

NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY
BOARD, AUDIT, AND GOVERNANCE MEETINGS 4-20-2023

>> GOOD AFTERNOON. I'M MARJORIE HENNING, ALTERNATE DIRECTOR FOR COMPTROLLER BRAD LANDER AND CHAIR OF THE AUDIT COMMITTEE. I'D ASK EVERYONE TO KEEP THEIR PHONES MUTED DURING THESE MEETINGS UNLESS SPEAKING. I WILL NOW CONVENE THE AUDIT COMMITTEE MEETING. RITA, WILL YOU PLEASE CALL THE ROLL?

>> CONDUCTING THE ROLL CALL. JACQUES JIHA.

>> DAVID WOMACK FOR DIRECTOR JIHA.

>> PRESTON NIBLACK.

>> DARA JAFFEE FOR COMMISSIONER NIBLACK.

>> THOMAS FOLEY.

>> LOUANN KOZIOL FOR COMMISSIONER FOLEY.

>> ADRIENNE ADAMS. THANK YOU. THERE'S A QUORUM.

>> THANK YOU. THE FIRST ITEM ON THE AGENDA IS THE APPROVAL OF THE MINUTES OF THE LAST MEETING OF THE COMMITTEE. THE MINUTES HAVE BEEN CIRCULATED FOR REVIEW BY THE COMMITTEE. ARE THERE ANY QUESTIONS OR CORRECTIONS? THANK YOU. HEARING NONE. I WILL NOW CALL THE ROLL FOR A VOTE. MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MR. WOMACK, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND JUST CHECKING. MR. GERMAN HAS NOT JOINED YET, CORRECT? ALL RIGHT. AND I, TOO, VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THE RESOLUTION APPROVING THE MINUTES IS HEREBY ADOPTED. THE NEXT ITEM ON THE AGENDA IS A RESOLUTION APPROVING A SELF-EVALUATION OF THE COMMITTEE AND AUTHORIZATION TO PROVIDE THE RESULTS OF THIS SELF-EVALUATION TO THE BOARD OF DIRECTORS. A REPORT OUTLINING THE COMMITTEE'S ACTIONS DURING CALENDAR YEAR 2022 HAS BEEN CIRCULATED FOR THE COMMITTEE'S REVIEW. THE PROPOSED RESOLUTION WOULD EXPRESS THE COMMITTEE'S

BELIEF THAT IT HAS ACTED IN A SATISFACTORY MANNER CONSISTENT WITH ITS CHARTER AND WOULD AUTHORIZE ME AS CHAIR TO PRESENT THESE FINDINGS TO THE BOARD OF DIRECTORS. ARE THERE ANY COMMENTS ON THE EVALUATION? THANK YOU. HEARING NONE, I WILL NOW CALL THE ROLL FOR A VOTE. MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MR. WOMACK, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND I ALSO VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THE RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A REVIEW OF THE AUTHORITY'S INTERNAL CONTROLS MANUAL. THIS IS A REVIEW ITEM, SO NO VOTE IS REQUIRED. PURSUANT TO THE AUDIT COMMITTEE CHARTER SECTION III(h), THE COMMITTEE MUST ANNUALLY REVIEW THE INTERNAL CONTROLS POLICY. THERE ARE CHANGES TO THE INTERNAL CONTROLS POLICY PROPOSED AT THIS TIME, AND A BLACK LINE HAS BEEN PROVIDED TO THE COMMITTEE THAT SHOWS THOSE CHANGES. THE AUTHORITY'S COMPTROLLER RAYMOND LEE IS AVAILABLE TO ANSWER ANY QUESTIONS. ARE THERE ANY QUESTIONS FOR MR. LEE? OK. THANK YOU. WE CAN MOVE ON.

THE NEXT ITEM ON THE AGENDA IS A PRESENTATION BY REPRESENTATIVES OF MAYER HOFFMAN, THE AUTHORITY'S INDEPENDENT AUDITOR, WHO WILL PRESENT THEIR PLAN FOR THE AUDIT OF THE FINANCIAL STATEMENTS OF THE FOR THE CURRENT FISCAL YEAR. MR. LEE, THE AUTHORITY'S COMPTROLLER, IS HERE TO INTRODUCE THE AUDITORS. MR. LEE, THE FLOOR IS YOURS.

>> THANK YOU, MISS HENNING. SO THE AUDITORS OF MAYER HOFFMAN ARE DANIEL McELWEE, PHILIP MARCIANO, AND WARREN RUPPEL, SO WHOEVER WANTS TO GET STARTED.

>> OK. THANKS. THIS IS WARREN RUPPEL. I'LL KICK US OFF. PHIL MARCIANO IS SOMEONE WHO'S NEW TO THE MEETINGS, AND I'M GOING TO REMAIN AS THE ENGAGEMENT PARTNER ON TFA THIS YEAR, BUT PHIL'S GOING TO BE TAKING OVER A NUMBER OF MY ACCOUNTS BECAUSE I'M GOING TO RETIRE AT THE END OF THIS YEAR, SO WE'RE HAVING HIM GET FAMILIAR WITH THE ORGANIZATIONS AND THE AUDIT COMMITTEE ROLES AND THE BOARD ROLES, ET CETERA. SO AS PART OF THAT, I ASKED PHIL TO GO THROUGH THE PREORDER PRESENTATION SO THAT YOU CAN GET TO KNOW HIM A LITTLE BIT MORE.

