

NASSAU COUNTY INTERIM FINANCE AUTHORITY

MINUTES OF THE 7th MEETING

HELD ON NOVEMBER 27, 2000

Pursuant to notice dated November 21, 2000, the Nassau County Interim Finance Authority (NIFA) was convened for the seventh time at 3:00 PM in the Omni Executive Club Room in Uniondale, NY.

The following Directors of the Authority were present:

**Frank G. Zarb, Chairman
Richard M. Kessel
Martin Payson
David Peirez
Robert G. Smith (via telephone)
Ronald Stack
Robert Wallach**

Also representing the Authority was Richard Luke, Executive Director/Treasurer, Jeremy Wise, General Counsel/Corporate Secretary, Carol Kostik, Chief Financial Officer, Evan Cohen, Deputy Director and Timothy Sullivan, Deputy Director.

Upon determining that a quorum was present, the Chairman called the meeting to order.

Chairman Zarb stated that the first item on the agenda is the approval of

the minutes from the October 13 Board meeting.

Upon motion duly made and seconded, the following resolution was approved unanimously:

Resolution No. 00-30

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE OCTOBER 2, 2000 MEETING OF THE BOARD OF DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on October 2, 2000, 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.

* * *

Mr. Luke stated that the next item on the agenda is a resolution to adopt investment guidelines. He stated that the guidelines are to be reviewed yearly by the Authority.

Upon motion duly made and seconded, the following resolution was approved unanimously:

RESOLUTION NO. 00-31

ADOPTION OF INVESTMENT GUIDELINES 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 Investment Guidelines, annexed to the Materials, are hereby adopted as the Investment Guidelines of the Authority; 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 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.

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Mr. Luke stated that the next item on the agenda is a resolution authorizing the selection of external auditors.

Upon motion duly made and seconded, the following resolution was approved unanimously:

RESOLUTION NO. 00-32

AUTHORIZATION TO SELECT AUDITORS FOR THE AUTHORITY 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 (“Authority”) and be it further

RESOLVED, that in accordance with the Materials, the Chairman or his designee(s) are hereby authorized to select an independent financial auditing firm to conduct an audit of the Authority for fiscal years 2000, 2001 and 2002 and to assist the Authority on an as-needed basis, and be it further

RESOLVED, the Chairman or his designee(s) are further authorized to take all actions deemed necessary or appropriate to implement the foregoing, including the execution of a contract, and to take related actions.

* * *

Mr. Luke stated that the next item on the agenda is a resolution giving authorization to appoint a consultant to provide temporary assistance.

Upon motion duly made and seconded, the following resolution was approved unanimously:

RESOLUTION NO. 00-33

**APPOINTING A CONSULTANT TO PROVIDE TEMPORARY ASSISTANCE
TO THE NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLVED, 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 employment of Larry Etchen is hereby authorized for a term not to exceed six months or an expenditure of \$3,000, which ever comes first, 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 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.

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Ms. Kostik stated that the next three items on the agenda are designed to

help NIFA implement the investment guidelines and provide for more efficient financial management. She stated that the first item authorizes the selection of a firm to act as a consultant and bidding agent for investment of funds related to the Series 2000A bonds that were sold in October. Ms. Kostik stated that the next resolution would help fulfill the competitive bid requirements of the investment guidelines by setting up relationships with securities broker-dealers. Ms. Kostik stated that the last of the three resolutions would give authorization to Select Fleet Bank for wire transfers and authorization to enter into their MuniCash Repro Program, which is a cash management tool.

Director Wallach asked if this was a Guaranteed Investment Contract (GIC).

Ms. Kostik replied that while GIC's are permitted, GIC's are not being used at this time.

Director Payson requested that the resolution for Fleet Bank should be reviewed by counsel. Chairman Zarb stated that the resolution should include that no advisor is to be retained, even though one is authorized without the approval of the Board.

