

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**MINUTES OF THE 6<sup>th</sup> MEETING**

**HELD ON OCTOBER 13, 2000**

Pursuant to notice dated October 6, 2000, the Nassau County Interim Finance Authority (NIFA) was convened for the sixth time at 11:30 AM in the Omni Executive Club Room in Uniondale, NY.

The following Directors of the Authority were present:

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

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.

Mr. Luke stated that the first item on the agenda is the approval of the minutes from the October 2 Board meeting.

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

**Resolution No. 00-27**

**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 concerning the State Environmental Quality Review Act. He then gave a brief discussion of the purpose of the resolution.

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

**Resolution No. 00-28**

**NASSAU COUNTY INTERIM FINANCE AUTHORITY  
RESOLUTION CONCERNING STATE ENVIRONMENTAL QUALITY REVIEW ACT  
MATTERS IN CONNECTION WITH THE AUTHORIZATION, SALE AND ISSUANCE  
OF SALES TAX SECURED BONDS**

---

**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 (the "Bonds") 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 Bonds (the "Series 2000A Bonds") are expected to be used to finance Financeable Costs under the Act, including (i) restructuring of certain outstanding indebtedness of the County; (ii) tax certiorari settlements and judgments; (iii) other settlements or judgments; (iv) appropriated capital costs of the County; (v) cash flow needs of the County for real property reassessment costs; and (vi) the costs of issuance of such series of Bonds; 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 it Bonds from time to time or the expenditure of the proceeds thereof for certain purposes:

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

I. 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 other person duly authorized to act in such capacity, is designated an "Authorized Officer" for the purposes of the following resolutions; and further

II. SEQRA Findings and Delegation

RESOLVED, that the issuance of the Series 2000A Bonds in order to finance (i) restructuring of certain outstanding indebtedness of the County; (ii) tax certiorari settlements and judgments; (iii) other settlements or judgments; (iv) cash flow needs of the County for real property reassessment costs; and (v) the costs of issuance of such series of Bonds, 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 bonds and the application of the proceeds for such purposes; and further

RESOLVED, that no proceeds of the Series 2000A Bonds shall be applied with respect to any Financeable Cost constituting an appropriated capital cost of the County (or otherwise not within the findings set forth above) unless and until an

**Authorized Officer has taken all necessary action pursuant to the following clause in order to comply with the requirements of SEQR with respect to such Financeable Cost; and further**

**RESOLVED, that the Authorized Officers are each hereby authorized and directed to take any and all actions necessary to comply with the requirements of SEQR prior to the disbursement of proceeds of the Series 2000A Bonds with respect to each Financeable Cost constituting an appropriated capital cost of the County (or otherwise not within the findings set forth above) prior to the expenditure of Series 2000A Bond proceeds for such purpose; and further**

**RESOLVED, that the Authorized Officers are each hereby authorized and directed to take any and all actions necessary to comply with the requirements of SEQR with respect to any Financeable Costs to be financed with the proceeds of any future series of Bonds; and further**

**RESOLVED, that (i) the Authorized Officers are each hereby authorized and directed to approve and execute such documents or certifications 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 the foregoing resolutions (including without limitation, obtaining and reviewing information supplied by and representations and findings of authorized representatives of the County in connection with Financeable Costs to be financed with the proceeds of the Bonds and the making of any findings and the preparation of any assessment forms required by SEQR), and (ii) all such actions heretofore taken in connection with the Series 2000A Bonds by any Authorized Officer, or his or her designee, to comply with SEQR are hereby ratified and approved.**

**\* \* \***

**Mr. Luke stated that the next item on the agenda is a resolution authorizing the sale and issuance of sales tax secured bonds. He stated that this will be the first borrowing by NIFA.**

**Mr. Wise stated that the Board is being asked to adopt the resolution and**

attachments. He then gave a brief description of the attachments.

Ms. Kostik then gave a brief presentation including a statement of her opinion that these legal documents create a high quality framework for implementing our legislative mandate to assist the County with debt restructuring and providing a low-cost source of funds for County new money needs.

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

Resolution No. 00-29

**RESOLUTION CONCERNING THE AUTHORIZATION, SALE AND ISSUANCE OF  
SALES TAX SECURED BONDS, SERIES 2000A**

---

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 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 an initial series of its sales tax secured bonds (the "Bonds") through the approval of appropriate documentation, including, without limitation, the approval of the General Indenture and the First Supplemental Indenture (as such terms are defined below), the issuance, sale and delivery of such series of Bonds, and the preparation, negotiation and approval of appropriate documents in connection therewith; and

WHEREAS, the proceeds of such series of Bonds will be used to finance Financeable Costs under the Act, including (i) restructuring of certain outstanding indebtedness of the County; (ii) tax certiorari settlements and judgments; (iii) other settlements or judgments; (iv) appropriated capital costs of the County; (v) cash flow

needs of the County for real property reassessment costs; and (vi) the costs of issuance of such series of Bonds; 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 therefor, and the Authority is required to obtain the written approval of the State Comptroller for the sale of each series of Bonds 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 initial series of Bonds; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared 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 for the purposes set forth therein and containing certain other terms, restrictions and covenants with respect to such Bonds 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 "First Supplemental Indenture between Nassau County Interim Finance Authority and United States Trust Company of New York, as Trustee Authorizing \$\_\_\_\_\_ Nassau County Interim Finance Authority Sales Tax Secured Bonds, Series 2000A, dated as of October 1, 2000 (the "First Supplemental Indenture"), pursuant to which the Corporation will authorize the issuance of the Sales Tax Secured Bonds, Series 2000A (the "Series 2000A Bonds") (the General Indenture, as amended and supplemental by said First Supplemental Indenture, being hereinafter collectively referred to as the "Indenture"); and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a form of financing agreement to be 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 by the Authority, and has agreed to the pledge of said covenants to the Trustee on behalf of the Bondholders; and

