

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
MINUTES OF THE MEETING OF THE DIRECTORS
HELD ON JUNE 16, 2005**

Pursuant to notice dated June 9, 2005, the Nassau County Interim Finance Authority (“NIFA”) was convened at 4:15 PM on the second floor of the Omni Building located in Uniondale, NY.

The following Directors of the Authority were present:

**Ronald Stack, Chairman
Richard M. Kessel
Martin Payson (via telephone)
Robert Smith
Robert Wallach**

Also representing the Authority was Richard Luke, Executive Director, Jeremy Wise, General Counsel, Evan Cohen, Deputy Director, Jane Cunneen, Deputy Chief Financial Officer, and Laurie Leat, Corporate Secretary.

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

Chairman Stack stated that the first item for discussion is the review of the

County's multi-year financial plan. He asked Richard Luke to give a brief summary of NIFA's report.

Richard Luke stated that the report demonstrates that the County is continuing progress toward resolving the County's financial difficulties. He stated that the County is increasing the level of reserves and did not need to do a cash flow borrowing during 2004 and is not expected to have the need for a cash flow borrowing in 2005. Mr. Luke stated that the baseline has decreased by approximately \$225 million through 2008 substantially due to the Medicaid cap that was enacted by Governor Pataki. He stated that the County has shifted some of its gap closing measures in the out-years from tax increases. Mr. Luke stated that the County has reduced its estimate of sales tax by approximately \$7 million and has increased its estimate of overtime. He stated that these are two areas that continue to need monitoring throughout the fiscal year. Mr. Luke stated that NIFA continues to be concerned about the certiorari issue as well as the hospital.

Chairman Stack thanked Richard Luke and NIFA staff for their excellent analysis and quick review. The Chairman congratulated the County for not having to do a cash flow borrowing. He applauded the County for being prudent and economical for reducing its sales tax estimates. The Chairman stated that while there is an unresolved issue regarding the \$7 and a half million from the State, the County has identified a number of items in capital projects that can cover this risk.

Chairman Stack stated that for 2005 the County is in good shape to finish the year on balance with an excess of revenues over expenditures. He stated that the County has eliminated a CPI property increase in the 2006 budget and NIFA will look to see what the County does for 2007 and 2008. Chairman Stack stated that the immediate plan indicates that the County is in good shape.

Director Kessel stated that the County's finances have improved and there has been ongoing cooperation between the County, the Executive Branch, the Legislative Branch and NIFA. He stated that it is important to note that all the terrific efforts made by the County wouldn't have meant anything if the Governor hadn't stepped up and created NIFA and got the transitional aid necessary to get the County to the point where it could recover. He stated that he believes the County's budget for this year is structurally sound. Director Kessel stated that NIFA needs to continue to monitor the sales tax numbers and the hospital. Director Kessel stated that he thinks Director Payson has done a great job and the new (NHCC) administration has come a long way. He stated that the County has made progress and there are mechanisms in place to see that the County does not fall back to where it was a few years ago. He stated that the County's progress was done through the team effort of the Governor, the State Legislature, the County Administration, the County Legislature and NIFA.

Director Wallach congratulated the County for doing an extraordinary job.

He stated that the Administration has brought the County back to the baseline where it can now look to becoming what it used to be.

Director Smith stated that the County Administration has done a fine job. He stated that NIFA's role going forward should be a partnership with the County.

Director Payson joined in the compliments to the County. He stated that the hospital is very precarious. He stated that he feels optimistic that despite the current problems, Dan Kane, President of the hospital and the administration will be able to meet the projects for the coming year for the nursing home as well as the hospital. He stated that the County and the hospital have worked very well together.