Upon motion duly made and seconded, the following resolutions were approved unanimously:

RESOLUTION NO. 00-34**APPROVAL TO SELECT A CONSULTANT/BIDDING AGENT AND ENTER INTO AN INVESTMENT AGREEMENT(S) IN CONNECTION WITH THE SERIES 2000A BOND PROCEEDS AND DEBT SERVICE MONIES AND TO TAKE 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 (“Authority”) and be it further

RESOLVED, that in accordance with the Materials, it is deemed necessary for the Authority to select a consultant/bidding agent and enter into, or direct the Series 2000A bond trustee to enter into, an investment agreement or agreements in connection with the Series 2000A bond proceeds or the bond account for debt service, and be it further

RESOLVED, that the Chairman or his designee(s) is hereby authorized to employ a consulting/bidding agent for a term not to exceed two years and for a total fee not to exceed \$100,000; and be it further

RESOLVED, that the Chairman or his designee(s) are hereby authorized to hire bond counsel or other experts deemed necessary to complete the transactions recommended by the consultant/bidding agent; and be it further

RESOLVED, that the Chairman of the Authority or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she in his sole discretion consider necessary or proper to effectuate the foregoing and related actions.

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RESOLUTION NO. 00-35**AUTHORIZATION TO SELECT BROKER DEALERS FOR THE AUTHORITY 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 (“Authority”) and be it further

RESOLVED, that immediate utilization of broker dealers is deemed to be an extraordinary circumstance which makes advertising in the “New York State Contract Reporter” impractical or inappropriate, and be it further

RESOLVED that in accordance with the Materials and the Investment Guidelines of the Authority, staff is authorized to solicit and use the services of broker dealers upon the general terms and for the purposes outlined in the Materials; and be it further

RESOLVED, that the Chairman of the Authority or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents, including repurchase agreements, and to take all actions as he or she in his sole discretion consider necessary or proper to effectuate the foregoing and related actions.

* * *

RESOLUTION NO. 00-36

AUTHORIZATION TO SELECT FLEET BANK FOR CERTAIN BANKING RESPONSIBILITIES OF THE AUTHORITY AND THE TAKING OF RELATED ACTIONS.

WHEREAS, at its meeting on June 28, 2000 (the "Meeting"), the Nassau County Interim Finance Authority ("Authority") authorized the Chairperson and Executive Director to open and maintain bank accounts in the name of the Authority and select for deposit funds of the Authority; and

WHEREAS, at the Meeting the Directors further authorized investment of moneys of the Authority in certain investments; and

WHEREAS, Fleet Bank was selected to provide services to the Authority in accordance with the directions of the Directors; and

WHEREAS, Fleet Bank desires to provide a variety of services ("Services") to the Authority for the purposes and upon the terms outlined in the Materials (defined below);

WHEREAS, in order to utilize certain of the Services, Fleet Bank requires the Authority to pass certain authorizing resolutions which are attached hereto as Exhibits A and B (the "Resolutions");

NOW, THEREFORE, BE IT RESOLVED that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Authority, and be it further

RESOLVED, that immediate utilization of Fleet Bank to provide the Services is deemed to be an extraordinary circumstance, which makes advertising in the “New York State Contract Reporter” impractical or inappropriate, and be it further

RESOLVED, that the Chairman or his designee(s) are hereby authorized to negotiate with Fleet Bank to provide some or all of the Services outlined in the Materials, and be it further

RESOLVED that said Authorizing Resolutions attached hereto are incorporated herein and are hereby adopted and approved, and the Chairman or his designee(s) is hereby authorized to execute, certify, and deliver said Resolutions in substantially the forms presented hereto with such further modifications therein and additions or deletions thereto as they shall determine in their sole discretion; and be it further

RESOLVED, that the Chairman of the Authority or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she in his sole discretion consider necessary or proper to effectuate the foregoing and related actions; and be it further

RESOLVED, that any and all actions heretofore taken by the Chairman or his designees in relation to the foregoing and related matters, are hereby ratified, affirmed and approved.

