MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

Minutes of Special Meeting of the Board of Directors

June 3, 1982

A Special Meeting of the Board of Directors of the Municipal Assistance Corporation For The City of New York was held at 9:30 A.M. on Thursday, June 3, 1982, at the offices of Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel to the Corporation, 345 Park Avenue, New York City.

The following Directors were present, constituting a quorum of the Board:

Felix G. Rohatyn, Chairman
Edward M. Kresky, Vice Chairman
Francis J. Barry
Kenneth J. Bialkin
George M. Brooker
Eugene J. Keilin
Dick Netzer
Andrew P. Steffan
Robert C. Weaver

The following Representatives were present:

Jerome Belson
Leonard Nadel
Bradford J. Race

The following members of the Staff were present:

Heather L. Ruth
John G. Bove
Denise N. Dean
Sarah B. Finney
Maxine H. Gillman
Steven J. Kantor
Terri L. Posner
Stephen J. Weinstein

Also present by invitation of the Board were: Allen L. Thomas, Dorothy A. Carey and James K. Thornton of Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel to the
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Corporation; Jack M. Schrager of Hawkins, Delafield & Wood,
Bond Counsel to the Corporation; Thomas Boast of the
Financial Control Board; Bernard Kabak of the Office of the
State Special Deputy Comptroller; Leslie Buch, Benita
Berkowitz and Steven M. Levine of the City of New York;
Allen Kone of the United States Treasury Department; Richard
F. Kezer of Citibank, N.A.; Jonathan Plutzik of First Boston
Corporation; and Robert Mabon of Salomon Brothers Inc.

Adoption of Minutes

Upon motion duly made, seconded and unanimously
carried, it was:

RESOLVED, that the Minutes of the Special Meeting
of the Board of Directors held on April 19, 1982 be and
hereby are adopted.

Proposed Commercial Paper Program

Mrs. Ruth reported that during the six months since the
Board had adopted resolutions authorizing the Commercial
Paper program, the staff had negotiated the terms of a
waiver of certain provisions of the 1978 Bond Purchase
Agreement required before that program could be commenced.
She stated that the negotiation had resulted in certain
changes in the terms of the program. She proposed that the
Board rescind the resolutions adopted on December 16, 1981
and adopt revised resolutions which reflected those changes.
Mr. Bove summarized the proposed changes in the authorizing resolutions and the agreements. He explained that, in order to afford additional protection to Commercial Paper holders in the unlikely event of bankruptcy, the maximum maturity would be limited to 45 days and Citibank would expressly waive any right to refuse to make advances under the Credit Agreement in such event. As a result of the negotiation of the waiver, he continued, only Second Resolution Bonds would be issued to Citibank if the note issued to the bank under the Credit Agreement were converted to bonds, and any such bonds would have a longer average life than previously specified. In addition, he said, City bonds owned by the Corporation and pledged as collateral to Citibank would exclude bonds maturing within six months from such pledge. He further stated that the documents also reflected changes in dates, in the payment account mechanism and in the form of the Commercial Paper Note.

(At this point, Mr. Bialkin joined the meeting.)

Mr. Rohatyn emphasized that the initial Commercial Paper program in the modest amount of $100 million would save the City approximately $3 million in debt service annually for the duration of the program. He explained that this would enable the Corporation to borrow money for City capital purposes at a lower cost than with long-term borrowing in the current market, while providing assurance that all outstanding Commercial Paper could always be funded
over at least a five-year period. He commended the staff and Citibank, Salomon Brothers and First Boston Corporation for the 18 months of effort which had gone into development of the program, and said that he expected the issuance of the Commercial Paper to begin within four to six weeks.

Mrs. Ruth pointed out that certain approvals were still required before the program could be commenced, including consent by the Mayor and Comptroller to pledging City bonds held by the Corporation as collateral to Citibank, approval of the Secretary of the Treasury of the Waiver to the 1978 Bond Purchase Agreement and approval by the State Comptroller of the terms of the sale.

