

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

September 29, 2016

A meeting of the Audit Committee (the “Committee”) of the New York City Transitional Finance Authority (the “Authority”) was held on September 29, 2016 at approximately 2:05 p.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following Committee members were represented by their designees:

Dean Fuleihan, Director of Management and Budget of The City of New York (the “City”), represented by Alan Anders;

Scott Stringer, Comptroller of the City, represented by Carol Kostik;

Melissa Mark-Viverito, Speaker of the City Council, represented by Raymond Majewski;

Jacques Jiha, Commissioner of Finance of the City, represented by Jacqueline Gold; and

Feniosky Peña-Mora, Commissioner of the Department of Design and Construction of the City, represented by Michael Garrett;

constituting a quorum of the Board. Charlotte T. Borroughs served as secretary of the meeting.

Also in attendance were members of the public, officers of the Authority and employees of various agencies of the City and the State of New York.

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

#### Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Committee which occurred on April 28, 2016. Upon motion duly made and seconded, there being no objections, 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 28, 2016; it is therefore

**RESOLVED**, that the minutes of the Audit Committee meeting of April 28, 2016, are hereby approved.

#### Presentation by Management and Independent Auditors Regarding the Audited Annual Financial Statements of the Authority

The second item on the agenda was a presentation by Authority staff and Marks Paneth LLP, the Authority's independent auditors, with respect to the audited financial statements of the Authority for the fiscal years ended June 30, 2016 and June 30, 2015. Robert Balducci, the Comptroller of the Authority, provided an update about the activities of the Authority and its issuance of bonds. Mr. Balducci answered questions from the Committee members during and after the discussion. Warren Ruppel of Marks Paneth then discussed Marks Paneth's letter to the Committee with respect to the audit of the Authority's financial statements, a copy of which was in the materials provided to the Committee members. A brief discussion ensued.

Recommendation to the Board of Directors to Accept the Independent Auditors' Report on the Audited Financial Statements of the Authority for the Fiscal Years Ended June 30, 2016 and June 30, 2015, and the issuance of such Financial Statements

The third item on the agenda was a recommendation to the Board of Directors of the Authority to accept the report of Marks Paneth LLP on the Authority's financial statements for the fiscal years ended June 30, 2016 and June 30, 2015 and to issue such financial statements. A motion was made to approve the resolution set forth below with respect to the financial statements. The motion was seconded and, there being no objections, approved.

**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, 2016 and June 30, 2015 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, 2016 and June 30, 2015; 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.

Annual Review and Approval of the Audit Committee Charter

The fourth item on the agenda was the annual review and approval of the Audit Committee Charter. Mr. Majewski explained that no changes have been proposed and that the Charter was in the materials provided to the Committee members. A discussion ensued and a motion was made to approve the resolution set forth below with respect to the Committee Charter. The motion was seconded and, there being no objections, approved.

**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; and

**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 a review of the Committee's Schedule of Dates (a copy of which was in the materials provided to the Committee members).

Adjournment

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

  
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GENERAL COUNSEL