NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Summary of Proposed Action
Audit Committee Meeting
May 7, 2026

<u>Self-Evaluation and Review of Annual Report of the Audit Committee</u>
The Committee Chair will discuss the Committee's actions during calendar year 2025 and lead an evaluation of its performance. Please refer to the Annual Report of the Audit Committee, which will be sent to the City Comptroller.

<u>Review of Internal Controls</u>
The Authority's manual on internal controls will be presented to the Committee for review, pursuant to the Audit Committee Charter, Section III(h). No changes to the manual are currently proposed since last presented to the Committee. Please refer to the provided copy of the current manual on internal controls.

<u>Presentation of Audit Plan Including Discussion of New Accounting and Auditing Standards</u>
Representatives of CBIZ CPAs P.C. will present their plan for the audit of the Authority's financial statements for the fiscal year ending June 30, 2026.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Audit Committee Meeting

May 7, 2026

<u>Agenda</u>

1. Resolution: Approval of Minutes of Meeting of October 1, 2025
2. Resolution: Self-Evaluation and Review of Annual Report of the Audit Committee
3. Review of Internal Controls
4. Presentation of Audit Plan by Independent Auditors and Discussion of New Accounting and Auditing Standards.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Audit Committee Meeting

May 7, 2026

Approval of Minutes

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 October 1, 2025; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of October 1, 2025, are hereby approved.

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

October 1, 2025

A meeting of the Audit Committee (the "Committee") of the New York City Transitional Finance Authority (the "Authority") was held on October 1, 2025 at approximately 3:32 p.m., conducted at 255 Greenwich Street, Room 6-SE1, New York, New York 10007. The following Committee members attended, represented by their designees:

Jacques Jiha, Director of the Mayor's Office of Management and Budget for The City of New York (the "City"), represented by David Womack;

Preston Niblack, Commissioner of Finance of the City, represented by Dara Jaffee;

Brad Lander, Comptroller of the City, represented by Michael Stern;

Adrienne Adams, Speaker of City Council, represented by Hector German; and

Eduardo del Valle, Acting Commissioner of the Department of Design and Construction of the City, represented by Dekran Arakelian[1],

constituting a quorum. Rita Pasarell 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, who joined in-person and remotely. The meeting was called to order by Mr. Stern, the Chairperson of the Committee.

Approval of Minutes of Prior Meeting

The first item on the agenda was the approval of the minutes of the prior meeting of the Committee which occurred on April 30, 2025. The minutes were circulated for review. There being

[1] The representative for Eduardo del Valle was not present at initial roll call, but joined the meeting at 3:37 p.m., after the vote to approve the minutes of the prior meeting.

no further discussion, upon unanimous vote, 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 30, 2025; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of April 30, 2025, are hereby approved.

Presentation by Management and Independent Auditors regarding the Audited Financial Statements of the Authority

The second item on the agenda was a presentation by the Authority's management and independent auditors, regarding the audited annual financial statements of the Authority for the fiscal years ended June 30, 2025 and June 30, 2024. Raymond Lee, the Comptroller of the Authority, briefly described the Authority's financial statements, new Governmental Accounting Standards Board standards, and associated reports, which were provided to the Committee for review. Mr. Lee then introduced Daniel McElwee of CBIZ CPAs, the Authority's independent auditors. Mr. McElwee introduced the audit team, presented the draft independent audit report of the Authority, and highlighted certain items including general auditing standards, the investment compliance report, government auditing standards, and financial controls report.

Recommend to the Board of Directors the acceptance of the Independent Auditors' report on the Audited Financial Statements of the Authority for the fiscal years ended June 30, 2025 and June 30, 2024, and the issuance of such financial statements

The third item on the agenda was the acceptance of the independent auditors' report on the audited financial statements of the Authority for the fiscal years ended June 30, 2025 and June 30, 2024, and the issuance of such financial statements. Mr. Lee was present for any questions. There being no discussion, after a unanimous vote, the below resolution was 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, 2025 and June 30, 2024 and such financial statements; 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, 2025 and June 30, 2024; 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.

Review and approval of Audit Committee Charter

The fourth item on the agenda was the Committee's review and approval of the Audit Committee Charter, which was circulated to the Committee for review. Mr. Stern noted that the Committee is required to conduct such a review annually, and that at present no changes were proposed to the Charter. After a unanimous vote, the below resolution was adopted.

WHEREAS, the Board of Directors (the "Board") of Transitional Finance Authority (the "Authority") originally adopted an Audit Committee Charter on October 4, 2007 and amended it on April 29, 2008, September 25, 2009 and June 20, 2011;

WHEREAS, pursuant to the Audit Committee Charter, section III(s), the Audit Committee of the Authority is required annually to review the Audit Committee Charter, reassess its adequacy, and recommend any proposed changes to the Governance Committee of the Authority; and

WHEREAS, the Audit Committee has reviewed the Audit Committee Charter, as attached hereto, finds it to be reasonable and appropriate; it is hereby

RESOLVED, that the Audit Committee hereby approves the Audit Committee Charter as attached hereto**.**

Review of Audit Committee Schedule of Dates

The fifth and final item on the agenda was the review of the Audit Committee Schedule of Dates. The Schedule of Dates provides a guideline for the items to be addressed at meetings of the Audit Committee. Mr. Stern noted that no changes were proposed to the schedule. This was a review item only and no vote was taken.

Adjournment

There being no further business to come before the Committee, upon unanimous vote, the meeting was adjourned.

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SECRETARY

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Audit Committee Meeting

May 7, 2026

Annual Report of the Audit Committee

WHEREAS, Section III(k) of the Audit Committee Charter and Section 6.3 of Directive 22 of the City of New York Office of the Comptroller require the Audit Committee to issue an annual report to be prepared no later than October 30 of each year, which details the activities and decisions of the Committee for the prior calendar year;

WHEREAS, the Audit Committee has reviewed the Annual Report of the Audit Committee, as attached hereto and finds it to be reasonable;

WHEREAS, Section III(j) of the Audit Committee Charter requires the Audit Committee to conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Audit Committee Charter; and

WHEREAS, the Audit Committee finds its performance to be satisfactory, effective, and in compliance with the Audit Committee Charter; it is therefore

RESOLVED, that the Annual Report of the Audit Committee is hereby approved and shall be presented to the Board of Directors of the Authority.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Annual Report of the Audit Committee

May 7, 2026

During calendar year 2025, the Audit Committee of the New York City Transitional Finance Authority (the "Authority") met twice. The Audit Committee's actions at these meetings were as follows:

On April 30, 2025:

- Conducted a self-evaluation and approved an annual report of the Committee's activities;
- Reviewed the Authority's internal control manual;
- Recommended to the Board of Directors of the Authority the approval of an independent auditor agreement; and
- Met with the independent auditors to review the auditors' audit plan for the fiscal year 2025 audit and several new accounting and auditing standards.

On October 1, 2025:

- Met with the independent auditors and management of the Authority to discuss the annual audited financial statements and independent auditors' report for the fiscal years ended June 30, 2025 and June 30, 2024, and recommended to the Board of Directors of the Authority the acceptance and release of such report and financial statements; and
- Reviewed and approved the Audit Committee Charter and Schedule of Dates.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY POLICIES AND PROCEDURES MANUAL

INTERNAL CONTROLS
(Amended: April 2025)

OVERVIEW

The New York City Transitional Finance Authority's ("TFA") internal control objectives include but are not limited to: the safeguarding of assets (including preventing the intentional or unintentional misapplication of funds), ensuring the accuracy and reliability of accounting data and financial reporting (including ensuring proper documentation of all transactions), promoting the effectiveness and efficiency of operations and ensuring compliance with applicable laws and regulations.

Internal controls exist in each area of TFA where financial activities take place and may be categorized as (A) controls related to funds received, held, invested and disbursed by TFA's Trustee (as defined below) and (B) other control measures including record keeping activities. These types of controls are discussed in this internal controls manual (the "Manual").

The control measures used by TFA are periodically reviewed by TFA managers and changed as deemed necessary and this Manual will be reviewed annually, and, if appropriate, updated. While not part of TFA's system of internal control, TFA is subject to audit annually by independent auditors. Any comments or recommendations pertaining to TFA's internal controls made by the independent auditors are reviewed by management and, if the value of the expected risk reduction is expected to be greater than the additional cost, they are incorporated into TFA's internal controls.

In accordance with the New York City (the "City") Comptroller's Directive 1, once every four years, TFA prepares a Financial Integrity Statement based upon a current Directive 1 Checklist with respect to management's assessment of TFA's internal control environment.

Organization

Overseen by its Board of Directors (the "Board") and directed by its Executive Director ("ED"), TFA's internal operations are carried out by three functional areas within the organization. While all activities of TFA require close coordination and cooperation among all units and with the New York City Office of Management and Budget ("OMB"), the following are the primary responsibilities of each:

1. Secretary's Office – Directed by TFA's Secretary or TFA's General Counsel, the Secretary's Office is responsible for all legal affairs of TFA, including providing staff support for the operations of the Board and committees of the Board, drafting and interpretation of all contracts, agreements, and legal documents and dissemination of new or revised Board approved policies to staff.

2. Treasurer's Office – Directed by TFA's Treasurer and his or her staff, the Treasurer's Office is responsible for the finance function of TFA, including working with all parties on structuring and executing bond issuances, modeling debt service requirements, and directing the investment of TFA's funds.

3. Accounting Unit – Directed by TFA's Comptroller, Deputy Comptroller and the Accounting Manager (collectively, the "Accounting Managers"), the Accounting Unit is responsible for maintaining accounting books and records and the preparation of financial statements and other financial reports, on-going monitoring of TFA's resources and coordination with and oversight of the Trustee (as defined below).

   The Unit's Accounting Staff are responsible for various accounting tasks, including preparing payments, preparing journal entries, monitoring account activity, entering payments and journal entries into TFA's electronic Accounting System, and maintaining schedules and analyses necessary for the preparation of year-end financial statements and other recurring and ad-hoc financial and non-financial reports.

   Throughout this Manual, when one Accounting Manager is unavailable to perform a noted function on a timely basis, another Accounting Manager can perform that function. When one Accounting Staff is unavailable to perform a noted function on a timely basis, another Accounting Staff or an Accounting Manager can perform that function or delegate it to another Accounting Staff who has performed no conflicting duties pertaining to that matter. Where an Accounting Manager performs a staff function, review and approval will be done by another Accounting Manager. In summary, regardless of the availability of staff members usually tasked with performing or reviewing specific functions, all functions that require review will be performed by one person and reviewed by another.

TFA and OMB are prepared to provide uninterrupted delivery of TFA's operations in the face of business disruptions. TFA's emergency preparedness plan is designed to provide personnel, equipment and technology to operate remotely with minimal interruption.

The internal controls of TFA are applicable to the general operations of TFA as well as the two types of bonds/notes issued by TFA. The Future Tax Secured debt is secured by City personal income tax ("PIT"), which includes pass-through entity taxes ("PTET"), and by City sales tax ("Sales Tax"), if needed. The Building Aid Revenue debt is secured by the City's State building aid paid pursuant to New York State Education Law ("Building Aid Revenue") and which has been assigned to TFA by the City.

The proceeds of TFA's Future Tax Secured Bonds are used to support the general capital program of the City of New York (the "City") and the proceeds of the Building Aid Revenue Bonds are used to finance a portion of the City's five-year educational facilities plan (the general capital program of the City together with the City's five-year educational facilities plan are generally known as the City's "Capital Program"). Internal controls over the capital projects within the Capital Program and over financial transactions, accounting and reporting for the Capital Program are outside the scope of responsibility of TFA and are not included in this Manual.

RECEIPTS

Collection of New York City Personal Income Tax

PIT is imposed pursuant to New York State (the "State") law and collected on behalf of TFA by the State. TFA retains PIT to pay its Future Tax Secured bond debt service and to support TFA's operating expenses. As established through the Amended and Restated Original Indenture, as Amended and as Restated January 25, 2024, ("Indenture") between TFA and its bond holders, the Trustee bank ("Trustee") is responsible for TFA's Future Tax Secured receipts and disbursements. After the Trustee has retained the required amount of PIT to meet TFA's debt service and operating expense requirements as discussed in the *Debt Service Retention* section of this Manual, the remaining PIT collected by TFA is forwarded to the City by the Trustee via bank wire. Before the start of each Collection Period, as defined in the Indenture, TFA confirms with the Trustee, via a letter signed by one of TFA's authorized officers, the amount to be retained from PIT received during the Collection Period to cover TFA's debt service and operating expense requirements, as well as the allocation of the retained PIT into the proper bank accounts. See the *Debt Service Retention* section of this Manual.

The Accounting Unit reviews the daily e-mail from the New York Office of the State Comptroller ("OSC") indicating the amount of PIT, if any, which will be wired to the Trustee on behalf of the TFA that day. If there is a remittance from the OSC, the Accounting Staff will verify that the amount was received by the Trustee and the money was deposited into the appropriate bank account or remitted to the City, as appropriate. The Accounting Staff will update the daily PIT Retention Schedule. This PIT Retention Schedule is sent to the City's Office of the Comptroller, Bureau of Accountancy to independently confirm the daily PIT transactions, as well as to OMB's Tax Policy Unit. Monthly, the Accounting Staff prepares the bank reconciliation and attaches the daily PIT receipt spreadsheet to the bank statement. The Accounting Manager reviews and signs the bank reconciliation. In addition, the OSC sends a monthly recap of PIT Collections, and the Accounting Staff independently reconciles the total amount transferred for the month to the spreadsheet and bank statement. Journal entries to record PIT collections, retention and disbursement to the City are prepared as part of the monthly journal entry preparation process, as discussed in the *Financial Accounting and Reporting* section.

Collection of New York City Sales Tax

If PIT collections are projected to be insufficient to provide at least 150% of the maximum annual debt service on TFA's outstanding bonds, then Sales Tax collections will be available for the payment of the debt service on TFA's Future Tax Secured Bonds. The Treasurer's Office prepares this projection, and it is forwarded by May 31st to the State Comptroller by the Secretary's Office. PIT collections have been sufficient to cover TFA's debt service requirements and to pay for its operating expenses and therefore the retention of Sales Tax has not been required by TFA.

If Sales Tax is to be retained by TFA, pursuant to Section 703 of the Indenture, to the extent that PIT payable to the TFA during such fiscal year is projected by the Mayor to be insufficient to meet at least 150% of the maximum annual debt service on the bonds then outstanding, the Mayor shall so notify the State Comptroller and the State Comptroller shall pay to TFA from Sales Taxes such amount as is necessary to provide at least 150% of such maximum annual debt service on the TFA's Outstanding Bonds. The internal controls regarding the collection of Sales Tax would be similar in nature to those outlined under PIT collections.

Collection for New York State Building Aid Revenue Bonds ("BARBs")

State legislation enacted in April 2006 enables TFA to have outstanding up to $9.4 billion of bonds, notes or other obligations for purposes of funding costs of the five-year educational facilities capital plan for the City school system. The City assigned its rights to receive the State Building Aid Revenue to the TFA and therefore the State electronically wires the money directly to TFA. The TFA uses these funds to service TFA's BARBs and to pay its operating expenses. Funds for BARBs debt service are required to be retained when the projected remaining Building Aid Revenue to be received by TFA reaches 110% of the unfunded debt service of the next fiscal year. The Treasurer's Office will determine when to begin the required building aid retention. Building Aid Revenue that is not retained is remitted to the City by the Trustee through a bank wire.

The Trustee is responsible for TFA's receipts and disbursements of the Building Aid Revenue received from the State. The OMB Education Task Force obtains from the State Education Department ("SED") the amount of Building Aid Revenue to be received from the State in the fiscal year. Pursuant to a Memorandum of Understanding among TFA, SED and OSC, SED sends TFA a report detailing the total education aid payable for the current fiscal year, the total Building Aid Revenue for the fiscal year, and the upcoming education aid payment. Upon receipt of this information, the TFA Treasurer or his designee prepares a Certification that is signed by the Executive Director, certifying to OSC and SED the amount of school Building Aid Revenue within each education aid payment due the City that is payable to TFA. The certification is e-mailed to the Accounting Unit. The OSC will notify the TFA by e-mail one day before the funds are deposited into the TFA account. A direction letter is sent to the Trustee with instructions on how to apply funds. On the date of receipt of school Building Aid Revenue, the

Accounting Unit confirms that the Trustee has received the money, and the money was deposited into the correct bank account or remitted to the City, as appropriate.

Monthly, the Accounting Staff prepares the bank reconciliation and attaches the monthly building aid receipt spreadsheet to the bank statement. The Accounting Manager reviews and signs the bank reconciliation. Journal entries to record Building Aid Revenue collections, retention and disbursement to the City are prepared as part of the monthly journal entry preparation process, as discussed in the *Financial Accounting and Reporting* section of this Manual.

Debt Service Retention

The Treasurer maintains debt service models which track all debt service (for Future Tax Secured and for Building Aid Revenue Bonds) requirements for TFA. The Accounting Unit reviews the models for reasonableness and rely upon them for financial statement preparation and debt service requirements.

For fixed and variable rate debt, the retention requirements (principal, interest and operating expenses) for the collection quarter are confirmed by TFA through a letter signed by an Accounting Manager to the Trustee. The Trustee reviews TFA's retention requirements to ascertain that the retention requirements generated by TFA agree with the Trustee's independently calculated retention requirements. The Accounting Unit confirms that the Trustee has withheld the required amount of PIT, and the money has been deposited into the correct debt service account. All debt service payments are made by the Trustee.

If TFA receives a grant from the City and the grant is used for debt service, the Treasurer will determine which debt service will be funded (tax-exempt and taxable debt service) with the grant money. This information is forwarded to the Trustee through an instruction letter signed by an Accounting Manager with a breakdown of accounts and amounts to be funded. The deposits of grant funds by the Trustee are reviewed by the Accounting Unit to confirm deposit amounts and bank accounts agree with TFA's instructions.

Federal Interest Subsidy on Build America Bonds ("BABs") and Qualified School Construction Bonds (QSCBs)

In fiscal year 2010, TFA participated in the bond program under the American Recovery and Reinvestment Act of 2009 whereby TFA issued taxable Future Tax Secured bonds and is entitled to receive a Federal cash subsidy to offset the higher rate of interest on the taxable bonds. For procedures for handling the Federal subsidy, see the Tax Compliance Procedures document which describes TFA's financing program including the requirements for requesting and handling the subsidy from the Federal Government. TFA's Secretary and General Counsel maintains control of this document. A copy is maintained in TFA's Internal Control folder.

Interest Income

All interest income is posted to the individual bank accounts and reported on the monthly bank statements by the financial institutions. The bank account statements are reviewed and recorded through monthly journal entries prepared by the Accounting Staff as described in the *Journal Entries* section of this Manual. At year end, the Accounting Staff will prepare journal entries to record the fair market value adjustments for financial reporting purposes.

The interest earnings on the bond proceeds of the Future Tax Secured Bonds and BARBs are accumulated and retained in the respective Project Fund accounts until all proceeds have been spent by the City and the Project Fund bank account is closed. Except for BABs and QCSBs, TFA transfers the total interest earnings of the Project Fund to the City and records the transfer to the City as a PIT or Building Aid Revenue transfer, indicating on the respective transfer schedules that the transfer is due to interest earnings[1]. This interest transfer causes a reconciling item on the PIT and Building Aid Revenue year-end confirmations with the New York State and City Comptroller's Office. Interest earnings on BABs and QSCBs must be retained in the Project Fund and used for capital expenditures only (see pages 12 and 13 of the Tax Compliance Procedures document).