Mr. Schrager summarized the principal changes in the three resolutions proposed for adoption by the Board from those adopted on December 16, 1981, and noted that the Series KK Resolution would be rescinded and not readopted because First Resolution bonds would not be made available for issuance to Citibank. He explained that the proposed Commercial Paper Note Resolution would authorize the issuance of short-term notes subordinate to all First and Second Resolution obligations of the Corporation, with maximum maturities of 45 days and minimum denominations of $250,000, up to a total of $100 million principal amount plus accrued interest outstanding at any one time. He explained that the proposed Bank Note Resolution would
authorize the issuance to Citibank of a note to be executed and delivered at the commencement of the program with a principal amount equal to the amount of advances actually made by Citibank and not to exceed $100 million. He explained that the proposed Series 37 Resolution would authorize the issuance of Second Resolution Bonds in a principal amount not to exceed $100 million in the event that the Bank Note were converted to bonds under the terms of the proposed Credit Agreement, noting that such bonds would mature not later than eleven years after issuance.

In response to a question by Mr. Bialkin, Mr. Bove indicated that both Bond Counsel and General Counsel would deliver opinions with regard to the Corporation's authority to enter into all of the agreements requisite to the proposed program and to perform in accordance with their terms, and with regard to the absence of any conflict between the terms of the proposed agreements and the terms of any other agreements to which the Corporation was a party.

After discussion, upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Commercial Paper Note Resolution, the Bank Note Resolution, the Series KK Resolution and the Series 37 Resolution, each as adopted at the meeting held on December 16, 1981, be and hereby are rescinded; and
FURTHER RESOLVED, that the Commercial Paper Note Resolution, the Bank Note Resolution and the Series 37 Resolution, each substantially in the form as presented to the meeting, with such non-substantive changes as General Counsel and Bond Counsel may in their discretion require, be and hereby are adopted.

Mr. Kezer stated that Citibank was delighted to participate in such an important undertaking, and was looking forward to the first sales of Commercial Paper.

Proposed Budget

Mrs. Ruth reported that the staff had proposed certain changes in format of the Corporation's operating budget for the fiscal year beginning July 1, 1982, in order both to accommodate the expenditures incident to the Commercial Paper program and to group expenditures by categories which more closely conformed to actual experience. She reported further that the Administration Committee had reviewed the proposed changes in format and the proposed budget for fiscal 1983 and that it had recommended their adoption in a memorandum to the Board dated June 1, 1982. She noted that this would be the first time the Corporation would begin a new fiscal year with its budget in place. She stated that the proposed 1983 budget showed substantial increases from the 1982 budget, attributable almost wholly to the Commercial Paper program, noting that without such expenses the budget would rise by only 1.3%.

Dr. Weaver stated that the Administration Committee memorandum addressed both the proposed format and budget.
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He explained that the dual goals of the revised format were to accommodate accurately the new types of operating expenditures attributable to the Commercial Paper program and to reformulate the presentation of other budget items in order to facilitate their understanding. He expressed his appreciation for the staff work in developing the proposals.

Mr. Rohatyn pointed out that the Corporation's annual administrative expenses of approximately $1 million were quite low, stating that the Corporation represented as lean and efficient a financing organization as existed.

Mr. Kresky noted that the expenditures in the proposed budget attributable to the Commercial Paper program were not real cost increases, but merely reflected in the Corporation's operating budget rather than in the underwriting discounts as in conventional long-term financings.

Mr. Rohatyn stated that it was important to remember that the Commercial Paper program would produce a savings to the City in annual debt service costs of approximately $3 million, based upon an interest savings of approximately $5 million, less approximately $2 million in costs.

After discussion, upon motion duly made, seconded, and unanimously carried, it was:

RESOLVED, that the 1983 Operating Budget of the Corporation as presented to the Board in the memorandum dated June 1, 1982, be and hereby is adopted.
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The Board directed that a copy of the Administration Committee memorandum be appended to the minutes of the meeting.

Appointment of Officers

Mrs. Ruth informed the Board that John G. Bove, who had served as the Corporation's Counsel for three years, had indicated that he would resign his position, effective June 30, 1982, in order to become a member of the law firm of Mudge, Rose, Guthrie and Alexander. She thanked Mr. Bove for his invaluable contribution and excellent performance in the position of Counsel. Mr. Rohatyn expressed the appreciation of the Board for the services which Mr. Bove had rendered to the Corporation and wished him well in his new endeavor.

