

## AGENDA

**NASSAU COUNTY INTERIM FINANCE AUTHORITY  
TUESDAY, JULY 25, 2017 - 6:30 PM  
MARRIOTT LONG ISLAND HOTEL & CONFERENCE CENTER  
101 JAMES DOOLITTLE BLVD., UNIONDALE, NY 11553**

Call to Order

Action Items

- I. Approval of the Minutes of April 18, 2017
- II. Consideration of County Request to Extend the Reimbursement Period for General Obligation Bonds Previously Issued for Nassau Community College Termination Payments
- III. Consideration of County Contract for Nassau Health Care Corporation
- IV. Executive Session to Discuss Collective Bargaining

Adjournment

DRAFT – SUBJECT TO REVIEW AND REVISION

NASSAU COUNTY INTERIM FINANCE AUTHORITY  
MEETING OF THE DIRECTORS  
MINUTES OF APRIL 18, 2017

The Directors of the Nassau County Interim Finance Authority met on April 18, 2017 at 7:20 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

Directors present: Adam Barsky, Chairman  
Paul Annunziato  
John Buran  
Christopher Wright

Directors absent: Paul Leventhal  
Lester Petracca

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 7:20 PM.

**2. Approval of Minutes**

On a motion by Director Wright, the Directors approved the minutes from the meeting on March 7, 2017.

Positive votes: 5      Negative votes: 0      Abstention: Director Weitzman

Resolution No. 17-667

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 7, 2017 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

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RESOLVED, that the Minutes of the meeting of the Authority held on March 7, 2017 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.

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DRAFT – SUBJECT TO REVIEW AND REVISION

**3. Receipt and Acceptance of Audited Financial Statements and Related Actions**

Acceptance of the Audited Financial Statements, which were approved by the Audit and Internal Control Committee just prior to this meeting.

On a motion by Director Wright, the Directors approved the acceptance of NIFA’s Audited Financial Statements.

Positive votes: 5      Negative votes: 0

Resolution No. 17-668

RECEIPT AND ACCEPTANCE OF INDEPENDENT AUDITORS’ REPORT ON THE AUTHORITY’S FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2016

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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 RSM US LLP Independent Auditors’ Report on NIFA’s Financial Statements for the Year Ended December 31, 2016 (the “Audit”) presented at the April 18, 2017 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 including making changes to the Audit deemed non-material by RSM US LLP, NIFA’s independent auditors; and be it further

RESOLVED, that this resolution shall take effect immediately.

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**4. Approval of Reports Required by the NIFA Act, Public Authorities Law, Public Authorities Accountability Act of 2005, and Public Authorities Reform Act of 2009, and Authorization to Take Related Actions**

NIFA’s 2016 Annual Report was presented to and approved by the Audit and Internal Control Committee just prior to this meeting.

DRAFT – SUBJECT TO REVIEW AND REVISION

On a motion by Director Wright, the Directors approved NIFA’s 2016 Annual Report and attachments.

Positive votes: 5      Negative votes: 0

Resolution No. 17-669

APPROVAL OF REPORTS REQUIRED BY THE NASSAU COUNTY INTERIM FINANCE AUTHORITY ACT, PUBLIC AUTHORITIES LAW, PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AND PUBLIC AUTHORITIES REFORM ACT OF 2009, 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 2016 Annual Report of the Authority is hereby approved together with all the attachments thereto including but not limited to:

1. Authority Report on Debt Issuance;
2. Audited Financial Statements for the Year Ended December 31, 2016 together with Independent Auditor’s Compliance Report on Investment Policies and Procedures;
3. Authority Report on Investments;
4. Authority Prompt Payment Report;
5. Authority Procurement Contracts Guidelines Report;
6. Authority Property Disposition Report;
7. Authority Mission Statement and Measurement Report; and
8. Authority Code of Ethics.

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.

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On a motion by Director Wright, the Directors approved the following resolutions numbered 17-670 to 17-673.

Positive votes: 5      Negative votes: 0

**5. Re-adoption of Investment Guidelines and the Taking of Related Actions**

DRAFT – SUBJECT TO REVIEW AND REVISION

Resolution No. 17-670

RE-ADOPTION OF INVESTMENT GUIDELINES AND THE TAKING OF RELATED ACTIONS

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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, which are annexed to the Materials, are found to be satisfactory and are hereby re-adopted; 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.