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

Resolution No. 05-162

RESOLUTION ADOPTING A REPORT CONCERNING THE JUNE 1, 2005 UPDATE OF THE NASSAU COUNTY MULTI – YEAR FINANCIAL PLAN FOR FISCAL YEARS 2005 – 2008

RESOLVED, that the “Review of the June 1, 2005 Update of the Nassau County Multi - Year Financial Plan For Fiscal Years 2005 - 2008” (the “Report”), dated June 16, 2005, which is attached to this resolution, 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 County Executive, the majority and minority leaders of the Nassau County Legislature and other interested parties; 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.

*** * ***

Chairman Stack asked the County Executive for comments.

County Executive Suozzi thanked NIFA for their comments and agreed that it has been a team effort. He thanked NIFA for the ability, the intellect and the expertise that all of the Directors have given to the County over the years. He stated that the multi-year plan reflects that 2006 will be the third consecutive no tax increase budget. He stated that by achieving the Medicaid cap the taxpayers in Nassau County have a \$225 million savings reduction of its baseline cost. County Executive Suozzi stated that the County's bond ratings have been upgraded ten times in the past two years. He stated that he is confident that the hospital's management staff will implement the suggestions made by the consultant and achieve stability. He stated that he believes the County is on target with its plan to reduce the tax certiorari. He stated that the County has reduced its projection in sales tax growth. The County Executive stated that they have conservatively budgeted overtime projections for this year. He stated that he feels the County is going to do better than projected. He stated that the County is seeing reductions in

May in its corrections facility as well as police department overtime due to policy changes and new corrections officers and police officers. He indicated that he is trying to figure out a way to increase revenues to make up for the 4% increase in expenditures each year.

Majority Leader Jacobs stated that the County is moving in the right direction.

Mr. Luke stated that the next item on the agenda was a resolution to approve the minutes of the November 8, 2004 Directors' meeting.

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

Resolution No. 05-163

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE NOVEMBER 8, 2004 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on November 8, 2004, 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 appointing Susan Rich as Treasurer. He stated that he will step down as current Treasurer. He also stated that Jane Cunneen's title is changing from Deputy Chief Financial Officer to Deputy Treasurer.

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

RESOLUTION NO. 05-164

APPOINTING AN OFFICER OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

WHEREAS, Richard Luke has tendered his resignation as Treasurer of the Nassau County Interim Finance Authority ("NIFA"), effective immediately; and

WHEREAS, Chapter 84 of the Laws of 2000, as amended and supplemented, requires that the NIFA appoint a Treasurer;

NOW, THEREFORE, BE IT RESOLVED that the NIFA appoints the following person to serve as an officer of the Authority:

Susan Rich as "Treasurer"

and be it further,

RESOLVED, that Jane Cunneen, who currently serves as Deputy Chief Financial Officer, shall henceforth serve as Deputy Treasurer of NIFA; and be it further

RESOLVED, that said appointments shall take effect as of February 28, 2005 and all actions taken in the newly appointed positions since February 28, 2005, are hereby ratified and confirmed.

* * *

Richard Luke stated that the next item on the agenda is a resolution asking the Directors to accept the audited financial statements that were prepared by Deloitte & Touche in connection with the annual audit that is required of NIFA.

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

RESOLUTION NO. 05-165

RECEIPT AND ACCEPTANCE OF INDEPENDENT AUDITORS' REPORT ON THE AUTHORITY'S FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2004

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 receipt of the Deloitte & Touche LLP Independent Auditors' Report on NIFA's Financial Statements for fiscal year ended December 31, 2004 (the "Audit") presented at the June 16, 2005 meeting of the Directors; and be it further

RESOLVED, that the Authority accepts the Audit and approves the release of the Audit to the public; and be it further

RESOLVED, that the Executive Director of the Authority or his designee(s) are hereby directed to promptly submit the Audit to those persons identified in the Authority Act to whom the Audit must be submitted, to make a reasonable number of copies available on request to all persons that request copies, and to take all actions he or she may in his or her sole discretion consider necessary to effectuate the foregoing and related actions; and be it further

RESOLVED, that this resolution shall take effect immediately.

*** * ***

Mr. Luke stated that the next item on the agenda is a resolution to approve NIFA's annual report which is required by NIFA's legislation and the Public Authorities Law.