Mrs. Ruth recommended that the Board appoint as Counsel, effective July 1, 1982, Stephen J. Weinstein, Deputy Executive Director and Secretary of the Corporation, indicating that Mr. Weinstein would resign his position as Secretary, effective June 30, 1982, but would retain his position as Deputy Executive Director. Mrs. Ruth further recommended that Maxine H. Gillman, Assistant Counsel of the Corporation, be appointed to the position of Secretary, effective July 1, 1982, and stated that Miss Gillman would also be promoted to Associate Counsel. Mrs. Ruth also recommended that Steven J. Kantor, Treasurer of the
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Corporation, be appointed to the position of Deputy
Executive Director, effective July 1, 1982, while retaining
his position as Treasurer. Mrs. Ruth also proposed
amendments to the By-Laws to conform to her recommendation
that there be two Deputy Executive Directors.

After discussion, upon motion duly made, seconded and
unanimously carried, it was:

RESOLVED, that the following named persons be and
hereby are appointed to hold the following positions as
Officers of the Municipal Assistance Corporation For
The City of New York, effective July 1, 1982: Stephen
J. Weinstein--Counsel; Steven J. Kantor--Deputy
Executive Director; and Maxine H. Gillman--Secretary;
and

FURTHER RESOLVED, that the By-Laws of the
Municipal Assistance Corporation For The City of New
York be and hereby are amended by revising Article 4 to
read as set forth in the amended By-Laws appended to
the minutes of the meeting.

City Budget Review

Mrs. Ruth reported that the staff was in the process of
reviewing the proposed City Budget for the coming year as
were the Financial Control Board and the Office of the State
Special Deputy Comptroller. She stated that the Corporation
would have to meet no later than June 24, 1982, in order to
act on the proposed budget within the time limit prescribed
by statute.

Mr. Rohatyn observed that the continuing uncertainty
with regard to the State budget would cast its shadow over
the creditworthiness of the State for some time to come. He
added that the City would be negotiating new labor
contracts, with a current local inflation rate of only 3%, in the context of unknown levels of both State and Federal aid. He said that there was a limited ability to raise local taxes without adverse economic consequences and therefore a need to provide as large a budget cushion as possible. He stressed that the Corporation's authority to raise new money for the City would expire in December 1984, after which the City would have to finance all of its own needs. He concluded that the City ought to be austere and realistic in an economic situation as serious as that faced in several years. He observed that the City's predicament was exacerbated by the changes in the municipal market, as evidenced by tax-exempt interest rates currently at nearly 90% of taxable interest rates, compared with only about 50% just a few years ago. He said that there appeared to be a critical and growing need for Federal involvement in order effectively to resolve the severe financing dilemma facing local governments throughout the country, in the South and West as well as in the Northeast and Midwest.

Dr. Netzer said that it was necessary to emphasize protection against potential adverse revenue and expenditure changes in local budgeting and financing decisions, which would be covered in the Corporation's upcoming review of the proposed City budget.

Mr. Kresky stressed the formidable financing burden facing both the Corporation and the City, given the enormous
need to improve the local deteriorating public facilities. He also observed that the City deserved investment-grade ratings on its bonds, given its position relative to those of other local governments, and that it required such ratings in order to meet its long-term financing needs.

Dr. Weaver stated that the physical plants of major American cities were falling to pieces, and observed that it was simply not possible continually to postpone infrastructure improvements. Given the Corporation's legislative mandate, he concluded, the upcoming budget review should address these concerns.

Adjournment

There being no further business before the meeting, it was, upon motion duly made, seconded and unanimously carried, adjourned at 10:15 A.M.

Stephen J. Weinstein  
Secretary
Date: 1 June 1982

To: Members of the Board

From: Robert C. Weaver, Chairman
The Administration Committee

Re: The Corporation's Fiscal 1983 Budget (for consideration at the June 3rd meeting of the Board).

As you know, initiation of the Commercial Paper Program argues for restructuring the Corporation's budget to reflect fees which are unique to this type of borrowing, principally, fees paid to the banks providing the irrevocable line of credit. A new budget format has been developed by the staff to accomplish this purpose and, more generally, to improve the correspondence of budget categories to the current functions of the Corporation.

The Administration Committee has reviewed the revised format as well as the proposed 1983 fiscal year budget of the Corporation's Operating Fund and recommends both for adoption by the Board of Directors at the next meeting.

