

## AGENDA

**NASSAU COUNTY INTERIM FINANCE AUTHORITY  
FRIDAY, DECEMBER 4, 2015, 2:00 PM  
MARRIOTT LONG ISLAND HOTEL & CONFERENCE CENTER  
101 JAMES DOOLITTLE BLVD., UNIONDALE, NY 11553**

Call to Order

Action Items

- I. Consideration of Amendment to the County Contract with Transdev Services, Inc. (formerly Veolia Transportation Services)
- II. Authorization to Employ a Financial Expert to Provide Consulting Services and to Take Related Actions
- III. Consideration of Issuance of General Obligation Bonds or Notes by Nassau County (General and Sewer Capital)
- IV. Consideration of Issuance of General Obligation Bonds by Nassau County (County Termination Pay)
- V. Consideration of Issuance of General Obligation Bonds by Nassau County (NCC Termination Pay)
- VI. Consideration of the County's Modified Multi-Year Financial Plan for Fiscal 2016 - 2019

Adjournment

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**FOR CONSIDERATION**

December 4, 2015

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Transdev Services, Inc.

REQUEST FOR: Consideration of Amendment to the County Contract with Transdev Services, Inc. (formerly Veolia Transportation Services)

---

**Introduction:**

On March 24, 2011 NIFA adopted the Contract Approval Guidelines, as subsequently amended, (“Guidelines”), which include the Contract Approval Request Form. The Guidelines delineate the dollar thresholds and approval process of all County contracts that must be submitted to NIFA for approval.

**Background:**

On December 22, 2011 the NIFA Board of Directors approved a County contract (the “Contract”) with Veolia Transportation Services, Inc. (“Veolia” now “Transdev”). On November 29, 2012 an amendment to the Contract of \$7,319,217 was approved. On January 27, 2014 an amendment to the Contract in the amount of \$5,185,210.61 was approved. This amendment is to increase the fourth year of the contract by \$15,343,393 for a revised year 4 not-to-exceed (NTE) amount of \$127,862,302.

*Original Contract Terms:*

The key elements of the Contract were as follows:

1. The vendor was selected through a County RFP process.
2. The Contract was for five years at a cost of \$106,357,856 for the first year scheduled to increase to \$113,620,694 in year five (collectively “Costs”).
3. The Contract costs were to be offset by:
  - a) County funds totaling \$2,539,600 in the first year and increasing to \$2,743,232 in year five.
  - b) State and Federal funds. These funds are provided by the County in the form of State Transportation Operating Assistance funding and Federal Transit Administration preventive maintenance grant funding.
  - c) Fare box revenues (including actual fare box monies and other revenues from the operation of the transit system).
  - d) Advertising revenues.

*Amendment Terms:*

The Contract was analyzed by the Transit Advisory Committee (not yet in place at the time of the originally executed Contract) and, subject to Legislative and NIFA approval which led to the amendments to the first and subsequent years of the Contract. This was deemed necessary to provide an increased level of service for both general ridership and paratransit service.

**Discussion:**

Based on the previous revisions to the base amount and the analysis and recommendation of the Transit Advisory Committee, the amendment of \$15,343,393 is submitted for approval and the fourth year total funding is comprised of the following:

\$ 73,657,823	New York State and Federal Funds
49,944,857	Projected Revenue Collection
2,539,500	Nassau County Mandated State Match
<u>1,720,122</u>	Nassau County Voluntary Match
\$127,862,302	Total Budgeted for Year 4

**Requested Action:**

You are requested to approve the County's Contract amendment with Transdev in the amount of \$15,343,393.

**Attachment:**

Resolution

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 15-XXX

APPROVAL OF AMENDMENT TO THE COUNTY CONTRACT WITH TRANSDEV SERVICES, INC.

---

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 based upon the discussion in the Materials and pursuant to Section 3669 2(d) of the Authority Act, the Authority hereby approves/disapproves the amendment to Nassau County’s Contract with Transdev Services, Inc., in the amount of \$15,343,393; 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.

---

Jon Kaiman  
Chairperson

December 4, 2015

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

December 4, 2015

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Employment of a Consultant

REQUEST FOR: Authorization to Employ a Financial Expert to Provide Consulting Services

---

### **Background:**

NIFA has determined that Nassau County's Multi Year Plan for FY 2016 – 2019 ("MYP") requires increased scrutiny due to its high levels of borrowing and questionable revenue initiatives.