* * *

Mr. Wise stated that the next item on the agenda is the State Environmental Quality Review Act (SEQR) which states that this cash flow borrowing does not harm the environment in any way.

Mr. Wise stated that the next item on the agenda concerns the actual borrowing. He stated that it substitutes for a borrowing that Nassau County would have been doing on its own behalf called Tax Anticipation Notes, or TANs. He stated that since NIFA can borrow on a cheaper basis than Nassau County can, NIFA is

issuing notes and having Nassau County pay for them.

Upon motion duly made and seconded, the following resolutions were approved unanimously:

RESOLUTION NO. 00-37

NASSAU COUNTY INTERIM FINANCE AUTHORITY RESOLUTION CONCERNING STATE ENVIRONMENTAL QUALITY REVIEW ACT MATTERS IN CONNECTION WITH THE AUTHORIZATION, SALE AND ISSUANCE OF BOND ANTICIPATION NOTES, SERIES 2000A-1

WHEREAS, the Nassau County Interim Finance Authority Act, incorporated in chapter 84 of the laws of 2000, as amended from time to time (the "Act"), authorizes the Nassau County Interim Finance Authority (the "Authority") to issue bonds or notes (the "Bonds" or "Notes") for the purpose of financing Financeable Costs, as defined in the Act and to make the proceeds thereof available to the County of Nassau (the "County"); and

WHEREAS, the proceeds of the initial series of such Notes (the "Series 2000A-1 Notes") are expected to be used to finance Financeable Costs under the Act, including (i) cash flow needs of the County; and (ii) the costs of issuance of such series of Notes; and

WHEREAS, the Authority is required under the State Environmental Quality Review Act, as amended ("SEQR"), to complete environmental reviews in connection with certain of its activities, including the issuance of its Notes from time to time or the expenditure of the proceeds thereof for certain purposes:

NOW, THEREFORE, the Authority hereby adopts the following resolution:

I. SEQR Findings and Delegation

RESOLVED, that the issuance of the Series 2000A-1 Notes in order to finance (i) cash flow needs of the County; and (ii) the costs of issuance of such series of Notes, in each case constitutes a "Type II" action under SEQR and, accordingly, no further action or review is required to be made with respect to the issuance of Notes and the application of the proceeds for such purposes.

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RESOLUTION NO. 00-38**NASSAU COUNTY INTERIM FINANCE AUTHORITY RESOLUTION CONCERNING THE AUTHORIZATION, SALE AND ISSUANCE OF SALES TAX SECURED BONDS, SERIES 2000B AND BOND ANTICIPATION NOTES, SERIES 2000A-1**

WHEREAS, the Nassau County Interim Finance Authority Act, incorporated in chapter 84 of the laws of 2000, as amended from time to time (the "Act") authorizes the Nassau County Interim Finance Authority (the "Authority") to issue bonds and notes for the purpose of financing Financeable Costs, as defined in the Act and to make the proceeds thereof available to the County of Nassau (the "County"); and

WHEREAS, the Act authorizes the Authority to enter into appropriate and necessary contracts with its bondholders and others to provide for the issuance thereof, and the Directors of the Authority hereby intend to provide for the authorization, issuance and sale of a series of its sales tax secured bonds (the "Bonds") and a series of bond anticipation notes in anticipation of such Bonds (such series of bond anticipation notes, including any renewals thereof, the "Notes"), through the approval of appropriate documentation, including, without limitation, the approval of the Second Supplemental Indenture (as such term is defined below), the authorization of the issuance of such series of Bonds and the issuance, sale and delivery of such series of Notes, and the preparation, negotiation and approval of appropriate documents in connection therewith; and

WHEREAS, the proceeds of such series of Notes will be used to finance Financeable Costs under the Act, including (i) cash flow needs of the County; and (ii) the costs of issuance of such series of Notes; and

