

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

September 27, 2012

A meeting of the Governance Committee (the “Committee”) of the New York City Transitional Finance Authority (the “Authority”) was held on September 27, 2012 at approximately 3:00 p.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following Committee member was present:

Mark Page, Director of Management and Budget of The City of New York (the “City”); and

the following Committee members were represented by their designees:

John C. Liu, Comptroller of the City, represented by Carol Kostik;

Christine C. Quinn, Speaker of the City Council, represented by Emre Edev;

David M. Frankel, Commissioner of the Department of Finance of the City, represented by Dara Jaffee; and

David Burney, Commissioner of the Department of Design and Construction of the City, represented by Michael Garrett;

constituting a quorum of the Committee. Kathy Blyn 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.

Election of Chair

The first item on the agenda was the election of a chair to preside at the meeting, due to the fact that Raymond Majewski, the Chair of the Committee was not present. Mr. Edev nominated Mark Page as Chair. There were no objections to this nomination and, accordingly, Mr. Page was nominated to serve as Chair.

Approval of Minutes

The second item on the agenda was the approval of the minutes of the meeting of the Committee which occurred on April 27, 2012. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved.

WHEREAS, the Governance Committee of the New York City Transitional Finance Authority has reviewed the minutes of the previous meeting of the Governance Committee held on April 27, 2012; it is therefore

RESOLVED, that the minutes of the Governance Committee meeting of April 27, 2012 are hereby approved.

Self-Evaluation and Discussion of Presentation to Board of Directors

The third item on the agenda was the Committee's annual self-evaluation and a discussion of the Committee's presentation to the Board of Directors with respect to its activities. Mr. Page explained that an annual self-evaluation is required pursuant to Section III(g) of the Committee's Charter. He noted that a report describing the Committee's activities during fiscal year 2012 was in the packet provided to the Committee members and referred to a resolution pursuant to which the Committee finds its functioning and performance to be satisfactory and authorizes the presentation of such report to the Board of Directors.. A motion was made to

approve such resolution, which is set forth below. The motion was seconded and, there being no objections, approved.

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 Policy on the Procurement of Goods and Services

The fourth item on the agenda was a review of the Authority's Policy on the Procurement of Goods and Services. Mr. Page explained that pursuant to Section 2428(e) of the Public Authorities Law, the Authority had previously adopted such a Policy. He further explained that a proposed amendment was before the Committee which would encourage the participation by minority and women owned business enterprises in providing goods and services to the Authority. A motion was made to approve the resolution set forth below with respect to such amendment. The resolution was seconded and, there being no objections, approved.

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; and

WHEREAS, the Authority adopted a consolidated Policy on the Procurement of Goods and Services (the "Policy") on April 24, 2009 and amended it on May 17, 2010; and

WHEREAS, Authority's staff has recommended language be added to reflect the Authority's encouragement of participation by minority and women owned business enterprises in providing goods and services to the Authority; and

WHEREAS, pursuant to subsection III(a)(viii) of the Governance Committee Charter, the Governance Committee has reviewed the amended Policy, as attached hereto, and found it to be reasonable and appropriate; it is therefore

RESOLVED, that the Governance Committee hereby recommends that the Board of Directors adopt the Policy, as amended hereto.

Review of Compensation and Benefits

The fifth and final item on the agenda was a review of compensation and benefits. Mr. Page explained that Section III(i) of the Charter of the Committee requires this review. He noted that the Authority has no employees and referred to a paragraph in the packet provided to the Committee members which describes reimbursement from the Authority to other Office of Management and Budget and the New York City Municipal Water Finance Authority for services provided by the employees of such entities.

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 adjourned.


GENERAL COUNSEL