WHEREAS, the duly authorized officers of the Authority have caused to be distributed a Preliminary Offering Circular, dated October 6, 2000 (the "Preliminary Offering Circular"), relating to the Series 2000A Bonds; and

**WHEREAS, certain of the officers and employees of the Authority have participated and 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 Series 2000A Bonds and have negotiated the Contract of Purchase therefor (the "Purchase Contract"); and**

**WHEREAS, the duly authorized officers of the Authority have caused to be prepared a Nassau County Interim Finance Authority Sales Tax Secured Bonds, Series 2000A 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. General Indenture**

**RESOLVED, that the form of General Indenture presented to this meeting, a copy of which is annexed to this resolution as Exhibit A, is hereby approved, and any Authorized Officer (as hereinafter defined), is hereby authorized to execute and deliver the General Indenture in substantially such form with such further modifications therein and additions or deletions thereto prior to the issuance and delivery of the Series 2000A Bonds as may be approved by the Authorized Officer executing the same; and further**

**II. First Supplemental Indenture**

**RESOLVED, that the form of First Supplemental Indenture presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit B, is hereby and approved, and any Authorized Officer is hereby authorized to execute and deliver the First Supplemental Indenture in substantially such form with such further modifications therein and additions or deletions thereto prior to the issuance and delivery of the Series 2000A 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 item IX below; and further**

### **III. Financing Agreement**

**RESOLVED**, that the Financing Agreement presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit C, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver the Financing 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

### **IV. Preliminary Offering Circular**

**RESOLVED**, that the Preliminary Offering Circular of the Authority presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit D, is hereby ratified and approved; and further

### **V. 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 Series 2000A Bonds, 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

### **VI. 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 E, 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 F, 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. Appointment of Trustee**

**RESOLVED**, that, the Authority finds that an emergency or other extraordinary circumstance exists which makes advertising for a trustee and paying agent in the "New York State Contract Reporter" impractical or inappropriate and as a consequence the Authority now determines to retain United States Trust Company of New York, as Trustee and Paying Agent for the Bonds; and further

**IX. Terms of Series 2000A 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 2000A Bonds to determine and carry out the following:

(a) The principal amount of Series 2000A Bonds to be issued in an aggregate principal amount up to \$275,000,000;

(b) The series of bonds and the maturities or portions thereof of the County which are to be refunded or restructured with a portion of the proceeds of the Series 2000A Bonds, and the date or dates, if any, on which such refunded obligations are to be called for redemption, as determined by such Authorized Officer to be in the best interest of the Authority;

(c) The date or dates, maturity date or dates and principal amount of each maturity of the Series 2000A Bonds, the amount and date of each sinking fund installment, if any, and which Series 2000A Bonds, if any, are serial bonds or term bonds; provided that the Series 2000A Bonds shall mature no later than November 15, 2021;

(d) The interest rate or rates of the Series 2000A Bonds (including a zero interest rate), the date from which interest on the Series 2000A Bonds shall accrue and the interest payment dates, if any, therefor; provided, however, that the true interest cost on the Series 2000A Bonds (as determined by an Authorized Officer of the Authority, which determination shall be conclusive) shall not exceed seven percent (7%) per annum;

(e) The redemption price or redemption prices, if any, and the redemption terms, if any, for the Series 2000A Bonds; provided, however, that the redemption price of any Series 2000A 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 2000A Bonds or portion thereof to be redeemed, plus accrued interest thereon to the date of redemption;

(f) Additional provisions for the sale or exchange of the Series 2000A Bonds and for the delivery thereof not otherwise set forth herein;

(g) Directions for the application of the proceeds of the Series 2000A Bonds and investment thereof not in conflict with the provisions hereof;

(h) 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 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

#### **X Issuance of Bonds**

**RESOLVED**, that the Authority shall issue, award and deliver the Series 2000A Bonds 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 Series 2000A Bonds; 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 the foregoing resolutions; and further

#### **XII Negotiated Sale**

**RESOLVED**, that the use of a negotiated underwriting in connection with the sale of the Series 2000A Bonds is found to be appropriate for the following reasons:

(i) the Underwriters, previously appointed by resolution of the Directors, 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 Series 2000A Bonds, which Series 2000A Bonds are the first issuance of the Authority's new credit; and

(iii) the Underwriters will have the flexibility to sell the Series 2000A Bonds on short notice and make rapid changes in structure to accommodate the market; and further

provided, that the Series 2000A Bonds shall be awarded and sold to the Underwriters named in the Bond Purchase Agreement upon the terms and conditions set forth in the Purchase Contract at a purchase price of not less than ninety percent (90%) of the aggregate original principal amount of the Series 2000A Bonds to be sold.

### **XIII Sale of Series 2000A Bonds**

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 the Series 2000A Bonds to the Underwriters; and further

### **XIV 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 Series 2000A 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 the foregoing resolutions, including without limitation the execution, sale and delivery of the Series 2000A Bonds, and that all such actions heretofore taken in connection with the Series 2000A Bonds by any Authorized Officer, or his or her designee, are hereby ratified and approved.

\* \* \*

Director Kessel stressed the importance of the County Executive, Majority and Minority leaders meeting and trying to come up with a consensus on the budget.

Director Kessel entertained a motion to adjourn. Upon motion duly made

and seconded, the Board voted unanimously to adjourn the meeting at 11:55 a.m.

**Respectfully submitted,**

**Richard L. Luke**