The New Format

The revised budget categories, as reflected in Exhibit I, have been changed so that the expenditures more nearly reflect the purposes behind the expenditure. Six principal budget categories, with limited subdivisions, replace the three "old" principal budget categories*, as follows:

- Debt Issuance
  - Long-Term (Bonds)
  - Short-Term (Commercial Paper)
- Debt Administration
- Oversight
- OSDC
- FCB
- Investment
- Financial Reporting
- General & Administrative

If approved, the categories shown above will be reported in the Corporation's financial reports and constitute line items within the intent of the Corporation's internal administrative procedures. Greater detail, as shown in Exhibit I (attached), will be routinely available for review by the Administration Committee.

* The three principal budget categories under the "old" format are: (1) Debt Issuance and Service; (2) Oversight; and (3) General & Administration.
The Proposed 1983 Budget: Summary

As shown in Exhibit I, the proposed 1983 fiscal year budget at $9,586,000 is $1,281,400 greater than the estimated 1982 budget as modified, an increase of 18%. The principal cause of this increase is the initiation of the Corporation's Commercial Paper Program. When expenses due to commercial paper are subtracted from the budget, the overall increase is only $101,400 or 1.3%.

As in the past, the other oversight agencies -- Office of the Special Deputy Comptroller (OSDC) and the Financial Control Board (FCB) -- whose budgets are set by the State Legislature but paid from the Corporation's Operating Fund, account for a very large proportion of the budget at $3,887,900 or 41% of the total (see Exhibit II - attached).

The remainder of this memorandum provides more detailed commentary on the individual line items according to the new format as set forth in Exhibit I.

Debt Issuance: Long Term (Bonds) is relatively constant. The Four Year Financial Plan calls for the Corporation to sell $500 million of debt publicly in fiscal 1983, the same amount as in fiscal 1982.

Debt Issuance: Short Term (Commercial Paper) will increase as a result of the selling of commercial paper. (See Exhibit III for a detailed break-out of 1983 fees and expenses.) There has been no additional amount budgeted for an increase in the size of the Commercial Paper Program, as any increase would require Board approval and the budget could be modified at that time.

Debt Administration will increase due, primarily, to the annual effect of the revised fee schedule of the United States Trust Company, established by the Board through delegation to the Administration Committee (October 20, 1981), and taking effect January 1, 1982. Approximately $30,000 or 86% is attributed to fee increase, while $5,000 or 14% is attributed to the increase or volume of transactions. The other component of the increase is due to an expected increase in advertising, as we anticipate that two sinking fund calls will be necessary during the 1983 fiscal year.
Oversight will decrease due to a decline in amounts of the expenditures of the Office of the Special Deputy Comptroller (OSDC) attributed to the Corporation.

Investment will increase due to (i) the annual effect of the fee increase to the Bank of New York approved by the Board on January 21, 1982, and (ii) an increase in transaction costs associated with the purchase and sale of securities in the Corporation's portfolio. The latter cost increase reflects both the new fee schedule of the U.S. Trust Company for transaction processing and a continued growth in the volume of transactions. The Corporation currently has almost $3 billion under investment, as compared with somewhat over $1 billion two years ago. This growth in the size of the portfolio explains the consistent growth of costs in this area over the last several years (as well as the much more significant growth of investment income, which is not accounted for in the Corporation's Operating Fund).

Financial Reporting is expected to increase due to (i) the completion of a computer audit of the new system by June 30, 1983; and (ii) the annual effect of the payment on the computer note. (A more detailed breakout of the Financial Reporting line item is provided in Exhibit IV, attached.) Note that one effect of adoption of the new budget format for the 1982 fiscal year will be to convert from the Board's lump sum authorization for computer-related expenses (approved April 21, 1982) to an annual authorization, as for all other expenditures.