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

RESOLUTION NO. 05-166

APPROVAL OF REPORTS REQUIRED BY THE NASSAU COUNTY INTERIM FINANCE AUTHORITY ACT AND PUBLIC AUTHORITIES LAW AND AUTHORIZATION 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, the 2004 Annual Report of the Authority is hereby approved together with all the attachments thereto including:

- 1) Authority Report on Debt Issuance**
 - 2) Audited Financial Statements for the Period Ended December 31, 2003 together with Independent Auditor's Compliance Report on Investment Policies and Procedures;**
 - 3) Authority Report on Investments;**
 - 4) Authority Prompt Payment Report; and**
 - 5) Authority Procurement Guidelines Report;**
- and be it further**

RESOLVED, that the Chairman or his designee(s) are hereby authorized to take all

actions deemed necessary to implement the foregoing and to take related actions.

* * *

Mr. Luke stated that the next item on the agenda is a resolution to amend the investment guidelines.

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

RESOLUTION NO. 05-167

ADOPTION OF AMENDED 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 found to be satisfactory and are hereby readopted, as amended; 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.

* * *

Mr. Luke stated that the next item on the agenda is a resolution to adopt the procurement guidelines.

Upon motion duly made and seconded, the following resolution was

approved unanimously:

RESOLUTION NO. 05-168

**ADOPTION OF AMENDED PROCUREMENT CONTRACT 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 “NASSAU COUNTY INTERIM FINANCE AUTHORITY GUIDELINES REGARDING THE USE, AWARDED, MONITORING AND REPORTING OF PROCUREMENT GUIDELINES,” as amended (the “Procurement Guidelines”), annexed to the Materials, are hereby adopted as the 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.

* * *

Jeremy Wise stated that the next item on the agenda is the selection of underwriters. He stated that after completing an RFP process NIFA is recommending a new team which will be headed by Goldman, Sachs and Citigroup.

Upon motion duly made and seconded, the following resolution was approved unanimously with the correction noted that Paine Webber Incorporated should have been listed as its successor, UBS Financial Services Inc.:

RESOLUTION NO. 05-169**Selection of a Pre-qualified Team of Underwriters for NIFA Financings**

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Nassau County Interim Finance Authority (“NIFA” or the “Authority”), there is hereby appointed the following team of underwriters who are deemed qualified to assist in the financings of the Authority for a term ending no later than December 31, 2007:

Senior Managers:
Goldman, Sachs & Co.
Citigroup

Special Co-Managers:
PaineWebber Incorporated
Merrill Lynch & Co.

Co-Managers:
First Albany Corporation
Morgan Stanley Dean Witter
RBC Dain Rauscher Inc.
M.R. Beal & Company
Banc of America Securities
Ramirez & Co., Inc.
Roosevelt & Cross, Inc.

(collectively the “Team”), and be it further

RESOLVED, that any of the Special Co-Managers and Co-Managers shall also be eligible to be Senior Managers based upon performance and circumstances deemed relevant, and be it further

RESOLVED, that the Authority may designate a “Selling Group” at the time of a sale based on marketing needs; however, preference in selecting the Selling Group shall be given to those firms who applied for management positions, 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 may in his or her

sole discretion consider necessary or proper to effectuate the foregoing.

* * *

Mr. Wise stated that the next item on the agenda is a SEQRA resolution.