Interest earnings on the Debt Service accounts are either used to fulfill TFA's debt service retention requirements if there is insufficient PIT or Building Aid Revenue to meet the debt service requirements or transferred to the City as PIT or Building Aid Revenue, respectively.

Interest on the operating accounts is retained in the operating accounts and is used for TFA's operations, therefore requiring less PIT to be retained by TFA.

Miscellaneous Cash Receipts

TFA may receive cash from sources other than the ones listed previously. These receipts may come as check receipts or wire/ACH receipts.

1. **Check Receipts**

   When a check is received, receipt is recorded in the Check Control Log by the Accounting Staff responsible for the log, detailing the date, amount, payer, and other relevant information. The Accounting Staff then gives the check to an

[1] TFA recognizes interest income in its Capital Project Funds for earning on bond proceeds. The interest earnings off-set the amount of PIT or Building Aid Revenue that is retained subsequently for debt service by TFA, thus increasing the residual amount of those revenue streams for the City. In practice, however, due to the timing of the debt service retention cycles for PIT and Building Aid Revenue flowing from New York State, in many cases the cash from the interest is simply paid to the City and is characterized as being PIT or Building Aid Revenue, which achieves the same net impact as reducing subsequent retained amounts.

Accounting Manager, who in turn gives the check to the appropriate Accounting Staff to research the reason for the receipt and to determine the proper accounting for the receipt. Any checks received by OMB or another department of TFA are delivered to the Accounting Staff responsible for the Check Control Log. The Accounting Staff follows the same procedures detailed above for recording the check. Checks are endorsed immediately and secured in a locked area until deposit.

Checks that need to be deposited in TFA's operating account are deposited by the Accounting Unit at a nearby local branch of the bank. As the Trustee does not have any retail banking locations, checks that need to be deposited in a Trustee Account are either hand-delivered or mailed to the Trustee representative along with a letter prepared by the Accounting Staff and signed by an Accounting Manager. The letter details the amount, payer of the check, and the bank account for deposit.

The letter and any supporting documentation is filed and a journal entry recording the cash receipt is made in the Accounting System. At month end, an Accounting Manager confirms the deposit is reflected in the bank statement and in the Accounting System.

2. **Wire/ACH Receipts**

   When a miscellaneous wire/ACH is received, the Accounting Staff researches the reason for the receipt to determine the proper accounting for the receipt. Once a determination is made, a journal entry recording the cash receipt is made in the Accounting System.

<u>DISBURSEMENTS</u>

Debt Service Payments

After TFA and the Trustee have agreed on the total payment of principal and interest to be made by the Trustee on the respective payment dates (See the *Debt Service Retention* section of this Manual), the Trustee makes the payments. The following business day the Accounting Staff reviews the bank transactions from the daily transaction report to determine that the correct amounts were transferred from TFA's bank accounts and paid. If there are any discrepancies, the Trustee will be immediately notified by the Accounting Unit for a resolution of the discrepancy.

TFA's Future Tax Secured debt currently has two types of variable rate debt: variable rate debt that pays interest monthly and auction rate debt that pays interest weekly. Following are the internal controls for each.

1. **Monthly variable rate interest payments**.

The variable interest rate is obtained by the Accounting Staff from the Bloomberg Terminal. Rates may also be obtained from the remarketing agents and/or online from the Electronic Municipal Market Access ("EMMA") website. The variable interest rate is entered in an Excel tracking spreadsheet by the Accounting Staff. Interest payments are made monthly. Prior to making the interest payments, the Trustee sends their calculations detailing the amount of interest to be paid per issue. The Accounting Unit reviews and compares the amounts with TFA's tracking spreadsheet. Any discrepancies are resolved with the Trustee prior to payment of debt service by the Trustee. At month end, the Accounting Staff prepares the necessary journal entries as described in the *Journal Entries* section of this Manual. The Accounting Staff also upload the rates semi-annually into the City's Debt Management System (DMS).

2. Auction Rate Interest

Interest on Auction Rate bonds, if there are any outstanding, is reset every week and is determined by the market demand for the Auction Rate Bonds. The Trustee's Auction Agent Unit e-mails TFA a notice every Wednesday and Thursday reporting the results of a particular auction and the rate of interest and broker fees that will be paid the following week. This interest rate is entered into an Excel tracking spreadsheet by the Accounting Staff and the Accounting Staff independently calculates rates. All amounts are reconciled at month end and the Accounting Staff prepares the necessary journal entries as described in the *Journal Entries* section of this Manual.

Vendor Payments

All invoices are routed for review and approval to the TFA officer/manager (or his or her designee) with the most direct knowledge of and/or responsibility for the goods or services for which payment is to be made. In addition to checking for mathematical accuracy of all invoices, when applicable, the reviewer compares the invoices to the orders, reviews the receiving reports or contracts for the correct pricing of goods and services, and verifies that no sales tax has been included in the invoices.

After an invoice is approved by the applicable officer/manager, it is entered by the Accounting Staff into TFA's Accounting System. A digital copy of the invoice is also attached in the Accounting System. To release and post invoices in the Accounting System, the system requires Accounting Staff request approval from an Accounting Manager. After approving and releasing the invoices, the Accounting Staff posts the invoices.

After the invoices are reviewed and posted, the Accounting Staff uses pre-numbered company checks to generate payment, prepares a wire/ACH payment in the JPMorgan Chase Access banking portal, or pays using the company purchasing card administered by the New York City Municipal Water Finance Authority.

1. **Check Payments**

All unused checks are kept in a locked file cabinet under the control of an Accounting Manager. To confirm that there is no break in the sequential order of checks, each time a check run is generated the check register is included in the package containing the checks and supporting documentation for review and approval. All invoices paid by checks are entered into the Accounting System, which generates the check details for printing. The checks are presented to the authorized check signers along with the check register for review and signature. All checks must have two authorized signatures. The checks are placed in a windowed envelope and mailed via the mailroom operations of OMB.

2. **Wire/ACH Payments**

For most vendor payments, wires/ACH are created by the Accounting Staff in the online JP Morgan Access Banking portal for the total voucher amount. An Accounting Manager reviews the payment support and electronically approves the online wires/ACH. A second Accounting Manager reviews and electronically releases the online payment.

For vendor payments paid from bond proceeds (i.e., bond issuance costs), the Accounting Staff prepares instruction letters to the Trustee with payment instructions. The instruction letters are reviewed and signed by two TFA authorized signers and emailed to the Trustee.

3. **Purchasing Card Payments**

Vendor invoices may be paid using the New York City Municipal Water Finance Authority ("NYW") purchasing card if other forms of electronic payment are not readily available. All uses of the NYW purchasing card require requestors to submit to the Accounting Managers a completed *Purchasing Card Expense Authorization Form* along with any required documentation. The form must be approved by the requestor's supervisor who must also be an officer of TFA. If the requestor's supervisor is not an officer of TFA, approval must be obtained from an officer who does not report to the requestor. Payments above $1,000 require a secondary approval from the Executive Director, Treasurer, or Secretary. Receipts must be sent to the Accounting Unit immediately after purchase or as soon as receipts are available. TFA may make transfers from its operating account to settle purchasing card balances directly attributable to TFA's use of the NYW purchasing card.

In parallel with or following all payments, the Accounting Staff enters payment journals in TFA's Accounting System to record the payments and close previously entered and approved invoices. Payment journals must be reviewed and approved by an Accounting Manager before they can be posted to the Accounting System.

Supporting documentation must be electronically attached to the invoice records and payment journals in the Accounting System. For invoice records, at a minimum, the approved invoice should be attached. For payment journals, digital copies of the wire/ACH templates from the banking portal and digital copies of the approval history from the banking portal should be attached. If payments were made through the Trustee via instruction letters, the instruction letters should be attached to the payment journals.

1099 Preparation and Issuance

All vendors must complete and sign an IRS Form W-9 (or its equivalent) and send it to the Accounting Unit before payment can be made to the vendor. This information is used to determine if any Forms 1099 must be issued to the vendor for payments from TFA made during each calendar year.

Starting with calendar year 2023 reporting, TFA is required to submit Forms 1099 electronically to the IRS. Recipient (payee) copies of Forms 1099 may continue to be mailed to recipients or transmitted electronically with the recipients' permission.

Although there are several types of 1099 forms, TFA generally uses only the Form 1099-MISC to report gross proceeds paid to attorneys and Form 1099-NEC for payments to entities for services performed by non-employees.

To prepare the Forms 1099, an Accounting Staff compiles a schedule showing all payments from January 1st to December 31st of the year, by category, for all disbursements to vendors. The Accounting Staff then enters the disbursement information for each vendor and form type into the IRS Information Return Intake System ("IRIS"). PDFs of each Form 1099 are then generated by the IRIS system for each vendor and form type. Prior to mailing to recipients, the Forms 1099 are checked by the Accounting Staff for accuracy before being submitted to an Accounting Manager for review.

While deadlines to distribute Forms 1099 to recipients and e-filing with the IRS depends on the form type, most of TFA's Forms 1099 (specifically, Form 1099-NEC) are due to recipients by January 31st. Similarly, e-filing with the IRS is also generally due by January 31st.

Construction Payments

The bond proceeds (Future Tax Secured and Building Aid Revenue) are maintained in separate Construction bank accounts at State Street Bank and invested at the direction of the City's Comptroller's Office Bureau of Asset Management ("BAM") according to TFA's Investment Guidelines (See *Investment* section of this Manual). The proceeds are released upon requests of the Comptroller's Office Bureau of Accountancy ("BOA"), Capital Bonding Unit, bi-weekly for the Future Tax Secured proceeds, and as needed for the Building Aid proceeds. The BOA's transfer requests are in writing and are based upon reports generated by the City's accounting system which specifies which capital projects are to be funded by TFA. The Accounting Staff prepares a letter to BAM requesting the transfer to the City detailing the amount and includes the wire instructions for the transfer. The Accounting Manager checks the amounts on the letter back to the request from the BOA and signs the letter along with one other authorized signer.

Internal Funds Transfers

Instruction letters for wire transfers among TFA's bank accounts are signed by one authorized signer except for activities for TFA's operating accounts which require two authorized signers.

The signed letters are e-mailed to the Trustee and copies are submitted with the monthly bank statements and the proposed journal entries for review by an Accounting Manager.

INVESTMENTS

The universe of allowable investments for the TFA is defined in the Indenture. Additionally, TFA has Investment Guidelines adopted by the Board of Directors. All investments are to be made within the constraints imposed by the Indenture and Investment Guidelines. Based upon instructions received from the Treasurer, investment letters are prepared authorizing the Trustee or BAM, as appropriate, to invest funds on behalf of TFA. The instruction letter for the purchase, sale or rollover of investments, instructs the Trustee or BAM how the funds are to be invested including the investment vehicle and the required maturity date of the investments. The letter is signed by one authorized signer.

FINANCIAL ACCOUNTING AND REPORTING

The recording of TFA's financial transactions into the Accounting System is through purchase invoices and payment journals for vendor payments and through journal entries for all other transactions.

Recording of Bond Issuance Costs

Bond issuance costs may either be paid directly from the bond proceeds at the time of the closing of the bond issuance or paid at a later date through the invoice process. For payments made at the closing, closing documents are forwarded to the Accounting Unit for recording in the Accounting System as part of the recording of the bond issuance. Payments requested by invoice are processed as discussed in the *Vendor Payments* section of this Manual.

Journal Entries

Journal entries are prepared by the Accounting Staff to record all transactions, other than vendor payments, as part of the following monthly journal entry preparation process.

Each month, the Accounting Staff reconciles the Trustee bank account statements and verifies that all transactions reported were made in accordance with TFA instruction letters for transfers between accounts, investment of funds, and disbursements. Any discrepancies are immediately investigated and resolved with the Trustee bank. Activity in each account is summarized by the Accounting Staff and the summaries are used by to prepare journal entries for the month.

The entries are reviewed by the Accounting Manager who approves and signs the journal entries. The Accounting Staff then enters the journal entries into the Accounting System. To post the journal entries in the Accounting System, the system requires Accounting Staff request approval from an Accounting Manager. After an Accounting Manager approves the entries, the Accounting Staff posts the journal entries and verifies that they were posted accurately in the general ledger and subledgers, as applicable. If adjusting journal entries are required, they are reviewed and approved by an Accounting Manager.

After posting, the new trial balance is reviewed by the Accounting Staff to verify that the amounts agree with the transaction summaries and bank statements used to prepare the journal entries.

Checking Account Reconciliation

TFA's Accounting System checkbook is reconciled each month to the account statement provided by the bank. Reconciliations are generally completed within 30 days after month end. Differences, if any, are promptly investigated and resolved. The reconciliation is prepared by the Accounting Staff and reviewed and approved by an Accounting Manager.

Except in extraordinary circumstances, checks outstanding for six (6) months are cancelled through the bank and in the Accounting System. The Accounting Staff will attempt to contact the vendor to determine if TFA has the correct address and/or the reason for non-deposit of the check by the vendor in order to re-issue the check. Until there is a resolution resulting in reissuance, the outstanding liability remaining on TFA's books.

Fiscal Year-End Closing and Financial Reporting

Shortly after fiscal year-end close, the Comptroller requests that the Secretary's Office and the Treasurer's Office contact all vendors and service providers and obtain invoices for goods and services provided through June 30th so that expenditures are accrued and reported in the proper fiscal year. Additionally, all vendor payments made between fiscal year-end and the conclusion of the annual audit are analyzed by the Accounting Staff for proper treatment as an expenditure of the current or prior fiscal year.

At year-end, the Accounting Unit prepares all closing schedules and analyses needed for adjusting entries, for disclosures, and for auditors, including but not limited to: amortization schedules for bond issuance costs and bond premiums and discounts, bond interest payable accruals, investment income accruals, deposit and investment categorization. Where required due to technical complexity, select schedules and analyses may be prepared by an Accounting Manager.

Schedules and analyses prepared by the Accounting Staff are provided to an Accounting Manager along with supporting documentation for review. Schedules and analyses pertaining to deposits, investments, outstanding bonds, and debt service are provided to TFA's Treasurer or his or her designee in draft form for review.

Adjusting journal entries are prepared, reviewed, approved, and posted under the same process as monthly journal entries (see the *Journal Entries* section of this Manual).

The adjusted trial balance is reviewed by the Accounting Staff to verify balances, and then exported into an Excel file for preparation of financial statements. Draft financial statements, notes, and management's discussion and analysis are prepared jointly by Accounting Staff and an Accounting Manager for review by other members of TFA management and independent auditors.

After the conclusion of the independent audit, any adjusting entries needed are prepared by the Accounting Staff and reviewed an Accounting Manager, who approves and signs prior to the entry into the Accounting System. Before running the general ledger close process in the Accounting System, a final trial balance is run, and the Accounting Staff verifies that all balances agree with the audited financial statements. The final trial balance is approved by an Accounting Manager and retained in the fiscal year-end files.

An Accounting Manager instructs the Accounting Staff to close the fiscal year, which is done by the Accounting System when the close process is run. The Accounting System will automatically produce "closing entries" that must be retained in the year-end files. After the closing entries have been generated, reviewed and approved by an Accounting Manager, and posted, the Accounting Staff reviews the trial balance after the close and verifies that the assets, liabilities, and fund balances (net assets) have been properly updated.

All trial balances, work papers, journal entries, and supporting documentation are centrally filed for access by the external auditors. See the *Record Retention* section of this Manual.

<u>OTHER CONTROL MEASURES</u>

Bank Accounts

When a new bank account is needed, the Treasurer, Comptroller, or their respective designee will send an e-mail request to the Trustee (for Trustee bank accounts) or to the Comptroller's Office BAM (for Project Fund accounts), along with supporting documentation requested by the Trustee or BAM. After opening the new account, the Trustee or BAM will confirm the number and name of the account via e-mail to the

Treasurer and the Accounting Staff. Subsequently, the Accounting Staff will add the new account to the bank account schedule.

All unneeded bank accounts are closed immediately by a letter to the bank, signed by one TFA officer.

Incumbency Certificate

Every time there is a change of an officer for TFA, a new Incumbency Certificate is prepared listing the current officers. The Incumbency Certificate is signed by the TFA Secretary, and the original sent to the Trustee bank. Similarly, new authorized signatory documents are prepared, signed, approved, and forwarded to the Trustee bank.

Computer Equipment and System Usage

TFA personnel follow the current policies and guidelines of OMB. Staff are required to familiarize themselves with these policies and guidelines.

Overhead Allocation

TFA has entered into an Administrative Services Agreement with OMB and other financing entities at the direction of the Board, which specifies how shared personal service and other than personal service costs are allocated among the entities. The OMB overhead allocation is calculated by the Accounting Unit, with assistance and information provided by OMB as needed. Staff are required to familiarize themselves with this agreement.

Inventory

TFA does not own any capital assets or equipment. All equipment is owned, maintained and monitored by OMB. TFA personnel follow the current policies and guidelines of OMB. Staff are required to familiarize themselves with these policies and guidelines.

Procurement

The Board of Directors has adopted a Policy on the Procurement of Goods and Services ("Procurement Policy"). Staff are required to familiarize themselves with the Procurement Policy. Any changes in the Procurement Policy, as adopted by the Board, are disseminated to staff by the Secretary's Office.

Travel and Business Expense Reimbursement

The Board of Directors has adopted a Policy on Travel Allowance ("Travel Policy") and a Policy on Salary, Compensation, Reimbursements, Time and Attendance ("Reimbursement Policy"). Staff are required to familiarize themselves with these policies. All internal control measures detailed above under *Vendor Payments* are followed in the issuance of reimbursements to employees. Any changes in the Travel Policy or Reimbursement Policy, as adopted by the Board, are disseminated to staff by the Secretary's Office.

Personal and Real Property

The Board of Directors has adopted a Policy on the Disposition of Personal Property ("Personal Property Policy") and a Policy on the Acquisition and Disposition of Real Property ("Real Property Policy" and together with the Personal Property Policy, the "Property Policies"). Staff are required to familiarize themselves with these policies. Any changes in the Property Policies, as adopted by the Board, are disseminated to staff by the Secretary's Office.

RECORD RETENTION

Documents supporting TFA transactions recorded in the Accounting System and information on the opening and closing of all bank accounts are maintained and available for audit by various entities (e.g., independent auditors, State and City auditors, IRS). The support may be maintained in either paper or electronic form.

Bond documents (closing transcripts) are maintained by the Secretary's Office for the life of the bonds plus three years. Arbitrage rebate reports are maintained by the TFA's Accounting Unit for the same period.

Records reflecting the projects to which bond proceeds are applied are maintained in the City's Financial Management System.

Procurement records pertaining to contracts and all procurements other than Small Purchases (as defined by Procurement Policy) are maintained by TFA's contracting officer and the Secretary's Office.

Calculations of allocated costs (management fees, rent, and overhead costs incurred by OMB and the bond financing entities) are maintained by the Accounting Unit.