### **Discussion:**

The increased level of activity generated by the County's MYP was straining NIFA's limited staff of five. Hence, assistance was sought, on an emergency basis, from individuals and firms with relevant expertise.

After interviewing consulting firms it was determined that NIFA was not ready to make the kind of commitment that those entities would have required. Staff reached out to Mark Page who was Director of the Office of Management and Budget ("OMB") of the City of New York from 2002 to 2013.

Mr. Page's responsibilities at OMB included the New York City's four-year financial plan and annual capital and operating budgets, including negotiating City Council approval of those budgets. He also oversaw the implementation and updating of City budgets and financial plans, monitoring and forecasting the revenues and expenses of the City, analyzing the economy, evaluating agency management and improvement initiatives.

### **Requested Actions:**

This request is for authorization to hire Mr. Page as a consultant for an initial amount not to exceed \$150,000 and to take related actions.

NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLUTION NO. 15-XXX

AUTHORIZATION TO EMPLOY A FINANCIAL EXPERT TO PROVIDE CONSULTING SERVICES AND TO TAKE RELATED ACTIONS

---

WHEREAS, the Nassau County Interim Finance Authority ("NIFA") or the ("Authority") was created by Chapter 84 of the Laws of 2000 (the "Act") to be a corporate governmental agency constituting a public benefit corporation to issue bonds that are backed by county sales tax revenues as well as to perform certain budgetary oversight functions as set out in the Act; and

WHEREAS, the Directors deem there to be extraordinary circumstances that may require emergency actions to be taken by the Authority to fulfill its statutory responsibilities in regard to Nassau County and its implementation of its budget and multi-year plan;

NOW, THEREFORE, BE IT 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 the Executive Director or his designee(s) shall take all actions necessary to employ Mark Page as a consultant to NIFA in an amount not to exceed \$150,000, plus disbursements, and be it further

RESOLVED, emergency or other extraordinary circumstances exist which make competition impracticable or inappropriate; and be if further

RESOLVED, that Mr. Page's expertise is unique and he has greatly superior qualifications to perform the services at a cost that is determined to be fair and reasonable. that this action is required due to the emergency conditions arising from Nassau County's financial conditions; and be it further

RESOLVED, that NIFA will indemnify Mark Page in the event that he becomes involved in any litigation arising from his consulting duties for NIFA; and be it

RESOLVED, that the Chairman or his designees shall negotiate the terms of the service(s) to be provided by Mark Page; 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.

---

Jon Kaiman  
Chairman

Dated: December 4, 2015

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

December 4, 2015

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: County General Obligation Bonds or Notes

REQUEST FOR: Consideration of Issuance of General Obligation Bonds or Notes by Nassau County

---

### **Introduction:**

In a letter to NIFA dated November 9, 2015, the County has communicated its desire to raise money for certain general and sewer capital projects in the amounts of \$119,955,114 and \$34,562,472 (plus costs of issuance), respectively. The funds would be raised through its sale of general obligation bonds (“Bonds”) or bond anticipation notes (“BANs”). At NIFA’s direction, the County subsequently reduced these requests to the following amounts (plus costs of issuance):

#### Categories

A. General capital projects-Bonds	\$34,316,315
B. Sewer capital projects-BANs	10,482,134

All of the Bonds and BANs have been authorized by the County Legislature and current plans are for them to be issued in February of 2016; however, only \$10,206,112 of the \$34,316,315 in Bonds, and all of the BANs, need your approval this calendar year. The reason is that those amounts represent monies already spent in 2015 or which they need to spend in 2015. Unless the corresponding bonds or notes are authorized by NIFA this year, these amounts will be counted against revenues in the current calendar year.

### **Background:**

The reason for the County’s request is found in section 3669 2(e) of the NIFA Act, which states that during a control period:

“The authority shall review the terms of each proposed long-term and short-term borrowing by the county and any covered organization to be effected during any control period, and no such borrowing shall be made during any control period unless it is approved by the authority.”

**Discussion:**

The issuance of the Bonds is expected in early 2016. Background data related to each of the aforementioned categories of Bonds/BANs can be found in attachments lettered A and B.

The County anticipates that the financing for the sewer capital projects (included in Category B) will be structured as a taxable BANs because the County is exploring the possibility of a P3 transaction. If it is determined before the County goes to market that it will not do a P3 transaction, then the County will issue tax-exempt bonds.