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**6. Re-adoption of Procurement Contracts Guidelines and the Taking of Related Actions**

Resolution No. 17-671

RE-ADOPTION OF AMENDED PROCUREMENT CONTRACTS GUIDELINES AND THE TAKING OF RELATED ACTIONS

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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, Awarding, Monitoring and Reporting of Procurement Contracts,” (the “Procurement Guidelines), which are annexed to the Materials, are hereby re-adopted, 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, as deemed necessary, make non-material exceptions to said Procurement Guidelines, and to take related actions; and be it further

RESOLVED, that all actions previously taken by the Chairman at the Authority, or his designees, in furtherance of the foregoing are hereby ratified and approved.

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**7. Re-adoption of Property Disposition Contract Guidelines and the Taking of Related Actions**

Resolution No. 17-672

**RE-ADOPTION OF PROPERTY DISPOSITION CONTRACT GUIDELINES AND THE TAKING OF RELATED ACTIONS**

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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 Property Disposition Contract Guidelines annexed to the Materials, are hereby re-adopted; 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.

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**8. Re-adoption of Code of Ethics and the Taking of Related Actions**

Resolution No. 17-673

**RE-ADOPTION OF NIFA CODE OF ETHICS, AND THE TAKING OF RELATED ACTIONS**

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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 Code of Ethics, which is annexed to the Materials, is found to be satisfactory and is hereby re-adopted, 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.

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**9. Consideration of County Request to Partially Restore Funding to NICE Bus Contract**

The Directors were asked to consider a resolution for the County to restore \$2.8 million of funding to Transdev (NICE Bus). The County has since been successful in receiving for FY 2017, \$1.3 million of increased State transportation aid, and will add to that \$1.5 million in revenues made available from workforce management expense reductions (\$2.8 million total).

On a motion by Director Wright, the Directors approved the amended resolution.

Positive votes: 5      Negative votes: 0

Resolution No. 17-674

CONSIDERATION OF APPROVAL OF THE RESTORATION OF \$2.8 MILLION IN FY 2017 TRANSDEV (NICE BUS) CONTRACT FUNDING

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WHEREAS, On December 14, 2016, Resolution No. 16-654 approved the County’s 2017-2020 Multi-Year Financial Plan (the “Plan”), including the 2017 Budget, and

WHEREAS, the approved Plan included approximately \$3.8 million in reduced FY 2017 Transdev (NICE bus) contract funding, as part of \$36 million in reduced expenditures overall, and

WHEREAS, Resolution No. 16-654 provided that the County may restore any such expenditures only after an affirmative vote by the Directors, which shall be taken after proof has been provided that an equivalent amount of new revenue has arisen and unexpected risks have not arisen in FY 2017, as more fully set forth therein, and

WHEREAS, the County has provided adequate proof of \$2.8 million in new FY 2017 revenue consisting of \$1.3 million of increased state transportation aid and \$1.5 million in revenues made available from verified workforce management expense reductions, and

WHEREAS, unexpected risks have not arisen in FY 2017 that have not been otherwise adequately addressed,

NOW, THEREFORE, BE IT RESOLVED that, notwithstanding any language to the contrary in NIFA Resolution No. 16-654 or elsewhere, the County may restore \$2.8 million in FY 2017 Transdev (NICE bus) contract funding, 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.

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DRAFT – SUBJECT TO REVIEW AND REVISION

**10. Consideration of Issuance of General Obligation Bonds and BANs by Nassau County**

The Directors were asked to approve a resolution for the issuance of General Obligation Bonds and BANs by Nassau County. The County is asking to raise approximately \$134 million for various projects.

On a motion by Director Wright, the Directors approved the amended resolution.

Positive votes: 5      Negative votes: 0

Resolution No. 17-675

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

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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 and BANs and approves the issuance of up to:

- (i) \$98,000,000.00 of Bonds (plus cost of issuance) for the purposes described in Attachment A (general capital projects) in the Materials;
- (ii) \$1,332,252.61 of Bonds (plus cost of issuance) for the purposes described in Attachment A (storm water capital projects) in the Materials;
- (iii) \$1,724,094.04 of Bonds (plus costs of issuance) for the purposes described in Attachment A (environmental bond act capital projects) in the Materials;
- (iv) \$28,310,483.39 of BANs (plus costs of issuance) for the purposes described in Attachment A (sewer capital projects) in the Materials;
- (v) \$4,753,085.91 of Bonds (plus costs of issuance) for the purposes described in Attachment B (maturing BANs) 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.