New York City Transitional Finance Authority

Audit and Other Services Planning Meeting for the Year Ending June 30, 2026

This information is proprietary and confidential and is solely for the use of New York City Transitional Finance Authority, including management and those charged with governance, unless permission for use is otherwise granted.

May 7, 2026

Your Engagement Leadership Team

Steven Lee
Audit Leader

Phone: 212.710.1681
Email: Steven.Lee@cbiz.com

Daniel McElwee
Audit Senior Manager

Phone: 212.201.2992
Email: Daniel.McElwee@cbiz.com

Other Team Members
Audit:
Jessy Ruiz – Supervisor
David Ainahmanesh – Associate

CBIZ CPAs

Agenda

- Executive Summary - Planning Meeting
  - Service Delivery Timeline
  - Engagement Objectives
  - Responsibilities: Ours, Those Charged with Governance, & Management
  - Deliverables
  - Overview of the Audit Approach & Risk Assessment
  - Fraud Risks - Related Procedures & Inquiries
  - Relationship & Independence
  - Questions & Discussion
- New Developments
- Appendices:
  - A. Draft Engagement Letter
  - B. Background on CBIZ & CBIZ CPAs

Executive Summary – Planning Meeting

The purpose of this presentation is to provide an overview to the Audit Committee of our audit plan for the New York City Transitional Finance Authority (the "Organization") for the year ended June 30, 2026, including a summary of our overall objectives for the audit, and the nature, significant risks, scope, and timing of the audit work.

- Financial Statements
- Reports under *Government Auditing Standards*
- Independent Auditors' Report on Compliance with Investment Guidelines

Service Delivery Timeline

Audit Services	FY 2026	FY 2025 Actual
Kick-off communication , understanding of current matters and draft engagement letter	April 30, 2026	April 23, 2025
Planning meeting with the Audit Committee	May 7, 2026	April 30, 2025
Initial trial balance and audit workpapers provided to our audit team	Mid-August 2026	Mid-August 2025
Planning and Risk Assessment Process: • update our understanding of internal controls, • use of technology, • fraud and errors risks, and • new matters	Mid-August 2026	Mid-August 2025
Final trial balance and completion of audit fieldwork	Mid-September 2026	Mid-September 2025
Draft financials received from management	Mid-September 2026	September 18, 2025
Drafts to the Audit Committee	Late September 2026	September 25, 2025
Audit Committee meeting	Late September 2026	October 1, 2025
Report issuance	Within 1-2 days of approval by the Audit Committee and Board	October 2, 2025

CBIZ CPAs

Engagement Objectives

- Independent audit of the financial statements of the Organization as of and for the year ended June 30, 2026, in accordance with Generally Accepted Auditing Standards *and Government Auditing Standards.*
- Independent auditors’ report on compliance with the Organization's investment guidelines
- Independent feedback to management and the Audit Committee through our management comments.
- Matters required to be communicated to those charged with governance.

Engagement Deliverables

1. Issuance of opinions on the financial statements
2. Issuance of an independent auditors’ report on internal control over financial reporting and compliance in accordance with GAS.
3. Issuance of a report on the Organization’s compliance with its investment guidelines.
4. Independent feedback and insights on the results of the audit, other required communications, as well as business and industry perspectives.

Our Responsibilities

Financial Statements To obtain evidence to provide reasonable assurance that the financial statements are free of material misstatement, whether caused by error or fraud

- To issue an auditor's report that includes opinions on whether the financial statements are fairly stated in all material respects in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP)
    1. Reasonable assurance is a high level of assurance, but not absolute, in the detection of material misstatements; material misstatements are items that would influence users of the financial statements
    2. This process entails an understanding of the Organization and its environment, including internal controls, to assess the risk of material misstatement and to design tests responsive to those risks to allow support for our opinion
    3. This process entails assessing accounting policies and estimates, including disclosures, to result in fair presentation
    4. We will conclude, based on the audit evidence, relative to the ability of the entity to continue as a going concern for a reasonable period of time
    5. We will communicate significant matters related to the audit
    6. We will not report on the required supplementary information, including Management's Discussion and Analysis, but will compare the information to the financial statements, and read the information for clarity and to ensure it complies with U.S. GAAP.

Government Auditing Standards

1. Reporting under *Government Auditing Standards (GAS)* requires that we report instances of noncompliance and other matters, as well as matters related to internal control over financial reporting that may come up during the audit that are considered material weaknesses or significant deficiencies
    - This report has an entity-wide focus that could have a direct and material effect on financial statement amounts

An audit provides reasonable, not absolute, assurance that the financial statements are free from material misstatements due to fraud or error. It does not relieve you or management of your respective responsibilities. Our responsibilities are described further in our engagement letter.

Responsibilities of Those Charged With Governance and Management

Those Charged with Governance :

- Overseeing the financial reporting process
- Setting a positive tone at the top and challenging the Organization's activities in the financial arena
- Discussing significant accounting and internal control matters with management
- Informing us about fraud or suspected fraud, including its views about fraud risks
- Informing us about other matters that are relevant to our audit, such as:
  - The Organization's strategies and related business risks that may result in heightened risks of material misstatement
  - Matters warranting particular audit attention
  - Significant communications with regulators
  - Matters related to the effectiveness of internal control and your oversight responsibilities
  - Your views regarding our current communications and your actions regarding previous communications

Management:

- Preparing and fairly presenting the financial statements
- Designing, implementing, evaluating, and maintaining effective internal control over financial reporting, including internal controls to prevent, detect and deter fraud
- Communicating significant accounting and internal control matters to those charged with governance
- Providing us with unrestricted access to all persons and all information relevant to our audit
- Informing us about fraud, illegal acts, significant deficiencies, and material weaknesses
- Adjusting the financial statements, including disclosures, to correct material misstatements
- Designating a qualified management-level individual to oversee any non-audit services performed by CBIZ CPAs or CBIZ
- Informing us of subsequent events
- Providing us with written representations

An audit provides reasonable, not absolute, assurance that the financial statements are free from material misstatements due to fraud or error. It does not relieve you or management of your respective responsibilities. Our responsibilities are described further in our engagement letter.

Overview of the Audit Approach & Risk Assessment

Entity-Wide Considerations

Understand the Organization and its environment, including its internal controls

Control Environment

The tone at the top, ethical values, governance, and overall culture that influence control consciousness

Risk Assessment

The process for identifying, analyzing, and responding to risks that may affect objectives

Control Activities

Policies, procedures, and mechanisms that are put in place to mitigate risks

Information and Communication

Systems and processes to capture and share relevant, timely, and accurate information

Monitoring Activities

Ongoing or periodic evaluations to ensure that controls are present and functioning

Overview of the Audit Approach & Risk Assessment: What it means for the Organization

Our audit procedures are designed to address each identified **RMM** and **Significant Risk**

The following slides summarize the key considerations in our risk assessment process, along with the audit procedures we may perform to address them

Risk of Material Misstatement (RMM) and Significant Risks

- RMM is the risk that financial statements may contain a material error or fraud before any audit work is performed
    - Identification of an RMM does not imply wrongdoing
    - Two sources:
        - Inherent risk: The nature of business or transactions that may cause errors or fraud
        - Control risk: The possibility that internal controls may not prevent or detect misstatements
- Significant risks are those RMMs requiring special audit focus, as determined by professional standards or auditor judgment

Material misstatements are caused by inherent complexity or weak controls and can arise from:

- Errors - Unintentional mistakes in financial statements
- Fraudulent financial reporting - Intentional misstatement or omission of financial information
- Misappropriation of assets - Theft or misuse of organizational assets
- Complex or unusual transactions – Nonroutine agreements or related party transactions lacking market terms
- Noncompliance with of laws, regulations, or agreements - Noncompliance with legal or regulatory requirements
- IT and process/control Issues- Inadequate segregation of duties

Overview of the Audit Approach & Risk Assessment

We've outlined the following significant risks, including fraud-related risks, and financial statement risk as part of our risk assessment.

If we identify any further risks during the audit, we will share them with the Audit Committee at the end of the engagement.

Description of Significant Risk, including Fraud Risk	Audit Procedures to be Performed
Management Override of Controls Presumed Fraud Risk Even well-designed controls can be overridden by management. The risk is present in every organization and is a presumed audit risk under professional standards	• Fraud risk inquiries of senior management and other employees, including inquiries related to improper or unusual journal entry activity. • Retrospective review of significant accounting estimates to see if such estimates reflect bias on the part of management. • Journal entry testing for validity, support, and approvals. The focus will be on manual journal entries impacting revenue, including top-side, unusual, at the end of the year.

CBIZ CPAs

Fraud Risk - Related Procedures & Inquiries

Our Approach to Detecting Fraud

1. Questionnaires to key employees regarding fraud matters
2. Oral inquiries with certain members of the management team and those charged with governance
3. Consideration of incentives, pressures, opportunities, and attitudes/tone at the top
4. Understanding of internal controls at various levels
5. Follow-up on noted matters, considering the effect on the audit plan

Inquiries of Governance

1. Is the Audit Committee aware of any fraud, suspected fraud, or allegations?
   - subject to internal investigations or regulatory inquiries related to fraud?
   - Has external or internal counsel raised concerns?
   - Have any findings been reported through compliance hotlines?
2. Does the Audit Committee have any concerns about specific exposures to fraud or accounts that may be susceptible to fraud?
   - pressures to meet financial or programmatic expectations (e.g., from donors or grantors)?
3. Has management discussed internal control to prevent, detect, and deter material fraud with the Audit Committee?
4. Are there any other risks/areas of concern where you believe we should focus audit attention?

CBIZ CPAs

Relationship and Independence

No non-audit services are provided that would impair our independence.

No consulting services outside of routine advice relative to accounting and tax matters

No known roles of our people or their relatives in any management or oversight role

No known financial interrelationships of either the firm or its people with the Organization that impaired out independence as previously disclosed in our letter dated March 11, 2026.

Questions & Discussion

New Developments

New Developments

Development	What's Changing?	When Are the Changes Effective?	Recommended Actions
GASB 103, *Financial Reporting Model Improvements*	Seeks to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability	Fiscal years beginning after June 15, 2025 (i.e., FY 2026).	• Understand the standard • Model the effects • Review with external auditors • Communicate impact
GASB 104, *Disclosure of Certain Capital Assets*	Requires certain types of capital assets to be disclosed separately in the capital assets note disclosure. The Statement also required additional disclosures for capital assets held for sale and for such assets to be evaluated each reporting period.	Fiscal years beginning after June 15, 2025 (i.e., FY 2026).	▪ No impact is anticipated as TFA has no capital assets.

CBIZ CPAs

New Developments

Development	What's Changing?	When Are the Changes Effective?	Recommended Actions
GASB 105, *Subsequent Events*	This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events.	Fiscal years beginning after June 15, 2026 (i.e., FY 2027).	▪ Understand the standard ▪ Model the effects ▪ Review with external auditors ▪ Communicate impact

CBIZ CPAs

Appendix A

Draft Engagement Letter

April XX, 2026

Mr. Raymond Lee, Comptroller
New York City Transitional Finance Authority
255 Greenwich Street, 7th Floor
New York, NY 10007

Dear Mr. Lee:

We are pleased to confirm the arrangements of our engagement and the nature of the services CBIZ CPAs P.C. ("CBIZ CPAs," "Firm," "we," "us," or "our"") will provide New York City Transitional Finance Authority (the "Client", "Entity", "you," or "your").

ENGAGEMENT OBJECTIVES AND OUR RESPONSIBILITIES

We will audit the governmental activities and each major fund of the Client, as of June 30, 2026, and for the year then ended and the related notes to the financial statements, which collectively comprise the Client's basic financial statements as listed in the table of contents.

Our audit will be conducted with the objectives of our expressing an opinion on each opinion unit.

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America ("GAAS") and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America ("U.S. GAAP") as promulgated by the Governmental Accounting Standards Board (GASB) require that certain information, such as management's discussion and analysis ("MD&A"), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Client's required supplementary information ("RSI") in accordance with GAAS. These limited procedures will consist of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis

Auditor Responsibilities

We will conduct our audits in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards,* we will exercise professional judgment and maintain professional skepticism throughout the audit. We will also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of the system of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

4. Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Client's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Client's basic financial statements. Our report will be addressed to the governing body of the Client. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditors' report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

MANAGEMENT'S RESPONSIBILITIES

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with U.S. GAAP;
2. For the design, implementation, and maintenance of an effective system of internal control over the financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. To provide us with:
    a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
    b. Additional information that we may request from management for the purpose of the audit;
    c. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence;

   d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report (if applicable); and
   e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditors' report (if applicable).
4. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
5. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
6. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
7. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
8. For the accuracy and completeness of all information provided;
9. For the evaluation of the effectiveness of the entity's internal control over financial reporting using suitable and available criteria;
10. For providing us with management's written assessment about the effectiveness of the entity's internal control over financial reporting;
11. For supporting management's assessment about the effectiveness of the entity's internal control over financial reporting with sufficient evaluations and documentation (e.g., policy or accounting manuals, narrative memoranda, flowcharts, decision tables, procedural write-ups, or completed questionnaires)
12. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
13. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

Management is responsible for all management decisions and performing all management functions including critical judgments and conclusions, and for designating an individual, preferably from senior management, with suitable skill, knowledge, or experience to oversee any financial statement preparation services, assistance with the preparation of the Data Collection Form, bookkeeping services, tax services, or other services we or our associated company CBIZ, Inc. (or its related entities (collectively with CBIZ, Inc., "CBIZ")) provides.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. If you are missing any documents or workpapers from our prior years' engagements (if applicable), it is your responsibility to inform us. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditors' report to the date the financial statements are issued.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

ENGAGEMENT FEES

We will complete the aforementioned services for the year ended June 30, 2026 for a fixed fee of $35,235.

We request that payments for these services be no later than the following dates/events specified below:

Upon signing this letter	$ 9,235
September 1, 2026	12,000
Issuance of financial statements	14,000
	$ 35,235

LIMITATION OF LIABILITY

Unless otherwise prohibited by law or applicable professional standard, you agree that CBIZ CPAs and its personnel shall not be liable to you for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by you to CBIZ CPAs pursuant to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of CBIZ CPAs. Unless otherwise prohibited by law or applicable professional standard, in no event shall CBIZ CPAs or its personnel be liable for consequential, special, indirect, incidental, punitive, or exemplary losses or damages relating to this engagement. This limitation on liability provision shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), professional standard, or otherwise.

No action, regardless of form, arising out of the services under this agreement may be brought by you more than one year after the date the last services are provided under this agreement.

OTHER MATTERS

Auditors' Report and Reproduction

We will issue a written report upon completion of our audit of the Client's financial statements. Our report will be addressed to those charged with governance. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s) to our auditors' report. If for any reason, we are unable to complete the audit or we are unable to form or have not formed an opinion, we may decline to express an opinion or decline to issue a report as a result of the engagement. If, in our professional judgment, the circumstances require us to do so, we may resign from the engagement prior to completion.

Background Checks

As a matter of our Firm policy, we may perform background checks, which may require out-of-pocket expenses. The terms and conditions of this engagement are expressly contingent upon the satisfactory completion of our investigatory procedures, and we reserve the right to withdraw from any engagement should information we deem to be adverse come to our attention.

Independence and Our Personnel

Professional standards require that a firm and its members maintain independence throughout the duration of the professional relationship with a client. These services are being provided under the AICPA and Government Accountability Office (GAO) independence standards. If the Client becomes subject to Public Company Accounting Oversight Board ("PCAOB") or Securities and

Exchange Commission ("SEC") independence standards, those standards will need to be followed. As a result, certain non-attest services that would not impair our independence under the AICPA and *Government Auditing Standards* may have impaired our past or may impair our future independence under the PCAOB and SEC standards. CBIZ CPAs' acceptance of this engagement is conditioned on confirming that it is independent under applicable standards. We will inform you promptly if we determine that we are not independent.

In addition, we will periodically reevaluate our independence as part of our customary client continuance process or more frequently, should circumstances arise that may require us to investigate whether our independence may have been impaired in which case we may terminate and resign from this engagement in our sole and absolute discretion. You agree to promptly advise us of any matters or changes in circumstances that could affect our independence or give rise to conflicts including, changes in senior management or the Board, or entities that may have preexisting relationships with CBIZ or CBIZ CPAs or conflicts that could affect our independence.

Any discussions that the Client has with personnel of CBIZ CPAs or CBIZ regarding potential employment with the Client could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence. Employment offers to any staff member working on your engagement without our prior knowledge may require substantial additional procedures to ensure our independence on this engagement. Any additional costs incurred due to these procedures will be billed at our standard hourly rates.

Furthermore, we strive to maintain a staff of quality, trained professionals. In recognition of the investment we have made to recruit and develop our personnel, solely to the extent not prohibited by law, you agree to not solicit any of our employees involved in this engagement at any time while we are performing services for you. However, this limitation shall not apply to employment via a general solicitation or open job posting which is not directed towards the employee or CBIZ CPAs.

Access to Working Papers; Confidentiality

Our workpapers and files for this engagement are the property of CBIZ CPAs. If we receive a subpoena or other administrative, judicial, or government demand or request requiring it to provide information or documents, we will, unless prohibited by law, provide written notice to the Client of such demand or request. The Client shall reimburse CBIZ CPAs for our time at standard rates and reasonable expenses (including reasonable attorneys' fees and expenses) incurred in responding to such demands or requests, so long as CBIZ CPAs is not a party to the proceeding or the subject of the investigation in which the information is sought.

Certain professional standards, including American Institute of Certified Public Accountants Code of Professional Conduct 1.700 and similar rules adopted by state boards of accountancy, prohibit the disclosure of client confidential information without client consent, except in limited circumstances. CBIZ CPAs will treat the Client's confidential information in accordance with applicable professional standards. The Client acknowledges and agrees that we may disclose confidential information as directed by the Client or as permitted by law, rule, regulation, professional standards or guidelines, or the terms of this engagement letter. The Client authorizes CBIZ CPAs to use email and other electronic methods to transmit and receive information, including confidential information, related to this engagement. CBIZ CPAs will employ commercially reasonable efforts to protect the confidentiality of transmitted information.

In performing our engagement, we will utilize professional and administrative staff who are employed by or otherwise associated with CBIZ or other entities. These individuals will be under the direct control and supervision of CBIZ CPAs, which is solely responsible for the professional performance of our engagement. Additionally, the professional staff is subject to the standards governing the accounting profession, including the requirement to maintain the confidentiality of client information, and CBIZ CPAs has contractual agreements requiring confidential treatment of all client information.

In addition, the Client agrees that we may provide CBIZ with access to the Client's accounting, financial, and other records in our possession so that CBIZ can provide the Client with any services it has engaged them to perform.

Should you request that we use a third-party electronic file transfer service in connection with this engagement, you acknowledge that CBIZ CPAs makes no representations or warranties regarding the security of data transmitted to and from, or stored by, that third-party electronic file transfer service. You also agree that CBIZ CPAs is not responsible for any loss, or unauthorized interception, of data transmitted to and from, or stored by, third-party electronic file transfer service.

You agree that we may use confidential information we receive as part of this engagement for internal and/or third-party data analysis or other insight generation. Information developed in connection with these purposes may be disclosed to you or current or prospective clients, but only on an anonymous basis; we will not use or disclose confidential information in a way that would permit you to be identified by third parties without your consent.

