

AGENDA

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
THURSDAY, NOVEMBER 9, 2017, 6:30 PM
MARRIOTT LONG ISLAND HOTEL & CONFERENCE CENTER
101 JAMES DOOLITTLE BLVD., UNIONDALE, NY 11553**

Call to Order

Action Items

- I. Approval of the Minutes of October 17, 2017
- II. Consideration of County Contract for Peter Scalamandre & Sons, Inc.
- III. Consideration of County Contract for Posillico Civil, Inc.
- IV. Consideration of County Contract for Pratt Brothers, Inc.
- V. Consideration of Tax Anticipation Notes Borrowing by Nassau County
- VI. Consideration of Bond Anticipation Notes Borrowing by Nassau County
- VII. Consideration of the County's Multi-Year Financial Plan for Fiscal 2018 - 2021

Adjournment

DRAFT – SUBJECT TO REVIEW AND REVISION

NASSAU COUNTY INTERIM FINANCE AUTHORITY
MEETING OF THE DIRECTORS
MINUTES OF OCTOBER 17, 2017

The Directors of the Nassau County Interim Finance Authority met on October 17, 2017 at 6:52 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

Directors present: Adam Barsky, Chairman
Paul Annunziato
John Buran
Paul Leventhal
Lester Petracca
Howard Weitzman
Christopher Wright

Staff present: Evan Cohen, Executive Director
Carl Dreyer, Treasurer
Laurie Giardina, Corporate Secretary
Maria Kwiatkowski, Deputy Director
Jeremy Wise, General Counsel

1. Call to Order/Roll Call

The meeting was called to order at 6:52 PM.

2. Approval of Minutes

On a motion by Director Wright, the Directors approved the minutes from the meeting on July 24, 2017.

Positive votes: 6 Negative votes: 0 Abstained: 1 (Director Weitzman)

Resolution No. 17-686

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JULY 24, 2017 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on July 24, 2017 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

* * *

3. Approve Submission of NIFA’s 2018 Budget and FY 2018 – FY 2021 Financial Plan to the Office of the State Comptroller and the Authorities Budget Office to Comply with 2 NYCRR, Part 203

The Directors were asked to approve a resolution to disclose, and if no negative comments are received from the public, file NIFA’s budget with the NYS Comptroller. NIFA’s budget was approved by the Audit and Internal Control Committee just prior to this meeting.

On a motion by Director Wright, the Directors approved the resolution.

Positive votes: 7

Negative votes: 0

Resolution No. 17-687

APPROVE SUBMISSION OF NIFA’S 2018 BUDGET AND FY 2018 – FY 2021 FINANCIAL PLAN TO THE OFFICE OF THE STATE COMPTROLLER AND THE AUTHORITIES BUDGET OFFICE TO COMPLY WITH 2 NYCRR, PART 203 AND THE TAKING OF RELATED ACTIONS

RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that the Authority acknowledges enactment of 2 NYCRR, Part 203 (the “Regulations”) and its requirement that the Directors of the Nassau County Interim Finance Authority receive, review and approve a proposed Budget for FY 2018 (“Budget”) and a proposed Financial Plan for FY 2018 – FY 2021 (“Plan”); and be it further

RESOLVED, that the Authority hereby conditionally approves the Budget and Plan subject to the conditions outlined in the Materials; and be it further

RESOLVED that the Chairman of the Authority or his designees(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to publish and file the Budget and Plan with the State Comptroller and any other necessary parties and to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider necessary or proper to effectuate the foregoing and related actions.

* * *

4. Adopting the Staff Report Concerning the Proposed Nassau County Multi-Year Financial Plan, Fiscal 2018-2021 and the Recommendations Contained Therein

Executive Director Cohen gave a summary of the Staff Report. He stated that although NIFA is projecting that the GAAP deficit will be reduced from \$189 million in 2014 to a projected \$55 million in 2017, NIFA projects significant deficits in each year of the plan on a GAAP basis, totaling approximately \$128 million in 2018 and much greater amounts in the Out-Years,

DRAFT – SUBJECT TO REVIEW AND REVISION

if all the identified risks are not resolved with recurring actions.