The amount of bonds/BANs issued for the sewer capital projects (included in Category B) shall be reduced if premium bonds are issued, such that total proceeds are sufficient to cover the projects plus any necessary costs of issuance. Bonds issued for general capital projects (included in Category A) need not be reduced for any premium generated. Bond premium will be applied as required by law. The County has agreed that an equivalent amount of debt service surplus resulting from the application of bond premium, shall be used in a timely manner to pay judgments and settlements of any kind.

**Requested Action:**

You are requested to approve/disapprove the County’s proposed issuance of Bonds or BANs for general capital purposes in the amount of \$10,206,112 (the remainder of the request will be considered at a future meeting of the Directors) and for sewer purposes in the amount of \$10,482,134. This requested action shall also be subject to the terms and conditions outlined in these materials and the attached resolution.

**Attachments:**

Attachments Lettered A and B

Resolution



**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 15-XXX**

**CONSIDERATION OF ISSUANCE OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES BY NASSAU COUNTY**

---

RESOLVED, that the materials presented to this meeting of 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 Authority has reviewed the terms of the County’s proposed issuance(s) of bonds or bond anticipation notes and approves the issuance of up to:

- (i) \$10,206,112 in bonds (plus costs of issuance) for the purposes described in Attachment A (General Capital) in the Materials;
- (ii) \$10,482,134 in bonds or bond anticipation notes (plus costs of issuance) for the purposes described in Attachment B (Sewer Capital) 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.

---

Jon Kaiman  
Chairperson

December 4, 2015

**Attachment A-1**  
**Cash Already Advanced**  
**Must Have Borrowing Approval by December 31, 2015**

<u>Project Type</u>	<u>Project Code</u>	<u>Project Title</u>	
General Capital	14008	Nassau County Crime Lab	\$0.00
General Capital	41006	Various Park Athletic Fields - Installation of Synthetic Turf Fields	19,779.24
General Capital	41815	Various County Parks Ice Rink Modernization	1,474,240.51
General Capital	41861	Various County Park Buildings - Infrastructure Improvements	0.00
General Capital	41870	Various County Beaches Restoration and Mitigation	22,285.32
General Capital	41871	Various County Dock and Bulkeads	3,831.94
General Capital	41872	Wantagh Park Improvements	0.00
General Capital	41873	Milburn Park Improvements	0.00
General Capital	41874	Eisenhower Park Improvements	0.00
General Capital	50617	Police Department and other Agencies Bullet Proof Vests	689,763.00
General Capital	50622	Police Department Specialty Vehicle Replacement	379,271.00
General Capital	50628	Police Department Dual Rotor Helicopter	917,230.65
General Capital	50685	Police Department - Ambulance Medical Control Upgrade	66,759.74
General Capital	60042	Middle Neck Road Drainage Improvement	432,049.50
General Capital	60050	Sheridan Avenue, Mineola Drainage Improvements	0.00
General Capital	61083	Horse Hollow Road, Lattingtown	412,039.15
General Capital	62162	Old Country Road Signal Heads Phase II	3,641.79
General Capital	62313	Traffic Sign Replacement - Phase V	0.00
General Capital	66016	Countywide Tree Management Program	0.00
General Capital	66306	Various County Parking Lot Refurbishment	0.00
General Capital	70073	NCC Fire Alarm Upgrade	0.00
General Capital	70092	NCC Road and Parking Paving	0.00
General Capital	70098	NCC Information Technology Infrastructure	0.00
General Capital	70104	NCC Infrastructure Repair	0.00
General Capital	81011	Hazardous Waste Response Fund Phase II	0.00
General Capital	90033	BOE Building Upgrades	50,376.48
General Capital	90622	Hempstead Garage Improvements	0.00
General Capital	90637	Nassau County Department of Public Works Material Testing Laboratory	0.00
General Capital	91083	NICE - Grant Match	1,200,105.20
General Capital	91084	NICE - Grant Match	1,500,000.00
General Capital	92029	Veterans Memorial Coliseum Reuse EIS	3,452.50
General Capital	97104	Disaster Recovery Plan	0.00
General Capital	97113	Departmental Technology Equipment Replacement	223,080.00
General Capital	97117	CAMDR	0.00
General Capital	97531	Tax Base Growth Management	0.00
General Capital	98063	DPW Fleet Service Equipment	83,718.50
General Capital	98105	Fleet Management Life Cycle Vehicle Replacement	0.00
General Capital	98341	Office Equipment Replacement Program	0.00
General Capital	6179A	West Shore Road, Mill Neck	<u>900,615.65</u>
Total			\$8,382,240.17

