

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

September 29, 2008

A meeting of the Governance Committee (the “Committee”) of the New York City Transitional Finance Authority (the “Authority”) was held on September 29, 2008 at approximately 1:20 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; and

Martha E. Stark, Commissioner of Finance of the City, represented by Dara Jaffee;

David Burney, Commissioner of the Department of Design and Construction of the City, represented by Robert Cleary

constituting a quorum of the Committee. Jeffrey M. Perlman 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.

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

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Governance Committee of the Authority which occurred on April 29, 2008. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved.

WHEREAS, the Governance Committee of the New York City Transitional Finance Authority has reviewed the minutes of the previous meeting of the Governance Committee held on April 29, 2008; it is therefore

RESOLVED, that the minutes of the Governance Committee meeting of April 29, 2008, are hereby approved.

Self-Evaluation and Discussion of Presentation to Board of Directors

The second item on the agenda was a self-evaluation and discussion of a presentation to the Board of Directors. Mr. Majewski explained that such self-evaluation and discussion were required by the Charter of the Committee. He then led the Committee in their self-evaluation, concluded that their performance had been satisfactory thus far, and presented a list of the Committee's accomplishments for presentation to the Board.

Review of Compensation and Benefits

The third and final item on the agenda was a review of compensation and benefits. Scott Ulrey, the General Counsel of the Authority, explained that the Authority has no employees but rather reimburses the City and the New York City Municipal Water Finance Authority (the "Water Authority") for the services that employees of those entities provide to the Corporation. He informed the Committee that in fiscal year 2008 the Corporation had reimbursed the City and the Water Authority the amount of \$455,974 and that 27 employees of the City and the Water Authority performed work for the Corporation during that year. A written summary of such

reimbursements was included in the package provided to the Committee members and is attached hereto.

Adjournment

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

GENERAL COUNSEL