>> OK, GREAT. THANKS, WARREN. I'M GOING TO SHARE MY SCREEN IF THAT'S OK TO MAKE THIS A LITTLE BIT EASIER SINCE WE'RE VIRTUAL. JUST GIVE ME ONE SECOND. OK. JUST CONFIRM YOU CAN SEE MY SCREEN, AND I'LL GET TO IT.

>> IT'S GOOD. MM-HMM.

>> ALL RIGHT, GREAT. SO WARREN ALREADY INTRODUCED ME. MY NAME IS PHIL MARCIANO. I'VE--JUST A QUICK BACKGROUND ON ME. I'VE BEEN DOING GOVERNMENT ACCOUNTING, GOVERNMENT AUDITING FOR THE LAST 12 YEARS OR SO. IT'S PRETTY MUCH WHERE I'VE SPENT THE MAJORITY OF MY TIME IN MY CAREER IN PUBLIC ACCOUNTING, SO HAPPY TO TRANSITION ON THE ACCOUNT AND BE AT SERVICE FOR THE ENTITY. DAN McELWEE, AS WARREN SAID, WILL REMAIN AS THE ENGAGEMENT MANAGER, SO HE'LL STILL BE THE DAY-TO-DAY CONTACT, AND THEN WE ALSO USE THE SERVICES OF OUR PROFESSIONAL STANDARDS GROUP, JOHN D'AMICO THERE, TO DO A QUALITY REVIEW AS HE'S NOT INVOLVED WITHIN THE ENGAGEMENT ITSELF. SO JUST A SNAPSHOT OF US. HERE'S WHAT WE'LL COVER TODAY: JUST OUR SERVICE DELIVERY TIMELINE, WHAT OUR RESPONSIBILITIES ARE, WHAT YOUR RESPONSIBILITIES ARE, OUR PLAN DELIVERABLES, THE AUDIT APPROACH, AND SOME REQUIRED COMMUNICATIONS UNDER THE AUDITING STANDARDS. AND THEN THERE'S SOME OTHER INFORMATION IF YOU'RE SO INTERESTED ABOUT MHM AND WHAT WE DO AS AN ORGANIZATION.

SERVICE DELIVERY TIMELINE. WE ARE HERE TODAY WITH YOU GOING OVER THE PLANNING COMMUNICATION. WE PLAN ON STARTING THE AUDIT IN AUGUST 2023, WHICH IS CONSISTENT WITH THE PRIOR YEARS. OUR POST-AUDIT COMMUNICATION IS REQUIRED. WE'LL BE DONE IN SEPTEMBER 2023 AND OF COURSE MEETING THE DEADLINE OF SEPTEMBER 30 TO ISSUE THE REPORT SO THAT IT CAN BE INCLUDED WITH THE CITY'S REPORTING.

OUR RESPONSIBILITIES, AS YOU ALL ALREADY KNOW OR MAY NOT, ARE TO AUDIT THE FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS. GOVERNMENT AUDITING STANDARDS, ALSO REFERRED TO AS YELLOW BOOK, REQUIRES THAT WE ISSUE A REPORT INDICATING ANY INSTANCES OF NONCOMPLIANCE THAT AFFECTS THE FINANCIAL STATEMENTS OR MATTERS OF INTERNAL CONTROL OVER FINANCIAL REPORTING, TYPICALLY SIGNIFICANT DEFICIENCIES, OR MATERIAL WEAKNESSES. WE DO ALSO REVIEW BUT DO NOT REPORT ON WITH AN OPINION MANAGEMENT DISCUSSION AND ANALYSIS, MD&A, WHICH IS REQUIRED TO BE INCLUDED WITH THE FINANCIAL STATEMENTS TO ENSURE THEY COMPLY WITH GAAP REPORTING UNDER GASB. AND IN ACCORDANCE WITH RULES FOR PUBLIC AUTHORITIES, WE'LL PERFORM OR REPORT ON YOUR COMPLIANCE WITH TFA'S INVESTMENT GUIDELINES AS OF THIS SAME YEAR END.

MANAGEMENT'S RESPONSIBILITIES. JUST A QUICK SUMMARY. I WON'T READ EVERY BULLET. YOU'RE RESPONSIBLE FOR PREPARING AND PRESENTING THE FINANCIAL STATEMENTS IN ACCORDANCE WITH GAAP, MAKING THE FINANCIAL RECORDS AVAILABLE TO US FOR AUDIT, HAVING AN INTERNAL CONTROL SYSTEM IN PLACE TO ENSURE ONGOING MONITORING, ENSURING YOU'RE COMPLYING WITH LAWS AND REGULATIONS, AND AT THE END OF THE AUDIT, WE'LL ASK MANAGEMENT TO GIVE US A MANAGEMENT REPRESENTATION LETTER SO THAT WE CAN ISSUE THE FINANCIAL STATEMENTS. IF THERE ARE ANY FINDINGS OR RECOMMENDATIONS AS SUCH, WE'LL ASK THAT YOU ENSURE YOU HAVE A PROCESS TO TRACK THE STATUS OF THOSE FINDINGS.