**Attachment A-2**  
**Cash Already Advanced or Will Be Advanced Prior to December 31, 2015 <sup>(1)</sup>**  
**Must Have Borrowing Approval by December 31, 2015**

<u>Project Type</u>	<u>Project Code</u>	<u>Project Title</u>	
General Capital	14008	Nassau County Crime Lab	\$0.00
General Capital	41006	Various Park Athletic Fields - Installation of Synthetic Turf Fields	19,779.24
General Capital	41815	Various County Parks Ice Rink Modernization	3,229,144.03
General Capital	41861	Various County Park Buildings - Infrastructure Improvements	0.00
General Capital	41870	Various County Beaches Restoration and Mitigation	22,285.32
General Capital	41871	Various County Dock and Bulkheads	3,831.94
General Capital	41872	Wantagh Park Improvements	0.00
General Capital	41873	Milburn Park Improvements	0.00
General Capital	41874	Eisenhower Park Improvements	0.00
General Capital	50617	Police Department and other Agencies Bullet Proof Vests	689,763.00
General Capital	50622	Police Department Specialty Vehicle Replacement	379,271.00
General Capital	50628	Police Department Dual Rotor Helicopter	976,827.44
General Capital	50685	Police Department - Ambulance Medical Control Upgrade	94,003.48
General Capital	60042	Middle Neck Road Drainage Improvement	49,726.10
General Capital	60050	Sheridan Avenue, Mineola Drainage Improvements	0.00
General Capital	61083	Horse Hollow Road, Lattintown	430,516.77
General Capital	62162	Old Country Road Signal Heads Phase II	3,641.79
General Capital	62313	Traffic Sign Replacement - Phase V	0.00
General Capital	66016	Countywide Tree Management Program	0.00
General Capital	66306	Various County Parking Lot Refurbishment	0.00
General Capital	70073	NCC Fire Alarm Upgrade	0.00
General Capital	70092	NCC Road and Parking Paving	0.00
General Capital	70098	NCC Information Technology Infrastructure	0.00
General Capital	70104	NCC Infrastructure Repair	0.00
General Capital	81011	Hazardous Waste Response Fund Phase II	0.00
General Capital	90033	BOE Building Upgrades	50,376.48
General Capital	90622	Hempstead Garage Improvements	0.00
General Capital	90637	Nassau County Department of Public Works Material Testing Laboratory	0.00
General Capital	91083	NICE - Grant Match	1,200,105.20
General Capital	91084	NICE - Grant Match	1,500,000.00
General Capital	92029	Veterans Memorial Coliseum Reuse EIS	461,059.74
General Capital	97104	Disaster Recovery Plan	0.00
General Capital	97113	Departmental Technology Equipment Replacement	333,724.70
General Capital	97117	CAMDR	0.00
General Capital	97531	Tax Base Growth Management	0.00
General Capital	98063	DPW Fleet Service Equipment	101,561.44
General Capital	98105	Fleet Management Life Cycle Vehicle Replacement	0.00
General Capital	98341	Office Equipment Replacement Program	0.00
General Capital	6179A	West Shore Road, Mill Neck	<u>660,494.37</u>
Total			\$10,206,112.04

(1) Payments expected by December 31, 2015 (includes amounts to be repaid to the General Fund for cash already advanced in Attachment A-1)

**Attachment B-1**  
**Cash Already Advanced**  
**Must Have Borrowing Approval by December 31, 2015**

<u>Project Type</u>	<u>Project Code</u>	<u>Project Title</u>	
SSW	30051	SD2 Interceptor Corrosion Survey & Rehabilitation	\$0.00
SSW	35116	Wastewater Facilities Odor Control Improvements	0.00
SSW	35121	Wastewater Facilities Storm Restoration	15,516.62
SSW	35123	Superstorm Sandy Repair and Mitigation - Bay Park STP and Countywide	0.00
SSW	80014	Massapequa Creek Stream Flow Improvement	0.00
SSW	3B117	Bay Park Influent Pumping System Upgrade	299,175.00
SSW	3P311	Pump Station Rehabilitation	17,035.90
SSW	3P312	Pump Station Upgrades	<u>4,651.21</u>
Total			\$336,378.73

