

AGENDA

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
FINANCE COMMITTEE MEETING
THURSDAY, NOVEMBER 29, 2012, 5:00 PM
MARRIOTT LONG ISLAND HOTEL & CONFERENCE CENTER
101 JAMES DOOLITTLE BLVD., UNIONDALE, NY 11553**

Call to Order

Action Items

- I. Review and Approve Minutes of December 8, 2011 Meeting
- II. Approval of Issuance of Tax Anticipation Notes by Nassau County and to Take Related Actions

Adjournment

DRAFT – SUBJECT TO REVIEW AND REVISION

NASSAU COUNTY INTERIM FINANCE AUTHORITY
MINUTES OF THE MEETING OF THE
FINANCE COMMITTEE
HELD ON DECEMBER 8, 2011

Pursuant to notice dated December 2, 2011, the Finance Committee of the Nassau County Interim Finance Authority (“NIFA”) was convened at 4:17 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

The following Members of the Committee were present:

George Marlin - Chairman
Ronald Stack
Robert Wild
Christopher Wright

Also present were Robert Wild, NIFA Director; Len Steinman, NIFA Director; Dermond Thomas, NIFA Director; Evan Cohen, Executive Director; Maria Kwiatkowski, Deputy Director; Jeremy Wise, General Counsel; Jane Cunneen, Acting Treasurer; and Laurie Boucher, Corporate Secretary.

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

Chairman Marlin stated that the first item on the agenda was a resolution to approve the minutes of the April 20, 2011 meeting.

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

unanimously:

Resolution No. 11-06

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE APRIL 20, 2011 MEETING OF THE FINANCE COMMITTEE OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the Finance committee meeting of the Authority held on April 20, 2011 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.

* * *

Chairman Marlin stated that the next item on the agenda was a resolution to recommend that the NIFA Directors authorize entering into liquidity facilities in connection with NIFA's 2008D-2 and 2008E bonds and to take related actions. He asked General Counsel Wise to give a quick overview.

General Counsel Wise stated that NIFA has \$600 million in outstanding variable rate bonds. He stated that two out of the six liquidity facilities are expiring. He stated that NIFA issued an RFP for these liquidity facilities in the form of a standby bond purchase agreement, \$26.8 million for series 2008D and \$50 million for series 2008E.

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

Resolution No. 11-07

AUTHORIZATION TO ENTER INTO LIQUIDITY FACILITIES IN CONNECTION WITH NIFA'S 2008D-2 AND 2008E 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 Finance Committee (the “Committee”) of the Nassau County Interim Finance Authority (“NIFA”); and be it further

RESOLVED, that this Committee recommends that the request for substitution of liquidity facilities, as described in the Materials, be forwarded to the NIFA Directors for their review and approval.

* * *

Chairman Marlin then entertained a motion to adjourn. Upon motion duly made and seconded, the Committee members voted unanimously to adjourn the meeting at 4:20 PM.

Respectfully submitted,

Laurie A. Boucher
Corporate Secretary

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
FINANCE COMMITTEE**

FOR CONSIDERATION

November 29, 2012

TO: George Marlin, John Buran, Ronald Stack, Christopher Wright

FROM: Evan Cohen

SUBJECT: Tax Anticipation Note Borrowing, Series 2012

REQUEST FOR: Approval of Tax Anticipation Note Borrowing by Nassau County

Introduction:

Nassau County has requested NIFA's approval of a proposed sale of Tax Anticipation Notes ("TANs"). The maximum amount of proceeds will be \$260 million, plus cost of issuance. Based on current assumptions, they project a premium of \$1,976,955 so the par would be \$258,680,000 for total proceeds of \$260,656,955, including costs of issuance.

The reason for the County's request is found in section 3369 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."

Issuance of the County's TANs was delegated to the County Executive by Ordinance 116-1959; consequently, it does not require new authorization by the County Legislature.

Discussion:

TANs are a common device used by public entities to help with cash flow until taxes are received.

The County typically does two cash flow borrowings each year – a Revenue Anticipation Notes issue in May / June and a Tax Anticipation Notes ("TAN") issue in November / December. The Notes are issued to provide monies to meet cash flow deficits expected to occur during the period the Notes are outstanding.

The County's lowest cash positions are typically in February and July, just prior to the receipt of the tax levy in March and September.

After numerous discussions between NIFA and County staff, we are convinced that this issuance is needed in order to meet the County's financial obligations.

Requested Action:

Although cash flow borrowings of any kind are not the sign of a robust financial position, they are commonly used by public entities. In this case, the County's rationale seems to be sound, but we have not seen all of their documents. Subject to approval of the entire Board, you are requested to approve the County's proposed cash flow borrowing through TANs, subject to the final review and approval of the Chairman or his designee(s).

Attachment:

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
FINANCE COMMITTEE**

RESOLUTION NO. 12-

APPROVAL OF ISSUANCE OF TAX ANTICIPATION NOTES BY NASSAU COUNTY

RESOLVED, that the materials presented to this meeting of the Finance Committee 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(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 \$260,656,955 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.

George Marlin
Chairperson

November 29, 2012