THE DELIVERABLES. PRETTY MUCH WHAT I ALREADY TOLD YOU. WE'LL ISSUE OPINIONS ON THE FINANCIAL STATEMENTS. WE'RE HERE DOING A PRE-AUDIT SCOPE TODAY, AND WE'LL DO A POST-AUDIT RESULTS MEETING IN SEPTEMBER. IF WE HAVE ANY BEST PRACTICES, ITEMS THAT ARE NOT CONSIDERED MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES, WE'LL ISSUE WHAT'S CALLED AN OBSERVATIONS AND RECOMMENDATIONS MEMO WITH SOME BEST PRACTICE ITEMS, AS WELL.

OUR PLANNED AUDIT APPROACH, SIMILAR TO ANY OTHER YEAR THAT WE PERFORM OUR AUDIT, WE TAKE WHAT'S CALLED A TOP-DOWN APPROACH OR AN ENTITY-WIDE APPROACH USING A RISK ASSESSMENT AND TARGETING IN ON THOSE ITEMS THAT WE CONSIDER TO BE OF HIGHER RISK OR SIGNIFICANT RISK OR THINGS THAT ARE UNUSUAL OR CHANGED FROM THE YEAR BEFORE, AND WE'LL LOOK INTO THOSE ITEMS A LITTLE MORE DEEPLY THAN OTHERS. WE'LL USE MATERIALITY. WE'LL USE VARIANCE ANALYSIS TO DETERMINE THOSE PARTICULAR RISKS WITHIN THE FINANCIAL STATEMENTS. WE'LL ALSO ASSESS THE DESIGN OF KEY CONTROLS RELATED TO YOUR MAJOR TRANSACTION CYCLES TO ENSURE THAT THOSE KEY CONTROLS ARE DESIGNED AND IMPLEMENTED CORRECTLY.

SOME OF THE THINGS THAT WE FOCUS ON DURING THE AUDIT: CONFIRMATION OF YOUR CASH INVESTMENT BALANCES AND REVIEWING FOR RESTRICTIONS; CONFIRMATIONS OF BONDS; CUTOFF TESTS RELATED TO YOUR LIABILITIES TO ENSURE THAT ALL LIABILITIES ARE CAPTURED IN THE PERIOD OF WHICH WE'RE AUDITING. WE'LL LOOK AT ANY COMPLIANCE RELATED ITEMS OF YOUR DEBT AGREEMENTS, YOUR REPORTING OF YOUR FUND BALANCE AND NET POSITION, MAKING SURE THAT'S PROPERLY CATEGORIZED AND UTILIZED APPROPRIATELY, CONFIRMATION OF PERSONAL TAXES COLLECTED ON BEHALF OF TFA, AND THEN OF COURSE AN ASSESSMENT OF ANY LITIGATION OR CLAIMS AND ASSESSMENTS THAT MAY AFFECT THE FINANCIAL STATEMENTS MATERIALLY, EITHER REQUIRING DISCLOSURE OR ADJUSTMENT TO THE STATEMENTS THEMSELVES. WE'LL LOOK AT THE VALIDITY AND SUPPORT FOR ADJUSTING ENTRIES TO THE BOOKS AND RECORDS AS PART OF OUR REVIEW IN ACCORDANCE WITH THE SIGNIFICANT RISK CALLED MANAGEMENT'S OVERRIDE OF CONTROL, WHICH I'LL COVER ON

ANOTHER SLIDE. AND THEN WE'LL ALSO OBVIOUSLY READ THE FINANCIAL STATEMENTS FOR COMPLETENESS AND ACCURACY TO MAKE SURE THAT THE RELATED NOTE DISCLOSURES AND THE FINANCIAL STATEMENTS THEMSELVES AGREE TO THE BOOKS AND RECORDS OF TFA.