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

RESOLUTION NO. 05-170

RESOLUTION CONCERNING STATE ENVIRONMENTAL QUALITY REVIEW ACT MATTERS IN CONNECTION WITH THE AUTHORIZATION, SALE AND ISSUANCE OF SALES TAX SECURED BONDS, SERIES 2005A, SERIES 2005B AND SERIES 2005C

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 to refund outstanding bonds of the Authority, as applicable; 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 intend to provide from time to time for the authorization, issuance and sale of its sales tax secured bonds (the "Bonds"); and

WHEREAS, the proceeds of one or more additional series of such Bonds (the "Series 2005 Bonds") are expected to be used (A) to finance Financeable Costs under the Act, which may include but are not limited to (i) tax certiorari settlements and judgments; (ii) other settlements or judgments; (iii) refunding or restructuring of certain outstanding indebtedness of the County; (iv) County costs of issuance; and (v) the costs of issuance of such series of Bonds, and (B) subject to the terms outlined in a resolution of even date by the Directors of the Authority, to refund outstanding bonds of the Authority; and

WHEREAS, the Authority is required under the State Environmental Quality Review Act, as amended (“SEQRA”), to complete environmental reviews in connection with its activities, including the issuance of its Bonds from time to time or the expenditure of the proceeds thereof:

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 Deputy Chief Financial Officer, the General Counsel, the Treasurer, the Corporate Secretary, any Deputy 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 2005 Bonds in order (A) to finance Financeable Costs under the Act, which may include but are not limited to (i) tax certiorari settlements and judgments; (ii) other settlements or judgments; (iii) refunding or restructuring of certain outstanding indebtedness of the County; (iv) County costs of issuance; and (v) the costs of issuance of the Bonds, and (B) to refund outstanding bonds of the Authority, in each case constitutes a “Type II” action under SEQRA 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 2005 Bonds shall be applied with respect to any Financeable Cost unless and until an Authorized Officer has taken all necessary action pursuant to the delegation in the following clause in order to comply with the requirements of SEQRA 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 SEQRA prior to the disbursement of proceeds of the Series 2005 Bonds with respect to each Financeable Cost; and provided, further, that such Authorized Officers may, to the extent permitted by law, rely upon information supplied by and representations and findings of authorized representatives of the County in connection therewith; 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 SEQRA with respect to any Financeable Costs to be financed with the proceeds of any past or

future series of Bonds; and provided, further, that such Authorized Officers may, to the extent permitted by law, rely upon information supplied by and representations and findings of authorized representatives of the County in connection therewith; and further

RESOLVED, that 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 the making of any findings and the preparation of any assessment forms required by SEQRA), and that all such actions heretofore taken in connection with the Series 2005 Bonds by any Authorized Officer, or his or her designee, are hereby ratified and approved.

* * *

Mr. Wise stated that the next item on the agenda is a resolution authorizing the sale and issuance of sales tax secured bonds.

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

RESOLUTION NO. 05-171

NASSAU COUNTY INTERIM FINANCE AUTHORITY RESOLUTION CONCERNING THE AUTHORIZATION, SALE AND ISSUANCE OF SALES TAX SECURED BONDS, SERIES 2005A, SERIES 2005B AND SERIES 2005C

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 to refund outstanding bonds of the Authority, as applicable; 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 additional series of its sales tax secured bonds (the "Bonds") through the approval of appropriate documentation, including, without

limitation, the approval of the Thirteenth Supplemental Indenture (as such term is defined below), the approval of the Fourteenth Supplemental Indenture (as such term is 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 (A) to finance Financeable Costs under the Act, which may include but are not limited to (i) tax certiorari settlements and judgments; (ii) other settlements or judgments; (iii) capital projects; (iv) refunding or restructuring of certain outstanding indebtedness of the County; (v) County costs of issuance; and (vi) the costs of issuance of such series of Bonds, and (B) subject to the terms hereof, to refund outstanding bonds of the Authority; 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 to issue refunding Bonds, 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 additional series of Bonds; and