General & Administrative does not include any cost of living increase for the staff.
# FISCAL YEAR 1983 BUDGET

## New Format

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<tr>
<th></th>
<th>1982 Estimated</th>
<th>Proposed 1983 Budget</th>
<th>Increase (Decrease)</th>
<th>Percentage Change</th>
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<td><strong>DEBT ISSUANCE:</strong></td>
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<td>* Long-Term (Bonds)</td>
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<td>(4)</td>
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<td><strong>Short-Term (Commercial Paper)</strong></td>
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<tr>
<td><strong>Total</strong></td>
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<td>1,892,000</td>
<td>1,180,000</td>
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<td>* OSDC</td>
<td>2,762,000</td>
<td>2,355,900</td>
<td>(406,100)</td>
<td>(15)</td>
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<td>* FCB</td>
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<td>1,532,000</td>
<td>52,000</td>
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<tr>
<td><strong>Total</strong></td>
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<td>3,887,900</td>
<td>(354,100)</td>
<td>(8)</td>
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<td><strong>INVESTMENT:</strong></td>
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<td>Investment Advisor</td>
<td>52,500</td>
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(continued)
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<th>Proposed 1983 Budget</th>
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<th>Percentage Change</th>
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<td>594,500</td>
<td>151,000</td>
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<td><strong>GENERAL &amp; ADMINISTRATIVE:</strong></td>
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<tr>
<td>Personnel Services</td>
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<td>1,041,600</td>
<td>135,000</td>
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<tr>
<td>Total</td>
<td>8,304,600</td>
<td>9,586,000</td>
<td>1,281,400</td>
<td>15.4</td>
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Increase Net of Commercial Paper 1.3%

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* Indicate recommended level of detail for reporting the Operating Fund in the Annual Report and quarterlies.
## BUDGET FOR MAC OPERATIONS  
(Fiscal Years)

<table>
<thead>
<tr>
<th>Description</th>
<th>1982 Estimated</th>
<th>Proposed 1983 Budget</th>
<th>Increase (Decrease)</th>
<th>Percentage Change</th>
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<tr>
<td><strong>MAC OPERATIONS</strong></td>
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<td>Debt Issuance:</td>
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<tr>
<td>Long-Term (Bonds)</td>
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<td>Short-Term (Commercial Paper)</td>
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<td><strong>GRAND TOTAL: OPERATING FUND</strong></td>
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<td>9,586,000</td>
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<td>+15.4%</td>
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FISCAL 1983 BUDGET

DEBT ISSUANCE

SHORT TERM (COMMERCIAL PAPER)

<table>
<thead>
<tr>
<th>Credit Facility (per agreement with Citibank)</th>
<th></th>
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<tbody>
<tr>
<td>Facility Fee @ 3/4% of Total Commitment</td>
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<tr>
<td>Activity Fee @ 3/4% of Average Amt. Outstanding</td>
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<tr>
<td>Management Fee @ 1/8% of Total Commitment</td>
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</tr>
</tbody>
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Legal (estimated)

- Hawkins, Delafield & Wood                      105,000
- Paul Weiss Rifkind Wharton & Garrison         60,000
- Counsel to Citibank                            30,000
- Counsel to Dealer's                            30,000
- Counsel to Private Purchasers                  10,000
| Total                                        | 235,000 |

Printing of Notes

- 10,000

Related Services

- Rating Agencies                              21,000
- Miscellaneous                                1,000
| Total                                        | 22,000 |

Total Debt Issuance (Short Term)                  1,892,000
## FISCAL 1983 BUDGET
### FINANCIAL REPORTING

**Auditing**
- Price Waterhouse: 100,000
- Special Audit of Data Processing Service: 50,000
- **Total:** 150,000

**Data Processing**
- Tymshare Service: 40,000
- Systems Development*: 63,000
- Payments to UST on computer note: 137,000
- Maintenance: 25,000
- **Total:** 265,000

**Printing**
- Printing: 91,500
- Design: 72,000
- Mailing; Advertising: 16,000
- **Total:** 179,500

**Total Financial Reporting:** 594,500

*Payments to Computer Consultants
BY-LAWS
OF
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK
Adopted April 7, 1978
As Amended
Through June 3, 1982

ARTICLE 1
THE CORPORATION

1.1. Name. The name of the Corporation shall be the "Municipal Assistance Corporation For The City of New York".

1.2. Purposes, Powers and Administration. The Municipal Assistance Corporation For The City of New York (the "Corporation") is a corporate governmental agency and instrumentality of the State of New York (the "State") constituting a public benefit corporation, created and existing by and under Article 10 of the Public Authorities Law of the State as may be amended from time to time (the "Act"). The purpose for which it is formed, the powers which it may exercise and its administration shall be as set forth in the Act.