SOME SIGNIFICANT MANAGEMENT JUDGMENTS YOU SHOULD BE AWARE OF THAT REQUIRE A LITTLE BIT MORE AUDIT ATTENTION THAN OTHER ITEMS ON YOUR FINANCIALS. YOUR PERSONAL INCOME TAX RECEIVABLE FROM NEW YORK STATE. JUST MAKING SURE THOSE ARE VALID COLLECTIBLE ITEMS AND THAT THE AMOUNT THAT YOU HAVE ON THE BOOKS IS APPROPRIATE AS AN ASSET. SIMILARLY, AS YOUR DUE FROM CITY--STATE BUILDING AID AMOUNT, WE'LL LOOK AT THAT TO ENSURE PROPER COLLECTABILITY, PROPER RECORDING IN TERMS OF MANAGEMENT'S CALCULATION OF EVALUATING WHETHER OR NOT THOSE AMOUNTS ARE REASONABLY RECORDED. I MENTIONED THIS ALREADY, BUT WE'RE REQUIRED UNDER THE AUDITING STANDARDS TO TELL YOU ABOUT ANY SIGNIFICANT AUDIT RISKS THAT WE'VE IDENTIFIED. THE AUDIT STANDARDS PRESUME THAT THE RISK OF MANAGEMENT OVERRIDE OF CONTROLS IS CONSIDERED A FRAUD RISK, IS ALSO CONSIDERED A SIGNIFICANT RISK UNDER THE FINANCIAL STATEMENT AUDIT PROCESS. THIS IS STANDARD THROUGHOUT ANY ENTITY THAT WE AUDIT. WE'RE REQUIRED TO IDENTIFY THIS RISK, AND THERE'S REALLY LITTLE WAY THAT WE END UP OVERCOMING IT IN MOST AUDIT ENGAGEMENTS. THE FOCUS OF THE PROCEDURES THAT WE'LL DO IN RESPONSE TO THE RISK REALLY HAS TO DO WITH READING BOARD MINUTES, REVIEWING FOR SIGNIFICANT ACCOUNTING ESTIMATES THAT WE TALKED ABOUT, AND LOOKING AT YOUR JOURNAL ENTRY POPULATION TO ENSURE WE'RE TESTING ITEMS THAT ARE RECORDED TO MAKE SURE THEY'RE RECORDED, APPROVED, AND IN THE RIGHT ACCOUNTS AND THAT THERE'S NO ENTRIES BEING MADE TO SORT OF COOK THE BOOKS, AS THEY SAY.

WE'RE REQUIRED TO INQUIRE UPON THE COMMITTEE WHETHER OR NOT THEY HAVE KNOWLEDGE OF SUSPECTED OR ACTUAL FRAUD OR ALLEGATIONS OF NONCOMPLIANCE THAT HAVE OCCURRED WITHIN TFA, WHETHER THE COMMITTEE HAS ANY CONCERNS ABOUT SPECIFIC EXPOSURE TO FRAUD OR ACCOUNTS THAT MAY BE SUSCEPTIBLE TO FRAUD, AND ANY OTHER ISSUES ALONG THOSE PARTICULAR LINES. I'LL TAKE A PAUSE HERE. I KNOW WE'RE VIRTUAL, BUT IF ANYBODY HAS ANYTHING THAT THEY NEED TO BRING TO OUR ATTENTION, THEY CAN DO SO IN THIS FORMAT. IF THEY DON'T WANT TO DO SO IN THIS FORMAT, OUR CONTACT INFORMATION IS ON THE SECOND SLIDE, AND YOU'RE MORE THAN WELCOME TO REACH OUT TO US INDIVIDUALLY, BUT WE DO LIKE TO PROVIDE THESE QUESTIONS AS WE GO THROUGH THIS.

OK. HEARING NONE, I WON'T PAUSE TOO LONG, BUT AGAIN, IF YOU NEED TO REACH OUT TO US, GO RIGHT AHEAD. NO NEWS IS GOOD NEWS USUALLY IN THAT CASE, SO I'LL TAKE THAT AS A POSITIVE. OTHER REQUIRED COMMUNICATIONS UNDER THE AUDIT STANDARDS JUST IN

TERMS OF THE APPLICATION OF ACCOUNTING PRINCIPLES OR ANY CHANGES IN ACCOUNTING PRINCIPLES THAT WE'RE AWARE OF, YOUR WHAT'S CALLED NOTE TWO IN THE FINANCIAL STATEMENTS IS ASSUMED THAT IT WILL BE CONSISTENT. WE'RE NOT AWARE OF ANY SIGNIFICANT CHANGES IN ACCOUNTING PRINCIPLES THAT WOULD AFFECT TFA'S FINANCIAL STATEMENTS FOR THIS GO-AROUND. IF WE HAVE ANY AUDIT ADJUSTMENTS, WHETHER THOSE ARE CORRECTED OR UNCORRECTED MISSTATEMENTS PROPOSED, YOU KNOW, MANAGEMENT PASSES ON ANY ENTRIES, WE'LL BRING THOSE TO YOUR ATTENTION AT THE CLOSE OF THE AUDIT. AND IF WE COME UP WITH ANY SIGNIFICANT DEFICIENCIES OR MATERIAL WEAKNESSES AS A RESULT OF THE AUDIT PROCEDURES, WE WILL BRING THOSE TO YOUR ATTENTION, AS WELL. AND AS I SAID BEFORE, THOSE ARE REQUIRED TO BE IN WRITING UNDER WHAT'S CALLED YELLOW BOOK REPORTING. IF WE DO HAVE ANY OF THOSE ITEMS, WE WILL BRING THOSE TO YOUR ATTENTION BEFORE WE MEET SO THAT EVERYBODY'S AWARE OF ANYTHING THAT WE'RE FINDING.

