

NASSAU COUNTY INTERIM FINANCE AUTHORITY
MEETING OF THE DIRECTORS
MINUTES OF OCTOBER 19, 2015

The Directors of the Nassau County Interim Finance Authority met on October 19, 2015 at 5:00 PM at the Yes We Can Community Center, 141 Garden Street, Westbury, NY 11590.

Directors present: Jon Kaiman, Chairman
 Paul Annunziato
 John Buran
 Adam Haber
 Paul Leventhal
 Lester Petracca
 Christopher Wright

Directors absent:

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

1. Call to Order/Roll Call

The meeting was called to order at 5:45 PM.

2. Approval of Minutes

On a motion by Director Wright, the Directors approved the minutes from the meeting on July 1, 2015.

Positive votes: 7 Negative votes: 0

Resolution No. 14-578

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE
SEPTEMBER 22, 2015 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY
INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on September 22, 2015 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

* * *

3. Authorization to Enter into a Liquidity Facility in Connection with NIFA's 2008D-1 Bonds and to Take Related Actions

The Directors were asked to approve a resolution to enter into a new liquidity agreement.

On a motion by Director Buran, the Directors approved the VSIP Agreement.

Positive votes: 6 Negative votes: 0 Recusal: 1 (Director Wright)

Resolution No. 15-579

AUTHORIZATION TO ENTER INTO LIQUIDITY FACILITY IN CONNECTION WITH NIFA'S 2008D-1 BONDS 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 ("NIFA"); and be it further

RESOLVED, that in accordance with the Materials, the Chairman or his designee(s) is hereby authorized to negotiate and execute one or more agreements with BMO Harris Bank N.A. in connection with NIFA's 2008D-1 Bonds (the "Bonds") substantially upon the terms and conditions discussed in the Materials; and be it further

RESOLVED, that in connection with the substitution of liquidity providers for the Bonds, the Chairman or his designee(s) is authorized to cause a mandatory tender of said Bonds, and to take such steps as are necessary for the reoffering of said Bonds by the Remarketing Agent, including the preparation and distribution of a reoffering circular with respect to such Bonds, in such form as he may deem reasonable and appropriate; and be it further

RESOLVED, that reasonable outside counsel fees and disbursements for this liquidity provider substitution are hereby approved, as well as fees and disbursements for Sidley Austin LLP as NIFA's outside counsel and Lamont Financial Services Corporation as NIFA's financial advisor, as well as such other expenditures as are deemed necessary or appropriate in connection with the completion of the aforesaid actions; and be it further

RESOLVED, that all actions heretofore taken by the Chairman or his designee(s) in furtherance of the foregoing resolutions are hereby ratified and approved; and be it further

RESOLVED that the Chairman or his designee(s) are further authorized to take all actions deemed necessary or appropriate to implement the foregoing and related actions.

* * *

4. Authorization to Employ a Media Consultant and to Take Related Actions

The Directors were asked to approve a resolution to hire Zimmerman/Edelson as its media consultant to help the public understand the role of and decisions made by NIFA.

On a motion by Director Wright, the Directors approved the hiring of Zimmerman/Edelson.

Positive votes: 7 Negative votes: 0

Resolution No. 15-580

AUTHORIZATION TO EMPLOY A MEDIA CONSULTANT 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 the Directors of the Authority have determined that there is a need for a media consultant to help the public understand the role of and decisions made by the Authority; and be it further

RESOLVED, the consulting firm of Zimmerman/Edelson (“ZE”) shall be employed substantially upon the terms and conditions outlined in the Materials; and be it further

RESOLVED, that the Chairman of the Authority or his designees(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to 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 employ ZE as a media consultant for the Authority and to take any related actions.

* * *

5. Consideration of Tax Anticipation Notes Borrowing by Nassau County

The Directors were asked to approve the County’s request to issue Tax Anticipation Notes to help with cash flow until taxes are received. The notes are repaid within one year.

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

Positive votes: 7 Negative votes: 0

Resolution No. 15-581

CONSIDERATION OF ISSUANCE OF TAX ANTICIPATION NOTES BY NASSAU COUNTY

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

“Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(e) of the Authority Act, the Authority has reviewed the terms of the County’s proposed issuance of TANs and hereby approves said borrowing on the condition that total proceeds, consisting of par and original issue premium, cannot exceed \$202,507,400 including costs of issuance, and be it further

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

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

* * *

6. Consideration of Issuance of General Obligation Bonds by Nassau County

The Directors were asked to approve the County’s request to issue General Obligation Bonds in the amount of \$7,500,000 to use for termination payments for Nassau Community College.

On a motion by Director Wright, the Directors approved the borrowing as long as it is paid back within 2 years.