**Attachment B-2**  
**Cash Already Advanced or Will Be Advanced Prior to December 31, 2015 <sup>(1)</sup>**  
**Must Have Borrowing Approval by December 31, 2015**

<u>Project Type</u>	<u>Project Code</u>	<u>Project Title</u>	
SSW	30051	SD2 Interceptor Corrosion Survey & Rehabilitation	\$84,675.46
SSW	35116	Wastewater Facilities Odor Control Improvements	3,735,016.41
SSW	35121	Wastewater Facilities Storm Restoration	5,253,626.00
SSW	35123	Superstorm Sandy Repair and Mitigation - Bay Park STP and Countywide	1,000,000.00
SSW	80014	Massapequa Creek Stream Flow Improvement	29,451.75
SSW	3B117	Bay Park Influent Pumping System Upgrade	354,742.72
SSW	3P311	Pump Station Rehabilitation	17,035.90
SSW	3P312	Pump Station Upgrades	<u>7,586.70</u>
Total			10,482,134.95

(1) Payments expected by December 31, 2015 (includes amounts to be repaid to the General Fund for cash already advanced in Attachment B-1)

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

December 4, 2015

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: County General Obligation Bonds

REQUEST FOR: Consideration of Issuance of General Obligation Bonds by Nassau County

---

### **Introduction:**

The County has communicated with NIFA its desire to raise \$33.5 million (plus costs of issuance) for termination payments through its sale of general obligation bonds. The County planned to amortize this debt over a ten (10) year period; however, NIFA will require that the bonds mature within four (4) years of issuance.

### **Background:**

The reason for the County's request is found in section 3669 2(e) of the NIFA Act, which states that during a Control Period:

“The authority shall review the terms of each proposed long-term and short-term borrowing by the county and any covered organization to be effected during any control period, and no such borrowing shall be made during any control period unless it is approved by the authority.”

### **Discussion:**

The County currently has \$10.2 million sitting in an Employee Accrued Liability Reserve Fund. Staff is recommending that their bonding request be reduced by the amount in said fund. This would lower the issuance size to \$23.3 million. At NIFA's direction, the bonds will mature within four (4) years of issuance.

The issuance of the bonds is expected in early 2016 and the proceeds must be used solely to fund 2015 termination expenditures. Background data be found in attachment lettered A.

Bonds issued for the purposes described in these Materials need not be reduced for any premium generated. Bond premium will be applied as required by law. The County has agreed that an

equivalent amount of debt service surplus resulting from the application of bond premium shall be used in a timely manner to pay judgments and settlements of any kind.

**Requested Action:**

You are requested to approve/disapprove the County's proposed issuance of bonds, subject to the terms and conditions outlined in these materials and the attached resolution.

**Attachments:**

Attachment Lettered A  
Resolutions

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**  
**RESOLUTION NO. 15-XXX**

**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 \$23.3 million in bonds (plus costs of issuance) for the purposes described in Attachment A (Nassau County Termination Payments) in the Materials and upon the conditions outlined in the Materials; and be it further

RESOLVED, that the \$23.3 million cannot be issued until NIFA has received satisfactory proof that the County has used or irrevocably committed to use the entire \$10.2 million currently in its Employee Accrued Liability Reserve Fund for these purposes; 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.

---

Jon Kaiman  
Chairperson

December 4, 2015



**Attachment A**  
**Nassau County Termination Pay**

A capital expenditure was approved by the Nassau County Legislature for financing the cost of employees of the Nassau County Police Department upon separation from employment from the County in the amount of \$30,600,000. This includes total separation payments in the amount of \$30,000,000 plus two percent for costs of issuance for the making of said payments.

NIFA previously approved \$6.5 million of financing as part of the County's 2013 Series C Bonds, and \$15.0 million as part of the County's 2014 Series A Bonds. The County is now requesting approval to borrow the remaining \$8.5 million (plus costs of issuance).

In addition, a capital expenditure was recently approved by the Nassau County Legislature for financing the cost of payments by the County to County employees upon separation from employment from the County in the amount of \$25,500,000 (Ordinance No. 62-2015). This includes total separation payments in the amount of \$25,000,000 plus two percent for costs of issuance for the making of said payments.