AND THEN THIS IS JUST A QUICK SLIDE COVERING THE DIFFERENT RELATIONSHIP BETWEEN CBIZ AND MAYER HOFFMAN McCANN. CBIZ, AS YOU WERE PROBABLY EXPLAINED TO YOU LAST YEAR, PERFORMS ANY NON-ATTESTATION TYPE WORK, WHEREAS MHM IS THE ONE YOU WILL SEE ON THE LETTERHEAD OF YOUR OPINION. JUST A QUICK HERE'S HOW IT KIND OF STRUCTURES, AND WE'RE NOT NOTING ANY INDEPENDENCE ISSUES RELATED TO THOSE SERVICES.

THESE ARE MORE FYI FOR EVERYBODY. THERE'S SOME INDUSTRY UPDATES OUT THERE RELATED TO GASB. THE ONE THAT IS IN EFFECT FOR THIS YEAR IS REALLY GASB 96. IF TFA HAS ANY SUBSCRIPTION-BASED TECHNOLOGY ARRANGEMENTS IN PLACE WITH VENDORS FOR CLOUD SOFTWARE OR CLOUD COMPUTING TYPE ARRANGEMENTS THAT ARE LONGER THAN ONE YEAR, THEY MAY NEED TO BE CONSIDERED TO BE RECORDED AS A LIABILITY ON THE STATEMENT OF NET POSITION. IF NOT, THEN THERE WILL BE NO EFFECT ON THE FINANCIAL STATEMENTS. SOME OTHER GASBs JUST FOR YOUR INFORMATION HERE, NOT REALLY ANYTHING THAT SHOULD AFFECT THE CORPORATION. GASB 100 AND 101 RATHER. NEW GASB STATEMENTS THAT WILL AFFECT THE FINANCIAL STATEMENTS IN THE UPCOMING '24 AND '25 FINANCIAL STATEMENT CYCLES.

AND OTHER THAN THAT AFTER THE DIVIDER HERE FOR THE APPENDICES IS THE DRAFT ENGAGEMENT LETTER, WHICH I BELIEVE IS STILL UNDER REVIEW. ONCE THAT GETS COMPLETED, WE'LL GET BACK A SIGNED COPY OF THAT, BUT REALLY IT SHOULD BE GENERALLY SUBSTANTIALLY THE SAME AS THE PRIOR YEAR. CERTAINLY NOT GOING TO SIT HERE AND READ IT, BUT I'LL TAKE ANY QUESTIONS THAT ANYBODY HAS ON THAT PARTICULAR LETTER. OTHER THAN THAT, THAT IS PRETTY MUCH THE PRESENTATION. ANYBODY HAVE ANY QUESTIONS?

ALL RIGHT, HEARING NO QUESTIONS, I'LL STOP SHARING MY SCREEN, I AND GUESS, MARJORIE, I'LL TURN IT BACK OVER TO YOU.

>> YEAH. THANK YOU.

>> OK. GREAT.

>> SO BEFORE WE ADJOURN, I JUST WANT TO THANK WARREN FOR HIS MANY YEARS OF SERVICE TO THE CITY, BOTH IN MY OFFICE IN THE BUREAU OF ACCOUNTANCY, AS WELL AS AUDITING AT OUTSIDE FIRMS, SO WE WILL MISS YOU WHEN YOU'RE GONE AT THE END OF THE YEAR, WARREN.

>> THANKS, MARJORIE. I APPRECIATE THAT.

>> OF COURSE. SO IF THERE IS NO FURTHER BUSINESS BEFORE THE COMMITTEE, I WILL NOW CALL THE ROLL FOR A VOTE TO ADJOURN. HAS HECTOR JOINED? OK. WE'LL SKIP MR. GERMAN. MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MR. WOMACK, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND I, TOO, VOTE IN FAVOR OF ADJOURNMENT. THANK YOU ALL FOR YOUR PARTICIPATION. THE AUDIT COMMITTEE IS NOW ADJOURNED, AND WE WILL NOW MOVE ON TO THE GOVERNANCE COMMITTEE, WHICH I ALSO CHAIR.

SO GOOD AFTERNOON. I AM STILL MARJORIE HENNING, ALTERNATE DIRECTOR FOR COMPTROLLER BRAD LANDER AND CHAIR OF THE GOVERNANCE COMMITTEE. I WOULD LIKE TO CALL THE MEETING TO ORDER BY ASKING THAT THE ROLL BE CALLED FOR ATTENDANCE. RITA.

>> CONDUCTING THE ROLL CALL. JACQUES JIHA.

>> DAVID WOMACK FOR DIRECTOR JIHA.

>> PRESTON NIBLACK.

>> DARA JAFFEE FOR COMMISSIONER NIBLACK.

>> BRAD LANDER.

>> MARJORIE HENNING FOR COMPTROLLER LANDER.

>> THOMAS FOLEY.

>> LOUANN KOZIOL FOR COMMISSIONER FOLEY.

>> THANK YOU. THERE'S A QUORUM.

