

**NASSAU COUNTY INTERIM FINANCE AUTHORITY  
MINUTES OF THE MEETING OF THE DIRECTORS  
HELD ON OCTOBER 10, 2001**

Pursuant to notice dated October 3, 2001, the Nassau County Interim Finance Authority (NIFA) was convened at 9:00 AM on the second floor of the Omni Building located in Uniondale, NY.

The following Directors of the Authority were present:

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

Also representing the Authority was Richard Luke, Executive Director, Jeremy Wise, General Counsel, Carol Kostik, Chief Financial Officer, Evan Cohen, Deputy Director, Timothy Sullivan, Deputy Director, Laurie Leat, Corporate Secretary, and Lisa Morelli, Administrative Assistant.

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

The Chairman entertained a motion to go into executive session to discuss

litigation and personnel matters.

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

**RESOLUTION NO. 01-68**

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

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**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.

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At 9:07 a.m. the open session of the Directors was temporarily adjourned and an executive session of the Directors was convened. At 9:20 a.m. the executive session was adjourned and the open session was reconvened. The Chairman stated that no votes or actions had been taken in the executive session.

The Chairman stated that the only item on the agenda is a resolution that the Directors consider the report that NIFA staff prepared which comments on the County's FY 2002 Budget and Multi-Year Plan.

Chairman Zarb stated that the FY 2002 Budget and Multi-Year Plan are both rejected in their current form. He stated that any items that were a little risky before

September 11<sup>th</sup> became very risky and fell into the column of no longer acceptable. He stated that the County leaders have to work together. Chairman Zarb stated that the four-year plan is going to be in substantial further jeopardy.

Chairman Zarb stated that he hopes that NIFA working with the Legislature and the County Executive will do what it needs to do before the Legislature votes on the budget on October 30<sup>th</sup>. Chairman Zarb asked that the County Leaders meet with NIFA prior to October 30<sup>th</sup> so that NIFA can get a consensus as to the direction the County will be going to fix the budget.

Chairman Zarb stated that NIFA has been generous by placing the FY 2002 Budget shortfall at only \$55 million which could easily have been higher.

Chairman Zarb asked the Directors if they had any questions or comments.

Director Peirez stated that the budget is extremely disappointing, unrealistic and highly unachievable. He stated that had it not been an election year, he would think it was time for a control period. Director Peirez stated that whoever will be the next Nassau County Executive is going to have to get right to work since NIFA expects a good, solid, achievable, realistic budget plan very shortly after the new person becomes County Executive.

**Director Payson agreed with the comments of Chairman Zarb and Director Peirez.**

**Director Kessel stated that he hoped that the County Executive, the Legislative leaders, the Comptroller and NIFA would see this as a unique opportunity to work together, outside of politics to come up with a solution to the problem.**

**Director Stack stated that NIFA believes that the budget problems can be and must be resolved. He stated that NIFA is hopeful that the budget and financial plan will be modified to meet the NIFA requirements under the NIFA Act.**

**Director Wallach stated that the County Executive and the legislature has to make decisions and take actions of a far greater magnitude than the numbers would appear on their face because it ends up that there is a shortfall of almost ten percent of the budget that can be affected. He further stated that the numbers for the out years become almost forty percent of the part of the budget that can be manipulated under the current structure of Nassau County. Director Wallach stated that without basic changes everything is going to be a year-by-year challenge over pennies affecting the lives of millions.**

**Director Smith stated that the new County Executive is going to have to go to work immediately after Election Day instead of waiting for January 1<sup>st</sup>. He stated**

that this is an environment that will not support or tolerate bickering in terms of where the budget is or how it is not going to be brought into balance.

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

**Resolution No. 01-69**

**RESOLUTION MAKING CERTAIN FINDINGS AND ADOPTING A REPORT CONCERNING THE PROPOSED FISCAL YEAR 2002 NASSAU COUNTY BUDGET AND FOUR YEAR FINANCIAL PLAN**

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**RESOLVED**, that the “Review of Proposed Multi – Year Financial Plan for Fiscal Years 2002 - 2005” (the “Report”), presented to this meeting is ordered to be filed with the records of the Nassau County Interim Finance Authority; and be it further

**RESOLVED**, that the Report is hereby approved as a report of the Directors; and be it further

**RESOLVED**, that the Chairman or his designee(s) are hereby authorized to submit said Report to the majority and minority leaders of the Nassau County Legislature, the County Executive, the Comptroller and other interested parties; and be it further

**RESOLVED**, that based on the findings in said Report, the proposed financial Plan for Fiscal Years 2002 - 2005, including the Fiscal Year 2002 budget which is the first year of the Plan, are unacceptable because they are incomplete and not in compliance with the Nassau County Interim Finance Authority Act; and be it further

**RESOLVED**, that the Chairman or his designee(s) are hereby authorized to take all actions necessary to implement the foregoing and to take any further or related actions.

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The Chairman stated that NIFA is a bi-partisan board and is committed to

getting the job done the right way. He stated that if NIFA does not receive a balanced budget, there would be notification to the County and a timetable to move immediately into hard controls.

The Chairman entertained a motion to adjourn. Upon motion duly made and seconded, the Directors voted unanimously to adjourn the meeting at 9:50 a.m.

Respectfully submitted,

Laurie A. Leat  
Corporate Secretary