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**11. Consideration of Deadline Extension for Order to Nassau County to Compile Certain Labor Related Documents**

The Directors were asked to approve a resolution to modify the Order so that the Agreements must now be delivered to NIFA by May 15, 2017 and to delegate the authority to the Chairman to pursue all legal remedies available to NIFA to enforce its Order.

On a motion by Director Buran, the Directors approved the amended resolution.



DRAFT – SUBJECT TO REVIEW AND REVISION

Positive votes: 5      Negative votes: 0

Resolution No. 17-676

DEADLINE EXTENSION FOR ORDER TO NASSAU COUNTY TO COMPILE CERTAIN  
LABOR RELATED DOCUMENTS

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 based upon the discussion in the Materials of the County’s collective bargaining agreements, the November 29, 2016 order of the Directors, as extended, is further extended, such that compliance is required on or before May 15, 2017; and be it further

RESOLVED, that the Chairman is delegated the authority, if the Order is not fully complied with by its due date, to pursue all legal remedies available to NIFA to enforce its Order; 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.

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**12. Consideration of County Contract for Healthplex, Inc.**

This vendor will provide a dental insurance plan to Nassau County employees. The term of the contract is five years and the estimated valued is \$21 million, or \$4.2 million per year.

On a motion by Director Wright, the Directors approved the contract with Healthplex, Inc. in the amount of \$21 million.

Positive votes: 4      Negative votes: 0      Recusal: Director Weitzman

Resolution No. 17-677

APPROVAL OF COUNTY CONTRACT FOR HEALTHPLEX, INC.

RESOLVED, that the materials presented to this meeting of the Board of 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 the County’s Contract for Healthplex, Inc., which is projected to cost \$21 million for the five year life of the contract; 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.

DRAFT – SUBJECT TO REVIEW AND REVISION

**13. Adjournment**

The Chairman made a motion to adjourn. The meeting was adjourned at 7:20 PM.

Respectfully submitted,

Laurie A. Giardina  
Corporate Secretary

## NASSAU COUNTY INTERIM FINANCE AUTHORITY

### **FOR CONSIDERATION**

July 25, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: County General Obligation Bonds for Nassau Community College (Issued for Termination Payments)

REQUEST FOR: Consideration of Extension of Reimbursement Period

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### **Introduction:**

At your October 19, 2015 meeting you approved of the County issuing bonds in the amount of \$7,500,000 (the “Bonds”) (plus costs of issuance) to finance termination payments by Nassau Community College (the “College”). The County issued such bonds in February 2016. The College agreed to reimburse the County for debt service on such bonds over two (2) years from the date of issuance.

At your January 6, 2016 meeting you approved extending the reimbursement period. (Pursuant to an MOU between the College and the County, the College agreed to reimburse the County for debt service and allocated costs of issuance on the Bonds on or before February 28, 2020.) The College requested the extension due to financial difficulties.

The College continues to experience financial difficulties and requires financial relief in the form of an additional extension. The College has requested that the reimbursement period be extended to December 31, 2026.

### **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.”

NIFA resolution 16-602 approved 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. We are now requesting that the reimbursement period be extended to December 31, 2026.

**Discussion:**

One hundred and three 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 would have a negative impact on the College's liquidity and force it to further deplete its meager fund balance.

Based on the following compelling financial reasons given by the College, the County has agreed to extend the reimbursement period to December 31, 2026 (approved by the Nassau County Legislature pursuant to Ordinance number 90-A-2017):

- The College will best be served by smoothing this rarely occurring cost over a longer term. Restricting the payback to a short term impedes the College's ability to charge a fair tuition to current students.
- If the repayment term is not extended, the College will experience not only financial hardship but also a very negative reaction from its regional accreditation organization - Middle States Commission on Higher Education (MSCHE).
- Paying \$2,456,750 in debt service in FY 2017-2018 (versus \$809,625 as per the revised repayment schedule) will force the College to use additional fund balance of \$1.65 million on top of the already-budgeted fund balance use of approximately \$2.0 million in 2018. MSCHE had criticized the College for budgeting its unrestricted fund balance as a revenue source in fiscal years 2014 and 2015. MSCHE had further commented that the College was not in compliance with State University of New York recommendations of maintaining 5% - 15% fund balance.
- The College is currently under probationary status with the MSCHE, and is in the process of preparing for MSCHE October 2017 follow up visit. It is imperative that the College remains fully accredited by MSCHE to administer Title IV federal aid grants (Pell, Perkins, Nursing, and Federal Work Study programs).