>> THANK YOU. THE FIRST ITEM ON THE AGENDA IS A RESOLUTION TO APPROVE THE MINUTES OF THE COMMITTEE'S LAST MEETING. THE MINUTES HAVE BEEN CIRCULATED FOR REVIEW BY THE COMMITTEE. ARE THERE ANY COMMENTS OR CORRECTIONS? OK. THANKS. HEARING NONE. I WILL NOW CALL THE ROLL FOR A VOTE.

MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MR.--MS. JAFFEE--SORRY--HOW DO YOU VOTE?

>> IN FAVOR.

>> MR. WOMACK, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND, MR. GERMAN, WELCOME. HOW DO YOU VOTE?

>> IN FAVOR.

>> THANK YOU. THE RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A RESOLUTION APPROVING THE AUTHORITY'S POLICY ON THE PROCUREMENT OF GOODS AND SERVICES. THE COMMITTEE IS REQUIRED TO REVIEW THIS POLICY AND SUGGEST ANY CHANGES THE COMMITTEE DEEMS NECESSARY TO THE BOARD OF DIRECTORS. NO CHANGES ARE PROPOSED AT THIS TIME. ARE THERE ANY QUESTIONS OR DISCUSSION ON THIS? OK. THANK YOU. I WILL NOW CALL THE ROLL FOR A VOTE., MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> THANK YOU. MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND, MR. WOMACK, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND I ALSO VOTE IN FAVOR OF THE PROPOSED RESOLUTION, WHICH IS HEREBY APPROVED. IF THERE IS NO FURTHER BUSINESS BEFORE THE COMMITTEE, I WILL NOW CALL THE ROLL FOR A VOTE TO ADJOURN. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MR. WOMACK, WHAT IS YOUR VOTE?

>> IN FAVOR.

>> AND I VOTE IN FAVOR OF ADJOURNMENT. THANK YOU ALL FOR YOUR PARTICIPATION. THE GOVERNANCE COMMITTEE IS NOW ADJOURNED, AND WE WILL NOW MOVE ON TO THE BOARD OF DIRECTORS CHAIRED BY MR. WOMACK.

>> THANK YOU, MARGE. GOOD AFTERNOON, ALL. I'M DAVID WOMACK, DELEGATE FOR BUDGET DIRECTOR JACQUES JIHA AND CHAIR OF THE BOARD OF DIRECTORS OF THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY. I'D LIKE TO CONVENE A MEETING OF THE BOARD OF DIRECTORS BY ASKING FOR A ROLL TO BE CALLED FOR ATTENDANCE. RITA.

>> CONDUCTING THE ROLL CALL. JACQUES JIHA.

>> DAVID WOMACK FOR DIRECTOR JIHA.

>> PRESTON NIBLACK.

>> DARA JAFFEE FOR COMMISSIONER NIBLACK.

>> BRAD LANDER.

>> MARJORIE HENNING FOR BRAD LANDER.

>> THOMAS FOLEY.

>> LOUANN KOZIOL FOR COMMISSIONER FOLEY.

>> ADRIENNE ADAMS.

>> HECTOR GERMAN FOR SPEAKER ADAMS.

>> THANK YOU. THERE'S A QUORUM.

>> THANK YOU, RITA. THE FIRST ITEM ON THE AGENDA IS A RESOLUTION APPROVING THE MINUTES OF THE BOARD'S LAST MEETING. THE MINUTES HAVE BEEN CIRCULATED FOR REVIEW BY THE BOARD. ARE THERE ANY COMMENTS OR CORRECTIONS? HEARING NONE, I'LL CALL THE ROLL FOR A VOTE. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MISS HENNING, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND I VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THE RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A RESOLUTION WHICH WOULD APPROVE THE AUTHORITY'S BUDGET AND FINANCIAL PLAN. PURSUANT TO THE PUBLIC AUTHORITIES LAW, THE AUTHORITY IS REQUIRED TO SUBMIT A BUDGET REPORT TO THE AUTHORITY'S BUDGET OFFICE ALONG WITH A FOUR-YEAR FINANCIAL PLAN. THE BUDGET REPORT CONTAINS ESTIMATED RECEIPTS AND EXPENDITURES FOR THE CURRENT AND NEXT FISCAL YEAR AND THE ACTUAL RECEIPTS AND EXPENDITURES FOR THE LAST COMPLETED FISCAL YEAR. RAYMOND LEE, THE AUTHORITY'S COMPTROLLER, IS AVAILABLE TO ANSWER ANY QUESTIONS REGARDING THE BUDGET AND PLAN. ARE THERE ANY QUESTIONS? HEARING NONE, I'LL CALL THE ROLL FOR A VOTE. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MISS HENNING, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND I VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THE RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A RESOLUTION WHICH WOULD APPROVE THE AUTHORITY'S MISSION STATEMENT AND COMPLETED MEASUREMENT REPORT. PURSUANT TO SECTION 2800 OF THE PUBLIC AUTHORITIES LAW, THE AUTHORITY IS REQUIRED TO REVIEW ITS MISSION STATEMENT AND THE PERFORMANCE MEASURES BY WHICH THE AUTHORITY CAN EVALUATE HOW WELL IT IS CARRYING OUT ITS MISSION AND TO PUBLISH A MEASUREMENT REPORT. NO CHANGES ARE CURRENTLY PROPOSED TO THE MISSION STATEMENT, AND THE MEASUREMENT REPORT HAS BEEN COMPLETED. ARE THERE ANY QUESTIONS OR DISCUSSION? HEARING NONE, I'LL CALL THE ROLL FOR A VOTE. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MISS HENNING, HOW DO YOU VOTE?