On a motion by Director Wright, the Directors approved the resolution.

Positive votes: 7 Negative votes: 0

Resolution No. 17-688

ADOPTING THE STAFF REPORT CONCERNING THE PROPOSED NASSAU COUNTY MULTI-YEAR FINANCIAL PLAN, FISCAL 2018-2021 AND THE RECOMMENDATIONS CONTAINED THEREIN

WHEREAS, Nassau County continues to operate in a control period, which the Nassau County Interim Finance Authority (“NIFA”) imposed on January 26, 2011; and

WHEREAS, on September 15, 2017, as required by law, the County Executive submitted to NIFA his proposed Multi-Year Financial Plan for Fiscal 2018 – 2021 (“Proposed Plan”), the first year of which is his proposed 2018 Budget; and

WHEREAS, the NIFA staff has prepared a report (the “Staff Report”) on the County Executive’s Proposed Plan in which the staff identified a number of risks; and

WHEREAS, said Staff Report is incorporated into and made a part of this resolution;

NOW, THEREFORE, BE IT RESOLVED, that the NIFA Directors adopt the Staff Report on the County Executive’s Proposed Plan.

* * *

5. Resolution Outlining NIFA’s Expectations Regarding Nassau County’s Adoption of its FY2018 – FY2021 Multi-Year Financial Plan

The Directors were asked to approve a resolution outlining NIFA’s expectations regarding Nassau County adoption of its Multi-Year Financial Plan for Fiscal 2018 – 2021.

On a motion by Director Wright, the Directors approved the resolution.

Positive votes: 7 Negative votes: 0

Resolution No. 17-689

RESOLUTION OUTLINING NIFA’S EXPECTATIONS REGARDING NASSAU COUNTY’S

DRAFT – SUBJECT TO REVIEW AND REVISION

ADOPTION OF ITS FY2018 – FY2021 MULTI-YEAR FINANCIAL PLAN

WHEREAS, the NIFA Act was passed by the State Legislature in June of 2000, after receiving a home rule message from a unanimous County Legislature, because the County was at the precipice of financial ruin; and

WHEREAS, in 2011 the County’s finances had reached a point where NIFA was compelled to declare a fiscal emergency which was a prerequisite to its ultimate declaration of a “Control Period,” as defined under the NIFA Act; and

WHEREAS, said Control Period is still in effect because, among other conditions, the County continues to have a GAAP deficit greater than 1% thereby still requiring ongoing increased oversight, including NIFA’s approval of the County’s multi-year plans, borrowings and contracts; and

WHEREAS, the County Executive has submitted his proposed Multi-Year Plan for FY 2018 – FY 2021 (“Proposed Plan”), which NIFA has reviewed and commented upon in a Staff Report dated October 17, 2017;

NOW, THEREFORE, BE IT RESOLVED, that the County Legislature must adopt the necessary ordinances to effectuate the Proposed Plan or a modified plan; and be it further

RESOLVED, that NIFA will not accept modifications to the Proposed Plan unless the Legislature’s changes include equivalent and recurring revenue increases or expenditure savings; and be it further

RESOLVED, that NIFA believes that it is the responsibility of the elected officials to make those decisions as to where to reduce expenses or increase revenues in order to balance the budget; and be it further

RESOLVED, that only if the County fails to balance its budget will NIFA use its statutory authority to make the necessary adjustments to accomplish this task.

* * *

6. Adjournment

The Chairman made a motion to adjourn. The meeting was adjourned at 7:11 PM.

Respectfully submitted,

Laurie A. Giardina
Corporate Secretary

NASSAU COUNTY INTERIM FINANCE AUTHORITY

FOR CONSIDERATION

November 9, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Peter Scalamandre & Sons, Inc. Contract

REQUEST FOR: Consideration of County Contract for Peter Scalamandre & Sons, Inc.

Introduction:

On March 24, 2011 NIFA adopted the Contract Approval Guidelines, as subsequently amended, which include the Contract Approval Request Form. The Guidelines delineate the dollar thresholds and approval process of all County contracts that must be submitted to NIFA for approval.

