS**, the Audit Committee of the New York City Transitional Finance Authority (the “Authority”) has met with the independent auditors of the Authority and has reviewed the independent auditors’ report on the audited financial statements of the Authority for the fiscal years ended June 30, 2009 and June 30, 2008 and such financial statements, as submitted to the Committee; and

**WHEREAS**, the Audit Committee believes the independent auditors’ report and the financial statements are reasonable and appropriate; it is therefore

**RESOLVED**, that the Audit Committee recommends to the Board the acceptance of the independent auditors’ report and the authorization of the release of the audited financial statements of the Authority for the fiscal years ended June 30, 2009 and June 30, 2008; 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 Authority.

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.



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GENERAL COUNSEL