# NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY

## Mission Statement and Performance Measurements

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 and April 7, 2014.

**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
- The Authority will utilize bond ratings to the extent that ratings are supportive of the lowest borrowing costs, the most effective secondary market trading and positive investor relations.

**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?
- Do investors and rating agencies understand the Authority and its credit structure?
- Has the cost-effectiveness of ratings has been weighed against investor expectations and the evolution of the extent of usage of ratings by issuers and the value of ratings in different contexts by investors? If it is determined to be

appropriate to eliminate bond ratings for the Authority, has this recommendation been presented to the Board?

**Additional questions:**

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

2. Who has the power to appoint the management of the public authority?

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