On October 30, 2017, the County submitted a change order with Peter Scalamandre & Sons, Inc. to NIFA for approval. The vendor was selected through a County RFP process for the original contract. The term is for 450 calendar days and is valued at \$7,665,000.

Discussion:

On December 7, 2015, the County Legislature approved the original contract for services between the Nassau County Department of Public Works and Peter Scalamandre & Sons, Inc. (collectively, the "Firm") to provide labor and materials associated with the Barnes Avenue Sanitary Sewer Overflow (SSO) Correction Project.

This change order is to complete installation of 3 miles of Sewer Force Main to connect from a pumping station in Hempstead to the existing sewer interceptors along Merrick Ave. Sewer Force Main work was in progress when unexpected interference with existing utilities was encountered. Field conditions were investigated via test pitting work along the 3 miles of the Force Main routing. This resulted in a realignment of the Force Main. Large sections of the Force Main required installation at significantly deeper depths to work around numerous existing buried utilities.

The contract is to be funded with capital approved by the County Legislature but would require a future borrowing needing the NIFA Board of Directors approval.

Requested Action:

You are requested to consider the County's Contract with Peter Scalamandre & Sons, Inc.

Attachments:

Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 17-691

CONSIDERATION OF COUNTY CONTRACT FOR PETER SCALAMANDRE & SONS, INC.

RESOLVED, that the materials presented to this meeting of the Directors (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(d) of the Authority Act, the Authority hereby approves/disapproves the County’s Contract for Peter Scalamandre & Sons, Inc. in the amount of \$7,665,000; and be it further

RESOLVED, that NIFA’s approval of the agreement is given with the caveat that NIFA does not guaranty that it will approve any borrowing for this project; and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

Adam Barsky
Chairperson

November 9, 2017

NASSAU COUNTY INTERIM FINANCE AUTHORITY

FOR CONSIDERATION

November 9, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Posillico Civil, Inc. Contract

REQUEST FOR: Consideration of County Contract for Posillico Civil, Inc.

Introduction:

On March 24, 2011 NIFA adopted the Contract Approval Guidelines, as subsequently amended, (“Guidelines”), which include the Contract Approval Request Form. The Guidelines delineate the dollar thresholds and approval process of all County contracts that must be submitted to NIFA for approval.

On October 17, 2017, the County submitted a contract for Posillico Civil, Inc. to NIFA for approval. The contract has a 270 day contract term and is valued at \$8,912,513.

Discussion:

The County issued an RFP and selected a vendor to resurface all or part of various County roads in the Town of Oyster Bay. The County resurfacing program's goal is to rehabilitate existing roads to extend their service life. The Legislature approved this contract for services between the Nassau County Department of Public Works and this vendor at its meeting held on August 23, 2017. The \$8,912,513 contract is funded by Project 61587 with capital funds that have been approved by the Nassau County Legislature but will require bonding authorization from the NIFA Board of Directors. There is a potential for 80% Federally funded grant reimbursement.

Summary:

The selected vendor, Posillico Civil, Inc. is to provide resurfacing of all or part of various County roads in the Town of Oyster Bay. The maximum amount of the contract is \$8,912,513 to be paid for by a combination of capital funding and Federally approved grant funding.

Requested Action:

You are requested to review the contract referenced in the prior discussion.

Attachment: Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 17-692

CONSIDERATION OF COUNTY CONTRACT FOR POSILLICO CIVIL, INC.

RESOLVED, that the materials presented to this meeting of the Directors (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(d) of the Authority Act, the Authority hereby approves/disapproves the County’s Contract for Posillico Civil, Inc., which is projected to cost \$8,912,513; and be it further

RESOLVED, that NIFA’s approval of the agreement is given with the caveat that NIFA does not guaranty that it will approve any borrowing for this project; and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

Adam Barsky
Director

November 9, 2017

NASSAU COUNTY INTERIM FINANCE AUTHORITY

FOR CONSIDERATION

November 9, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Pratt Brothers, Inc. Contract

REQUEST FOR: Consideration of County Contract for Pratt Brothers, Inc.

