

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY**

January 12, 2009

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on January 12, 2009 at approximately 2:30 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present:

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

the following directors were represented by their designees:

William C. Thompson, Jr., Comptroller of the City, represented by Michael Stern;

Martha E. Stark, Commissioner 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 Robert Cleary;

constituting a quorum of the Board. 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.

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 of Directors which occurred on October 29, 2008. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved:

**WHEREAS**, the Board of Directors of the New York City Transitional Finance Authority has reviewed the minutes of its meeting held on October 29, 2008; it is therefore

**RESOLVED**, that the minutes of the meeting of October 29, 2008 be, and they hereby are, approved.

### Authorization of Fiscal 2009 Series S-3 Building Aid Revenue Bonds

The second item on the agenda was the authorization of the Authority's Building Aid Revenue Bonds, Fiscal 2009 Series S-3 (the "Bonds"). Mr. Page briefly described the provisions of the Bonds as authorized pursuant to the Forty-Fifth Series Resolution of the Authority (a copy of which is attached hereto as Appendix A). A motion was made to approve the Forty-Fifth Series Resolution. The motion was seconded and, there being no objections, duly adopted.

### Appointment of Deputy Treasurer and Assistant Comptroller

The third item on the agenda was the appointment of certain officers of the Authority. Mr. Page explained that a resolution was before the Board to appoint Philip Wasserman as Deputy Treasurer of the Authority and Robert Balducci as Assistant Comptroller of the Authority. Mr. Page briefly described the background of both candidates. A motion was made to approve the resolution set forth below appointing Philip Wasserman as Deputy Treasurer and

Robert Balducci as Assistant Comptroller of the Authority. The motion was seconded and, there being no objections, duly adopted.

**WHEREAS**, the Board of the New York City Transitional Finance Authority (the “Authority”) is duly authorized pursuant to Section 713 of the New York Not-For-Profit Authority Law and the Authority’s By-laws to appoint such officers and employees as it may require for the performance of its duties; and

**WHEREAS**, the Board believes that it is in the best interest of the Authority to appoint a Deputy Treasurer; and

**WHEREAS**, the staff of the Authority, having worked with Philip Wasserman, whose resume is attached hereto, in his previous capacity at the New York City Office of Management and Budget, believes he is highly qualified to serve as Deputy Treasurer of the Authority; and

**WHEREAS**, the Board believes that it is in the best interest of the Authority to appoint an Assistant Comptroller; and

**WHEREAS**, the staff of the Authority, having worked with Robert L. Balducci, whose resume is attached hereto, in his capacity at the New York City Comptroller’s Office, believes he is highly qualified to serve as Assistant Comptroller of the Authority; and

**RESOLVED**, that Philip Wasserman is hereby appointed Deputy Treasurer of the Authority and Robert L. Balducci is hereby appointed Assistant Comptroller of the Authority, effective January 9, 2009.

#### Approval of Extension of Swap Advisor Contract

The fourth item on the agenda was approval of the extension of the Authority’s swap advisor contract with Investment Management Advisory Group, Inc. (“IMAGE”). Mr. Page explained that such an extension is an option in the existing contract. He stated that the staff recommends that the Authority exercise the option to extend the contract. A motion was made to approve the resolution set forth below exercising such option. The motion was seconded and, there being no objections, duly approved.

**WHEREAS**, the Authority is authorized, pursuant to Section 2799-ee of the Act, to retain a swap advisor; and

**WHEREAS**, pursuant to such authority, and following a competitive procurement process, the Board of Directors previously authorized the Authority to enter into an agreement with Investment Management Advisory Group, Inc. (“IMAGE”) as its swap advisor; and

**WHEREAS**, the agreement with IMAGE has been effective from January 1, 2005 to December 31, 2008; and

**WHEREAS**, the agreement provides for a one-year optional extension through December 31, 2009; and

**WHEREAS**, management of the Authority believes it is in the best interest of the Authority to renew the agreement with IMAGE; it is therefore

**RESOLVED**, that the Executive Director or the Treasurer of the Authority is each hereby authorized and directed to, in the name of the Authority, amend the agreement with IMAGE to serve as swap advisor to the Authority upon such terms as the Executive Director or the Treasurer deems reasonable and appropriate for the period from January 1, 2008 to December 31, 2009, or its earlier termination as provided therein, provided, that compensation to IMAGE shall not exceed \$100,000 per completed swap transaction and a \$100,000 annual retainer fee, with a total cap of \$300,000 per calendar year (or a pro-rated portion thereof).