Positive votes: 7 Negative votes: 0

Resolution No. 15-582

CONSIDERATION OF ISSUANCE OF GENERAL OBLIGATION BONDS BY NASSAU COUNTY

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

RESOLVED, that based upon the discussions in the Materials and pursuant to Section 3669 2(e) of the Authority Act, the Directors have reviewed the terms of the County’s proposed issuance(s) of bonds and approves the issuance of up to \$7,500,000 in bonds (plus costs of issuance not to exceed 2% of par) for the purposes described in Attachment A (Nassau Community College Termination Payments) in the Materials and upon the conditions outlined in the Materials; and be it further

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

Attachment A
Nassau Community College Termination Pay

A capital expenditure was approved by the Nassau County Legislature for financing the cost of certain payments to Nassau Community College Federation of Teachers Member Employees at Nassau Community College upon separation from employment from the College in the amount of \$7,650,000. This includes total separation payments in the amount of \$7,500,000 plus two percent for costs of issuance for the making of said payments.

The bonds for the termination payments have a 10-year PPU. Notwithstanding the foregoing, the bonds shall mature within two (2) years of issuance, and the College will reimburse the County for debt service on such bonds within two (2) years.

* * *

7. Consideration of Contract Amendment from the County Attorney's Office

The contract amendment is with Pannone Lopes Devereaux & West in the amount of \$495,000 and it is to represent the County with respect to the financing and development of the Nassau Coliseum and projects at the Nassau Hub and Mitchel Field. This amendment brings the total amount of the contract to \$1,415,000. The Directors are going to look more closely at contracts and have decided to approve up to \$100,000 of this contract at this time. The Directors may approve more towards this contract at a later date.

On a motion by Director Annunziato, the Directors approved the contract with Pannone Lopes Devereaux & West in the amount of \$100,000.

Positive votes: 7 Negative votes: 0

Resolution No. 15-583

REVIEW OF CONTRACT AMENDMENT FROM THE COUNTY ATTORNEY'S OFFICE

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

RESOLVED, that the County struggles to regain fiscal balance, and it is operating under a financial plan that contemplates, among other measures, transitional borrowing for operating expenses; and be it further

RESOLVED, that County must continue to deliver essential services to County residents; and be it further

RESOLVED, that in these circumstances, NIFA must scrutinize contracts for expenditures that are not consistent with the County's current financial condition and the priorities, necessities, judgments and fiscal realities embodied in the County's adopted financial plan; and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(d) of the Authority Act, the Authority hereby partially approves the Pannone Lopes contract amendment in the amount of \$100,000; and be it further

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

* * *

Director Wright stated that the County submitted a contract this afternoon relating to one of the sewer plants which is Superstorm Sandy related. He stated that Chairman Kaiman recused himself since it is Superstorm Sandy related. He stated that the contract will be voted on at the next NIFA Board meeting.

8. Adopting the Staff Report Concerning the Proposed Nassau County Multi-Year Financial Plan, Fiscal 2016-2019 and the Recommendations Contained Therein

Executive Director Cohen gave a summary of the Staff Report. He stated that NIFA projects significant deficits in each year of the plan on a GAAP basis, totaling approximately \$211 million in 2016 and much greater amounts in the Out-Years, if all of the identified risks are not resolved. The Chairman stated that NIFA is in the process of creating a Strategic Planning Committee and a Procurement and Contract Monitoring Committee. The Chairman stated that in the event that Nassau County and the Legislature are unwilling to make the necessary changes to the budget by increasing revenue and decreasing expenditures, the Directors will be prepared to take action.

On a motion by Director Wright, the Directors approved the NIFA Staff Report.

Positive votes: 7 Negative votes: 0

Resolution No. 15-584

ADOPTING THE STAFF REPORT CONCERNING THE PROPOSED NASSAU COUNTY MULTI-YEAR FINANCIAL PLAN, FISCAL 2016-2019 AND THE RECOMMENDATIONS CONTAINED THEREIN

WHEREAS, Nassau County continues to operate in a control period, which the Nassau County

Interim Finance Authority (“NIFA”) imposed on January 26, 2011; and

WHEREAS, on September 15, 2015, as required by law, the County Executive submitted to NIFA his proposed Multi-Year Financial Plan for Fiscal 2016 – 2019 (“Proposed Plan”), the first year of which is his proposed 2016 Budget; and

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

WHEREAS, the County Legislature has the opportunity to address the risks that NIFA staff has identified; and

WHEREAS, in accordance with Section 3667(2) the NIFA Act, NIFA will not take further action in regard to the Proposed Plan until “approval by the county of a budget in accordance with the provisions of the county charter and approval of the financial plan by the legislature;”

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

9. Adjournment

The Chairman made a motion to adjourn. The meeting was adjourned at 6:15 PM.

Respectfully submitted,

Laurie A. Giardina
Corporate Secretary