In addition, you agree that we may use your name and logo and a brief description of our services solely for the purpose of identifying you as a client of the Firm in the Firm's marketing and promotional materials, including proposals.

Termination

Our engagement ends on the earlier of termination or resignation (including without limitation, our declining to issue a report or other work product) or CBIZ CPAs' delivery of its report. We acknowledge your right to terminate this agreement at any time, and you acknowledge our right to terminate this agreement and resign at any time in our sole and absolute discretion.

Agreement

If it is determined that any provision of this letter is unenforceable, all other provisions shall remain in full force and effect.

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the Client and that no other person or entity shall be authorized to enforce the terms of this engagement. The undersigned represents and warrants that it has the requisite authority and consents to enter into and perform this Agreement and the obligations herein for and on behalf of the Client.

If you agree with the terms of our engagement, as described in this letter, please affix your e-signature and return the letter to us via DocuSign and we will return a fully executed letter to you.

A copy of our most recent peer review report is available on our website (www.cbizcpas.com/about-us).

Very truly yours,

Steven Lee, CPA
CBIZ CPAs P.C.

ACKNOWLEDGED AND AGREED

Authorized signature:_______________________

Name: Raymond Lee

Title: Comptroller

Date signed: _____________________________

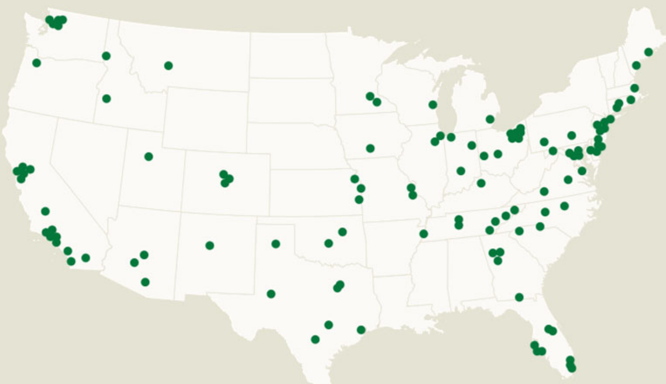
CBIZ CPAs

Appendix B

Background on CBIZ and CBIZ CPAs

Background on CBIZ and CBIZ CPAs

160+ Offices Nationwide



International

Over 100

countries served

Over 18,000

team members

OneCBIZ Culture

9

Employee Resource Groups

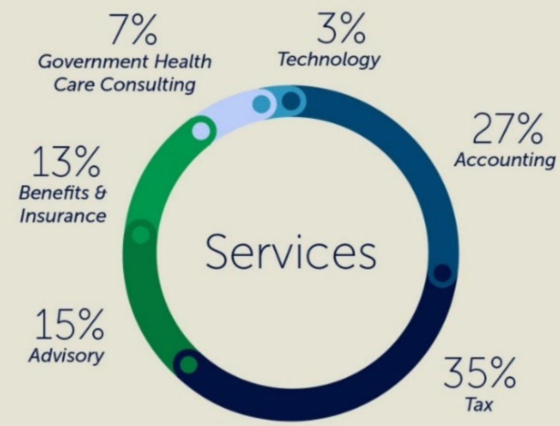
7th

Largest*

Accounting Provider*

*based on previously reported Accounting Today 2024 Top 100 Firms

Services



2,965

CPAs

5,890

Professionals

CBIZ CPAs

Background on CBIZ and CBIZ CPAs

A National Leader in Accounting, Tax & Advisory Services

- Leading middle market professional services firm nationally.
- Recently merged with Marcum demonstrating a commitment to continuity of existing teams while providing broader capability and enhanced access to experts for all clients.

Practice Structure

- CBIZ provides tax and consulting services while CBIZ CPAs provides financial statement audits and other attest services. Like many other national firms, our attest practice is organized as a separate and independent legal entity from our tax and consulting activities. Together CBIZ and CBIZ CPAs work seamlessly together to serve our clients through a long-term administrative services agreement.

Not-For-Profit (NFP) Sector

- The NFP sector is one of our largest focus areas with our firm being a recognized national leader in serving not-for-profit organizations. We attract, develop, and retain talent to ensure a knowledgeable team that consistently engages with our clients. Our investment in people, technology, and value-added service areas delivers innovation, savings and operational excellence for our NFP clients.

Keeping You Informed & Supporting Innovation

Seminars & Webinars	Regular Client Communications	Proactive Implementation of New Standards	Not-For-Profit Newsletter	Resource Center
Complimentary virtual/in-person events designed to cover accounting, tax, business, technology and other areas of importance to our clients	Year-round communication from our team in person, by phone, through a virtual meeting, or via email	Provide templates, training, tools, and best practices as new standards are introduced	The Not-For-Profit Viewpoint Monthly newsletter covering topics that impact not-for-profit and education organizations	Inflation Resource Center Our program to provide companies with articles, podcasts, webinars, guides and more to help navigate these unprecedented times

Sign up to receive our newsletters and alerts here: Email Subscription Center

Supporting Innovation and Mitigating Risks:
In addition to our capable attest, audit, tax compliance and related tax advisory services, we can assist with other business services when they fit with our core engagement as follows:

- Outsourced accounting and operations support
- Data Security, Cyber and Information Technology
- AI Planning and Management
- Healthcare/Benefits Cost Savings Solutions
- Insurance and Risk Management Advisory/Brokerage
- Investment Advisory
- HR, Compensation Advisory, Executive Search

Commitment to Diversity & Inclusion

How we embrace and treat our people is important to team continuity and service satisfaction for your organization. We strive to strengthen our culture to enable a feeling of belonging for all team members in a variety of ways, including:

Diversity & Inclusion Task Force

Leaders from across the company tasked with accelerating our efforts nationally

CEO ACTION FOR DIVERSITY & INCLUSION

The largest CEO-driven business commitment to diversity and inclusion within the workplace

TRAINING, LEARNING & DEVELOPMENT

Required for all team members on an ongoing basis

EMPLOYEE BENEFITS

Domestic partner benefits, flexible work arrangements, paid parental leave, expecting parents' programs, childcare resources, etc. to attract and retain a diverse workforce

LOCAL INITATIVES

Since 2020, our hiring of professionals from underrepresented ethnicities has increased by 59%; also, in 2022, 51% of hires were female

EMPLOYEE RESOURCE GROUPS

We offer four employee resource groups: CBIZ BIPOC, CBIZ PRIDE, CBIZ Women's Advantage and CBIZ Young Professionals

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Summary of Proposed Action
May 7, 2026
Governance Committee Meeting

Review of Policy on the Procurement of Goods & Services

The Governance Committee is required to periodically review the Policy on the Procurement of Goods & Services. No changes are proposed at this time.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Governance Committee Meeting

May 7, 2026

Agenda

1. Approval of Minutes of Meeting of October 1, 2025
2. Resolution: Review and Approval of Policy on the Procurement of Goods and Services

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Governance Committee Meeting

May 7, 2026

Approval of Minutes

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 October 1, 2025; it is therefore

RESOLVED, that the minutes of the Governance Committee meeting of October 1, 2025; are hereby approved.

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

October 1, 2025

A meeting of the Governance Committee (the "Committee") of the New York City Transitional Finance Authority (the "Authority") was held on October 1, 2025 at approximately 3:40 p.m., conducted at 255 Greenwich Street, Room 6-SE1, New York, New York 10007. The following Committee members attended, represented by their designees:

Jacques Jiha, Director of the Mayor's Office of Management and Budget for The City of New York (the "City"), represented by David Womack;

Preston Niblack, Commissioner of Finance of the City, represented by Dara Jaffee;

Brad Lander, Comptroller of the City, represented by Michael Stern;

Adrienne Adams, Speaker of City Council, represented by Hector German; and

Eduardo del Valle, Acting Commissioner of the Department of Design and Construction of the City, represented by Dekran Arakelian,

constituting a quorum. Rita Pasarell 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, who joined in-person and remotely. The meeting was called to order by Mr. Womack, the Chairperson of the Committee.

Approval of Minutes of Prior Meeting

The first item on the agenda was the approval of the prior minutes of the meeting of the Committee which occurred on April 30, 2025. The minutes were circulated for the review of the Committee. There being no further discussion, upon unanimous vote, 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 30, 2025; it is therefore

RESOLVED, that the minutes of the Governance Committee meeting of April 30, 2025 are hereby approved.

Annual Self-Evaluation of the Governance Committee and Discussion of Presentation to Board of Directors

The second item on the agenda was the self-evaluation of the Committee's functions, a review of the Committee's actions in the previous fiscal year and the authorization to provide the results of that self-evaluation to the Board of Directors. A report listing the Committee's actions in the previous fiscal year was provided to the Committee for review. Mr. Womack noted that the Committee found that it was functioning in a satisfactory manner, and that the resolution would record such opinion as well as authorize the results of the self-evaluation to be presented to the Authority's Board of Directors. There was no discussion, and upon unanimous vote, the following resolution was adopted:

WHEREAS, Section III(g) of the Governance Committee Charter requires the Governance Committee to conduct an annual self-evaluation of its functions; and

WHEREAS, the Governance Committee finds its functioning and performance to be satisfactory, effective, and in compliance with the Governance Committee Charter; it is therefore

RESOLVED, that the Governance Committee finds its functioning to be satisfactory and the Chair of the Governance Committee shall present the Committee's findings to the Board of Directors of the New York City Transitional Finance Authority.

Review of compensation and benefits

The third and final item on the agenda was a review of the Authority's compensation and benefits expenses. This was a review item only and no vote was taken. A report was provided to the Committee, stating that the Authority has no employees, and describing the total compensation that the Authority reimburses to other entities for personal services provided to the Authority. There were no questions regarding the report.

Adjournment

There being no further business to come before the Committee, upon unanimous vote, the meeting was adjourned.

____
SECRETARY

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Governance Committee Meeting

May 7, 2026

Review of Policy on the Procurement of Goods and Services

WHEREAS, pursuant to Section 2824(e) of the Public Authorities Law of the State of New York, the New York City Transitional Finance Authority (the "Authority") is required to establish a policy on the procurement of goods and services;

WHEREAS, the Authority adopted a consolidated Policy on the Procurement of Goods and Services (the "Policy") on April 24, 2009 and was subsequently amended; and

WHEREAS, the Governance Committee has reviewed the Policy, as attached hereto, and found it to be reasonable and appropriate; it is therefore

RESOLVED, that the Governance Committee hereby approves the Policy, as attached hereto.

**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY'S
POLICY ON THE PROCUREMENT OF GOODS AND SERVICES**

**Adopted April 24, 2009
and Amended May 17, 2010, September 27, 2012, September 30, 2014 and April 27, 2018**

I. INTRODUCTION

In accordance with the requirements of Section 2824(1)(e) of the Public Authorities Law, the following comprehensive guidelines ("Guidelines") set forth the New York City Transitional Finance Authority's (the "Authority's") operative policy and instructions regarding the procurement of goods and services. It is the policy of the Authority to encourage participation by minority and women-owned business enterprises in providing goods and services to the Authority

II. SELECTION CRITERIA FOR CONTRACTS FOR GOODS AND SERVICES

1. Goods and Services Costing Less Than $20,000

   For procurements of goods and services the value of which is less than $20,000 in any single fiscal year, no competition is required except that in making purchases below this limit, the Authority staff shall ensure that the price is reasonable. Documentation of such purchases shall identify the contractor the item was purchased from, the item purchased, and the amount paid. Contracts for goods and services the value of which is less than $20,000 in any single fiscal year shall not require approval of the Board of Directors of the Authority.

2. Letters of Credit and Liquidity Facilities

   Letters of credit and liquidity facilities may be entered into by the Authority in connection with the issuance of variable rate debt. Such letters of credit and liquidity facilities should be selected by competitive process where possible, provided, however, that in the event of market conditions such as occurred in the credit markets after 2008, the Authority may enter into letters of credit and liquidity facilities, and extend the terms of or replace such letters of credit or liquidity facilities, without a competitive process, based on the Executive Director's or Treasurer's determination that the terms are fair and reasonable. Such Extensions and replacements shall not require specific action by the Board of Directors of the Authority.

3. All Other Goods and Services

Contracts for goods and services the value of which is $20,000or more in any single fiscal year are to be awarded on a competitive basis to the maximum extent possible, in accordance with the general procedures set forth below.

4. Proposals or Bids may be solicited as follows:

   i. **Requests for Proposals**: Where practicable, written requests for proposals ("RFPs") shall be issued by the Authority. RFPs shall set forth the nature of the goods or services the Authority is seeking to procure, including specifications where applicable or available, and shall solicit proposed prices, fees, charges or billing rates, where appropriate. RFPs shall contain such other information and shall request from proposers such other information as the Authority may deem necessary or desirable. RFPs shall be advertised in at least one appropriate periodical.

   ii. **Telephone or letter solicitation**: Proposals may be solicited from contractors by letter or telephone, where the Contracting Officer determines that the issuance of an RFP is impracticable or unnecessary. Where practicable, proposals should be solicited from at least three contractors.

5. Evaluation:

   For personal services contracts, the technical merits of the proposals, the experience and capabilities of the proposing person or firm and any prior experience that Authority staff may have had with the proposing person or firm will be significant factors in selecting the contractor, provided that the price, fees, charges, or billing rates for performing the services are reasonable and competitive in light of such experience and capabilities. The Authority may determine not to select a person or firm where information is obtained which indicates that the person or firm is not qualified as responsive or responsible based upon such criteria as the Authority may deem appropriate for the procurement.

6. Waiver of Selection Criteria

   Notwithstanding any requirement of these Guidelines, contracts may be awarded to persons or firms on a non-competitive basis, without regard to the procedures set forth above, when the Contracting Officer of the Authority determines that circumstances such as any of the following exist:

i. In the event an emergency or other extraordinary circumstances exist which make competition impracticable or inappropriate;

ii. Only one source for the goods or services is reasonably available;

iii. Legal services or other specialized services are required for which a certain person or firm's expertise is unique;

iv. Continuation of existing services or purchasing goods from a previous supplier firm is desirable for purposes of continuity or compatibility;

v. A person or firm has superior qualifications to perform the service or provide the goods at a cost that is determined to be fair and reasonable;

vi. Information is obtained which indicates that persons or firms which were invited to submit proposals are not qualified, responsive or responsible based upon the appropriate criteria for the project; or

vii. In the event that the City of New York (the "City") or another governmental unit can provide or cause to be provided needed services pursuant to contracts entered into by the City or another governmental unit and the Authority determines that it is in the best interest of the Authority to avail itself of such opportunity.

If a contract is awarded pursuant to a waiver, the Board of Directors of the Authority shall be notified.

III. APPLICABILITY OF MACBRIDE FAIR EMPLOYMENT PRACTICES

With respect to contracts governed by these Guidelines, the Authority shall not contract for services with any contractor who does not agree to stipulate to the MacBride Principles Provisions for New York City Contractors pursuant to Section 6-115.1 of the Administrative Code of the City of New York as amended from time to time. A copy of such provisions, which is Appendix A to these Guidelines, shall be appended to all contracts governed by these Guidelines

APPENDIX A

**MACBRIDE PRINCIPLES PROVISIONS
FOR NEW YORK CITY CONTRACTORS**

ARTICLE 1. MACBRIDE PRINCIPLES

Local Law No. 34 of 1991 became effective on September 10, 1991 and added section 6-115.1 to the Administrative Code of the City of New York. The local law provides for certain restrictions on City Contracts to express the opposition of the people of the City of New York to employment discrimination practices in Northern Ireland and to encourage companies doing business in Northern Ireland to promote freedom of workplace opportunity.

Pursuant to Section 6-115.1, prospective contractors for contracts to provide goods or services involving an expenditure of an amount greater than ten thousand dollars, or for construction involving an amount greater than fifteen thousand dollars, are asked to sign a rider in which they covenant and represent, as a material condition of their contract, that any business in Northern Ireland operations conducted by the contractor and any individual or legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor will be conducted in accordance with the MacBride Principles of nondiscrimination in employment.

Prospective contractors are not required to agree to these conditions. However, in the case of contracts let by competitive seal bidding, whenever the lowest responsible bidder has not agreed to stipulate to the conditions set forth in this notice and another bidder who has agreed to stipulate to such conditions has submitted a bid within five percent of the lowest responsible bid for a contract to supply goods, services or construction of comparable quality, the contracting entity shall refer such bids to the Mayor, the Speaker or other officials, as appropriate, who may determine, in accordance with applicable law and rules, that it is in the best interest of the city that the contract be awarded to other than the lowest responsible bidder pursuant to Section 313(b)(2) of the City Charter.

In the case of contracts let by other than competitive sealed bidding, if a prospective contractor does not agree to these conditions, no agency, elected official or the Council shall award the contract to that bidder unless the entity seeking to use the goods, services or construction certifies in writing that the contract is necessary for the entity to perform its functions and there is no other responsible contractor who will supply goods, services or construction of comparable quality at a comparable price.

PART A

In accordance with section 6-115.1 of the Administrative Code of the City of New York, the contractor stipulates that such contractor and any individual or legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or great ownership interest in the contractor either (a) have no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Principles, and shall permit independent monitoring of their compliance with such principles.

PART B

For purposes of this section, the following terms shall have the following meanings:

1. "MacBride Principles" shall mean those principles relating to nondiscrimination in employment and freedom of workplace opportunity which require employers doing business in Northern Ireland:

(1) increase the representation of individuals from underrepresented religious groups in the work force, including managerial, supervisory, administrative, clerical and technical jobs;

(2) take steps to promote adequate security for the protection of employees from underrepresented religious groups both at the workplace and while traveling to and from work;

(3) ban provocative religious or political emblems from the workplace;

(4) publicly advertise all jobs openings and make special recruitment efforts to attract applicants from underrepresented religious groups;

(5) establish layoff, recall and termination procedures which do not in practice favor a particular religious group,

(6) abolish all job reservations, apprenticeship restrictions and different employment criteria which discriminate on the basis of religion;

(7) develop training programs that will prepare substantial numbers of current employees from underrepresented religious groups for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of workers from under-represented religious groups;

(8) establish procedures to assess, identify and actively recruit employees from underrepresented religious groups with potential for further advancement; and

(9) appoint a senior management staff member to oversee affirmative action efforts and develop a timetable to ensure their full implementation.

ARTICLE II. ENFORCEMENT OF ARTICLE 1.