WHEREAS, the Authority is authorized by the Act, upon submission by the County to the Authority of an approved declaration of need in accordance with the Act, to enter into agreements, in the Authority's discretion, providing for the financing of Financeable Costs by the Authority and to issue its Bonds and notes therefor, and the Authority is required to obtain the written approval of the State Comptroller for the sale of each series of Bonds or notes and the terms thereof if such sale be a private sale to other than the State Comptroller; and

WHEREAS, the Authority will obtain the required approval of the State Comptroller prior to the delivery of the series of Notes; and

WHEREAS, the Authority has previously approved a form of indenture entitled "Indenture between Nassau County Interim Finance Authority and United States Trust Company of New York, as Trustee, dated as of October 1, 2000" (the "General Indenture"), authorizing the issuance of one or more series of Bonds or notes, including bond anticipation notes, for the purposes set forth therein and containing

certain other terms, restrictions and covenants with respect to such Bonds or notes and the security pledged to the payment thereof; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a form of supplemental indenture entitled "Second Supplemental Indenture between Nassau County Interim Finance Authority and United States Trust Company of New York, as Trustee Authorizing Up To \$266,000,000 Nassau County Interim Finance Authority Sales Tax Secured Bonds, Series 2000B and Up To \$266,000,000 Nassau County Interim Finance Authority Bond Anticipation Notes, Series 2000A-1, dated as of December 1, 2000" (the "Second Supplemental Indenture"), pursuant to which the Authority will authorize the issuance of the Sales Tax Secured Bonds, Series 2000B (the "Series 2000B Bonds") and the Notes, initially bearing the designation "Bond Anticipation Notes, Series 2000A-1", subject to renewal thereof, (the General Indenture, as amended and supplemented, including by said Second Supplemental Indenture, being hereinafter collectively referred to as the "Indenture"); and

WHEREAS, the Authority has previously approved a form of financing agreement dated as of October 1, 2000 (the "Financing Agreement"), by and between the Authority and the County, pursuant to which the County has made certain agreements and covenants relating to the issuance of Bonds or notes by the Authority, and has agreed to the pledge of said covenants to the Trustee on behalf of the Bondholders and noteholders; and

WHEREAS, pursuant to the Act and the Financing Agreement, the County has requested (and, as a condition to the Authority's financing, will submit an approved Declaration of Need in accordance with the Financing Agreement in form satisfactory to the Authority) that the Authority undertake this financing through the issuance of the Notes for the purpose of financing cash flow needs of the County at lower cost than the County could finance such cash flow needs on its own; and further that as a condition thereto, the County will issue and deliver to the Authority as noteholder, its issue of Tax Anticipation Notes (the "TANs"), the payments thereunder to the Authority expected to be sufficient for the Authority to pay in full amounts owing on the Notes at their respective maturity date or dates; and

WHEREAS, the duly authorized officers of the Authority have participated in the preparation of a form of Preliminary Offering Circular, expressly including by reference text from the Authority's Offering Circular, dated October 18, 2000 relating to the Authority's Sales Tax Secured Bonds, Series 2000A (the "Preliminary Offering Circular"), relating to the Notes; and

WHEREAS, officers and employees of the Authority will participate in revisions to the Preliminary Offering Circular and the preparation of a final Offering Circular to be used in connection with the issuance and sale of the Notes and have negotiated a form of Contract of Purchase therefor (the "Purchase Contract"); and

WHEREAS, certain officers and employees of the Authority have negotiated a form of contract of purchase between the Authority and the County relating to the purchase by the Authority of the TANs from the County (the "TANs Purchase Contract"); and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a Nassau County Interim Finance Authority Bond Anticipation Notes, Series 2001-A Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the Authority and the Trustee in order to assist the Underwriters (as defined below) in complying with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended:

NOW, THEREFORE, the Authority, hereby adopts the following resolutions:

I. Second Supplemental Indenture

RESOLVED, that the form of Second Supplemental Indenture presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit A, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver the Second Supplemental Indenture in substantially such form with such further modifications therein and additions or deletions thereto prior to the issuance and delivery of the Notes or the Series 2000B Bonds (which may be issued in one or more series or subseries) as may be approved by the Authorized Officer subject to the terms referred to in items VIII and X below, respectively; and further