1.3. Seal. The Seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and the year of its creation.

1.4. Offices. The principal office of the Corporation shall be situated within the City of New York, at such location as the Board of Directors shall from time to time designate. Additional offices of the Corporation may be established by the Board of Directors, at such other places as it may from time to time designate.

1.5. Fiscal Year. The fiscal year of the Corporation shall terminate on the same date as that of The City of New York (the "City"), which is at present the last day of June in each year.
ARTICLE 2

DIRECTORS

2.1. Board of Directors. The Corporation shall be administered by a Board of Directors (the "Board of Directors"), which shall consist of such members serving such terms as specified in the Act.

2.2. Chairman. The Chairman of the Board of Directors (the "Chairman") shall be a Director of the Corporation designated Chairman by the Governor.

2.3. Powers and Duties. The Board of Directors shall have such powers and duties as specified in the Act.

2.4. Compensation. The Directors shall serve without salary, but each Director shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of official duties as a Director of the Corporation and a per diem allowance of One Hundred Dollars ($100) when rendering services as a Director, provided that the aggregate of such per diem allowance to any one Director in any one fiscal year of the Corporation shall not exceed the sum of Five Thousand Dollars ($5,000).

2.5. Payment of Compensation. The compensation provided for by Section 2.4 shall be paid only upon the timely submission to the Executive Director of a written statement setting forth the amount claimed and the basis therefor. Statements for amounts claimed as a result of duties performed during a fiscal year may be submitted prior to July 15 of the succeeding fiscal year, except that statements for duties performed subsequent to May 31 may be submitted at any time during the succeeding fiscal year.

ARTICLE 3

REPRESENTATIVES

There shall be six Representatives to the Board of Directors (the "Representatives"). Each Representative
shall be entitled to receive notice of and to attend all meetings of the Board of Directors but shall not be entitled to vote at such meetings. The Speaker and the Minority Leader of the Assembly of the State, the President Pro Tem and the Minority Leader of the Senate of the State, the Board of Estimate of the City acting by majority vote, and the Vice-Chairman of the City Council of the City shall each be entitled to appoint a Representative to the Board of Directors. Each Representative shall serve at the pleasure of the respective appointing official or body, shall be eligible for reappointment, and shall hold office until his or her successor has been appointed. Each Representative shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of official duties as a Representative to the Board of Directors, which reimbursement shall be paid in accordance with the procedures set forth in Section 2.5 of Article 2 hereof.

ARTICLE 4

OFFICERS AND EMPLOYEES

4.1. Officers. The Officers of the Corporation shall be those specified in Sections 4.2 through 4.8 of this Article 4, and such other Officers, if any, as the Board of Directors may from time to time appoint (the "Officers"). Officers of the Corporation, other than the Chairman, need not be Directors. Officers shall have the powers and duties specifically conferred upon them in these By-Laws. All Officers of the Corporation, other than the Chairman, shall be appointed by and shall hold office at the pleasure of the Board of Directors for terms of one year, and may be removed, either with or without cause, at any time, by the Board of Directors.

4.2. Chairman. The Chairman shall be the chief executive officer of the Corporation. The Chairman shall exercise general policy direction and review of the affairs of the Corporation and the performance of the Officers, shall preside at meetings of the Board of Directors at which he or she is present and shall have such other duties as the Board of Directors may direct or as may be specified by law.
4.3. **Vice Chairman.** The Vice Chairman shall assist the Chairman in the direction and review of the affairs of the Corporation. He or she shall perform such additional duties as the Chairman or the Board of Directors shall from time to time specify, and shall have the powers and duties of the Chairman whenever the Chairman is unable to act.

4.4. **Executive Director.** The Executive Director shall be the chief operating officer of the Corporation and shall have the duties and powers of general management and superintendence of the activities of the Corporation, under the direction of the Board of Directors. In all cases where, and to the extent that, the duties of the other Officers of the Corporation, other than the Chairman, are not specifically prescribed by the By-Laws, resolutions of the Corporation or by the Chairman, the Executive Director may prescribe such duties. In addition, he or she shall have all other powers and duties customarily incident to the office of the chief operating officer.

4.5. **Deputy Executive Director.** One or more Deputy Executive Directors may be appointed by the Board of Directors, and shall have such powers and duties as the Executive Director shall delegate.