The contractor agrees that the covenants and representations in Article I above are material conditions to this contract. In the event the contracting entity receives information that the contractor who made the stipulation required by this section is in violation thereof, the contracting entity shall review such information and give the contractor an opportunity to respond. If the contracting entity finds that a violation has occurred, the entity shall have the right to declare the contractor in default and/or terminate this contract for cause and procure the supplies, services or work form another source in any manner the entity deems proper. In the event of such termination, the contractor shall pay to the entity, or the entity in its sole discretion may withhold from any amounts otherwise payable to the contractor, the difference between the contract price for the uncompleted portion of this contract and the cost to the contracting entity of completing performance of this contract either itself or by engaging another contractor or contractors. In the case of a requirements contract, the contractor shall be liable for such difference in price for the entire amount of supplies required by the contracting entity for the uncompleted term of its contract. In the case of a construction contract, the contracting entity shall also have the right to hold the contractor in partial or total default in accordance with the default provisions of this contract, and/or may seek debarment or suspension of the contractor. The rights and remedies of the entity hereunder shall be in addition to, and not in lieu of, any rights and remedies the entity has pursuant to this contract or by operation of law.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Finance Committee Meeting

May 7, 2026

Agenda

1. Resolution: Approval of Minutes of Meeting of December 8, 2025

2. Resolution: Recommendation to the Board of Directors - Approval of 146th Series Resolution Authorizing the Issuance of Fiscal 2026 Series G, H & I Future Tax Secured Bonds

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Finance Committee Meeting

May 7, 2026

Approval of Minutes

WHEREAS, the Finance Committee has reviewed the minutes of its meeting held on December 8, 2025 it is therefore

RESOLVED, that the minutes of the meeting of December 8, 2025 be, and they hereby are, approved.

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

December 8, 2025

A meeting of the Finance Committee (the "Committee") of the New York City Transitional Finance Authority (the "Authority") was held on December 8, 2025, at approximately 3:30 p.m., conducted at 255 Greenwich Street, Room 6-M4, New York, New York 10007. The following Committee members attended, represented by their designees:

Jacques Jiha, Director of the Mayor's Office of Management and Budget for The City of New York (the "City"), represented by David Womack;

Preston Niblack, Commissioner of Finance of the City, represented by Dara Jaffee;

Brad Lander, Comptroller of the City, represented by Jay Olson;

Adrienne Adams, Speaker of City Council, represented by Emre Edev; and

Eduardo del Valle, Acting Commissioner of the Department of Design and Construction of the City, represented by Dekran Arakelian; constituting a quorum of the Committee. Daniel Rabbani 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, who joined in-person and remotely. The meeting was called to order by Mr. Olson, the Chairperson of the Committee.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the previous meeting of the Committee which occurred on October 1, 2025. There being no further discussion, the following resolution was adopted by unanimous vote:

WHEREAS, the Finance Committee has reviewed the minutes of its meeting held on October 1, 2025; it is therefore

RESOLVED, that the minutes of the meeting October 1, 2025 be, and they hereby are, approved.

Recommendation to the Board of Directors for Approval of the 144th Series Resolution Authorizing the Issuance of Fiscal 2026 Series C, D, and E Future Tax Secured Bonds

The second item on the agenda was a recommendation to the Board of Directors that it approve the One Hundred and Forty-Fourth Series Resolution Authorizing Up To $2,500,000,000 of Future Tax Secured Bonds (the "144th Series Resolution"). Mr. Olson noted that the 144th Series Resolution would authorize the issuance of up to $2.5 billion of Fiscal 2026 Series C, D, and E Future Tax Secured Bonds. Mr. Olson explained that the Authority expects to issue up to $2 billion of fixed rate new money and refunding bonds, but has built a cushion to accommodate for fluctuating market conditions. Mr. Olson then provided the details of the issuance, including the expected and maximum true interest costs of each subseries, the expected pricing dates, the underwriter, the expected present value savings and the closing date. There being no further discussion, the following resolution was adopted by unanimous vote:

WHEREAS, pursuant to the New York Public Authorities Law, the Finance Committee of the New York City Transitional Finance Authority (the "Authority") is charged with reviewing proposals for the issuance of debt by the Authority and making recommendations to the Authority's Board of Directors (the "Board"); and

WHEREAS, the Finance Committee has received and reviewed the 144th Series Resolution Authorizing the Issuance of Fiscal 2026 Series C, D, and E Future Tax Secured Bonds and deems it to be reasonable and prudent; it is therefore

RESOLVED, that the Finance Committee recommends to the Board the approval of the 144th Series Resolution Authorizing the Issuance of Fiscal 2026 Series C, D, and E Future Tax Secured Bonds.

Recommendation to the Board of Directors for Approval of the 145th Series Resolution Authorizing the Issuance of Fiscal 2026 Series F Future Tax Secured Bonds

The third and final item on the agenda was a recommendation to the Board of Directors that it approve the One Hundred and Forty-Fifth Series Resolution Authorizing Up To

$2,450,000,000 of Future Tax Secured Bonds (the "145th Series Resolution"). Mr. Olson noted that the 145th Series Resolution would authorize the issuance of up to $2.45 billion of Fiscal 2026 Series F Future Tax Secured Bonds. Mr. Olson explained that the Authority expects to issue approximately $1.8 billion of fixed rate new money bonds, as well as up to $400 million of new money variable rate demand bonds, but has built a cushion to accommodate for fluctuating market conditions. Mr. Olson then provided the details of the issuance, including the expected and maximum true interest costs of each subseries, the expected pricing dates, the underwriter, and the closing date. There being no further discussion, the following resolution was adopted by unanimous vote:

WHEREAS, pursuant to the New York Public Authorities Law, the Finance Committee of the New York City Transitional Finance Authority (the "Authority") is charged with reviewing proposals for the issuance of debt by the Authority and making recommendations to the Authority's Board of Directors (the "Board"); and

WHEREAS, the Finance Committee has received and reviewed the 145th Series Resolution Authorizing the Issuance of Fiscal 2026 Series F Future Tax Secured Bonds and deems it to be reasonable and prudent; it is therefore

RESOLVED, that the Finance Committee recommends to the Board the approval of the 145th Series Resolution Authorizing the Issuance of Fiscal 2026 Series F Future Tax Secured Bonds.

Adjournment

There being no further business to come before the Committee, upon unanimous vote, the meeting was duly adjourned.

____
SECRETARY

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Finance Committee Meeting

May 7, 2026

Recommendation to the Board of Directors - Approval of 146th Series Resolution Authorizing the Issuance of Fiscal 2026 Series G, H & I Future Tax Secured Bonds

WHEREAS, pursuant to the New York Public Authorities Law, the Finance Committee of the New York City Transitional Finance Authority (the "Authority") is charged with reviewing proposals for the issuance of debt by the Authority and making recommendations to the Authority's Board of Directors (the "Board"); and

WHEREAS, the Finance Committee has received and reviewed the 146th Series Resolution Authorizing the Issuance of Fiscal 2026 Series G, H & I Future Tax Secured Bonds and deems it to be reasonable and prudent; it is therefore

RESOLVED, that the Finance Committee recommends to the Board the approval of the 146th Series Resolution Authorizing the Issuance of Fiscal 2026 Series G, H & I Future Tax Secured Bonds.

New York City Transitional Finance Authority

Board of Directors Meeting
Summary of Proposed Actions
May 7, 2026

Approval of 146th Series Resolution Authorizing the Issuance of Fiscal 2025 Series G, H & I Future Tax Secured Subordinate Bonds

The 146th Series Resolution authorizes the issuance of up to $3.0 billion of new money and refunding Future Tax Secured bonds, which includes a cushion to accommodate fluctuating market conditions. The Authority expects to issue $900 million of new money bonds and $1.5 billion of refunding bonds, all of which shall be tax exempt. Ramirez will serve as lead underwriter.

Appointment of Deputy Executive Director

The proposed resolution appoints Sanna Wong-Chen as Deputy Executive Director to the Authority.

Approval of Budget

Pursuant to Section 2801(2) of the Public Authorities Law of the State of New York, the Authority is required to submit to the Mayor, Comptroller, Speaker of the City Council, and the Authorities Budget Office, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year.

The proposed resolution would approve the budget report, which will fulfill the requirements above. Please refer to the budget provided herewith.

Review Mission Statement and Performance Measures, and Measurement Report

Pursuant Section 2800 of the Public Authorities Law, the Authority previously adopted a Mission Statement on October 4, 2007, which was subsequently amended. The Authority is required to annually review the Mission Statement and Performance Measures, and to complete the Measurement Report based on the Performance Measures. No changes are proposed. Please refer to the Mission Statement and Performance Measures, and the completed Measurement Report.

Presentation by Audit Committee Chair

The Audit Committee Chair will present the results of the Audit Committee's self-evaluation and provide a report of their actions in the previous calendar year.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Board of Directors Meeting

May 7, 2026

Agenda

1. Resolution: Approval of Minutes of Meeting of December 8, 2025

2. Resolution: Approval of 146th Series Resolution Authorizing the Issuance of Fiscal 2026 Series G, H & I Future Tax Secured Bonds

3. Resolution: Appointment of Deputy Executive Director

4. Resolution: Approval of Budget

5. Resolution: Approval of Mission Statement and Performance Measures and Authorization to Publish Measurement Report

6. Presentation by Audit Committee Chair regarding Audit Committee's Report and Self-Evaluation

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Board of Directors Meeting

May 7, 2026

Approval of Minutes

WHEREAS, the Board of Directors of the New York City Transitional Finance Authority has reviewed the minutes of its meeting held on December 8, 2025; it is therefore

RESOLVED, that the minutes of the meeting of December 8, 2025 be, and they hereby are, approved.

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

December 8, 2025

A meeting of the Board of Directors (the "Board") of the New York City Transitional Finance Authority (the "Authority") was held on December 8, 2025, at approximately 3:36 p.m., conducted at 255 Greenwich Street, Room 6-M4, New York, New York 10007. The following Board members attended, represented by their designees:

Jacques Jiha, Director of the Mayor's Office of Management and Budget for The City of New York (the "City"), represented by David Womack;

Preston Niblack, Commissioner of Finance of the City, represented by Dara Jaffee;

Brad Lander, Comptroller of the City, represented by Jay Olson;

Adrienne Adams, Speaker of City Council, represented by Emre Edev; and

Eduardo del Valle, Acting Commissioner of the Department of Design and Construction of the City, represented by Dekran Arakelian; constituting a quorum of the Board. Daniel Rabbani 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, who joined in-person and remotely.

The meeting was called to order by Mr. Womack, the Chairperson of the Board.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the previous meeting of the Board which occurred on October 1, 2025. There being no further discussion, upon unanimous vote, 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 1, 2025; it is therefore

RESOLVED, that the minutes of the meeting of October 1, 2025 be, and they hereby are, approved.

Approval of the 144th Series Resolution Authorizing the Issuance of Fiscal 2026 Series C, D, and E Future Tax Secured Bonds

The second item on the agenda was the approval of the One Hundred and Forty-Fourth Series Resolution Authorizing Up to $2,500,000,000 Fiscal 2026 Series C, D, and E Future Tax Secured Bonds (the "144th Series Resolution")[1]. Mr. Womack explained that the 144th Series Resolution would approve the issuance of up to $2.5 billion of the Authority's Fiscal 2026 Series C, D, and E Future Tax Secured Bonds. He further noted that this action had been recommended by the Finance Committee. There being no discussion, following a unanimous vote, the 144th Series Resolution was adopted.

Approval of the 145th Series Resolution Authorizing the Issuance of Fiscal 2026 Series F Future Tax Secured Bonds

The third and final item on the agenda was the approval of the One Hundred and Forty-Fifth Series Resolution Authorizing Up to $2,450,000,000 Fiscal 2026 Series F Future Secured Bonds (the "145th Series Resolution")[2]. Mr. Womack explained that the 145th Series Resolution would approve the issuance of up to $2.45 billion of the Authority's Fiscal 2026 Series F Future Tax Secured Bonds. He further noted that this action had been recommended by the Finance Committee. There being no discussion, following a unanimous vote, the 145th Series Resolution was adopted.

[1] Filed with the meeting minutes.
[2] Filed with the meeting minutes.

Adjournment

There being no further business to come before the Board, upon unanimous vote, the meeting was duly adjourned.

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SECRETARY

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Board of Directors Meeting

May 7, 2026

Appointment of Deputy Executive Director

WHEREAS, the Board of the New York City Transitional Finance Authority (the "Authority") is duly authorized pursuant to Section 2799-ee of the New York City Transitional Finance Authority Act to appoint such officers and employees as it may require for the performance of its duties; and

WHEREAS, the Board believes that Sanna Wong-Chen, whose biography is attached heretofore, is highly qualified to assume the duties of Deputy Executive Director; it is therefore

RESOLVED, that Sanna Wong-Chen is hereby appointed Deputy Executive Director of the Authority.

Sanna Wong-Chen Biography

Sanna Wong-Chen currently serves as Associate Director of Financing Policy and Coordination for the New York City Office of Management and Budget ("OMB"). Prior to joining OMB in September 2016, Ms. Wong-Chen most recently served as Director of Finance at the Long Island Power Authority and prior to that as a Senior Vice President at Siebert Brandford Shank & Co., L.L.C., a public finance investment bank. Ms. Wong-Chen previously worked at OMB for approximately six years, ending in 2008, where she served in several capacities. Ms. Wong-Chen received her Bachelor of Science Degree from Cornell University in 2000.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Board of Directors Meeting

May 7, 2026

Approval of Authority Budget

WHEREAS, the New York City Transitional Finance Authority (the "Authority"), pursuant to Section 2801(2) of the Public Authorities Law (the "PAL"), is required to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year;

WHEREAS, the Authority is also required, pursuant to the PAL, Section 2800(2)(a)(14) to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office together with other reports, at a minimum a four-year financial plan, including (i) a current and projected capital budget, and (ii) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance; and

WHEREAS, the Board of Directors of the Authority has reviewed the budget information and financial plan attached hereto and found it to be satisfactory; it is therefore

RESOLVED, that the Board of Directors of the Authority approves the budget information and financial plan as attached hereto, except that the Authority's Comptroller may make non-material changes to the budget and financial plan as deemed necessary.

New York City Transitional Finance Authority

Fiscal Year 2027 Budget and Five-Year Plan (Cash Basis)
July 01, 2025 - June 30, 2026

($ in thousands)	Actual Unaudited	Adopted	Modified [1]	Proposed			
	FY 2025	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Receipts:							
Operating Receipts:							
Personal Income Tax Retained	$ 774,646	$ 1,676,236	$ 1,472,754	$ 4,377,109	$ 4,925,028	$ 5,360,084	$ 5,889,666
Building Aid Retained	1,144,808	1,159,973	1,195,279	1,195,279	1,249,437	1,318,216	1,389,677
Municipal Grants	2,343,987	-	74,257	-	-	-	-
Federal Subsidy - BABs/QSCB[4]	125,995	63,226	56,192	60,549	42,233	38,578	38,377
Investment Earnings	132,264	-	92,656	-	-	-	-
Sub-total	**4,521,883**	**2,899,435**	**2,891,138**	**5,632,937**	**6,216,698**	**6,716,878**	**7,317,720**
Bond Proceeds:							
FTS (New money & Refunding)	13,859,317	6,260,000	8,886,470	5,850,000	7,720,000	7,770,000	7,570,000
BARBs (New money & Refunding)[5]	-	-	1,498,639	-	-	-	-
Sub-total	**13,859,317**	**6,260,000**	**10,385,109**	**5,850,000**	**7,720,000**	**7,770,000**	**7,570,000**
Total Receipts [2]	**18,381,200**	**9,159,435**	**13,276,247**	**11,482,937**	**13,936,698**	**14,486,878**	**14,887,720**
Disbursements:							
Bond Proceeds - Capital outlay - FTS	7,811,457	6,256,500	5,774,826	5,846,500	7,716,500	7,766,500	7,566,500
Bond Proceeds - Capital outlay - BARBs	-	-	-	-	-	-	-
Refunding (FTS & BARBs)	5,665,780	-	3,212,279	-	-	-	-
Cost of Issuance (FTS& BARBs)	6,794	3,500	4,769	3,500	3,500	3,500	3,500
Sub-total	**13,484,031**	**6,260,000**	**8,991,874**	**5,850,000**	**7,720,000**	**7,770,000**	**7,570,000**
Principal payments - FTS	1,634,545	1,817,965	1,788,125	2,000,905	2,207,279	2,459,627	2,590,156
Principal payments - BARBs	215,980	223,785	223,785	263,850	316,020	318,280	334,095
Interest payments - FTS	2,235,415	2,559,373	2,541,173	2,955,634	3,252,233	3,608,205	3,951,597
Interest payments - BARBs	357,381	348,529	333,988	330,364	315,048	300,424	284,575
Sub-total	**4,443,321**	**4,949,652**	**4,887,071**	**5,550,753**	**6,090,580**	**6,686,536**	**7,160,423**
BAB's & QSCB's Federal Subsidy to City	118,058	63,226	64,090	60,549	42,233	38,578	38,377
Administrative (FTS & BARBs)	19,110	20,953	22,625	23,340	23,890	24,441	24,992
Total Disbursements [2]	**18,064,520**	**11,293,831**	**13,965,660**	**11,484,642**	**13,876,703**	**14,519,554**	**14,793,792**
Excess (Deficiency) of Receipts over Disbursements:	**$ 316,680**	**$ (2,134,396)**	**$ (689,413)**	**$ (1,705)**	**$ 59,995**	**$ (32,677)**	**$ 93,928**
Cash and Investment Holdings: [3]							
Beginning Balance	$ 4,093,245		$ 4,409,925	$ 3,720,512	$ 3,718,807	$ 3,778,802	$ 3,746,125
Ending Balance	$ 4,409,925		$ 3,720,512	$ 3,718,807	$ 3,778,802	$ 3,746,125	$ 3,840,053

[1] Modified FY 2026 budget includes actual amounts from July 1, 2025 through February 28, 2026, and projected March 2026 through June 2026.
[2] Disbursements in a fiscal year may be paid with receipts from a prior year.
[3] Cash Equivalent and Investments are included at cost.
[4] Receipts in FY 2025 included an overpayment of $7 million that was subsequently refunded to the IRS in FY2026.
[5] The amount in FY 2026 represents a BARBS refunding tranasction, no new money was issued.

