

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Investment Committee
One World Financial Center, 24th Floor
New York, NY 10281
April 16, 2013

Members Present

Fernando Mateo, Chair
Martha Gallo, Member
Carl Mattone, Member
Dennis Mehiel, Ex-Officio Member

Authority Staff in Attendance: Demetrios A. Boutris, President/Chief Operating Officer
Megan Churnetski, Associate General Counsel and Assistant
Corporate Secretary
Gwen Dawson, Senior Vice President, Real Estate Development &
Management
Anne Fenton, Deputy Chief Operating Officer
Luis Garcia, Assistant Treasurer
Kevin McCabe, Assistant to the President
Brenda McIntyre, Senior Vice President of Human Resources
Matthew Monahan, Senior Vice President, Public Information
Anthony Peterson, Director of Diversity Programs
Karl Koenig, Controller
Robert M. Serpico, Executive Vice President, Finance and
Treasurer/Chief Financial Officer
Seema Singh, Senior Counsel
Kirk Swanson, Chief Administrative Officer, Internal Control
Officer and Chief Contracting Officer
Phyllis Taylor, Executive Vice President/General Counsel,
Corporate Secretary

Others in Attendance: Tessa Huxley, Battery Park City Parks Conservancy
Matthew Fenton, Battery Park City Broadsheet
Therese Loeb Kreuzer, Downtown Express
Nathaniel Herz, NY World
Steven Faber, PFM
Bob Cheddar, PFM

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 11:31 a.m.

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Mr. Serpico began by explaining the background of the Investment Committee. He then introduced PFM's Steve Faber and Bob Cheddar who serve as the outside consultants advising the Authority and the Investment Committee on its investments. Mr. Serpico also explained the weekly Monday morning phone call involving himself, Luis Garcia, and PFM's Mr. Faber and Mr. Cheddar. The discussion, he explained, consists of the week's maturities and what is done with those maturities, i.e. how they will be reinvested for the week.

Mr. Serpico went on to explain the quarterly meeting of the Investment Committee is to develop an ongoing strategy so everybody understands what the market is doing and why the Authority is investing as it is. Our investments are managed to corporate goals, he stated, and our portfolio consists of anywhere from \$450 to \$600 million worth of investments. The goal, he continued, amongst others, is to keep those monies constantly invested in light of our corporate capital and on-going cash needs; most of those monies are tied up in the bond resolutions.

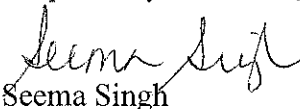
Mr. Faber pointed out that this presentation is to serve as a sort of tutorial. He began explaining the Review of Investment Performance Quarter Ended January 31, 2013 report by starting with the market commentary. He then continued by explaining exactly what the Authority owns, the number of accounts and how each of those accounts is managed.

Mr. Mateo asked if we looked at other authorities and if they were as conservative as we are or do they take more risks. Mr. Serpico responded by saying most authorities are in the same constricted box. Mr. Faber then elaborated with two more points 1) this Authority, like all public authorities, is state-level and is subject to the Comptroller's guidelines under Section 98-98A of the New York State Finance Law, which restricts this Authority and others to investing in treasuries, federal agencies, the highest-rated commercial paper, certain municipal obligations, etc., and 2) it is hard to compare one agency versus another unless the purpose of the fund is identical to the purpose of the other fund. To be safe, he continued, the Authority's investment program is consistent with what other authorities are doing around the state.

Mr. Faber then ended by saying in the future we will spend more time talking about strategy and performance as opposed to infrastructure.

There being no further business, upon a motion by Ms. Gallo and seconded by Mr. Mattone, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 12:30 p.m.

Respectfully submitted,



Seema Singh
Assistant Corporate Secretary