II. Declaration of Need

RESOLVED, that pursuant to the Act and the Financing Agreement, the County has requested the Authority to undertake this financing and is expected to submit a Declaration of Need in substantially the form set forth in the Financing Agreement and any Authorized Officer is hereby authorized to execute and deliver an acceptance of said Declaration of Need consistent with this resolution; it being expressly understood that the Authority's undertaking of this financing through the issuance of the Notes is conditioned upon (i) submission of an approved Declaration of Need satisfactory to an Authorized Officer of the Authority and (ii) issuance and delivery by the County to the Authority as noteholder of the TANs in a form satisfactory to an Authorized Officer of the Authority and to bond counsel to the Authority; and further

III. Preliminary Offering Circular

RESOLVED, that the Preliminary Offering Circular of the Authority in substantially the form presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit B, is hereby approved for use in marketing the Notes with such modifications and changes as an Authorized Officer may approve; and further

IV. Offering Circular

RESOLVED, that any Authorized Officer is authorized to execute and deliver, on behalf of the Authority, a final Offering Circular ("Offering Circular") relating to the Notes, with such changes, insertions and omissions to the Preliminary Offering Circular as may be approved by an Authorized Officer, said execution being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable; and any Authorized Officer is further hereby authorized and directed to execute the same on behalf of the Authority, as well as any certificates necessary in connection therewith to allow the Underwriters to comply with SEC rules; and further

V. Purchase Contract

RESOLVED, that the Purchase Contract by and among the Authority and the Underwriters, in substantially the form presented to this meeting, copies of which shall be annexed to this resolution as Exhibit C, is hereby approved with such modifications and changes as an Authorized Officer may approve, and any Authorized Officer is hereby authorized and directed to execute the same on behalf of the Authority; and further

VI. TANs Purchase Contract

RESOLVED, that the TANs Purchase Contract by and among the Authority and the County, in substantially the form presented to this meeting, copies of which shall be annexed to this resolution as Exhibit D is hereby approved with such modifications and changes as an Authorized Officer may approve, and any Authorized Officer is hereby authorized and directed to execute the same on behalf of the Authority; and further

VII. Continuing Disclosure Agreement

RESOLVED, that the Continuing Disclosure Agreement presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit E, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver the Continuing Disclosure Agreement in substantially such form as is so approved with such changes therein as the Authorized Officer executing the same may approve, such approval to be evidenced by such Authorized Officer's execution thereof; and further

VIII. Terms of Notes

RESOLVED, that there is hereby delegated to any Authorized Officer of the Authority, subject to the limitations contained herein and in the General Indenture, the power with respect to the Notes to determine and carry out the following:

(a) The principal amount of Notes to be issued in an aggregate principal amount up to \$266,000,000;

(b) The date or dates, maturity date or dates and principal amount of each maturity of the Notes; provided, however, that the Notes shall mature no later than January 31, 2002.

(c) Provisions for renewal of the Notes consistent with the Indenture; provided that any renewal notes shall mature no later than December 31, 2004;

(d) The interest rate or rates of the Notes (including a zero interest rate), the date from which interest on the Notes shall accrue and the interest payment dates, if any, therefor; provided, however, that the true interest cost on the Notes (as determined by an Authorized Officer of the Authority, which determination shall be conclusive) shall not exceed seven percent (7%) per annum, and the true interest cost of any renewal of such Notes as so determined shall not exceed nine percent (9%) per annum; (e) Additional provisions for the sale or exchange of the Notes and for the delivery thereof not otherwise set forth herein;

(f) Directions for the application of the proceeds of the Notes and investment thereof not in conflict with the provisions hereof;

