

NASSAU COUNTY INTERIM FINANCE AUTHORITY  
MINUTES OF THE MEETING OF THE DIRECTORS  
HELD ON NOVEMBER 24, 2014

Pursuant to notice dated November 18, 2014, a meeting of the Nassau County Interim Finance Authority (“NIFA”) was convened at 6:44 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

The following Directors of the Authority were present:

Jon Kaiman, Chairman  
Paul Annunziato  
John Buran  
Paul Leventhal  
Lester Petracca  
Dermond Thomas  
Christopher Wright

Also present from the Authority were Evan Cohen, Executive Director; Jeremy Wise, General Counsel; Laurie Boucher, Corporate Secretary and Carl Dreyer, Treasurer.

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

The Chairman stated that the first item on the agenda was a resolution to approve the minutes of the October 15, 2014 Directors’ meeting.

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

Resolution No. 14-529

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE OCTOBER 15, 2014 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 October 15, 2014 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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Chairman Kaiman stated the next item on the agenda was a resolution to consider the approval of the County's Multi-Year Financial Plan Fiscal 2015-2018.

Executive Director Cohen stated that in October NIFA issued a report on the County's proposed multi-year plan, which contained significant risks. He stated that the County reduced those projected deficits in the adopted multi-year plan by approximately \$65 million annually. The County subsequently submitted a revised multi-year plan that now provides a roadmap for achieving GAAP balance by 2018. He stated that the savings are being achieved primarily through enactment of a property tax increase and a reduction in borrowing for tax certiorari refunds. He further noted that the revised multi-year plan eliminates all borrowing for judgments and settlements and tax certiorari refunds after 2017.

General Counsel Wise suggested that if the Directors were going to pass the resolution it should be approved subject to NIFA Chairman's review and satisfactory evidence that the revised plan will not be changed by the County Executive or Legislature.

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

Resolution No. 14-534

**APPROVING THE COUNTY'S MULTI-YEAR FINANCIAL PLAN FOR FISCAL 2015–2018 WITH CERTAIN CONDITIONS**

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

WHEREAS, on September 15 2014, the County Executive submitted to NIFA his proposed Multi-Year Financial Plan for Fiscal 2015 – 2018 (“Proposed Plan”), the first year of which is his proposed 2015 Budget; and

WHEREAS, on October 15, 2014, NIFA accepted a staff report recommending that the Proposed Plan should be considered for approval only if certain conditions were satisfied; and

WHEREAS, on October 29, 2014, the County Legislature adopted its Multi-Year Financial Plan for Fiscal 2015 – 2018 (the “MYP”) with certain amendments that were not part of the MYP presented by the County Executive; however, those amendments were vetoed by the County Executive, and

WHEREAS, prior to this meeting the County Executive transmitted to NIFA a revised Multi-Year Financial Plan for Fiscal 2015 – 2018 (“Revised Plan”), which Revised Plan has been reviewed by staff and the Directors;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Sections 3667(2) and 3669(2)(a) of the N.Y. Public Authority Law, Chapter 43-A, NIFA approves the Revised Plan, including the 2015 Budget, subject to review of the Chairman of NIFA of satisfactory evidence that the Revised Plan will not be overturned or changed by the County Executive or Legislature.

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Chairman Kaiman stated that the next item on the agenda was a resolution for consideration of the issuance of general obligation bonds by Nassau County.

General Counsel Wise stated that the first bond request was for approximately \$11 million for a class action case that the County had lost and was appealing. The County has stated that in order to continue with the appeal, the judge has made it a condition that the County show that it is prepared to pay its monetary obligation if the case is lost on appeal.

The Chairman stated that the County should not be requesting to borrow money for a judgment that the County has not yet been required to pay. He stated that the County should wait until the judgment becomes final and should look through its resources to determine if it has to borrow a portion or all of the funds to pay it.

