

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

September 25, 2009

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on September 25, 2009 at approximately 2:50 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 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 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 of New York.

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 August 11, 2009. 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 August 11, 2009; it is therefore

**RESOLVED**, that the minutes of the meeting of August 11, 2009 be, and they hereby are, approved.

#### Approval of Underwriters

The second item on the agenda was the approval of underwriters with respect to the bonds of the Authority. Mr. Page explained that the group of underwriters was selected pursuant to a request for proposals process. A brief discussion ensued after which a motion was made to approve the resolution set forth below relating to such approval. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the “Authority”) has conducted a Request for Proposals process, in which representatives of the Mayor and the Comptroller and Authority staff members participated, to select an underwriting syndicate for its financing programs; and

**WHEREAS**, as a result of such process, the Mayor and the Comptroller, pursuant to Section 2799-gg(5) of the New York City Transitional Finance Authority Act have recommended that the Authority designate the firms listed on the attached Exhibit A as the Authority’s underwriting syndicate; and

**WHEREAS**, the Board of Directors of the Authority is in agreement with such recommendation; and

**WHEREAS**, individual bond sales will be approved by the Board utilizing underwriters from the syndicate or such other firms as approved by the Board; it is therefore

**RESOLVED**, that the firms listed on the attached Exhibit A are hereby ratified as the Authority's underwriting syndicate.

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 third item on the agenda was acceptance of the independent auditors' report on the Authority's audited financial statements for the fiscal years ended June 30, 2009 and June 30, 2008 and authorization to release such financial statements. Mr. Page explained that such acceptance and authorization were recommended by the Audit Committee of the Authority after its meeting with the Authority's independent auditors and management. 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, duly adopted.

**WHEREAS**, the Audit Committee has met with the independent auditors of the New York City Transitional Finance Authority (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; 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 Authority 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 Authority.

Adoption of Amended and Restated Audit Committee Charter

The fourth item on the agenda was the adoption of an Amended and Restated Charter for the Audit Committee of the Authority. Mr. Page informed the Board that the Governance Committee of the Authority had recommended the adoption of the Amended and Restated Charter. He explained that this Charter incorporates changes to comply with Directive 22 of the Office of the Comptroller and codifies certain existing practices. Mr. Page then pointed out that the Charter that was before the Board contained a typographical error in the second sentence of paragraph III.a. which reads “The Authority’s independent auditors shall be prohibited from providing non-audit services unless it has received previous written approval from the Committee.” He explained that the sentence would be corrected to read “The Authority’s independent auditors shall be prohibited from providing non-audit services unless they have received previous written approval from the Committee.” A motion was then made to approve the resolution set forth below adopting the Amended and Restated Charter as corrected. 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 New York City Transitional Finance Authority (the “Authority”) may periodically review the Audit Committee Charter and recommend changes to the Board of Directors of the Authority; 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 Authority in the form attached hereto as Exhibit A; and

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

**RESOLVED**, that the Board of Directors of the Authority 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 Authority.

### Annual Approval of Investment Guidelines

The fifth item on the agenda was the annual approval of the Authority's Investment Guidelines. Mr. Page explained that such approval is required by the Public Authorities Law (the "PAL") and that no changes have been made to the Investment Guidelines this year. A motion was made to approve the resolution set forth below with respect to the Investment Guidelines. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority"), adopted Investment Guidelines on November 18, 2008 to establish policies for the investment of its funds and subsequently amended the Investment Guidelines on June 25, 2001, August 1, 2001, March 14, 2005 and March 16, 2009; and

**WHEREAS**, the Authority 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 approval of the Investment Report of the Authority. Mr. Page explained that approval of this Report is required by the PAL and that it is submitted to the Comptrollers of the City and the State of New York. A motion was made to approve the resolution set forth below with respect to the Investment Report. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority"), pursuant to the Authority'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.