The County is also requesting approval to borrow the \$25.0 million (plus costs of issuance), in addition to the \$8.5 million (plus costs of issuance) described above, for a total borrowing request of \$33.5 million (plus costs of issuance).

The County is projecting approximately \$47.0 million in termination costs for police personnel in 2015. This is based on 175 employees leaving. The average cost per employee is \$270,805.

## NASSAU COUNTY INTERIM FINANCE AUTHORITY

### **FOR CONSIDERATION**

December 4, 2015

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: County General Obligation Bonds for the Benefit of Nassau Community College

REQUEST FOR: Consideration of Issuance of General Obligation Bonds by Nassau County

---

### **Introduction:**

At your October 19, 2015 meeting you approved of the County issuing bonds in the amount of \$7,500,000 (plus costs of issuance) to finance termination payments by Nassau Community College (the "College"). The College will reimburse the County for debt service on such bonds. At that time you limited the maturity of the bonds to two (2) years from the date of issuance.

The College is now asking for a four year maturity due to the unanticipated number of retirees.

### **Background:**

The reason for the County's request is found in section 3669 2(e) of the NIFA Act, which states that during a Control Period:

"The authority shall review the terms of each proposed long-term and short-term borrowing by the county and any covered organization to be effected during any control period, and no such borrowing shall be made during any control period unless it is approved by the authority."

### **Discussion:**

One hundred and two people opted to take the incentive versus fifty retirements that were budgeted. This resulted in total termination expense in the amount of approximately \$13.0 million, which exceeds the \$7.5 million borrowing that you had previously approved. Accelerated payout of the bonds (two years vs. four years) would have had a negative impact on the College's liquidity and would have forced it to further deplete its meager fund balance. In addition, extending the maturity of the bonds will better align the cost of debt service with the future savings.

Bonds issued for the purposes described in these Materials need not be reduced for any premium generated. Bond premium will be applied as required by law. The County has agreed that an equivalent amount of debt service surplus resulting from the application of bond premium shall be used in a timely manner to pay judgments and settlements of any kind.

**Requested Action:**

You are requested to approve/disapprove the amendment to your earlier approval of the Bonds such that they may have a maturity up to 4 year. If approved, this action would be subject to approval of the Nassau County Legislature.

**Attachment:**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 15-XXX

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 revised proposal for the issuance 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 a term not to exceed four years 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.

---

Jon Kaiman  
Chairperson

December 4, 2015

## **NASSAU COUNTY INTERIM FINANCE AUTHORITY**

### **RESOLUTION NO. 15-596**

#### **FINDING THE COUNTY HAS FAILED TO PROVIDE A MODIFIED MULTI-YEAR FINANCIAL PLAN FOR FISCAL 2016 – 2019 IN THE DETAIL REQUIRED BY NIFA**

---

WHEREAS, Nassau County is operating in a control period, which NIFA imposed on January 26, 2011; and

WHEREAS, the proposed Multi-Year Financial Plan Fiscal 2016 – 2019 (“Proposed Plan”), as presented to the County Legislature by the County Executive on September 15, 2015, had many questionable revenue sources; and

WHEREAS, the County Legislature eliminated or reduced various sources of revenue included by the County Executive in his Proposed Plan, and on October 29, 2015 the County Legislature adopted a Multi-Year Financial Plan for Fiscal 2016 – 2019 (the "Adopted Plan");

WHEREAS, the County Executive vetoed a portion of the Adopted Plan, but said veto was overturned by the County Legislature thereby leaving the Adopted Plan unchanged; and

WHEREAS, on November 19, 2015, NIFA adopted Resolution 15-590, which disapproved the Adopted Plan and required the County to provide a modified plan with details addressing and resolving the risks identified in the NIFA Staff's report of November 19, 2015; and

WHEREAS, on November 30, 2015, the County submitted a modified Multi-Year Plan ("Modified Plan"); and

WHEREAS, the NIFA Staff and Directors have analyzed the Modified Plan, which does not completely address and resolve the risks identified in the NIFA Staff's report;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to section 3667(2)(g) of the NIFA Act, NIFA hereby make a finding that the County has failed to provide a

modified Multi-Year Financial Plan for Fiscal Years 2016 – 2019 in the detail required by NIFA in Resolution 15-590.