4.6. **Counsel.** The Counsel shall be the chief legal officer of the Corporation. He or she shall have all powers and duties customarily incident to the office of counsel, including the rendering of legal advice and opinions with respect to the Corporation's activities, and the approval for legal compliance of all documents of the Corporation.

4.7. **Treasurer.** The Treasurer shall be the chief financial officer of the Corporation, and shall have all powers and duties customarily incident to the office of chief financial officer, including the keeping of the books of account of the Corporation and the preparation of the periodic financial statements of the Corporation. At all reasonable times, the Treasurer shall exhibit to any Officer or Director of the Corporation the books of account and any other records which he or she maintains or causes to be maintained; whenever requested by the Board of Directors, the Treasurer shall present to it a statement of accounts.
4.8. Secretary. The Secretary shall act as Secretary of all meetings of the Board of Directors at which he or she is present, and shall keep the minutes of all such meetings in books proper for that purpose. The Secretary shall have power to affix or cause to be affixed the seal of the Corporation to all contracts, certificates, documents, bonds, notes or other obligations and instruments to be executed on behalf of the Corporation and to attest to the same. He or she shall have charge of the books, records and papers of the Corporation relating to its organization and management as a corporation, and shall see that the reports, statements and other documents required by law are properly kept and filed. In addition, the Secretary shall have all other powers and duties customarily incident to the office of secretary.

4.9. Additional Personnel. The Executive Director may from time to time employ such additional personnel for the Corporation as he or she may deem necessary or appropriate to exercise the powers, duties and functions of the Corporation as prescribed by law, either as employees of the Corporation or as consultants to the Corporation.

4.10. Compensation. Compensation of the Executive Director shall be established by the Board of Directors, and compensation of all other Officers, other than the Chairman, and of additional personnel of the Corporation shall be established by the Executive Director.

ARTICLE 5

MEETINGS

5.1. Annual Meeting. The Annual Meeting of the Corporation shall be held on the final Thursday of September of each year at the principal place of business of the Corporation or at such other time and place as the Chairman may determine. At each Annual Meeting, the Board shall elect the Officers of the Corporation, and shall review the financial statements for the fiscal year ending the preceding June 30. Notice shall not be required for the Annual Meeting unless the Chairman determines that the place or time of the meeting shall be other than as specified herein, in which event notice of the place, date
and hour of the Annual Meeting shall be given in person or by telephone to each Director and Representative at his or her address as it appears on the records of the Corporation, not less than two nor more than twenty days before such meeting.

5.2. Additional Meetings. Meetings may be held at the principal office of the Corporation or elsewhere, upon the request of the Chairman or of any two Directors of the Corporation. At any meeting of the Corporation, any business of the Corporation may be transacted.

5.3. Notice. Notice of each additional meeting, specifying the time and place thereof, shall be given prior to such meeting to each Director and Representative, either in person or by telephone call or writing directed to the usual place of business of each such person. Notice of any meeting required to be given to a Director hereunder shall be deemed to have been given if a waiver in writing is signed by the Director entitled thereto, before, during or after such meeting, or if such Director is present at such meeting. Notwithstanding the above, no action taken by the Board of Directors at any meeting shall be deemed invalid due to the failure to give notice as specified in this section.

5.4. Quorum. At all meetings of the Board of Directors, five Directors shall constitute a quorum for the purpose of transacting business. In the absence of a quorum, a majority of the Directors present may adjourn the meeting from time to time until a quorum is present. No notice need be given of any adjourned meeting to Directors present at the meeting at which adjournment is taken. Notice shall be given to Directors not present at such meeting in accordance with the notice provisions applicable to the meeting adjourned.

5.5. Voting. At any meeting of the Directors, each Director present, in person, shall be entitled to one vote. The Corporation may act by vote of a majority of the Directors present at any meeting at which a quorum is in attendance.

5.6. Presence. Members of the Board of Directors, or members of any committee appointed by the Board of Directors, may participate in a meeting of the Board of Directors or in a meeting of any such committee by means of conference telephone or similar communication equipment by
means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting. Any required notice of the place of a meeting at which participation is by means of conference telephone or similar communication equipment shall be sufficient if it designates as the place of the meeting the place at which one or more of the participants in the meeting is located at the time the meeting is held.

5.7. Delegation. The Corporation may delegate to one or more of its Directors, Officers, agents, or employees such powers and duties not otherwise delegated in these By-Laws or by law as it may deem proper.