(g) Any other provisions deemed advisable by an Authorized Officer of the Authority, not in conflict with the provisions hereof or of the General Indenture, including, without limitation, incorporating a credit facility, amending the pledge of collateral (other than the pledge of the Series 2000B Bonds) securing the Notes, or changes to address rating agency considerations, in each case to the extent that an Authorized Officer of the Authority determines that such changes would be in the best interest of the Authority; and further

IX. Issuance of Notes

RESOLVED, that the Authority shall issue, award and deliver the Notes pursuant to the Purchase Contract, and shall apply the proceeds thereof in accordance with the provisions of the Indenture and certain other certificates to be delivered upon issuance of the Notes; and further

X. Terms of Series 2000B Bonds

RESOLVED, that there is hereby delegated to any Authorized Officer of the Authority, subject to the limitations contained herein and in the General Indenture, the power with respect to the Series 2000B Bonds to determine and carry out the following:

(a) The principal amount of Series 2000B Bonds to be issued in an aggregate principal amount up to \$266,000,000;

(b) The date or dates, maturity date or dates and principal amount of each maturity of the Series 2000B Bonds, the amount and date of each sinking fund installment, if any, and which Series 2000B Bonds, if any, are serial bonds or term bonds; provided, however, that the Series 2000B Bonds shall mature no later than December 31, 2004, unless this provision shall be amended by future resolution of the Directors, with the advise of bond counsel to the Authority;

(c) The interest rate or rates of the Series 2000B Bonds (including a zero interest rate), the date from which interest on the Series 2000B Bonds shall accrue and the interest payment dates, if any, therefor; provided, however, that the true interest cost on the Series 2000B Bonds (as determined by an Authorized Officer of the Authority, which determination shall be conclusive) shall not exceed ten percent (10%) per annum;

- (d) The redemption price or redemption prices, if any, and the redemption terms, if any, for the Series 2000B Bonds; provided, however, that the redemption price of any Series 2000B Bond subject to redemption at the election of the Authority or in accordance with the General Indenture shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2000B Bonds or portion thereof to be redeemed, plus accrued interest thereon to the date of redemption;**
- (e) Additional provisions for the sale or exchange of the Series 2000B Bonds and for the delivery thereof not otherwise set forth herein, including, but not limited to, provisions for negotiated sale thereof and preparation and approval of the Series 2000B Bond Instruments, as defined and provided for in Section 4.03 of the form of Second Supplemental Indenture;**
- (f) Directions for the application of the proceeds of the Series 2000B Bonds and investment thereof not in conflict with the provisions hereof;**
- (g) Any other provisions deemed advisable by an Authorized Officer of the Authority, not in conflict with the provisions hereof or of the General Indenture, including, without limitation, changing the designation of the Series 2000B Bonds, incorporating a credit facility, changes to address rating agency considerations, in each case to the extent that an Authorized Officer of the Authority determines that such changes would be in the best interest of the Authority; and further**

XI. Authorized Officers

RESOLVED, that each of the Chairperson, the Vice Chairperson, the Executive Director, the Chief Financial Officer, the General Counsel, the Treasurer, the Corporate Secretary, any Assistant Treasurer and any Assistant Corporate Secretary of the Authority, and any person duly authorized to act in such capacity, is designated an "Authorized Officer" for the purposes of this resolution; and further

XII. Appointment of Underwriters

RESOLVED, that consistent with the selection of the team of underwriters for the Authority set forth in a resolution of the Directors adopted on August 23, 2000, the firm of Goldman, Sachs & Co. is hereby appointed as book running senior managing underwriter, with PaineWebber Incorporated and Fleet Securities, Inc. serving as co-senior managers for the financings authorized by this resolution and that the other members of the team of underwriters shall also participate in such financings in the capacities otherwise set forth in said resolution dated August 23, 2000, or as further determined by an Authorized Officer, and be it further

XIII. Negotiated Sale

RESOLVED, that the use of a negotiated underwriting in connection with the sale of the Notes, renewal notes and the Series 2000B Bonds is found to be appropriate for the following reasons:

