

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

**February 22, 2010**

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on February 22, 2010 at approximately 5:00 p.m. at 75 Park Place, Room 6M4, New York, New York.

**Directors or Designees Present:**

- Mark Page, Director of Management and Budget of The City of New York (the “City”)
- John Liu, Comptroller of the City, represented by Michael Stern
- Christine Quinn, Speaker of the City Council, represented by Raymond Majewski
- David Burney, Commissioner of the Department of Design and Construction of the City, represented by Michael Garrett
- David Frankel, Finance Commissioner, represented by Dara Jaffee

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 Authority, and employees of various agencies of the City.

Mr. Page called the meeting to order.

**Approval of Minutes**

The first item on the agenda was the approval of the minutes of the meeting of the Board which occurred on September 25, 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 September 25, 2009; it is therefore

**RESOLVED**, that the minutes of the meeting of September 25, 2009 be, and they hereby are, approved.

**Establishment of Finance Committee**

The second item on the agenda was the establishment of a Finance Committee. Mr. Page explained that recent changes to the Public Authorities Law require that the Authority establish such a Committee. The Finance Committee would be responsible for reviewing debt issuance

proposals and making recommendations to the Board. A motion was made to approve the resolution set forth below establishing a Finance Committee. The motion was seconded and, there being no objections, approved.

**WHEREAS**, pursuant to recent amendments to the Public Authorities Law (the “PAL”), the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) is required to establish a Finance Committee; and

**WHEREAS**, the Governance Committee has recommended that the Board establish a Finance Committee so that the Authority will be in compliance with the PAL, as amended; it is hereby

**RESOLVED** that there is hereby established a Finance Committee, whose members will be responsible for reviewing proposals for the issuance of debt by the Authority and making recommendations to the Board; and

**FURTHER RESOLVED** that the Finance Committee shall be comprised of the following Directors:

- (1) Commissioner of Finance of the City of New York (the “City”);
- (2) Comptroller of the City;
- (3) Commissioner of the Department of Design and Construction of the City;  
and
- (4) Speaker of the City Council; and

**FURTHER RESOLVED** that a presence of a majority of the members of the Finance Committee shall constitute a quorum for the transaction of business by the committee; and

**FURTHER RESOLVED** that the members of the Finance Committee shall select its chairperson from among its members.

### **Adjournment Pending Finance Committee Meeting**

A motion was made for the Board to recess the meeting to allow the Authority’s newly established Finance Committee to convene. The motion was seconded and, there being no objections, approved.

### **Reconvene Following Finance Committee Meeting**

This meeting was reconvened by Mr. Page following the completion of the Finance Committee meeting. A motion was made for the Board to resume its meeting. The motion was seconded and, there being no objections, approved.

## **Approval of Fiscal 2010 Series F Future Tax Secured Bonds**

The next item on the agenda was the approval of the Authority's Fiscal 2010 Series F Bonds (the "Bonds"). Alan Anders, the Executive Director of the Authority briefly described the terms and marketing of the Bonds. He informed the Board that the Bonds will consist of two competitive sales, a private placement of a portion of the Bonds with the New York State Division of the Lottery (the "State Lottery"), and a negotiated sale of variable rate bonds.

Mr. Page informed the Board that there might be a potential issue with respect to the private placement of a portion of the issuance. Mr. Page explained that Sidley Austin, LLP, the Authority's bond counsel, has received a draft memorandum from Stone Street (a company which purchases the rights a lottery winner has to annual payments from the State Lottery) stating that the State Lottery's purchase of the Bonds was unlawful. Mr. Page explained that the State's position regarding the memo was that it had no legal merit. Responding to a question from Ms. Jaffee, Mr. Page stated that he did not believe that this issue would impede the sale of the Bonds. A brief discussion ensued.

A motion was made to approve the Fifty-Third Series Resolution Authorizing the Issuance of Up to \$1,000,000,000 Future Tax Secured Bonds of the Authority which would authorize the issuance of the Bonds and a copy of which is attached hereto. The motion was seconded and, there being no objections, approved.

## **Authorization of Engagement Letter**

The next item on the agenda was authorization of the engagement letter with the Authority's independent auditors. Mr. Page explained that the Audit Committee has evaluated the performance of the firm of Marks Paneth & Shron LLP ("Marks Paneth"), the Authority's current independent auditor, found their performance to be satisfactory, and recommended that the Board authorize the Authority's officers to sign the engagement letter with Marks Paneth. A motion was made to approve the resolution set forth below. The motion was seconded and, there being no objections, approved.

**WHEREAS**, New York City Transitional Finance Authority (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 of the Authority has evaluated the independent auditors, found their performance to be satisfactory, and recommended that the Board authorize the Authority's Officers to sign an engagement letter with Marks Paneth & Shron LLP for the audit of the Authority's financial statements for the fiscal year ending June 30, 2010; it is hereby

**RESOLVED**, that the Board authorizes the Authority's Officers 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, 2010, as well as any other documents necessary to effectuate the continued retention of the independent auditors.

### **Approval of Policy on the Acquisition and Disposition of Real Property**

The next item on the agenda was the approval of the Policy on the Acquisition and Disposition of Real Property. Mr. Page explained that the Authority does not own real property. However, the Public Authorities Law requires that the Authority have a policy on real property. He explained that no changes have been made to the current policy on real property. A motion was made to approve the resolution set forth below approving the Authority's Policy on the Acquisition and Disposition of Real Property. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority"), on June 16, 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**, 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.

### **Approval of Policy on the Disposition of Personal Property**

The next item on the agenda was the approval of the Policy on the Acquisition and Disposition of Personal Property. Mr. Page explained that no changes have been made to the current policy on the acquisition and disposition of personal property. A motion was made to approve the resolution set forth below approving the Authority's Policy on the Acquisition and Disposition of personal property. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the New York City Transitional Finance Authority (the "Authority"), on June 16, 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.

### **Report of the Comptroller**

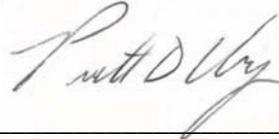
The next item on the agenda was the report of the Authority's Comptroller. Michele Levine, the Authority's Comptroller, presented the report. She reported that at the next Board meeting she will present the Authority's annual budget. Ms. Levine informed the Board that the Authority expects to exceed the budgeted amounts for this year's personnel-related costs due to the TFA's increased debt-issuing capacity and banking costs associated with liquidity providers for variable rate bonds. Mr. Page explained that despite the increase in fees to liquidity providers, the cost of issuing variable rate bonds was still very favorable to the Authority.

### **Presentation by Audit Committee Chair**

The last item on the agenda was a presentation by Mr. Majewski, the Audit Committee Chair. Mr. Majewski reported the findings and activities of the Audit Committee for calendar year 2009 to the Board. He informed the Board that the Audit Committee was satisfied with its accomplishments in calendar year 2009.

### **Adjournment**

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



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GENERAL COUNSEL