New York City Transitional Finance Authority

Fiscal Year 2027 Administrative Budget (Cash Basis)

Description	Adopted FY 2025	Actual Disbursements FY 2025	Favorable vs (Unfavorable) %	Adopted FY 2026	Actual Disbursements 7/1/25 - 2/28/26	Projected Disbursements 3/1/26 - 6/30/26	Proposed Modified FY 2026	Proposed FY 2027
Management Fees ("Salaries & Benefits")	$ 2,123,000	$ 2,034,260	4.18	$ 2,228,000	$ -	$ 2,116,053	$ 2,116,053	$ 2,228,000
Overhead ("Rent, Telephone etc')	588,000	440,973	25.00	617,000	-	592,781	592,781	617,000
Audit Fees	32,000	30,000	6.25	33,000	34,500	-	34,500	35,235
Consulting Fees	20,000	-	0.00	20,000	-	-	-	-
Advisor-Swap & Financial	150,000	144,980	3.35	150,000	106,988	43,013	150,000	150,000
Legal Fees	42,500	(27,500)	164.71	100,000	17,500	40,000	57,500	100,000
Remarketing Fees	2,103,254	2,134,750	-1.50	2,250,000	1,949,749	650,000	2,599,749	2,649,749
Liquidity Fees	14,629,049	14,000,022	4.30	15,000,000	12,354,555	4,150,000	16,504,555	17,004,555
Arbitrage Rebate Services	150,000	77,000	48.67	150,000	54,000	96,000	150,000	150,000
Custody Fees	12,260	10,932	10.83	25,000	3,679	-	3,679	-
Trustee Fees	275,000	183,090	33.42	275,000	140,550	134,450	275,000	275,000
Rating Fees	75,000	73,700	1.73	75,000	81,200	30,000	111,200	100,000
Other Administrative	30,000	7,675	74.42	30,000	5,910	24,090	30,000	30,000
Total	**$ 20,230,064**	**$ 19,109,883**	**5.54%**	**$ 20,953,000**	**$ 14,748,630**	**$ 7,876,386**	**$ 22,625,017**	**$ 23,339,539**

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Board of Directors Meeting

May 7, 2026

Approval of Mission Statement and Performance Measures and Completed Measurement Report

WHEREAS, pursuant to Section 2800 of the Public Authorities Law (the "PAL"), the Board of Directors (the "Board") of the New York City Transitional Finance Authority (the "Authority") previously adopted a Mission Statement on September 20, 2007 and such Mission Statement was subsequently amended;

WHEREAS, the Authority is required to annually review the Mission Statement and Performance Measures by which the Authority can evaluate how well it is carrying out its mission, and to publish a Measurement Report based on those Performance Measures; and

WHEREAS, each Board member has read and reviewed the Mission Statement and Performance Measures, as well as the Measurement Report, understands the mission of the Authority and the responses to the questions in the Measurement Report, and finds them to be reasonable and accurate; it is therefore

RESOLVED, that Board accepts the Authority's Mission Statement and Performance Measures, as attached hereto, and authorizes the completed Measurement Report to be published on the Authority's website and submitted to the Authorities Budget Office.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Board of Directors Meeting

May 7, 2026

Approval of Mission Statement and Performance Measures and Completed Measurement Report

WHEREAS, pursuant to Section 2800 of the Public Authorities Law (the "PAL"), the Board of Directors (the "Board") of the New York City Transitional Finance Authority (the "Authority") previously adopted a Mission Statement on September 20, 2007 and such Mission Statement was subsequently amended;

WHEREAS, the Authority is required to annually review the Mission Statement and Performance Measures by which the Authority can evaluate how well it is carrying out its mission, and to publish a Measurement Report based on those Performance Measures; and

WHEREAS, each Board member has read and reviewed the Mission Statement and Performance Measures, as well as the Measurement Report, understands the mission of the Corporation and the responses to the questions in the Measurement Report, and finds them to be reasonable and accurate; it is therefore

RESOLVED, that Board accepts the Authority's Mission Statement and Performance Measures, as attached hereto, and authorizes the completed Measurement Report to be published on the Corporation's website and submitted to the Authorities Budget Office.

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Mission Statement and Performance Measures

The New York City Transitional Finance Authority (the "Authority") is a public benefit corporation created in 1997 pursuant to the New York City Transitional Finance Authority Act. The Authority's purpose is to fund a portion of the capital program of the City of New York (the "City"), including a portion of the City's five-year educational facilities capital plan, to facilitate the finance program of the City, and to conduct its activities in an efficient and cost-effective manner. The Authority's stakeholders are its bondholders, who have purchased the Authority's bonds and notes in reliance on the strong credit of the Authority, and the City, which depends on the Authority's access to the capital markets to reimburse the City for its general fund expenditures for capital projects.

Date Adopted: September 20, 2007 and amended on March 2, 2011, April 9, 2013, April 7, 2014, April 27, 2017 April 30, 2019 and April 19, 2024

List of Performance Goals:

- Issue debt to support capital needs of the City and meet capital reimbursement requirements of the City
- Make timely payments of debt service and meet other contractual obligations
- Utilize efficient and cost-effective borrowing methods, including lowering the cost of debt through refunding and other means
- Meet continuing disclosure obligations
- Maintain communications with investors and rating agencies

Measurements:

- Has the Authority issued sufficient debt, when viewed in connection with City debt issuance, to support the capital needs of the City and has the Authority reimbursed the City for capital costs incurred?
- Has the Authority paid debt service and fulfilled its other obligations related to its outstanding debt in a timely manner?
- Has the Authority issued debt at fair and reasonable rates relative to market conditions at the time of issuance?
- Has the Authority complied with its continuing disclosure undertakings?
- Has the Authority provided timely and detailed information to assist investors and rating agencies in understanding the Authority and its credit structure?

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the Authority?

2. Who has the power to appoint the management of the Authority?

3. If the Board appoints management, do you have a policy you follow when appointing the management of the Authority?

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Measurement Report
May 7, 2026

Performance Measurements:

- Has the Authority issued sufficient debt, when viewed in connection with City debt issuance, to support the capital needs of the City and has the Authority reimbursed the City for capital costs incurred?

  Yes.

- Has the Authority paid debt service and fulfilled its other obligations related to its outstanding debt in a timely manner?

  Yes.

- Has the Authority issued debt at fair and reasonable rates relative to market conditions at the time of issuance?

  Yes.

- Has the Authority complied with its continuing disclosure undertakings?

  Yes.

- Has the Authority provided timely and detailed information to assist investors and rating agencies in understanding the Authority and its credit structure?

  Yes.

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the Authority?

   Yes.

2. Who has the power to appoint the management of the Authority?

   The Board of Directors of the Authority appoints the Officers of the Authority.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the Authority?

   It is the practice of the Authority that management presents proposed appointments to the Board of Directors for review and approval.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

   Management handles the day-to-day operation of the Authority and presents recommendations with respect to the issuance of debt, the setting of management policies, procurements of services, financial statements and the adoption of the Authority's budget to the Board of Directors. The Board of Directors reviews and approves these items.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

   Yes.

ONE HUNDRED AND FORTY-SIXTH SERIES RESOLUTION
AUTHORIZING UP TO
$3,000,000,000 FUTURE TAX SECURED BONDS

of the

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

Dated May 7, 2026

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BE IT RESOLVED by the Directors of the New York City Transitional Finance Authority, as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.1 Definitions. Terms used herein and not otherwise defined shall have the respective meanings given or referred to in the Amended and Restated Original Indenture, as restated January 25, 2024, as amended and supplemented, between the Authority and the Trustee (the "Indenture").

The following terms shall have the following meanings in this One Hundred and Forty-Sixth Series Resolution ("146th Series Resolution" or this "Series Resolution") unless the context otherwise requires:

"Authorized Officers" means the Chairperson and other Authorized Officers of the Authority, and each of them.

"Multi-Modal Bonds" means the bonds so described in Schedule I to Exhibit C attached hereto, as in effect from time to time.

"New Bond Instruments" means the Preliminary Offering Circular dated on or about May 18, 2026, and such offering circulars, underwriting agreements, notices of sale, placement agreements, continuing covenant agreements, standby agreements, and other documents, agreements, renewals and replacements thereof as may be necessary or desirable to effectuate Article II hereof from time to time.

"New Bonds" means the Authority's Future Tax Secured Bonds hereby authorized to be issued.

"145th Series Resolution" means the Authority's One Hundred and Forty-Fifth Series Resolution Authorizing up to $2,450,000,000 Future Tax Secured Bonds dated December 8, 2025.

Section 1.2 Authority for this Series Resolution. This Series Resolution is adopted pursuant to the Act and to the Original Indenture, particularly Section 1101(a)(1) thereof.

ARTICLE II

THE NEW BONDS

Section 2.1 Bond Terms. Pursuant to the Indenture and the Act, one or more Series of Bonds are hereby authorized to be issued in the aggregate principal amount, with maturities and maturity dates, bearing interest at the rates, subject to such optional and mandatory redemption provisions and containing such other terms and conditions, including priority, amortization, sinking funds, federal subsidy, federal tax status, application of proceeds for payment of Project Capital Costs or for refunding of Outstanding Bonds and the use of liquidity support or credit enhancement, as the Chairperson shall determine, provided that (a) the aggregate principal amount of the New Bonds shall not exceed $3,000,000,000, (b) the true interest cost of fixed-rate New Bonds (including Multi-Modal Bonds issued in the Fixed Rate Mode) to the Authority shall not exceed the maximums set forth below and (c) the interest rate on Multi-Modal Bonds shall never exceed 25%.

Category	Max. TIC
Subseries G-1 Tax-Exempt	4.50%
Subseries G-2 Taxable	6.00%
Series H Tax-Exempt	4.50%
Series I Tax-Exempt	6.00%

The New Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title "Future Tax Secured Subordinate Bonds, Fiscal 2026 Series G, Subseries G-__", "Future Tax Secured Subordinate Bonds, Fiscal 2026 Series H", and "Future Tax Secured Subordinate Bonds, Fiscal 2026 Series I", or such other title as the Chairperson may determine. The determinations of the Chairperson shall be set forth in the completed Exhibits hereto and conclusively evidenced by an Officer's Certificate and by execution and delivery of each Series of New Bonds.

Section 2.2 Application of Proceeds. Upon receipt of the proceeds of the New Bonds, the Authority and the City shall apply such proceeds to refund Bonds identified by the Chairperson or to pay Project Capital Costs and Costs of Issuance in accordance with the Act, the Agreement, the Indenture and the federal tax status of each Series or Subseries or other portion of the New Bonds.

Section 2.3 Statutory Determinations and Recommendations. The Mayor has determined that a Capital Financing Need exists, pursuant to the Act the Mayor has requested that the Authority provide financing therefor, and the Authority hereby approves that such need exists. The Authority has determined that issuance of the New Bonds is appropriate and the Mayor and Comptroller have recommended (a) the arrangements herein authorized for the issuance and sale of the New Bonds and (b) the prices, interest rates, maturities and other terms and conditions herein provided for the issuance of the New Bonds.

Section 2.4 No Provision for Capitalized or Accrued Interest. Pursuant to Section 502(a) of the Original Indenture, no provision for capitalized or accrued interest on the New Bonds shall be made in the Accounts.

Section 2.5 New Bond Instruments; Findings. The Authorized Officers are hereby authorized to execute and deliver, and to authorize the distribution of, the New Bond Instruments with such changes therein as such person may approve, such approval to be conclusively evidenced by the distribution or execution and delivery thereof. Unless otherwise determined by the Chairperson, the New Bonds shall be Multi-Modal Bonds. Multi-Modal Bonds shall be subject to Exhibit C to the 145th Series Resolution, as modified and completed by the Authorized Officers, upon the sale of the New Bonds and attached hereto thereafter. In conformance with paragraphs (a) and (c) of Section 54.90 and paragraphs (c) through (g) of Section 168.00 of the LFL, each to the extent applicable, the Directors deem the terms of the Multi-Modal Bonds, the New Bond Instruments and other agreements and instruments related thereto to be reasonable and appropriate agreements with financially responsible parties to facilitate the issuance, sale, resale, repurchase and payment of the Multi-Modal Bonds as variable-rate bonds. Subject to the statutory and contractual conditions to the issuance of refunding Bonds, the Directors authorize, and the Authorized Officers shall cause to be issued, Bonds refunding the Multi-Modal Bonds to the extent required by each New Bond Instrument; and by their approval of the issuance of the New Bonds, the Mayor and Comptroller so recommend. All preparatory actions previously taken by the Authorized Officers are hereby ratified.

Section 2.6 Covenants. Unless otherwise determined by the Chairperson, the New Bonds shall include the covenants of the Authority to comply with the financial reporting requirements of, and to limit its issuance of bond anticipation notes as required by, the Act as in effect from time to time.

ARTICLE III

MISCELLANEOUS

Section 3.1 Effective Date and Transmittal; Counterparts. With respect to each Series of New Bonds, this Series Resolution shall be fully effective in accordance with its terms upon the filing with the Trustee of a copy hereof certified by an Authorized Officer of the Authority and executed by the Mayor and the Comptroller of the City. The Chairperson and the Executive Director and other officers of the Authority, each acting alone, are hereby authorized on behalf of the Authority to transmit this Series Resolution to the Mayor and the Comptroller of the City for their approval, with such changes herein as the Chairperson may approve, subject to Section 2.1 hereof, such approval to be conclusively evidenced by the Mayor's and Comptroller's execution hereof in accordance with this Series Resolution and the Authority's execution and delivery of the New Bonds. This Series Resolution may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; and such counterparts shall together constitute but one and the same instrument.

Section 3.2 Limitation of Prior Authority. No further Bonds shall be issued under the 145th Series Resolution.

Issuance of the New Bonds of Fiscal 2026 Series G, Series H and Series I is approved:

____

Deputy Director of Management and Budget

____

Deputy Comptroller for Public Finance

Approved as to Form:

____

Acting Corporation Counsel

Certified as in full force and effect on ________, 2026

____

Authorized Officer

Exhibit A
to 146th Series Resolution

Chairperson's Final Determinations With Respect to Future Tax Secured Subordinate Bonds, Fiscal 2026 Series G, Series H and Series I

$__________
Series G-1 Tax-Exempt Bonds

Due November 1,	Principal Amount	Interest Rate
	$__________	__ %

$___________
Subseries G-2 Taxable Bonds

Due November 1,	Principal Amount	Interest Rate
	$__________	_______%

$_________
Series H Tax-Exempt Bonds

Due November 1,	Principal Amount	Interest Rate
	$___________	______%

$_________
Series I Tax-Exempt Bonds

Due November 1,	Principal Amount	Interest Rate
	$__________	_______%

$________ __% Fiscal 2026 Series I Term Bonds due November 1, ___

The New Bonds shall be issued and secured as Parity Debt pursuant to Section 307 of the Original Indenture. The Bonds to be refunded are identified in Appendix D to the Offering Circular dated May ___, 2026. The Tax-Exempt Bonds to be legally defeased are as identified in Exhibit D herein.

The true interest cost to the Authority of the Subseries G-1 Tax-Exempt New Bonds is ___%, which does not exceed the 4.50% maximum permitted by this Series Resolution.

The true interest cost to the Authority of the Subseries G-2 Taxable New Bonds is ___%, which does not exceed the 6.00% maximum permitted by this Series Resolution.

The true interest cost to the Authority of the Series H Tax-Exempt New Bonds is ___%, which does not exceed the 4.50% maximum permitted by this Series Resolution.

The true interest cost to the Authority of the Series I Tax-Exempt New Bonds is ___%, which does not exceed the 6.00% maximum permitted by this Series Resolution.

Interest on the New Bonds will be paid on May 1 and November 1, commencing ______.

The New Bonds are sold pursuant to the Contract of Purchase, dated _____, 2026, between the Authority and the Underwriters named therein.

The remaining issuance authority under this Series Resolution is $____________.

For further terms, see Exhibits B and C and Schedule I to Exhibit C, attached hereto.

Exhibit B-1
to 146th Series Resolution

REGISTERED NUMBER	**REGISTERED $**

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

FUTURE TAX SECURED SUBORDINATE BONDS

FISCAL 2026 SERIES G

SUBSERIES G-1

MULTI-MODAL BOND

[ ] PER CENTUM (%) PER ANNUM

DUE: NOVEMBER 1, ____	**DATED: ______, 2026**
	CUSIP: 64972J

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ___________________________ DOLLARS ($__________)

THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY (the "Authority"), a public benefit corporation of the State of New York (the "State"), for value received promises to pay to the registered owner of this bond, on the maturity date set forth above, the principal amount set forth above and to pay interest on such principal amount at the rate of interest set forth above from ______, 2026, or from the most recent payment date to which interest has been paid, but if the date of authentication of this bond is after the fifteenth day of the calendar month immediately preceding an interest payment date, interest will be paid from such interest payment date. Interest at such rate will be paid on May 1 and November 1 of each year, beginning ___________, and upon redemption or mandatory tender at or prior to maturity, as set forth herein, by wire transfer, at the discretion of the Authority, or by check mailed to the address of the registered owner hereof as shown on the registration books of the Authority as maintained by The Bank of New York Mellon, as trustee (the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the applicable interest payment date. Interest shall be calculated on the basis of a year of 360 days and twelve 30-day months.

This bond shall not be a debt of either the State or The City of New York (the "City"), and neither the State nor the City shall be liable hereon, nor shall it be payable out of any funds other than those of the Authority.

Principal of this bond and applicable redemption premium, if any, are payable in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of public and private debts, upon presentation and surrender of this bond when due and payable at the office of the Trustee or of such other paying agent as may hereafter be designated by the Authority (in either case, the "Paying Agent").

All money paid to the Paying Agent for the payment of the principal of, redemption premium, if any, or interest on any bond that remains unclaimed at the end of two years after such principal, redemption premium, if any, or interest shall have become due and payable will be paid to the Authority, and the holder of such bond shall thereafter look only to the Authority for payment.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon has been dated and manually signed by the Trustee.

This bond is a Multi-Modal Bond, constitutes Parity Debt secured on a parity with the Authority's other Parity Debt, and is one of a Series of Bonds representing a borrowing of $_________under chapter 16, laws of New York, 1997, as amended, and pursuant to an Amended and Restated Original Indenture, as restated January 25, 2024, and as supplemented, between the Authority and the Trustee (the "Indenture"). Reference is made to the Indenture for a description of the funds pledged and for the provisions with respect to the incurring of indebtedness on a parity with the Senior Bonds and to the rights, limitations of rights, duties, obligations and immunities of the Authority, the City, the State, the Trustee and the Bondholders, including restrictions on the rights of the Bondholders to bring suit. Definitions given or referred to in the Indenture are incorporated herein by this reference. The Indenture (including the terms of this bond) may be amended to the extent and in the manner provided therein.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by the Constitution and laws of the State.

In the Act, the State has made a pledge and agreement with the Holders of the Outstanding Bonds that the State will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict the right of the State to amend, modify, repeal or otherwise alter statutes imposing or relating to the Personal Income Taxes, but such taxes payable to the Authority shall in all events continue to be so payable so long as any such taxes are imposed. Not less than 30 days prior to the beginning of each City fiscal year, the Chairperson of the Authority shall certify to the State Comptroller, the Governor, and the Directors of the Authority a schedule of maximum annual debt service on the Bonds and Notes. To the extent that the Personal Income Taxes during such fiscal year are projected by the Mayor to be insufficient to meet at least 150% of maximum annual debt service on the Bonds, the Mayor shall so notify the State Comptroller and the State Comptroller shall pay to the Authority from Sales Taxes such amount as is necessary to provide at least 150% of such maximum annual debt service. The Act does not obligate the State to make any additional payments or impose any taxes to satisfy the debt service obligations of the Authority.

Pursuant to the Act, the City has made a pledge and agreement with the Holders of the Outstanding Bonds that the City will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict any right the City may have to amend, modify or otherwise alter local laws imposing or relating to the Personal Income Taxes so long as, after giving effect to such amendment, modification or other alteration, the amount of Tax Revenues projected by the Mayor to be available to the Authority during each of its fiscal years following the effective date of such amendment, modification or other alteration shall be not less than 150% of maximum annual debt service on the Bonds.

The Authority has covenanted with the Holders of the Outstanding Bonds of this Series to comply with the financial reporting requirements of, and to limit its issuance of bond anticipation notes as required by, the Act as in effect from time to time.

The State has covenanted with the purchasers and with all subsequent Holders and transferees of the Bonds, in consideration of the acceptance of payment for the Bonds, that the Bonds and the income therefrom and all revenues, monies, and other property pledged to pay or to secure the payment of such Bonds shall at all times be free from taxation.

Neither the Directors of the Authority nor any person executing this bond shall be liable personally thereon or be subject to any personal liability or accountability solely by reason of the issuance hereof.