WHEREAS, the duly authorized officers of the Authority have previously caused to be executed and delivered an indenture entitled "Indenture between Nassau County Interim Finance Authority and United States Trust Company of New York, as (original) 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 "Thirteenth Supplemental Indenture between Nassau County Interim Finance Authority and The Bank of New York, as Trustee Authorizing Up To \$200,000,000 Nassau County Interim Finance Authority Sales Tax Secured Bonds, Series 2005A dated as of July 1, 2005" (the "Thirteenth Supplemental Indenture"), pursuant to which the Authority will authorize the issuance of the Sales Tax Secured Bonds, Series 2005A (the "Series 2005A Bonds"); and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a form of supplemental indenture entitled “Fourteenth Supplemental Indenture between Nassau County Interim Finance Authority and The Bank of New York, as Trustee Authorizing Up To \$150,000,000 Nassau County Interim Finance Authority Sales Tax Secured Variable Rate Bonds, Series 2005B and Series 2005C dated as of July 1, 2005” (the “Fourteenth Supplemental Indenture”), pursuant to which the Authority will authorize the issuance of the Sales Tax Secured Variable Rate Bonds, Series 2005B and Series 2005C (the “Series 2005B and C ARS Bonds” or “Series 2005 ARS Bonds” and together with the Series 2005A Bonds, the “Series 2005 Bonds”) (the General Indenture, as amended and supplemented, being hereinafter collectively referred to as the “Indenture”); and

WHEREAS, the duly authorized officers of the Authority have previously caused to be executed and delivered a 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 by the Authority, and has agreed to the pledge of said covenants to the Trustee on behalf of the Bondholders; and

WHEREAS, pursuant to the Act and the Financing Agreement, the County has requested (and has submitted 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 Series 2005 Bonds, all or any portion of which may be issued at a fixed and/or variable rate; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a form of Preliminary Offering Circular (the “2005A Preliminary Offering Circular”) relating to the Series 2005A Bonds issued at a fixed rate and a form of Offering Circular (the “2005 ARS Offering Circular”) relating to the Series 2005B and C ARS Bonds issued at an auction rate; and

WHEREAS, officers and employees of the Authority will participate in revisions to the 2005A Preliminary Offering Circular and the preparation of a final Offering Circular to be used in connection with the issuance and sale of the Series 2005A Bonds issued at a fixed rate (the “2005A Offering Circular”) and will negotiate the Contract of Purchase therefor (the “2005A Purchase Contract”); and

WHEREAS, officers and employees of the Authority will participate in revisions to the form of 2005 ARS Offering Circular and the preparation of a final 2005 ARS Offering Circular to be used in connection with the issuance and sale of the Series 2005 Bonds issued at an auction rate (together with the 2005A Offering Circular, the “Offering Circulars”) and will negotiate the Contracts of Purchase

therefor (the “2005B Purchase Contract” and the “2005C Purchase Contract” and, together with the 2005A Purchase Contract, the “Purchase Contracts”); 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 2005A and Sales Tax Secured Variable Rate Bonds, Series 2005B and C ARS 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; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared an Auction Agreement (the “Auction Agreement”) by and among the Authority, the Trustee and the Auction Agent to be determined by the Authority and set forth in the Fourteenth Supplemental Indenture (the “Auction Agent”), obligating the Auction Agent to conduct auctions for the Series 2005B and C ARS Bonds bearing interest at an auction rate and calculate the interest rate that results from such auctions or default interest rates if such auctions are not held; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a Broker-Dealer Agreement (the “Broker-Dealer Agreement”) by and among the Authority, the Auction Agent and each Broker-Dealer to be determined by the Authority and set forth in the Fourteenth Supplemental Indenture (the “Broker-Dealer”), which obligates each Broker-Dealer to submit bids, sell orders or hold orders to the Auction Agent on behalf of the persons listed in their records as beneficial owners of the Series 2005B and C ARS Bonds bearing interest at an auction rate or to submit bids on behalf of persons who wish to obtain the beneficial ownership of the Series 2005B and C ARS Bonds bearing interest at an auction rate under certain conditions; and