Introduction:

On March 24, 2011 NIFA adopted the Contract Approval Guidelines, as subsequently amended, (“Guidelines”), which include the Contract Approval Request Form. The Guidelines delineate the dollar thresholds and approval process of all County contracts that must be submitted to NIFA for approval.

On October 17, 2017, the County submitted a contract for Pratt Brothers, Inc. to NIFA for approval. The contract has a 24 month contract term and is valued at \$8,000,000.

Discussion:

The County issued an RFP and selected a vendor to provide a Resurfacing Requirements Contract for the Towns of Hempstead, North Hempstead & Oyster Bay & in the Cities of Glen Cove & Long Beach. The Legislature approved this contract for services between the Nassau County Department of Public Works and this vendor at its meeting held on August 23, 2017. The \$8,000,000 contract is funded by Project 61587 with capital funds that have been approved by the Nassau County Legislature but will require bonding authorization from the NIFA Board of Directors.

Summary:

The selected vendor, Pratt Brothers, Inc. is to provide resurfacing of all or part of various County roads in the Towns of Hempstead, North Hempstead & Oyster Bay & in the Cities of Glen Cove & Long Beach. The maximum amount of the contract is \$8,000,000 to be paid for with capital funding that require additional approval from the NIFA Board of Directors.

Requested Action:

You are requested to review the contract referenced in the prior discussion.

Attachment: Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 17-693

CONSIDERATION OF COUNTY CONTRACT FOR PRATT BROTHERS, INC.

RESOLVED, that the materials presented to this meeting of the Directors (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(d) of the Authority Act, the Authority hereby approves/disapproves the County’s Contract for Pratt Brothers, Inc., which is projected to cost \$8,000,000; and be it further

RESOLVED, that NIFA’s approval of the agreement is given with the caveat that NIFA does not guaranty that it will approve any borrowing for this project; and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

Adam Barsky
Director

November 9, 2017

NASSAU COUNTY INTERIM FINANCE AUTHORITY

FOR CONSIDERATION

November 9, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Tax Anticipation Notes Borrowing, 2017 Series A & B

REQUEST FOR: Consideration of Tax Anticipation Notes Borrowing by Nassau County

Introduction:

Nassau County has requested NIFA's approval of a proposed sale of Tax Anticipation Notes ("TANs" or "Notes"). The maximum amount of proceeds will be \$380,000,000 plus costs of issuance. It is currently anticipated that the TANs will be structured with two maturities in March and September 2018.

The reason for the County's request is found in section 3669 2(e) of the NIFA Act, which states that during a Control Period:

"The authority shall review the terms of each proposed long-term and short-term borrowing by the county and any covered organization to be effected during any control period, and no such borrowing shall be made during any control period unless it is approved by the authority."

Issuance of the County's TANs was delegated to the County Executive by Ordinance 116-1959; consequently, it does not require new authorization by the County Legislature.

Discussion:

TANs are a common device used by public entities to help with cash flow until taxes are received. The Notes are being issued to provide monies to meet cash flow deficits expected to occur during the period the Notes are outstanding. The TAN issuance will enable the County to pay its pension bill in December 2017 instead of on the scheduled payment date of February 1, 2018. By pre-paying the pension bill, the County will save approximately \$1.6 million.

The County has typically done two cash flow borrowings each year – a Revenue Anticipation Notes ("RANs") issue in May / June and a TANs issue in November / December. The County's lowest cash positions are typically in January and July, just prior to the receipt of the tax levy in March and September.

The requested amount of \$380,000,000 is more than the 2016 TANs. However, the total 2017 cash flow borrowing is the same as the combined 2016 cash flow borrowings (\$120 million June RANs and \$260 million December TANs). The increase in the size of the December 2017 TANs is primarily due to the following: (i) \$60 million of tax certiorari payments originally planned as borrowing is being paid from operating funds, and (ii) \$45 million set-aside for a judgment. Due to improved cash flow management, the County did not need to do a RAN issuance in 2017. Beginning in 2016, the County has been able to structure its cash flow issuances such that they no longer over-lap. Moody's Investors Service, Inc. stated in its May 22, 2017 report that "... a recent end to the practice of rolling cash flow notes annually" was a credit strength for Nassau County.