#### Authorization of Engagement Letter for Independent Auditors

The fifth item on the agenda was authorization of an engagement letter with the Authority’s independent auditors, Marks Paneth & Shron LLP. Mr. Page advised the Board that the Audit Committee of the Authority had recommended to the Board that it authorize such engagement letter in connection with the audit of the Authority’s fiscal year 2009 financial statements. A motion was made to approve the resolution set forth below with respect to such engagement letter. The motion and was seconded and, there being no objections, approved.

**WHEREAS**, the Authority, as authorized by the Board of Directors, previously retained the firm of Marks Paneth & Shron LLP for such firm to serve as independent auditors for the Authority’s financial statements for the fiscal years ending on June 30, 2008, 2009 and 2010; and

**WHEREAS**, pursuant to the Audit Committee Charter, the Audit Committee has evaluated the independent auditors, found their performance to be satisfactory, and recommended that the Board authorize the management of the Authority to sign an engagement letter with Marks Paneth & Shron LLP as the independent auditors for the Authority’s financial statements for the fiscal year ending June 30, 2009; it is hereby

**RESOLVED**, that the Board authorizes the management of the Authority to sign an engagement letter with Marks Paneth & Shron LLP as the independent auditors for the Authority's financial statements for the fiscal year ending June 30, 2009, as well as any other documents necessary to effectuate the continued retention of the independent auditors.

Approval of Amended Policy on the Acquisition and Disposition of Real Property

The sixth item on the agenda was approval of an Amended Policy on the Acquisition and Disposition of Real Property. Mr. Page explained that Section 2896 of the Public Authorities Law requires that the Authority annually review its Policy on the Acquisition and Disposition of Real Property and that this requirement is applicable to the Authority despite the fact that it does not own any real property. Homer Schaaf of Sidley Austin LLP, Bond Counsel to the Authority, pointed out that the Authority is prohibited from owning real property. Mr. Page further explained that with exception of a typographical error which was being corrected, such Policy remains unchanged from the Policy approved last year. A motion was made to approve the resolution set forth below with respect to approval of such Policy. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority"), on October 12, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Acquisition and Disposition of Real Property; and

**WHEREAS**, pursuant to Section 2896 of the Public Authorities Law, the Authority is required annually to review such policies; and

**WHEREAS**, at the time the policy was adopted, the intent of the Board of Directors was to allow for Contracting Officer and Board of Directors approval of both specific transactions and more broadly defined categories or groups of transactions; and

**WHEREAS**, the Authority's management has recommended an amendment to the Approvals section to clarify the intended meaning of that section; and

**WHEREAS**, the Authority has reviewed the attached policy, as amended, and has deemed it to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Policy on the Acquisition and Disposition of Real Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Annual Approval of Policy on the Disposition of Personal Property

The seventh item on the agenda was approval of the Authority's Policy on the Disposition of Personal Property. Mr. Page explained that pursuant to the Public Authorities Law the Authority must annually review its Policy on the Disposition of Personal Property. He then informed the Board that such policy is unchanged from the Policy approved last year. A motion was made to approve the resolution set forth below with respect to such Policy. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority"), on October 12, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Disposition of Personal Property; and

**WHEREAS**, pursuant to Section 2896 of the Public Authorities Law, the Authority is required annually to review such policy; and

**WHEREAS**, the Authority has reviewed the attached policy and has deemed it to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Policy on the Disposition of Personal Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Presentation by Audit Committee Chair

The eighth and final item on the agenda was a presentation by the Chairperson of the Audit Committee of the Authority. Dara Jaffee, the Acting Chairperson of the Audit Committee, presented a report with respect to the Audit Committee.

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.

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GENERAL COUNSEL