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

1. Thirteenth and Fourteenth Supplemental Indentures

RESOLVED, that the forms of Thirteenth Supplemental Indenture presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit A-1 and Fourteenth Supplemental Indenture presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit A-2, are hereby approved, and any Authorized Officer is hereby authorized to execute and deliver the Thirteenth Supplemental Indenture and the Fourteenth Supplemental Indenture in substantially such forms with such changes thereto prior to the issuance and delivery of the Series 2005 Bonds (which may be issued at one time or from time to time in one or

more series or subseries, subject to redesignation as hereinafter provided) as may be approved by the Authorized Officer subject to the terms referred to in item X below; and further

2. Declaration of Need

RESOLVED, that pursuant to the Act and the Financing Agreement, the County has requested the Authority to undertake this financing and has submitted 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; and further

3. Preliminary Offering Circular and Form of Offering Circular

RESOLVED, that the 2005A Preliminary Offering Circular of the Authority relating to the Series 2005A Bonds issued at a fixed rate in substantially the form presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit B-1 and the form of 2005 ARS Offering Circular of the Authority relating to the Series 2005B and C ARS Bonds expected to be issued at an auction rate in substantially the form presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit B-2, are hereby approved with such changes as an Authorized Officer may approve, and any Authorized Officer is hereby authorized to approve the distribution of the same on behalf of the Authority; and further

4. Offering Circulars

RESOLVED, that any Authorized Officer is authorized to execute and deliver, on behalf of the Authority, a final 2005A Offering Circular relating to the Series 2005A Bonds issued at a fixed rate, and a final 2005 ARS Offering Circular relating to the Series 2005B and C ARS Bonds expected to be issued at an auction rate, each with such changes, insertions and omissions to the Preliminary Offering Circular or the form of Offering Circular, respectively, referred to in item III above, 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

5. Purchase Contracts

RESOLVED, that the Purchase Contracts by and among the Authority and the Underwriters relating to the Series 2005A Bonds and the Series 2005B and C ARS

Bonds issued at a fixed rate and auction rate, respectively, in substantially the forms presented to this meeting, copies of which shall be annexed to this resolution as Exhibit C-1, C-2 and C-3, are hereby approved with such 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

6. Continuing Disclosure Agreement

RESOLVED, that the form of Continuing Disclosure Agreement presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit D, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver one or more Continuing Disclosure Agreements 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

7. Escrow Deposit Agreements

RESOLVED, that the form of Escrow Deposit Agreement relating to the refunding or restructuring of County indebtedness 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 one or more Escrow Deposit Agreements 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

RESOLVED, that any Authorized Officer is authorized to execute and deliver an Escrow Deposit Agreement relating to the refunding of outstanding bonds of the Authority (market conditions permitting), such Escrow Deposit Agreement being in substantially the form approved and executed in connection with the Authority's issuance of Sales Tax Secured Bonds, Series 2004A and Sales Tax Secured Variable Rate Bonds, Series 2004 ARS (Auction Rate Securities) on April 8, 2004, 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

8. Auction Agreement

RESOLVED, that the form of Auction 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 one or more Auction Agreements with any Auction Agent appointed from time to time by the Authority pursuant to item XXI hereof 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

9. Broker-Dealer Agreements

RESOLVED, that the form of Broker-Dealer Agreement presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit G, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver one or more Broker-Dealer Agreements with any Broker-Dealers appointed from time to time by the Authority pursuant to item XIII hereof 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

10. Terms of Series 2005 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 2005 Bonds to determine and carry out the following:

- a) The number of series and subseries of the Series 2005 Bonds and the designation for each series and subseries;
- b) The principal amount of each series of the Series 2005 Bonds to be issued in an aggregate total principal amount up to \$350,000,000;
- c) 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 2005 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 best carry out the Authority's statutory purposes;
- d) Subject to the provisions of the Act, the General Indenture and the determination of present value savings in connection therewith, the series of senior Bonds and the maturities or portions thereof, if any, which are to be refunded with a portion of the proceeds of the Series 2005 Bonds, and the date or dates, if any, on which such refunded Bonds are to be called for redemption, the selection of a bidding agent for the funding of an escrow, the provisions of any escrow deposit agreement, the selection of a verification agent therefor and any other matters necessary, as determined by such Authorized Officer to best carry out the Authority's statutory purposes;
- e) The dated date or dates, maturity date or dates and principal amount of each series and maturity of the Series 2005 Bonds, the amount and date of each sinking fund installment, if any, and which Series 2005 Bonds, if any, are