BE IT FURTHER RESOLVED that NIFA hereby finds that the Modified Plan:

1. Fails to contain projections of revenues and expenditures that are based on reasonable and appropriate assumptions and methods of estimation; and
2. Fails to provide that operations of the County will be conducted within the cash resources available according to NIFA's revenue estimates; and
3. Fails to comply with the requirements of the NIFA Act.

---

Jon Kaiman  
Chairperson

December 4, 2015

## **NASSAU COUNTY INTERIM FINANCE AUTHORITY**

### **RESOLUTION NO. 15-597**

#### **ADOPTING NIFA'S OWN MODIFICATIONS TO THE COUNTY'S MULTI-YEAR FINANCIAL PLAN FOR FISCAL 2016 – 2019**

---

WHEREAS, Nassau County is operating in a control period, which NIFA imposed on January 26, 2011; and

WHEREAS, on November 19, 2015, NIFA required that the County modify its adopted Multi-Year Financial Plan in a manner that addresses and resolves the risks identified in the NIFA Staff's report dated November 19, 2015; and

WHEREAS, on November 30, 2015, the County submitted a modified Multi-Year Plan for Fiscal 2016 – 2019 ("Modified Plan"); and

WHEREAS, NIFA believes that there is still a significant discrepancy between reasonable estimates of revenues and expenses in the County's FY 2016 Budget and greater amounts in the Out Years of the Modified Plan; and

WHEREAS, through Resolution 15-596, NIFA this day has made a finding, pursuant to section 3667(2)(g) of the NIFA Act, that the County has failed to provide a modified Multi-Year Financial Plan for Fiscal Years 2016 – 2019 in the detail required by NIFA;

NOW, THEREFORE, BE IT RESOLVED, that NIFA concludes that the Modified Plan remains in a condition of imbalance; and

BE IT FURTHER RESOLVED that, pursuant to section 3669(2)(a) of the NIFA Act, NIFA hereby formulates and adopts the following modifications to the County's Modified Plan:

1. The 2016 Budget must be conformed to the Modified Plan.
2. NIFA anticipates that the County will receive authorization to borrow up to \$80 million towards lessening the cash flow impact of \$161

million of budget imbalance in 2016 covering the cost of tax certiorari refunds and outstanding judgments.

3. The County must account for \$81 million of the revenue or expenditure identified as being at risk during the 2016 budget cycle.
  - a. The County must account for one-quarter of said risk at the beginning of each quarter referenced as “filling the quarterly reserve” and submit such in writing to NIFA.
  - b. By January 1, 2016, the County must submit to NIFA \$20 million of identified revenue or expenditure reduction to be applied to the final quarter of 2016. Said dollars shall be referenced as the fourth quarter reserve.
  - c. At the end of each of the first three quarters of 2016, the County must account in writing to NIFA for the realization of \$20 million of identified risk to NIFA's satisfaction.
  - d. The County must substantiate the realization of the aforementioned fourth quarter reserve dollars at the beginning of the fourth quarter and receipt of said dollars or savings by the close of the 2016 year.
  - e. Upon NIFA determining that the County has failed or is failing to meet any of the above conditions, NIFA may limit approval of or reject expenditure requests (e.g., contracts, new hires, and capital expenditure otherwise previously authorized) the County may make during the remainder of the 2016.
  - f. The County Executive's office shall provide accurate and timely revenue and expenditure updates in a manner consistent with the monthly and quarterly reporting requirements as set forth above and shall include, but not be limited to a detailed plan for revenue and expenditure targets by month and for each department. Said plan (for all twelve months) is to be provided at the beginning of the year and should provide sufficient detail, as determined by NIFA, to facilitate ongoing confirmation that the County is adhering to the approved Modified Plan. Key indicators that fulfill the requirements specified in Conditions lettered “a” through “e” above shall be provided at the sub-object level. All variances must be explained.



BE IT FURTHER RESOLVED that, the County shall remove Termination Pay Borrowing from its list of Contingency Gap Closing Options to be included in the approved Modified Plan; and

BE IT FURTHER RESOLVED that, as provided in section 3669(2)(a) of the NIFA Act, these modifications are effective upon adoption of this Resolution; and

BE IT FURTHER RESOLVED that the Chairman of NIFA or his designee(s) are hereby authorized to make such rules and regulations as they deem necessary to assist them and the County in fulfilling the intent of this resolution.

---

Jon Kaiman  
Chairperson

December 4, 2015