After discussions between NIFA and County staff, we are convinced that this issuance is needed in order to meet the County's financial obligations.

Requested Action:

Although cash flow borrowings of any kind are not the sign of a robust financial position, they are commonly used by public entities. In this case, the County's rationale appears to be sound. You are requested to approve the County's proposed cash flow borrowing through TANs, subject to the final review and approval of the terms thereof by the Chairman or his designee(s).

Attachment:

Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 17-694

CONSIDERATION OF ISSUANCE OF TAX ANTICIPATION NOTES BY NASSAU COUNTY

RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(e) of the Authority Act, the Authority has reviewed the terms of the County’s proposed issuance of TANs and hereby approves said borrowing on the condition that total proceeds, consisting of par and original issue premium, cannot exceed \$380,000,000 plus costs of issuance, and be it further

RESOLVED, that the final terms of the sale are subject to the review and approval of the Chairman of the Authority or his designee(s); and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

Adam Barsky
Chairperson

November 9, 2017

NASSAU COUNTY INTERIM FINANCE AUTHORITY

FOR CONSIDERATION

November 9, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Bond Anticipation Notes or General Obligation Bonds Borrowing

REQUEST FOR: Consideration of Bond Anticipation Notes or General Obligation Bonds Borrowing by Nassau County

Introduction:

Nassau County has requested NIFA's approval of a proposed sale of bond anticipation notes ("BANs") or general obligation bonds. The maximum amount of proceeds will be \$98,150,000 plus costs of issuance. The County is still determining whether it will roll the BANs one more year or term-out the BANs through the issuance of bonds. The decision will be made prior to pricing, which is currently scheduled for December 6, 2017.

The reason for the County's request is found in section 3669 2(e) of the NIFA Act, which states that during a Control Period:

"The authority shall review the terms of each proposed long-term and short-term borrowing by the county and any covered organization to be effected during any control period, and no such borrowing shall be made during any control period unless it is approved by the authority."

The proposed 2017 BANs or bonds have been authorized pursuant to various bond ordinances of the County.

Discussion:

The purpose of the issuance of the 2017 BANs or bonds is to refund the 2016 Series D BANs scheduled to mature on December 15, 2017. The 2016 Series D BANs were issued to refund the following series of BANs, all of which matured on December 15, 2016: (i) 2015 Series C BANs with a par amount of \$40,835,000; (ii) 2016 Series A BANs with a par amount of \$25,300,000; and (iii) 2016 Series C BANs with a par amount of \$35,130,000. These three series of BANs were issued to fund sewer projects.

The following table highlights the larger projects.

<u>Project</u>	<u>Amount</u>
Bay Park & Cedar Creek Digester Rehabilitation	\$14,699,499
Wastewater Facility Improvements	16,230,185
Wastewater Odor Control Improvements	10,539,453
Wastewater Facility Storm Restoration	10,202,722
Bay Park Preliminary Treatment Modifications	20,090,287
Cedar Creek Equipment Upgrade	12,943,024
Other	<u>13,875,862</u>
Total	\$98,581,032

As you are aware, the current administration has been exploring the possibility of entering into a public-private partnership (“P3”) transaction involving its sewer system (“System”) which is expected to continue to improve the efficiency of service delivery while transferring capital investment risk and environmental risk from the County to a concessionaire. If the incoming County Executive wants to continue to explore the possibility of a P3, the County would continue to fund sewer capital projects through the issuance of BANs until closing of a P3 transaction.

Requested Action:

You are requested to approve the County’s proposed issuance of BANs or bonds to fund the payment of maturing BANs, subject to the final review and approval of the Chairman or his designee(s).