- serial bonds or term bonds; provided, however, that each series of the Series 2005 Bonds shall mature no later than November 15, 2025;
- f) The interest rate or rates of each series of the Series 2005 Bonds (including a zero interest rate), the dates from which interest on each series of the Series 2005 Bonds shall accrue and the interest payment dates, if any, therefor and the interest rate mode or modes thereof, as provided in the Thirteenth Supplemental Indenture or Fourteenth Supplemental Indenture respectively; provided, however, that the true interest cost on the Series 2005A Bonds issued at a fixed rate (as determined by an Authorized Officer of the Authority, which determination shall be conclusive) shall not exceed six percent (6%) per annum and that any Series 2005B and C ARS Bonds and issued at an auction rate shall be subject to a maximum interest rate of not greater than 15% per annum, or such higher rate or rates as determined by an Authorized Officer;
 - g) The redemption price or redemption prices, if any, and the redemption terms, if any, for each series of the Series 2005 Bonds; provided, however, that the redemption price of any Series 2005 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 2005 Bonds or portion thereof to be redeemed, plus accrued interest thereon to the date of redemption;
 - h) Additional provisions for the sale or exchange of the Series 2005 Bonds and for the delivery thereof not otherwise set forth herein;
 - i) Directions for the application of the proceeds of the Series 2005 Bonds and investment thereof not in conflict with the provisions hereof;
 - j) The interest rate mode or modes of the Series 2005B and C ARS Bonds, as provided in the Fourteenth Supplemental Indenture;
 - k) **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 bond insurance, surety bond or other form of credit facility in connection with the bonds authorized hereunder, 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**

11. Issuance of Bonds

RESOLVED, that the Authority shall issue, award and deliver each series of the Series 2005 Bonds pursuant to the respective 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 2005 Bonds; and further

12. Authorized Officers

RESOLVED, that each of the Chairperson, the Vice Chairperson, the Executive Director, the Chief Financial Officer, the Deputy Chief Financial Officer, the General Counsel, the Treasurer, the Corporate Secretary, any Deputy 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

13. Appointment of Underwriters and Broker-Dealers

RESOLVED, that the firm of Citigroup Global Markets Inc. is hereby appointed as bookrunning senior managing underwriter, with Goldman, Sachs & Co. serving as co-senior manager for the Series 2005A Bonds issued at a fixed rate. The other members of the underwriting team for the Series 2005A Bonds issued at a fixed rate will include: UBS Financial Services Inc., Morgan Stanley & Co. Incorporated, M.R. Beal & Company, RBC Dain Rauscher Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Ramirez & Co., Inc., Roosevelt & Cross Incorporated, Banc of America Securities LLC and First Albany Corporation; and further

RESOLVED, that the firm of Citigroup Global Markets Inc. is hereby appointed as bookrunning senior managing underwriter, and that Citigroup Global Markets Inc. and Goldman, Sachs & Co. are hereby appointed Underwriters and Broker-Dealers as further specified by an Authorized Officer, for the Series 2005B and C ARS Bonds issued at an auction rate; and further

14. Verification Agent

RESOLVED, that an Authorized Officer shall solicit proposals by means of a request for proposals for the service of a verification agent with respect to the Escrow Deposit Agreement described in item VII hereof; and further

15. Bidding Agents

RESOLVED, that an Authorized Officer shall solicit proposals by means of a request for proposals for the services of a bidding agent for the purchase of escrow securities or in connection with any investment agreement, including but not limited to, any forward purchase agreement utilized to invest amounts in any escrow deposit agreement or credited to the Bond Account, to the extent specified by an Authorized Officer; and further