Upon motion duly made and seconded, the following resolution to disapprove the issuance of the bonds outlined in category A of the Materials was approved with Director Leventhal opposing:

Resolution No. 14-531A

**CONSIDERATION OF ISSUANCE OF GENERAL OBLIGATION BONDS BY NASSAU COUNTY**

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WHEREAS, prior to this meeting the County Executive transmitted to NIFA a revised Multi-Year Financial Plan for Fiscal 2015 – 2018 (“Revised Plan), which Revised Plan has been reviewed by staff and the Directors; and

WHEREAS, NIFA approved the Revised Plan subject to review of the Chairman of NIFA of satisfactory evidence that the Revised Plan will not be overturned or changed by the County Executive or Legislature,

NOW, THEREFORE, BE IT 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 disapproves issuance of the bonds described in the materials in category A.

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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General Counsel Wise stated that the second bond request was for \$125 million for tax certiorari refunds.

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

Resolution No. 14-531B

CONSIDERATION OF ISSUANCE OF GENERAL OBLIGATION BONDS BY NASSAU COUNTY

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WHEREAS, prior to this meeting the County Executive transmitted to NIFA a revised Multi-Year Financial Plan for Fiscal 2015 – 2018 (“Revised Plan), which Revised Plan has been reviewed by staff and the Directors; and

WHEREAS, NIFA approved the Revised Plan subject to review of the Chairman of NIFA of satisfactory evidence that the Revised Plan will not be overturned or changed by the County Executive or Legislature,

NOW, THEREFORE, BE IT 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 approves issuance of the bonds described in the Materials in category B, (but only after the Chairman of NIFA has received satisfactory evidence that the Revised Plan will not be overturned or changed by the County Executive or Legislature).

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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General Counsel Wise stated that the next item on the agenda was a resolution to consider the issuance of tax anticipation notes. He stated that this is a very common form of financing by municipalities and recommends that it be approved.

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

Resolution No. 14-530

CONSIDERATION OF ISSUANCE OF TAX ANTICIPATION NOTES BY NASSAU COUNTY

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(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 \$202,351,000 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.

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Executive Director Cohen stated that the next item on the agenda was a resolution to revise NIFA's guidelines for approving County contracts. He stated that staff is recommending an amendment to the guidelines that would exclude 100% third-party funded contracts from NIFA's review. He stated that to ensure transparency, the amendment requires the County to submit a monthly report to NIFA of all 100% grant funded contracts.

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

Resolution No. 14-532

ADOPTION OF REVISED GUIDELINES FOR THE REVIEW OF NASSAU COUNTY CONTRACTS AND THE TAKING OF RELATED ACTIONS

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 are incorporated into this Resolution by reference; and be it further

RESOLVED, that the Authority hereby approves the staff recommendations in the Materials, which exclude certain types of County contracts from the review of the Authority; and be it further

RESOLVED, that Authority 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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General Counsel Wise stated that the next item on the agenda was a resolution to consider the approval of contracts between the County Attorney's office and outside vendors.

Upon motion duly made and seconded, the following resolution was approved with  
Chairman Kaiman recusing:

Resolution No. 14-533A

REVIEW OF CONTRACTS 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 approves contracts numbered CQPW14000025, CLAT14000019, CQAT14000020, CQAT14000022, CLAT14000029, CQAT14000026 and CQAT14000025 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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Upon motion duly made and seconded, the following resolution was approved  
unanimously:

Resolution No. 14-533B

REVIEW OF CONTRACTS 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 approves contracts numbered CLAT14000021, CQAT14000027, CLAT14000030, CLAT14000025, and CLAT14000022 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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General Counsel Wise stated that the last contract was with Orrick, Herrington & Sutcliffe LLP. He stated that the contract was for \$200,000 of which \$123,000 was for their work on the P3 sewer system. He stated that the NIFA Directors have previously rejected the contract for \$123,000 since it had also rejected the P3 contract.

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

Resolution No. 14-533C

## REVIEW OF CONTRACTS FROM THE COUNTY ATTORNEY'S OFFICE

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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 approves contract numbered CLAT12000006 in the Materials in the amended amount of \$77,000 for non P3 related expenses; 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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Chairman Kaiman then entertained a motion to adjourn. Upon motion duly made and seconded, the Directors voted unanimously to adjourn the meeting at 7:18 PM.

Respectfully submitted,

Laurie A. Boucher  
Corporate Secretary