AND I VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THE RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A RESOLUTION WHICH WOULD AUTHORIZE THE AUTHORITY TO EXTEND ITS CURRENT BOND COUNSEL CONTRACTS AS IT PREPARES TO ISSUE A COMPETITIVE REQUEST FOR PROPOSALS FOR THESE SERVICES. THE BOARD PREVIOUSLY AUTHORIZED AGREEMENTS WITH NORTON ROSE FULBRIGHT AND BRYANT RABBINO TO SERVE AS CO-BOND COUNSEL FOR THE AUTHORITY'S FUTURE TAX SECURED BOND ISSUANCES AND WITH KATTEN MUCHIN ROSENMAN AND HARDWICK, LLC, TO SERVE AS CO-BOND COUNSEL FOR THE AUTHORITY'S BUILDING AID REVENUE BONDS. SUCH AGREEMENTS CURRENTLY EXPIRE AUGUST 31, 2023. THE PROPOSED RESOLUTION WOULD EXTEND THE AGREEMENTS FOR A PERIOD FROM SEPTEMBER 1, 2023, THROUGH AUGUST 31, 2024, FOR THE SAME RATES AS PREVIOUSLY APPROVED BY THE BOARD AND WHICH ARE LISTED IN THE PROPOSED RESOLUTION. THIS WOULD ENSURE THERE IS NO LAPSE IN SERVICE WHILE THE AUTHORITY COMPLETES A COMPETITIVE RFP FOR PROCESS FOR BOND COUNSEL SERVICES. ARE THERE ANY QUESTIONS OR DISCUSSION? HEARING NONE. I'LL CALL THE ROLL FOR A VOTE. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MISS HENNING, HOW DO YOU VOTE?

>> I VOTE AYE.

>> AND I VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THE RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A PRESENTATION BY MARJORIE HENNING, CHAIR OF THE AUDIT COMMITTEE, WHO WILL PRESENT THE FINDINGS OF THE COMMITTEE'S SELF-EVALUATION. MS. HENNING.

>> THANK YOU, DAVID. AT TODAY'S AUDIT COMMITTEE MEETING, AFTER REVIEWING THE COMMITTEE'S ACTIONS IN THE PREVIOUS CALENDAR YEAR, THE COMMITTEE CONDUCTED A SELF-EVALUATION. THE COMMITTEE FOUND THAT IT HAD CONDUCTED ITSELF IN A SATISFACTORY MANNER CONSISTENT WITH ITS CHARTER. THAT ENDS MY REPORT.

>> THANK YOU, MARGE. WELL, THE NEXT ITEM ON THE AGENDA IS A RESOLUTION TO RECOGNIZE THE CONTRIBUTIONS OF MARJORIE HENNING AND EXPRESS THE AUTHORITY'S GRATITUDE FOR HER SERVICE. AS MOST OF YOU KNOW, MS. HENNING HAS ANNOUNCED HER RETIREMENT EFFECTIVE AT THE END OF THIS MONTH, AND SHE'S BEEN SMILING EVER SINCE SHE ANNOUNCED IT. SHE'S A VETERAN OF PUBLIC FINANCE, HAVING SERVED AS DEPUTY COMPTROLLER FOR PUBLIC FINANCE FOR THE CITY'S COMPTROLLER'S OFFICE SINCE 2018. SHE ALSO PREVIOUSLY SERVED AS GENERAL COUNSEL AND SECRETARY TO THE AUTHORITY. THE PROPOSED RESOLUTION WOULD FORMALLY RECOGNIZE MS. HENNING'S MANY CONTRIBUTIONS TO THE AUTHORITY AND EXPRESS THE BOARD AND AUTHORITY'S GRATITUDE FOR HER SERVICE AND WISHES HER THE BEST IN HER FUTURE ENDEAVORS, AND I EXTEND MY PERSONAL BEST WISHES TO HER AND THANKS FOR THE TIME THAT WE HAVE SHARED ON THIS BOARD. THANK YOU, MARGE.

>> WELL, THANK YOU VERY MUCH, DAVID, AND THANK YOU TO THE TFA AND THE BOARD. IT'S BEEN MY PLEASURE.

>> I CAN'T VOTE, BUT I HAVE TO EXPRESS MY APPRECIATION, TOO, MARGE.

>> THANK YOU, WARREN.

>> THANK YOU. ANY FURTHER DISCUSSION? I'LL CALL THE ROLL.

>> CONGRATULATIONS.

>> THANKS. THANKS, DARA.