16. Negotiated Sale

RESOLVED, that the use of a negotiated underwriting in connection with the sale of each series of the Series 2005 Bonds is found to be appropriate for the following reasons:

(i) the Underwriters have and will continue to assist in all structuring tasks including preparation of the Preliminary Offering Circular, as applicable, and Offering Circulars and presentations to or discussions with 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 2005 Bonds; and

(iii) the Underwriters will have the flexibility to sell the Series 2005 Bonds on short notice and make rapid changes in structure to accommodate the market; and further

provided, that each series of the Series 2005 Bonds shall be awarded and sold to the Underwriters named in the respective 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 (issuance value) of such series of the Series 2005 Bonds to be sold; and further

17. Sale of Series 2005 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 each series of the Series 2005 Bonds to the Underwriters; and further

18. Appointment of Bond Counsel

RESOLVED, that the law firm of Sidley Austin Brown & Wood LLP is hereby appointed bond counsel for the Series 2005 Bonds; and further

19. Authority Auditors

RESOLVED, that Deloitte & Touche LLP, the Authority's outside auditors, are hereby requested to undertake any procedures necessary for accomplishing the purposes of the financing including consenting to the inclusion of their report on the Authority's financial statements in the Preliminary Offering Circular and Offering Circulars, and that the Authorized Officers are hereby directed and authorized to take all necessary or useful actions to effect such purposes, including the negotiations and payment of any customary related fees to Deloitte & Touche LLP; and further

20. Escrow Agent

RESOLVED, that an Authorized Officer shall solicit proposals by means of a request for proposals for the service of an escrow agent with respect to the Escrow Deposit Agreements described in item VII hereof; and further

21. Auction Agent

RESOLVED, that an Authorized Officer shall solicit proposals by means of a request for proposals for the service of an Auction Agent with respect to the Series 2005B and C ARS Bonds issued at an auction rate; and further

22. Printer

RESOLVED, that an Authorized Officer shall solicit proposals by means of a request for proposals for the service of a Printer with respect to the 2005A Preliminary Offering Circular for the Series 2005A Bonds and the 2005A Offering Circular for the Series 2005A Bonds and the 2005 ARS Offering Circular for the Series 2005B and C ARS Bonds; and further

23. Further Action

RESOLVED, that the Authorized Officers or their designee(s) are each hereby authorized and directed to approve and execute such documents (including documents in connection with the provision of a surety bond) or certifications (including certifications as to the federal tax status of interest on the Series 2005 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 2005 Bonds, any amendment to the Financing Agreement deemed necessary or convenient in carrying out the intent of this resolution, and that all such actions heretofore taken in connection with the Series 2005 Bonds by any Authorized Officer, or his or her designee, are hereby ratified and approved; and further

24. Findings With Respect To Consultants And Advisors

RESOLVED, that the Authority hereby finds and determines that extraordinary circumstances exist, in view of the accelerated time schedule for the transaction and the significant benefit to the County of completing the transaction under current market conditions, which make competition impracticable or inappropriate and merit the procurement of certain consultants and advisor deemed necessary or appropriate in carrying out the intent of this resolution, on a sole source or single

source basis, as provided in the Authority's Procurement Contract Guidelines, upon such terms and conditions as the Authorized Officer may find reasonable and appropriate.

* * *

Chairman Stack commended Jeremy Wise on the great job he did leading such a small staff to do such a big job.

The Chairman stated that some Directors expressed concerns regarding the backlog in tax certiorari. He asked Director Wallach to address his concerns.

Director Wallach stated that there are still unanswered questions regarding the tax certiorari backlog. He stated that this issue must be addressed and settled. Liz Botwin stated that the County is working on this and has had some substantial success in certain areas. She referred NIFA to the update where it is all explained at length.

The Chairman then entertained a motion to adjourn. Upon motion duly made and seconded, the Directors voted unanimously to adjourn the meeting at 5:20

PM.

Respectfully submitted,

Laurie A. Leat

Corporate Secretary