Approval of Extension of Financial Advisor Contracts

The seventh item on the agenda was approval of the extension of the contracts of the Authority's financial advisors, Public Resources Advisory Group (PRAG") and A.C. Advisory, Inc. ("A.C. Advisory"). Mr. Page explained that the Authority's contracts with PRAG and A.C. Advisory have already been extended through December 31, 2009 and that pending the issuance and completion of a Request for Proposals process planned for the future, it is advisable to extend the contracts for another three months at the same rates as those of the current contracts. A motion was made to approve the resolution set forth below approving an extension of such contracts from January 1, 2010 through March 31, 2010. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority") is authorized, pursuant to Section 2799-ee of the New York City Transitional Finance Authority Act (the "Act"), to make and execute contracts and agreements necessary and convenient to carry out its powers and functions; and

**WHEREAS**, the Authority, at the direction of the Board of Directors, previously entered into contracts for financial advisor services with Public Resources Advisory Group ("PRAG") and A.C. Advisory, Inc. ("A.C. Advisory"), respectively, following a Request for Proposals process; and

**WHEREAS**, the Board of Directors previously authorized several extensions to the contracts with PRAG and A.C. Advisory, respectively, through December 31, 2009; and

**WHEREAS**, the Authority expects to issue a Request for Proposals for financial advisors in the near future; and

**WHEREAS**, the Board of Directors believes that it is in the best interest of the Authority to authorize additional extensions to the contracts with PRAG and A.C. Advisory, respectively, for the period from January 1, 2010 through March 31, 2010, on the terms set forth in Schedule I, attached hereto, and to provide for the not-to-exceed amounts set forth therein so as to properly compensate both firms; it is therefore

**RESOLVED**, that the three-month extensions of the contracts with PRAG and A.C. Advisory, respectively, for the period from January 1, 2010 through March 31, 2010, are hereby authorized and approved on the terms set forth in Schedule I, attached hereto, including the not-to-exceed amounts specified therein, and the Executive Director of the Authority is authorized to enter into contracts on such terms, and all actions taken by such officers consistent with the terms provided herein are hereby ratified.

Approval of Graphic Design Consultant

The eighth item on the agenda was approval of Elton Robinson as graphic design consultant for the Authority with respect to the preparation of the Authority's Comprehensive Annual Financial Report. Mr. Page explained that Elton Robinson was selected pursuant to a Request for Proposals process and that the agreement with them also provides for them to solicit bids for printing services. The Authority will select a firm from the bids solicited and will contract directly with such firm. A motion was made to adopt the resolution set forth below with respect to the Elton Robinson. The motion was seconded and, there being no objections, adopted.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority") is authorized, pursuant to Section 2799-ee of the New York City Transitional Finance Authority Act, to make and execute contracts and agreements necessary and convenient to carry out its powers and functions; and

**WHEREAS**, the Authority conducted a Request for Proposals process for a graphic design consultant to work with the Authority in connection with the preparation of the Authority's Comprehensive Annual Financial Report ("CAFR"); and

**WHEREAS**, Elton Robinson has demonstrated an ability to provide excellent service; and

**WHEREAS**, Elton Robinson was the lowest bidder; and

**WHEREAS**, the Board of Directors believes that it is in the best interests of the Authority to authorize a contract with Elton Robinson; it is therefore

**RESOLVED**, that the Executive Director or the Treasurer of the Authority is each hereby authorized and directed to enter into an agreement in the name of the Authority whereby Elton Robinson will serve as graphic design consultant to the Authority upon such terms as the Executive Director or the Treasurer deems reasonable and appropriate; provided, however, that such agreement shall be limited to work on the fiscal year 2009 CAFR; and provided, further, that compensation to Elton Robinson shall not exceed \$12,000, and

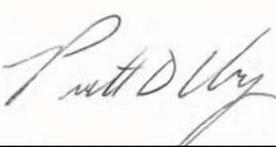
**FURTHER RESOLVED**, that Elton Robinson shall be authorized to solicit bids pursuant to the Authority's procurement guidelines for printing services and the Executive Director or Treasurer of the Authority shall be authorized to select from among the bidders and contract directly with the selected firm in the name of the Authority at a cost not to exceed \$30,000.

Presentation of the Chair of the Governance Committee

The ninth and final item on the agenda was a presentation by Raymond Majewski, the chairperson of the Governance Committee of the Authority, including the Committee's self-evaluation as required by the Committee Charter. Mr. Majewski reviewed the actions taken by the Committee in the past year and indicated that the Committee finds its functioning to be satisfactory.

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