- (i) the Underwriters, designated in item XII above, have and will continue to assist in all structuring tasks including preparation of the Offering Circular and presentations to rating agencies;**

(ii) the Underwriters have and will continue to be able to undertake presale marketing to help determine the level of demand for the Notes, renewal notes and the Series 2000B Bonds; and

(iii) the Underwriters will have the flexibility to sell the Notes, renewal notes and the Series 2000B Bonds on short notice and make rapid changes in structure to accommodate the market; and further provided, that each of the Notes, any renewal notes and the Series 2000B Bonds shall be awarded and sold to the Underwriters named in the Purchase Contract upon the terms and conditions set forth in the respective Purchase Contract at a purchase price of not less than ninety percent (90%) of the aggregate original principal amount of the Notes, any renewal notes and the Series 2000B Bonds, respectively, to be sold; and further

XIV. Appointment of Bond Counsel

RESOLVED, that, consistent with a resolution of the Directors adopted on August 23, 2000 authorizing the selection of bond counsel, Hawkins, Delafield & Wood is hereby appointed bond counsel for the Authority in connection with the authorization, sale and issuance of the Series 2000B Bonds, the Notes and any renewals thereof, and that general counsel is hereby authorized to enter into an agreement with bond counsel consistent herewith and with our previously concluded procurement process; and further

XV. Sale of Notes

RESOLVED, that, subject to obtaining the approval of the Comptroller of the State, the Authority shall sell and award, at private sale, the aggregate principal amount of each of the Notes, any renewal notes and the Series 2000B Bonds to the Underwriters; and further

XVI. Further Action

RESOLVED, that the Authorized Officers or their designee(s) are each hereby authorized and directed to approve and execute such documents or certifications (including certifications as to the federal tax status of interest on the Notes, any renewals thereof and the Series 2000B Bonds), make such payments and take such other actions, in the name of the Authority and on its behalf, as he or she may reasonably deem necessary or appropriate to carry out this resolution, including without limitation the execution, sale and delivery of the Notes, any renewals thereof and the Series 2000B Bonds and the purchase of the TANs, any amendment to the Financing Agreement deemed necessary or convenient in carrying out the intent of this resolution, the application of payments received by the Authority on the TANs, and that all such actions heretofore taken in connection with the Notes, any renewal thereof, the Series 2000B Bonds and the purchase of the TANs by any Authorized Officer, or his or her designee, are hereby ratified and approved.

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Chairman Zarb entertained a motion to go into executive session to discuss litigation and personnel issues.

Upon motion duly made and seconded, the following resolution was approved unanimously:

RESOLUTION NO. 00-39

EXECUTIVE SESSION - PURSUANT TO SECTION 105 OF THE PUBLIC OFFICERS LAW

RESOLVED, that pursuant to Section 105 of the Public Officers Law, the Directors of the Nassau County Interim Finance Authority shall convene in Executive Session for the purpose of discussing litigation and personnel matters.

* * *

At 3:20 p.m. the open session of the Directors was temporarily adjourned and an executive session of the Directors was convened. At 3:30 p.m. the executive session was adjourned and the open session was reconvened. No votes were taken during executive session.

Chairman Zarb stated that the last item on the agenda is a resolution authorizing the Chairman, at his discretion, to give legal notice to Nassau County that a deficiency is in place and that it is the intent of the NIFA Board to move into hard controls.

Upon motion duly made and seconded, the following resolution was

approved unanimously:

RESOLUTION NO. 00- 40

AUTHORIZATION FOR THE CHAIRMAN TO GIVE NOTICE TO THE COUNTY OF NASSAU

RESOLVED, that the Chairman of the Nassau County Interim Finance Authority (“Authority”) is authorized to send a letter, in his discretion, to the County of Nassau indicating the intent of the Authority to move into hard controls.

* * *

Chairman Zarb entertained a motion to adjourn. Upon motion duly made and seconded, the Board voted unanimously to adjourn the meeting at 4:15 p.m.

Respectfully submitted,

Richard L. Luke