ARTICLE 6

COMMITTEES

6.1. Finance Committee. The Board of Directors may, by a majority of the Directors of the Corporation then in office, appoint from among its members a Finance Committee to consist of three or more Directors, one of whom shall be the Chairman of the Board of Directors, and one of whom shall be designated by the Board of Directors as Chairman of the Finance Committee. The Board of Directors may also designate one or more of the Directors as alternates to serve as a member or members of the Finance Committee in the absence of a regular member or members. All members and alternates shall serve at the pleasure of the Board. Except as provided in Section 6.4 of this Article 6, the Finance Committee shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation.

6.2. Additional Committees. The Board of Directors may, by a majority of the Directors of the Corporation then in office, appoint from among its members such other Committees as it may deem appropriate, with such powers and duties as shall be prescribed by the Board. All members and alternates appointed to such other Committees shall serve at the pleasure of the Board.
6.3. Procedures. For the transaction of business of any Committee of the Board, a majority of the whole Committee shall constitute a quorum and may fix its rules of procedure. Meetings of any Committee shall be held at such times and places and on such notice, if any, as the Committee may from time to time determine. Meetings may be called by the Chairman of a Committee or by the Chairman of the Board. Except as otherwise specified in the notice thereof, or as required by law or by these By-Laws, any and all authorized business may be transacted at any meeting of a Committee. An attendance record and minutes shall be kept for any meeting of a Committee by its Chairman or any other member.

6.4. Limitations. No Committee shall have the power or authority of the Board in reference to (a) amending the By-Laws; (b) designating Committees; (c) filling vacancies among Committee members; (d) removing Officers; or (e) authorizing the issuance of any notes or bonds or other obligations by the Corporation, unless the power to authorize an issuance is specifically conferred upon the Committee by the Board of Directors. The Board of Directors, by a majority of the Directors of the Corporation then in office, may disband any Committee at any time.

ARTICLE 7

SIGNATURE AUTHORIZATION

The Board of Directors shall determine who shall be authorized to sign documents on behalf of the Corporation. Such authority may be general or confined to specific instances.
ARTICLE 8

INDEMNIFICATION

8.1. The Corporation shall indemnify any past or present Director, Representative, Officer, Employee or Consultant of the Corporation, or the legal or personal representative(s) of any such person, against any claim, demand, suit, judgment or other action or proceeding, civil or criminal, including an appeal therein, arising by reason of any act or omission to act, or allegation(s) thereof, by any such person in the discharge of his duties on behalf of the Corporation, including reasonable costs, counsel fees and expenses, and including amounts paid in settlement or in satisfaction of judgments or as fines or penalties, in connection with or resulting from any such claim, demand, suit, judgment or other action or proceeding, civil or criminal, whether or not such person continues to be such Director, Representative, Officer, Employee or Consultant at the time such costs, counsel fees or expenses shall have been paid or incurred, except in relation to matters as to which such person is finally adjudged to be liable for gross negligence or wilful misconduct in the performance of his duties to the Corporation.

8.2. In connection with any such claim, demand, suit, judgment or other action or proceeding, any past or present Director, Representative, Officer, Employee or Consultant of the Corporation, or the legal or personal representative(s) of any such person, shall be entitled to be represented by private counsel of his or her choice.

8.3. The Corporation may, in the discretion of the Board of Directors, advance expenses described in Section 8.1 prior to the final disposition of any such claim, demand, suit, judgment or other action or proceeding.

8.4. The provisions of this article shall be in addition to and shall not supplant any indemnification or other benefits heretofore or hereafter conferred upon Directors, Representatives, Officers, Employees and Consultants of the Corporation by section seventeen of the Public Officers Law, section three thousand twenty of the Public Authorities Law or otherwise.
ARTICLE 9

BY-LAWS

9.1. Adoption. These By-Laws shall be effective as of April 7, 1978, as provided in the resolution of the Corporation adopting them, and shall supplant, as of that date, any previously adopted By-Laws of the Corporation.

9.2. Amendment. These By-Laws may be amended by the affirmative vote of two-thirds of the Directors of the Corporation then in office, provided that notice of intention to present such resolution shall be given at least five days prior to the meeting of the Board of Directors at which the motion to adopt such resolution is made.