>> THANK YOU FOR YOUR SERVICE, MARJORIE.

>> OH, THANK YOU, LOUANN. REALLY, IT'S BEEN A PRIVILEGE WORKING FOR THE CITY OF NEW YORK.

>> OK. I'LL CALL THE ROLL FOR A VOTE. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> MISS HENNING, HOW DO YOU VOTE?

>> I THINK I NEED TO RECUSE MYSELF ON THIS ONE, BUT--

>> OK.

>> THANK YOU. WITH GRATITUDE. HA HA HA!

>> AND I VOTE IN FAVOR OF THE PROPOSED RESOLUTION. RESOLUTION IS HEREBY APPROVED. THE NEXT ITEM ON THE AGENDA IS A RESOLUTION IN RECOGNITION OF SCOTT ULREY'S SERVICE. WE RECENTLY LEARNED THAT SCOTT ULREY, THE AUTHORITY'S GENERAL COUNSEL AND SECRETARY, WILL BE LEAVING HIS ROLE, AS WELL. HE'S WORKED FOR THE AUTHORITY'S-- FOR THE CITY'S OFFICE OF MANAGEMENT AND BUDGET FOR 26 YEARS, CURRENTLY SERVING AS THE AGENCY'S GENERAL COUNSEL, AND HAS SERVED AS THE AUTHORITY'S GENERAL COUNSEL AND SECRETARY SINCE 2013, HAVING PREVIOUSLY SERVED AS ASSISTANT SECRETARY SINCE 1998. DURING HIS TENURE, MR. ULREY PROVIDED THE AUTHORITY WITH DILIGENT LEGAL GUIDANCE. HIS VAST KNOWLEDGE AND UNCOMPROMISING INTEGRITY WILL BE DEEPLY MISSED. ON BEHALF OF THE BOARD OF DIRECTORS AND THE AUTHORITY STAFF, THE PROPOSED RESOLUTION RECOGNIZES MR. ULREY'S DEEP COMMITMENT TO THE AUTHORITY AND THE CITY OF NEW YORK AND THANKS HIM FOR HIS MANY YEARS OF DEDICATED SERVICE AND WISHES HIM THE VERY BEST IN HIS FUTURE ENDEAVORS, AND I WILL ADD MY BEST

WISHES TO SCOTT AND THANK HIM FOR ALL THE WORK THAT HE'S DONE ON BEHALF OF THE CITY AND OMB AND THE HELP HE'S GIVEN ME IN ADAPTING TO THIS JOB, AND WE CAN'T THANK HIM ENOUGH. WE WILL MISS HIM.

>> THANK YOU, SCOTT.

>> SCOTT, I CAN'T VOTE ON THIS ONE EITHER, BUT I WANTED TO ADD MY WISHES, AS WELL. IT'S BEEN A PLEASURE WORKING WITH YOU OVER THE YEARS.

>> THANK YOU, WARREN. THIS IS THIS IS KIND OF OVERWHELMING, ESPECIALLY WITH THE THREE OF US. I REMEMBER WHEN I FIRST STARTED WORKING FOR OMB/TFA FOR MARGE, AND WARREN WAS AT THE COMPTROLLER'S OFFICE AT THE TIME. IT'S JUST--IT'S BEEN 26 YEARS, AND IT'S JUST--LIKE MARGE SAID, IT'S BEEN A GREAT PRIVILEGE TO WORK FOR THE CITY AND THE TFA, AND I THANK YOU ALL SO MUCH. I'M VERY, VERY GRATEFUL, AND I'LL MISS YOU ALL VERY, VERY MUCH. THANK YOU SO MUCH FOR EVERYTHING.

>> CONGRATULATIONS, SCOTT.

>> THANKS, MARGE.

>> ALL RIGHT. I'LL CALL THE ROLL FOR A VOTE. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE?

>> IN FAVOR.

>> AND, MISS HENNING, HOW DO YOU VOTE?

>> I WILL GIVE AN ENTHUSIASTIC AYE TO THAT--TO THAT VOTE.

>> AND I ALSO ENTHUSIASTICALLY VOTE IN FAVOR OF THE PROPOSED RESOLUTION. THANK YOU. THE RESOLUTION IS HEREBY APPROVED. IF THERE'S NO FURTHER BUSINESS BEFORE THE BOARD, I'LL CALL THE ROLL FOR A VOTE TO ADJOURN. MR. GERMAN, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. KOZIOL, HOW DO YOU VOTE?

>> IN FAVOR.

>> MS. JAFFEE, HOW DO YOU VOTE.

>> IN FAVOR.

>> MISS HENNING, HOW DO YOU VOTE?

>> I VOTE IN FAVOR.

>> AND I VOTE IN FAVOR OF ADJOURNMENT. THANK YOU ALL FOR YOUR PARTICIPATION. THE BOARD OF DIRECTORS MEETING IS NOW ADJOURNED, AND THAT CONCLUDES TODAY'S TFA MEETINGS. THANK YOU.

>> THANK YOU.

>> BYE-BYE. THANKS.

>> BYE.

>> BYE.