There is a budget impact to the County in 2017 of \$1,688,750, which is reflected in the County's June Update to the MYP. However, the County estimates that on a present value basis the longer payback period is slightly PV positive.

The mechanics for the College reimbursing the County will be the same as what is currently in place. The only change is that the scheduled reimbursement payments from the College will be

revised to reflect the extension of the reimbursement period from February 28, 2020 to December 31, 2026. The MOU between the College and the County will need to be amended accordingly. County Bond Counsel has no objection to the amendment.

**Requested Action:**

You are requested to approve/disapprove the amendment to your earlier approval of the Bonds such that the reimbursement period is extended to December 31, 2026.

**Attachment:**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 17-679

CONSIDERATION OF EXTENSION OF REIMBURSEMENT PERIOD FOR NASSAU COUNTY GENERAL OBLIGATION BONDS ISSUED FOR NASSAU COMMUNITY COLLEGE TERMINATION PAYMENTS

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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 and hereby approve the terms of the County’s proposal to extend the reimbursement period on Nassau County General Obligation Bonds issued to fund Nassau Community College termination payments to December 31, 2026; 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.

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Adam Barsky  
Chairperson

July 25, 2017

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

July 25, 2017

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Nassau Health Care Corporation Contract

REQUEST FOR: Approval of County Contract for Nassau Health Care Corporation

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### **Introduction:**

On March 24, 2011 NIFA adopted the Contract Approval 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.

On July 17, 2017, the County submitted a contract for Nassau Health Care Corporation (“NHCC”) to NIFA for approval. The contract is for the provision of medical, mental health, dental and ancillary services to inmates in the custody of the Nassau County Sheriff’s Department and/or incarcerated at the Nassau County Correctional Center.

### **Discussion:**

Prior to FY 2011, the County contracted for Correctional Center inmate health services with NHCC. In May 2011, the County selected and entered into an agreement with Armor Correctional Health Services of NY, Inc. (“Armor”) following a request for proposals (“RFP”) process in an effort to contain costs for the provision of these services. Although the County utilized the services of Armor for approximately 7 years and realized operational cost savings, the relationship was fraught with criticism and lawsuit related issues. Further, Armor did not want to extend its contract with the County beyond August 31, 2017

The County issued RFP’s to replace Armor, on two separate occasions, but there were no awards made. Negotiations with the proposed awardee from the first RFP issued in March, 2016 were terminated for a variety of reasons and there were no respondents to the second RFP issued in March, 2017, which had solicited proposals from hospitals only. With no alternative, the County then chose to reestablish its previous relationship with NHCC to provide inmate healthcare services. The contract is valued at \$7 million for the initial four-month encumbrance and \$42 million for the life of the contract.

The current contract that is being submitted for review is for two years for NHCC to resume the provision of medical, mental health, dental and ancillary services to inmates incarcerated at the Nassau County Correctional Center. The annual estimate is \$21 million per year for a total cost of \$42 million plus the cost of liability insurance; however, the County indicates that if the

contract will extend to August 2019, an amendment will need to be issued for value exceeding the requested amount receiving approval. Furthermore, the quarterly reconciliation process may result in cost overages. Therefore, it is recommended that an allowance of up to 10% per contract year, or \$2,100,000 per contract year, be authorized to cover overages identified during the reconciliation process.

**Requested Action:**

You are requested to approve the County's contract for Nassau Health Care Corporation.

Attachment:  
Resolution



**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 17-680**

**APPROVAL OF COUNTY CONTRACT FOR NASSAU HEALTH CARE CORPORATION**

RESOLVED, that the materials presented to this meeting of the Board of 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 the County’s Contract for Nassau Health Care Corporation, which is projected to cost \$42 million plus an allowance for cost overages identified during the quarterly reconciliation process of up to 10% per contract year; 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.

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Adam Barsky  
Chairperson

July 25, 2017