The bonds of this Subseries maturing [on or after November 1, ___] are subject to optional redemption or mandatory tender, in each case, at the option of the Authority prior to their stated maturity dates, in whole or in part, on any date on or after [November 1,___] upon 30 days' notice, at a price of 100% of their principal amount plus accrued interest to such redemption or tender date.

The bonds of this Subseries maturing [on or prior to November 1, ___] are subject to optional redemption or mandatory tender prior to their stated maturity dates at the option of the Authority, in whole or in part, on any date (the "Make-Whole Call Date"), at a make-whole price (the "Make-Whole Redemption Price") equal to the greater of:

(1) one hundred percent (100%) of the Amortized Value (as defined below) of the Bonds to be redeemed or tendered; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed or tendered from and including the Make-Whole Call Date to the maturity date of such Bonds, not including any portion of those payments of interest accrued and unpaid as of the Make-Whole Call Date, discounted to the Make-Whole Call Date on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at a discount rate equal to the greater of (a) the Applicable Tax-Exempt Bond Rate (as defined below) [plus/minus __] basis points[; or (b) zero basis points];

plus, in each case, accrued interest on such Bonds to the Make-Whole Call Date.

"Amortized Value" means the product of the principal amount of the Bonds to be redeemed or tendered and the price of such Bonds expressed as a percentage, calculated based on the industry standard method of calculating bond prices, with a delivery date equal to the Make-Whole Call Date, a maturity date equal to the maturity date of such Bonds and a yield equal to the yield of such Bonds as shown on the inside cover page of the Offering Circular dated _______, 2026 relating to the Bonds.

"Applicable Tax-Exempt Bond Rate" means the "Interpolated AAA Yields" rate for each maturity date for Bonds to be redeemed or tendered, as published by the Municipal Market Data ("MMD") at least five calendar days, but not more than 60 calendar days, prior to the Make-Whole Call Date of the Bonds to be redeemed or tendered, or if no such rate is established for the applicable maturity date, the "Interpolated AAA Yields" rate for the published maturities closest to the applicable maturity date.

Should the MMD no longer publish the "Interpolated AAA Yields" rate, then the Applicable Tax-Exempt Bond Rate will equal the "BVAL Muni AAA Monthly Callable Yields" rate for the maturity date (made available by Bloomberg at the close of each business day). In the further event that Bloomberg no longer publishes the "BVAL Muni AAA Monthly Callable Yields" rate, the Applicable Tax-Exempt Bond Rate will be determined by a verification agent appointed by the Authority, based upon the rate per annum equal to the semiannual equivalent yield to maturity for those tax-exempt general obligation bonds rated in the highest rating category by Moody's and S&P, with a maturity date equal to the maturity date of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the verification agent. The verification agent's determination of the Applicable Tax-Exempt Bond Rate shall be final and binding in the absence of manifest error.

The Make-Whole Redemption Price will be determined by a verification agent, investment banking firm or financial advisor (which verification agent, investment banking firm or financial advisor shall be retained by the Authority at the expense of the Authority) in order to calculate such Make-Whole Redemption Price. The Trustee and the Authority may conclusively rely on such verification agent's, investment banking firm's or financial advisor's determination of such Make-Whole Redemption Price and will bear no liability for such reliance.

The Authority may cause a mandatory tender of this bond on any date such bond is subject to optional redemption at the applicable optional redemption price by giving 10 days' (30 days' in the Fixed Rate Mode) Written Notice to the Holder, subject to the Authority's providing a source of payment therefor in accordance with the Indenture and the Act.

In the event that the bonds of this Subseries are defeased to their maturity, the Authority expects that such Bonds will remain subject to optional redemption by the Authority.

The Authority may redeem or cause the mandatory tender of subseries, amounts, maturities and interest rates of bonds that are subject to optional redemption in its sole discretion. If less than all of the Outstanding bonds of this Subseries, maturity, amount and interest rate are to be called for redemption or mandatorily tendered, such bonds shall be selected by lot or another method reasonably acceptable to the Trustee.

The bonds of this Subseries shall be redeemable upon the giving of notice, identifying such bonds or portions thereof to be redeemed, by mailing or transmitting such notice to the registered owners thereof at their respective addresses shown on the registration books maintained by the Trustee at least 30 days and not more than 60 days prior to the date set for redemption. If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof to be redeemed shall become due and payable at the redemption price on the redemption date designated in the notice of redemption, and interest thereon shall cease to accrue from and after the designated redemption date. Failure to mail or transmit any such notice to any registered owner or any defect in any notice so mailed or transmitted shall not affect the validity of the proceedings for redemption of the bonds of other registered owners. If this bond is redeemed in part, upon surrender hereof, the Authority shall cause to be delivered to the registered owner a bond in like form in the principal amount equal to that part of this bond not being redeemed.

The bonds of this Subseries are entitled to the benefit of covenants in the Indenture relating to Federal income taxation.

The bonds of this Subseries are issuable only in fully registered form in the denomination (maturity value) of $5,000 or any integral multiple thereof or as specified in the Indenture, and may not be converted into bearer bonds.

The Authority, the Trustee and each Paying Agent may treat the registered owner as the absolute owner of this bond for all purposes, notwithstanding any notice to the contrary. This bond is transferable by the registered owner hereof in accordance with the Indenture and the Act.

Upon the direction of the Authority, the Multi-Modal Bonds may be Converted pursuant to the Indenture.

Reference is made to the Indenture for the further terms of the bonds, to all of which the Holder of this bond is conclusively deemed to assent. Terms defined in the Indenture are used herein as so defined. The Indenture is available for inspection at the office of the Trustee during business hours.

The respective covenants of the Authority, the City and the State with respect hereto shall be fully discharged and of no further force and effect at such time as this bond, together with interest thereon, shall have been paid in full at maturity, or shall have otherwise been refunded, redeemed, defeased or discharged.

IN WITNESS WHEREOF, the NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY has caused this bond to be executed in its name by its Executive Director and attested by its Secretary by their facsimile signatures and its seal or a facsimile thereof to be impressed or imprinted hereon, all as of the ___day of ____, 2026.

NEW YORK CITY TRANSITIONAL
FINANCE AUTHORITY

ATTEST:

BY ________________________________
EXECUTIVE DIRECTOR

SECRETARY

CERTIFICATE OF AUTHENTICATION

This bond is one of the Fiscal 2026 Series G, Subseries G-1 Bonds described in and issued in accordance with the Indenture, including the 146th Series Resolution.

THE BANK OF NEW YORK MELLON,
as Trustee

____
Authorized Officer

Date of Authentication: ______, 2026

Exhibit B-2
to 146th Series Resolution

REGISTERED
NUMBER

REGISTERED
$

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

FUTURE TAX SECURED SUBORDINATE BONDS
FISCAL 2026 SERIES G
SUBSERIES G-2
(FEDERALLY TAXABLE)
MULTI-MODAL BOND
[ ] PER CENTUM (%) PER ANNUM

DUE: NOVEMBER 1, ____

DATED: _____, 2026

CUSIP: 64972J

ISIN: US64972J

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ___________________________ DOLLARS ($__________)

THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY (the "Authority"), a public benefit corporation of the State of New York (the "State"), for value received promises to pay to the registered owner of this bond, on the maturity date set forth above, the principal amount set forth above and to pay interest on such principal amount at the rate of interest set forth above from _______, 2026, or from the most recent payment date to which interest has been paid, but if the date of authentication of this bond is after the fifteenth day of the calendar month immediately preceding an interest payment date, interest will be paid from such interest payment date. Interest at such rate will be paid on May 1 and November 1 of each year, beginning _________, and upon redemption or mandatory tender at or prior to maturity, as set forth herein, by wire transfer, at the discretion of the Authority, or by check mailed to the address of the registered owner hereof as shown on the registration books of the Authority as maintained by The Bank of New York Mellon, as trustee (the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the applicable interest payment date. Interest shall be calculated on the basis of a year of 360 days and twelve 30-day months.

This bond shall not be a debt of either the State or The City of New York (the "City"), and neither the State nor the City shall be liable hereon, nor shall it be payable out of any funds other than those of the Authority.

Principal of this bond and applicable redemption premium, if any, are payable in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of public and private debts, upon presentation and surrender of this bond when due and payable at the office of the Trustee or of such other Paying Agent as may hereafter be designated by the Authority (in either case, the "Paying Agent").

All money paid to the Paying Agent for the payment of the principal of, redemption premium, if any, or interest on any bond that remains unclaimed at the end of two years after such principal, redemption premium, if any, or interest shall have become due and payable will be paid to the Authority, and the holder of such bond shall thereafter look only to the Authority for payment.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon has been dated and manually signed by the Trustee.

This bond is a Multi-Modal Bond, constitutes Parity Debt secured on a parity with the Authority's other Parity Debt, and is one of a Series of Bonds representing a borrowing of $_______ under chapter 16, laws of New York, 1997, as amended, and pursuant to an Amended and Restated Original Indenture, as restated January 25, 2024, and as supplemented, between the Authority and the Trustee (the "Indenture"). Reference is made to the Indenture for a description of the funds pledged and for the provisions with respect to the incurring of indebtedness on a parity with the Senior Bonds and to the rights, limitations of rights, duties, obligations and immunities of the Authority, the City, the State, the Trustee and the Bondholders, including restrictions on the rights of the Bondholders to bring suit. Definitions given or referred to in the Indenture are incorporated herein by this reference. The Indenture (including the terms of this bond) may be amended to the extent and in the manner provided therein.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by the Constitution and laws of the State.

In the Act, the State has made a pledge and agreement with the Holders of the Outstanding Bonds that the State will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict the right of the State to amend, modify, repeal or otherwise alter statutes imposing or relating to the Personal Income Taxes, but such taxes payable to the Authority shall in all events continue to be so payable so long as any such taxes are imposed. Not less than 30 days prior to the beginning of each City fiscal year, the Chairperson of the Authority shall certify to the State Comptroller, the Governor, and the Directors of the Authority a schedule of maximum annual debt service on the Bonds and Notes. To the extent that the Personal Income Taxes during such fiscal year are projected by the Mayor to be insufficient to meet at least 150% of maximum annual debt service on the Bonds, the Mayor shall so notify the State Comptroller and the State Comptroller shall pay to the Authority from Sales Taxes such amount as is necessary to provide at least 150% of such maximum annual debt service. The Act does not obligate the State to make any additional payments or impose any taxes to satisfy the debt service obligations of the Authority.

Pursuant to the Act, the City has made a pledge and agreement with the Holders of the Outstanding Bonds that the City will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict any right the City may have to amend, modify or otherwise alter local laws imposing or relating to the Personal Income Taxes so long as, after giving effect to such amendment, modification or other alteration, the amount of Tax Revenues projected by the Mayor to be available to the Authority during each of its fiscal years following the effective date of such amendment, modification or other alteration shall be not less than 150% of maximum annual debt service on the Bonds.

The Authority has covenanted with the Holders of the Outstanding Bonds of this Series to comply with the financial reporting requirements of, and to limit its issuance of bond anticipation notes as required by, the Act as in effect from time to time.

The State has covenanted with the purchasers and with all subsequent Holders and transferees of the Bonds, in consideration of the acceptance of payment for the Bonds, that the Bonds and the income therefrom and all revenues, monies, and other property pledged to pay or to secure the payment of such Bonds shall at all times be free from taxation.

Neither the Directors of the Authority nor any person executing this bond shall be liable personally thereon or be subject to any personal liability or accountability solely by reason of the issuance hereof.

The bonds of this Subseries maturing [on or after November 1, ___] are subject to optional redemption or mandatory tender, in each case, at the option of the Authority prior to their stated maturity dates, in whole or in part, on any date on or after [November 1,___] upon 30 days' notice, at a price of 100% of their principal amount plus accrued interest to such redemption or tender date.

The Bonds of this Subseries are subject to optional redemption or mandatory tender prior to their stated maturity dates at the option of the Authority, in whole or in part on any date, at a make-whole price equal to the greater of:

(1) the issue price of the Bonds to be redeemed or tendered (but not less than par); and

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Bonds to be redeemed or tendered, not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed or tendered, discounted to the date on which such Bonds are to be redeemed or tendered on a semi-annual basis, assuming a 360-day year of twelve 30-day months, at the Treasury Rate (as defined below) [plus/minus __] basis points[; or (b) zero basis points];

plus, in each case, accrued interest on such Bonds to be redeemed or tendered to the redemption or tender date.

"Treasury Rate" means, with respect to any redemption or tender date for a particular Bond of this Subseries, the yield to maturity as of such redemption or tender date of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days, but not more than 60 calendar days, prior to the redemption or tender date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption or tender date to the maturity date of such Bond to be redeemed or tendered.

If the Bonds of this Subseries are subject to multiple optional redemption provisions resulting in different redemption prices, the Bonds of this Subseries will be redeemed at the lowest applicable redemption price.

The Authority may cause a mandatory tender of this bond on any date at the applicable optional redemption price by giving 10 days' (30 days' in the Fixed Rate Mode) Written Notice to the Holder, subject to the Authority's providing a source of payment therefor in accordance with the Indenture and the Act.

The Authority may redeem or cause the mandatory tender of amounts, maturities and interest rates of Bonds that are subject to optional redemption in its sole discretion. If less than all of the Bonds of a maturity are called for prior redemption, the particular Bonds or portions thereof to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

The Bonds of this Subseries shall be redeemable upon the giving of notice, identifying such Bonds or portions thereof to be redeemed, by mailing or transmitting such notice to the registered owners thereof at their respective addresses shown on the registration books maintained by the Trustee at least 30 days and not more than 60 days prior to the date set for redemption. If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof to be redeemed shall become due and payable at the redemption price on the redemption date designated in the notice of redemption, and interest thereon shall cease to accrue from and after the designated redemption date. Failure to mail or transmit any such notice to any registered owner or any defect in any notice so mailed or transmitted shall not affect the validity of the proceedings for redemption of the Bonds of other registered owners. If this bond is redeemed in part, upon surrender hereof, the Authority shall cause to be delivered to the registered owner a bond in like form in the principal amount equal to that part of this bond not being redeemed.

In the event that the Bonds of this Subseries are defeased to their maturity in the future, the Authority expects that such Bonds will remain subject to optional redemption by the Authority.

The Bonds of this Subseries are issuable only in fully registered form in the denomination (maturity value) of $5,000 or any integral multiple thereof or as specified in the Indenture, and may not be converted into bearer bonds.

The Authority, the Trustee and each Paying Agent may treat the registered owner as the absolute owner of this bond for all purposes, notwithstanding any notice to the contrary. This bond is transferable by the registered owner hereof in accordance with the Indenture and the Act.

Upon the direction of the Authority, the Multi-Modal Bonds may be Converted pursuant to the Indenture.

Reference is made to the Indenture for the further terms of the Bonds, to all of which the Holder of this bond is conclusively deemed to assent. Terms defined in the Indenture are used herein as so defined. The Indenture is available for inspection at the office of the Trustee during business hours.

The respective covenants of the Authority, the City and the State with respect hereto shall be fully discharged and of no further force and effect at such time as this bond, together with interest thereon, shall have been paid in full at maturity, or shall have otherwise been refunded, redeemed, defeased or discharged.

IN WITNESS WHEREOF, the NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY has caused this bond to be executed in its name by its Executive Director and attested by its Secretary by their facsimile signatures and its seal or a facsimile thereof to be impressed or imprinted hereon, all as of the ____ day of ____, 2026.

NEW YORK CITY TRANSITIONAL
FINANCE AUTHORITY

ATTEST:

BY ________________________________
EXECUTIVE DIRECTOR

SECRETARY

CERTIFICATE OF AUTHENTICATION

This bond is one of the Fiscal 2026 Series G, Subseries G-2 Bonds described in and issued in accordance with the Indenture, including the 146th Series Resolution.

THE BANK OF NEW YORK MELLON,
as Trustee

____
Authorized Officer

Date of Authentication: _______, 2026

REGISTERED NUMBER	**REGISTERED $**

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

FUTURE TAX SECURED SUBORDINATE BONDS

FISCAL 2026 SERIES H

MULTI-MODAL BOND

[ ] PER CENTUM (%) PER ANNUM

DUE: NOVEMBER 1, ____	**DATED: _______, 2026**
	CUSIP: 64972J

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: **___________________________ DOLLARS ($___________)**

THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY (the "Authority"), a public benefit corporation of the State of New York (the "State"), for value received promises to pay to the registered owner of this bond, on the maturity date set forth above, the principal amount set forth above and to pay interest on such principal amount at the rate of interest set forth above from ______, 2026, or from the most recent payment date to which interest has been paid, but if the date of authentication of this bond is after the fifteenth day of the calendar month immediately preceding an interest payment date, interest will be paid from such interest payment date. Interest at such rate will be paid on May 1 and November 1 of each year, beginning _______, and upon redemption or mandatory tender at or prior to maturity, as set forth herein, by wire transfer, at the discretion of the Authority, or by check mailed to the address of the registered owner hereof as shown on the registration books of the Authority as maintained by The Bank of New York Mellon, as trustee (the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the applicable interest payment date. Interest shall be calculated on the basis of a year of 360 days and twelve 30-day months.

This bond shall not be a debt of either the State or The City of New York (the “City”), and neither the State nor the City shall be liable hereon, nor shall it be payable out of any funds other than those of the Authority.

Principal of this bond and applicable redemption premium, if any, are payable in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of public and private debts, upon presentation and surrender of this bond when due and payable at the office of the Trustee or of such other paying agent as may hereafter be designated by the Authority (in either case, the “Paying Agent”).

All money paid to the Paying Agent for the payment of the principal of, redemption premium, if any, or interest on any bond that remains unclaimed at the end of two years after such principal, redemption premium, if any, or interest shall have become due and payable will be paid to the Authority, and the holder of such bond shall thereafter look only to the Authority for payment.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon has been dated and manually signed by the Trustee.

This bond is a Multi-Modal Bond, constitutes Parity Debt secured on a parity with the Authority’s other Parity Debt, and is one of a Series of Bonds representing a borrowing of $________ under chapter 16, laws of New York, 1997, as amended, and pursuant to an Amended and Restated Original Indenture, as restated January 25, 2024, and as supplemented, between the Authority and the Trustee (the “Indenture”). Reference is made to the Indenture for a description of the funds pledged and for the provisions with respect to the incurring of indebtedness on a parity with the Senior Bonds and to the rights, limitations of rights, duties, obligations and immunities of the Authority, the City, the State, the Trustee and the Bondholders, including restrictions on the rights of the Bondholders to bring suit. Definitions given or referred to in the Indenture are incorporated herein by this reference. The Indenture (including the terms of this bond) may be amended to the extent and in the manner provided therein.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by the Constitution and laws of the State.

In the Act, the State has made a pledge and agreement with the Holders of the Outstanding Bonds that the State will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict the right of the State to amend, modify, repeal or otherwise alter statutes imposing or relating to the Personal Income Taxes, but such taxes payable to the Authority shall in all events continue to be so payable so long as any such taxes are imposed. Not less than 30 days prior to the beginning of each City fiscal year, the Chairperson of the Authority shall certify to the State Comptroller, the Governor, and the Directors of the

Authority a schedule of maximum annual debt service on the Bonds and Notes. To the extent that the Personal Income Taxes during such fiscal year are projected by the Mayor to be insufficient to meet at least 150% of maximum annual debt service on the Bonds, the Mayor shall so notify the State Comptroller and the State Comptroller shall pay to the Authority from Sales Taxes such amount as is necessary to provide at least 150% of such maximum annual debt service. The Act does not obligate the State to make any additional payments or impose any taxes to satisfy the debt service obligations of the Authority.