Attachment:

Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 17-695

**CONSIDERATION OF ISSUANCE OF BOND ANTICIPATION NOTES OR BONDS BY
NASSAU COUNTY**

RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(e) of the Authority Act, the Authority has reviewed the terms of the County’s proposed issuance of BANs or bonds and hereby approves said borrowing on the condition that total proceeds, consisting of par and original issue premium, cannot exceed \$98,150,000 plus costs of issuance, and be it further

RESOLVED, that the final terms of the sale are subject to the review and approval of the Chairman of the Authority or his designee(s); and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

Adam Barsky
Chairperson

November 9, 2017

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 17-696

DISAPPROVING THE COUNTY'S MULTI-YEAR FINANCIAL PLAN FOR FISCAL 2018 – 2021, AND REQUIRING THAT THE COUNTY SHALL PROVIDE A MODIFIED PLAN BY NOVEMBER 27, 2017

WHEREAS, Nassau County is operating in a control period, which the Nassau County Interim Finance Authority (“NIFA”) imposed on January 26, 2011; and

WHEREAS, the County Executive submitted a proposed Multi-Year Financial Plan Fiscal 2018 – 2021 (“Proposed Plan”), to the County Legislature on September 15, 2017; and

WHEREAS, on October 30, 2017 the Legislature took certain actions in contravention of the NIFA Act and NIFA resolution numbered 17-689, by adopting a revised version of the Proposed Plan, which, among other changes, eliminated certain recurring sources of revenue for which alternative sources of revenue were substituted (hereinafter, the “Revised Plan;” of which the first year is the “Revised Budget”); and

WHEREAS, because the County Executive has not exercised, within the ten days permitted by the County Charter, his prerogative to veto items in the Budget, it is now ready for review by NIFA, and

WHEREAS, staff has written a report dated November 9, 2017 (the “Report”), which discusses the Revised Plan and makes certain recommendations,

NOW, THEREFORE, BE IT RESOLVED, that the Report is hereby accepted by the Directors; and

BE IT FURTHER RESOLVED, that pursuant to Sections 3667(2)(e) and 3669(2)(a) of the NIFA Act, NIFA hereby disapproves the Revised Plan, because it:

1. Fails to contain projections of revenues and expenditures that are based on reasonable and appropriate assumptions and methods of estimation; and
2. Fails to provide that operations of the County will be conducted within the cash resources available according to NIFA's revenue estimates; and
3. Fails to comply with the requirements of the NIFA Act; and
4. Fails to comply with NIFA resolution 17-689.

BE IT FURTHER RESOLVED, that pursuant to Section 3667(2)(g) of the NIFA Act, NIFA hereby requires that the County shall provide NIFA no later than November 27, 2017 or such later date as approved by the Chairman of NIFA, with a modification of the Revised Budget, which substitutes \$31,500,000 of recurring revenues or recurring expenditure reductions to substitute for the following:

1. \$19,500,000 to substitute for the use of fund balance and disencumbrances in the Revised Plan because they are not recurring and not allowable as a revenue under GAAP;
2. \$2,000,000 to substitute for the over estimation of savings in the Revised Budget from a County refunding;
3. \$5,000,000 to substitute for sales tax receipts because the assumed growth rate in the Revised Budget exceeds historical average growth rates; and
4. \$5,000,000 to substitute for overly optimistic overtime reductions.

BE IT FURTHER RESOLVED, that any changes to the Revised Budget shall be carried forward and reflected in the Revised Plan; and

BE IT FURTHER RESOLVED, that the failure of the County to fully fund the Revised Budget with recurring revenues or recurring expenditure reductions totaling the \$31.5 million required by this resolution, shall, in the opinion of NIFA, place the County in a “fiscal crisis” as defined in the NIFA Act; and

BE IT FURTHER RESOLVED, that pursuant to Sections 3667(2)(g) and 3669(2)(a)(iv) of the NIFA Act, NIFA stands ready, should the County fail to provide a modified plan in sufficient detail or within the time-period specified above, to make an appropriate finding of such failure, to declare a “fiscal crisis,” and to formulate and adopt its own modifications to the Adopted Plan, such modifications to become effective on their adoption by NIFA.

Adam Barsky
Chairman

November 9, 2017