Pursuant to the Act, the City has made a pledge and agreement with the Holders of the Outstanding Bonds that the City will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict any right the City may have to amend, modify or otherwise alter local laws imposing or relating to the Personal Income Taxes so long as, after giving effect to such amendment, modification or other alteration, the amount of Tax Revenues projected by the Mayor to be available to the Authority during each of its fiscal years following the effective date of such amendment, modification or other alteration shall be not less than 150% of maximum annual debt service on the Bonds.

The Authority has covenanted with the Holders of the Outstanding Bonds of this Series to comply with the financial reporting requirements of, and to limit its issuance of bond anticipation notes as required by, the Act as in effect from time to time.

The State has covenanted with the purchasers and with all subsequent Holders and transferees of the Bonds, in consideration of the acceptance of payment for the Bonds, that the Bonds and the income therefrom and all revenues, monies, and other property pledged to pay or to secure the payment of such Bonds shall at all times be free from taxation.

Neither the Directors of the Authority nor any person executing this bond shall be liable personally thereon or be subject to any personal liability or accountability solely by reason of the issuance hereof.

The bonds of this Series maturing [on or after November 1, ___] are subject to optional redemption or mandatory tender, in each case, at the option of the Authority prior to their stated maturity dates, in whole or in part, on any date on or after [November 1,___] upon 30 days' notice, at a price of 100% of their principal amount plus accrued interest to such redemption or tender date.

The bonds of this Series maturing [on or prior to November 1, ___] are subject to optional redemption or mandatory tender prior to their stated maturity dates at the option of the Authority, in whole or in part, on any date (the "Make-Whole Call Date"), at a make-whole price (the "Make-Whole Redemption Price") equal to the greater of:

(1) one hundred percent (100%) of the Amortized Value (as defined below) of the Bonds to be redeemed or tendered; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed or tendered from and including the Make-Whole Call Date to the maturity date of such Bonds, not including any portion of those payments of interest accrued and unpaid as of the Make-Whole Call Date, discounted to the Make-Whole Call Date on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at a discount rate equal to the greater of (a) the Applicable Tax-Exempt Bond Rate (as defined below) [plus/minus __ basis points[; or (b) zero basis points];

plus, in each case, accrued interest on such Bonds to the Make-Whole Call Date.

"Amortized Value" means the product of the principal amount of the Bonds to be redeemed or tendered and the price of such Bonds expressed as a percentage, calculated based on the industry standard method of calculating bond prices, with a delivery date equal to the Make-Whole Call Date, a maturity date equal to the maturity date of such Bonds and a yield equal to the yield of such Bonds as shown on the inside cover page of the Offering Circular dated ______ 2026 relating to the Bonds.

"Applicable Tax-Exempt Bond Rate" means the "Interpolated AAA Yields" rate for each maturity date for Bonds to be redeemed or tendered, as published by the Municipal Market Data ("MMD") at least five calendar days, but not more than 60 calendar days, prior to the Make-Whole Call Date of the Bonds to be redeemed or tendered, or if no such rate is established for the applicable maturity date, the "Interpolated AAA Yields" rate for the published maturities closest to the applicable maturity date.

Should the MMD no longer publish the "Interpolated AAA Yields" rate, then the Applicable Tax-Exempt Bond Rate will equal the "BVAL Muni AAA Monthly Callable Yields" rate for the maturity date (made available by Bloomberg at the close of each business day). In the further event that Bloomberg no longer publishes the "BVAL Muni AAA Monthly Callable Yields" rate, the Applicable Tax-Exempt Bond Rate will be determined by a verification agent appointed by the Authority, based upon the rate per annum equal to the semiannual equivalent yield to maturity for those tax-exempt general obligation bonds rated in the highest rating category by Moody's and S&P, with a maturity date equal to the maturity date of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the verification agent. The verification agent's determination of the Applicable Tax-Exempt Bond Rate shall be final and binding in the absence of manifest error.

The Make-Whole Redemption Price will be determined by a verification agent, investment banking firm or financial advisor (which verification agent, investment banking firm or financial advisor shall be retained by the Authority at the expense of the Authority) in order to calculate such Make-Whole Redemption Price. The Trustee and the Authority may conclusively rely on such verification agent's, investment banking firm's or financial advisor's determination of such Make-Whole Redemption Price and will bear no liability for such reliance.

The Authority may cause a mandatory tender of this bond on any date such bond is subject to optional redemption at the applicable optional redemption price by giving 10 days' (30 days' in the Fixed Rate Mode) Written Notice to the Holder, subject to the Authority's providing a source of payment therefor in accordance with the Indenture and the Act.

In the event that the bonds of this Series are defeased to their maturity, the Authority expects that such Bonds will remain subject to optional redemption by the Authority.

The Authority may redeem or cause the mandatory tender of amounts, maturities and interest rates of bonds that are subject to optional redemption in its sole discretion. If less than all of the Outstanding bonds of this Series, maturity, amount and interest rate are to be called for redemption or mandatorily tendered, such bonds shall be selected by lot or another method reasonably acceptable to the Trustee.

The bonds of this Series shall be redeemable upon the giving of notice, identifying such bonds or portions thereof to be redeemed, by mailing or transmitting such notice to the registered owners thereof at their respective addresses shown on the registration books maintained by the Trustee at least 30 days and not more than 60 days prior to the date set for redemption. If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof to be redeemed shall become due and payable at the redemption price on the redemption date designated in the notice of redemption, and interest thereon shall cease to accrue from and after the designated redemption date. Failure to mail or transmit any such notice to any registered owner or any defect in any notice so mailed or transmitted shall not affect the validity of the proceedings for redemption of the bonds of other registered owners. If this bond is redeemed in part, upon surrender hereof, the Authority shall cause to be delivered to the registered owner a bond in like form in the principal amount equal to that part of this bond not being redeemed.

The bonds of this Series are entitled to the benefit of covenants in the Indenture relating to Federal income taxation.

The bonds of this Series are issuable only in fully registered form in the denomination (maturity value) of $5,000 or any integral multiple thereof or as specified in the Indenture, and may not be converted into bearer bonds.

The Authority, the Trustee and each Paying Agent may treat the registered owner as the absolute owner of this bond for all purposes, notwithstanding any notice to the contrary. This bond is transferable by the registered owner hereof in accordance with the Indenture and the Act.

Upon the direction of the Authority, the Multi-Modal Bonds may be Converted pursuant to the Indenture.

Reference is made to the Indenture for the further terms of the bonds, to all of which the Holder of this bond is conclusively deemed to assent. Terms defined in the Indenture are used herein as so defined. The Indenture is available for inspection at the office of the Trustee during business hours.

The respective covenants of the Authority, the City and the State with respect hereto shall be fully discharged and of no further force and effect at such time as this bond, together with interest thereon, shall have been paid in full at maturity, or shall have otherwise been refunded, redeemed, defeased or discharged.

IN WITNESS WHEREOF, the NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY has caused this bond to be executed in its name by its Executive Director and attested by its Secretary by their facsimile signatures and its seal or a facsimile thereof to be impressed or imprinted hereon, all as of the ___ day of ___ 2026.

NEW YORK CITY TRANSITIONAL
FINANCE AUTHORITY

ATTEST:

BY ________________________________
EXECUTIVE DIRECTOR

SECRETARY

CERTIFICATE OF AUTHENTICATION

This bond is one of the Fiscal 2026 Series H Bonds described in and issued in accordance with the Indenture, including the 146th Series Resolution.

THE BANK OF NEW YORK MELLON,
as Trustee

____
Authorized Officer

Date of Authentication: _____, 2026

Exhibit B-4
to 146th Series Resolution

REGISTERED
NUMBER

REGISTERED
$

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

FUTURE TAX SECURED SUBORDINATE BONDS

FISCAL 2026 SERIES I

MULTI-MODAL BOND

[ ] PER CENTUM (%) PER ANNUM

DUE: NOVEMBER 1, ____

DATED: ____, 2026

CUSIP: 64972J

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ___________________________ DOLLARS ($__________)

THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY (the "Authority"), a public benefit corporation of the State of New York (the "State"), for value received promises to pay to the registered owner of this bond, on the maturity date set forth above, the principal amount set forth above and to pay interest on such principal amount at the rate of interest set forth above from _____, 2026, or from the most recent payment date to which interest has been paid, but if the date of authentication of this bond is after the fifteenth day of the calendar month immediately preceding an interest payment date, interest will be paid from such interest payment date. Interest at such rate will be paid on May 1 and November 1 of each year, beginning _________, and upon redemption or mandatory tender at or prior to maturity, as set forth herein, by wire transfer, at the discretion of the Authority, or by check mailed to the address of the registered owner hereof as shown on the registration books of the Authority as maintained by The Bank of New York Mellon, as trustee (the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the applicable interest payment date. Interest shall be calculated on the basis of a year of 360 days and twelve 30-day months.

This bond shall not be a debt of either the State or The City of New York (the "City"), and neither the State nor the City shall be liable hereon, nor shall it be payable out of any funds other than those of the Authority.

Principal of this bond and applicable redemption premium, if any, are payable in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of public and private debts, upon presentation and surrender of this bond when due and payable at the office of the Trustee or of such other paying agent as may hereafter be designated by the Authority (in either case, the "Paying Agent").

All money paid to the Paying Agent for the payment of the principal of, redemption premium, if any, or interest on any bond that remains unclaimed at the end of two years after such principal, redemption premium, if any, or interest shall have become due and payable will be paid to the Authority, and the holder of such bond shall thereafter look only to the Authority for payment.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon has been dated and manually signed by the Trustee.

This bond is a Multi-Modal Bond, constitutes Parity Debt secured on a parity with the Authority's other Parity Debt, and is one of a Series of Bonds representing a borrowing of $________ under chapter 16, laws of New York, 1997, as amended, and pursuant to an Amended and Restated Original Indenture, as restated January 25, 2024, and as supplemented, between the Authority and the Trustee (the "Indenture"). Reference is made to the Indenture for a description of the funds pledged and for the provisions with respect to the incurring of indebtedness on a parity with the Senior Bonds and to the rights, limitations of rights, duties, obligations and immunities of the Authority, the City, the State, the Trustee and the Bondholders, including restrictions on the rights of the Bondholders to bring suit. Definitions given or referred to in the Indenture are incorporated herein by this reference. The Indenture (including the terms of this bond) may be amended to the extent and in the manner provided therein.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by the Constitution and laws of the State.

In the Act, the State has made a pledge and agreement with the Holders of the Outstanding Bonds that the State will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict the right of the State to amend, modify, repeal or otherwise alter statutes imposing or relating to the Personal Income Taxes, but such taxes payable to the Authority shall in all events continue to be so payable so long as any such taxes are imposed. Not less than 30 days prior to the beginning of each City fiscal year, the Chairperson of the Authority shall certify to the State Comptroller, the Governor, and the Directors of the

Authority a schedule of maximum annual debt service on the Bonds and Notes. To the extent that the Personal Income Taxes during such fiscal year are projected by the Mayor to be insufficient to meet at least 150% of maximum annual debt service on the Bonds, the Mayor shall so notify the State Comptroller and the State Comptroller shall pay to the Authority from Sales Taxes such amount as is necessary to provide at least 150% of such maximum annual debt service. The Act does not obligate the State to make any additional payments or impose any taxes to satisfy the debt service obligations of the Authority.

Pursuant to the Act, the City has made a pledge and agreement with the Holders of the Outstanding Bonds that the City will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with such Holders pursuant to the Act, or in any way impair the rights and remedies of such Holders or the security for such Bonds until such Bonds, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged. The Act does not restrict any right the City may have to amend, modify or otherwise alter local laws imposing or relating to the Personal Income Taxes so long as, after giving effect to such amendment, modification or other alteration, the amount of Tax Revenues projected by the Mayor to be available to the Authority during each of its fiscal years following the effective date of such amendment, modification or other alteration shall be not less than 150% of maximum annual debt service on the Bonds.

The Authority has covenanted with the Holders of the Outstanding Bonds of this Series to comply with the financial reporting requirements of, and to limit its issuance of bond anticipation notes as required by, the Act as in effect from time to time.

The State has covenanted with the purchasers and with all subsequent Holders and transferees of the Bonds, in consideration of the acceptance of payment for the Bonds, that the Bonds and the income therefrom and all revenues, monies, and other property pledged to pay or to secure the payment of such Bonds shall at all times be free from taxation.

Neither the Directors of the Authority nor any person executing this bond shall be liable personally thereon or be subject to any personal liability or accountability solely by reason of the issuance hereof.

The bonds of this Series maturing [on or after November 1, ___] are subject to optional redemption or mandatory tender, in each case, at the option of the Authority prior to their stated maturity dates, in whole or in part, on any date on or after [November 1,___] upon 30 days' notice, at a price of 100% of their principal amount plus accrued interest to such redemption or tender date.

The bonds of this Series maturing [on or prior to November 1, ___] are subject to optional redemption or mandatory tender prior to their stated maturity dates at the option of the Authority, in whole or in part, on any date (the “Make-Whole Call Date”), at a make-whole price (the “Make-Whole Redemption Price”) equal to the greater of:

(1) one hundred percent (100%) of the Amortized Value (as defined below) of the Bonds to be redeemed or tendered; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed or tendered from and including the Make-Whole Call Date to the maturity date of such Bonds, not including any portion of those payments of interest accrued and unpaid as of the Make-Whole Call Date, discounted to the Make-Whole Call Date on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at a discount rate equal to the greater of (a) the Applicable Tax-Exempt Bond Rate (as defined below) [plus/minus __] basis points[; or (b) zero basis points];

plus, in each case, accrued interest on such Bonds to the Make-Whole Call Date.

"Amortized Value" means the product of the principal amount of the Bonds to be redeemed or tendered and the price of such Bonds expressed as a percentage, calculated based on the industry standard method of calculating bond prices, with a delivery date equal to the Make-Whole Call Date, a maturity date equal to the maturity date of such Bonds and a yield equal to the yield of such Bonds as shown on the inside cover page of the Offering Circular dated ______, 2026 relating to the Bonds.

"Applicable Tax-Exempt Bond Rate" means the "Interpolated AAA Yields" rate for each maturity date for Bonds to be redeemed or tendered, as published by the Municipal Market Data ("MMD") at least five calendar days, but not more than 60 calendar days, prior to the Make-Whole Call Date of the Bonds to be redeemed or tendered, or if no such rate is established for the applicable maturity date, the "Interpolated AAA Yields" rate for the published maturities closest to the applicable maturity date.

Should the MMD no longer publish the "Interpolated AAA Yields" rate, then the Applicable Tax-Exempt Bond Rate will equal the "BVAL Muni AAA Monthly Callable Yields" rate for the maturity date (made available by Bloomberg at the close of each business day). In the further event that Bloomberg no longer publishes the "BVAL Muni AAA Monthly Callable Yields" rate, the Applicable Tax-Exempt Bond Rate will be determined by a verification agent appointed by the Authority, based upon the rate per annum equal to the semiannual equivalent yield to maturity for those tax-exempt general obligation bonds rated in the highest rating category by Moody's and S&P, with a maturity date equal to the maturity date of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the verification agent. The verification agent's determination of the Applicable Tax-Exempt Bond Rate shall be final and binding in the absence of manifest error.

The Make-Whole Redemption Price will be determined by a verification agent, investment banking firm or financial advisor (which verification agent, investment banking firm or financial advisor shall be retained by the Authority at the expense of the Authority) in order to calculate such Make-Whole Redemption Price. The Trustee and the Authority may conclusively rely on such verification agent's, investment banking firm's or financial advisor's determination of such Make-Whole Redemption Price and will bear no liability for such reliance.

The Authority may cause a mandatory tender of this bond on any date such bond is subject to optional redemption at the applicable optional redemption price by giving 10 days' (30 days' in the Fixed Rate Mode) Written Notice to the Holder, subject to the Authority's providing a source of payment therefor in accordance with the Indenture and the Act.

In the event that the bonds of this Series are defeased to their maturity, the Authority expects that such Bonds will remain subject to optional redemption by the Authority.

The Authority may redeem or cause the mandatory tender of amounts, maturities and interest rates of bonds that are subject to optional redemption in its sole discretion. If less than all of the Outstanding bonds of this Series, maturity, amount and interest rate are to be called for redemption or mandatorily tendered, such bonds shall be selected by lot or another method reasonably acceptable to the Trustee.

The bonds of this Series shall be redeemable upon the giving of notice, identifying such bonds or portions thereof to be redeemed, by mailing or transmitting such notice to the registered owners thereof at their respective addresses shown on the registration books maintained by the Trustee at least 30 days and not more than 60 days prior to the date set for redemption. If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof to be redeemed shall become due and payable at the redemption price on the redemption date designated in the notice of redemption, and interest thereon shall cease to accrue from and after the designated redemption date. Failure to mail or transmit any such notice to any registered owner or any defect in any notice so mailed or transmitted shall not affect the validity of the proceedings for redemption of the bonds of other registered owners. If this bond is redeemed in part, upon surrender hereof, the Authority shall cause to be delivered to the registered owner a bond in like form in the principal amount equal to that part of this bond not being redeemed.

The bonds of this Series are entitled to the benefit of covenants in the Indenture relating to Federal income taxation.

The bonds of this Series are issuable only in fully registered form in the denomination (maturity value) of $5,000 or any integral multiple thereof or as specified in the Indenture, and may not be converted into bearer bonds.

The Authority, the Trustee and each Paying Agent may treat the registered owner as the absolute owner of this bond for all purposes, notwithstanding any notice to the contrary. This bond is transferable by the registered owner hereof in accordance with the Indenture and the Act.

Upon the direction of the Authority, the Multi-Modal Bonds may be Converted pursuant to the Indenture.

Reference is made to the Indenture for the further terms of the bonds, to all of which the Holder of this bond is conclusively deemed to assent. Terms defined in the Indenture are used herein as so defined. The Indenture is available for inspection at the office of the Trustee during business hours.

The respective covenants of the Authority, the City and the State with respect hereto shall be fully discharged and of no further force and effect at such time as this bond, together with interest thereon, shall have been paid in full at maturity, or shall have otherwise been refunded, redeemed, defeased or discharged.

IN WITNESS WHEREOF, the NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY has caused this bond to be executed in its name by its Executive Director and attested by its Secretary by their facsimile signatures and its seal or a facsimile thereof to be impressed or imprinted hereon, all as of the ___day of _____, 2026.

NEW YORK CITY TRANSITIONAL
FINANCE AUTHORITY

ATTEST:

BY ________________________________
EXECUTIVE DIRECTOR

SECRETARY

CERTIFICATE OF AUTHENTICATION

This bond is one of the Fiscal 2026 Series I Bonds described in and issued in accordance with the Indenture, including the 146th Series Resolution.

THE BANK OF NEW YORK MELLON,
as Trustee

____
Authorized Officer

Date of Authentication: _______, 2026