

Suffolk County Water Authority

FINANCE COMMITTEE

DATE: June 26, 2018

LOCATION: Administration Building, Oakdale, New York

ATTENDEES: James Gaughran, Chairman  
Jane Devine, Member  
Patrick Halpin, Member  
Tim Bishop, Member  
Jeffrey W. Szabo, Chief Executive Officer  
Timothy J. Hopkins, Counsel  
Donna Mancuso, Chief Human Resources Officer  
Elizabeth Vassallo, Director of Finance  
Donna Malone, Accounting Manager  
Maria Trupia, Executive Assistant/Secretary to the Board

ALSO IN  
ATTENDANCE: Greg Carey, Managing Director, Goldman, Sachs & Co.  
Andrew D. Komaromi, Esq., Harris Beach PLLC, Bond Counsel

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The meeting was called to order by James Gaughran at 4:08 p.m. upon the Members of the Committee being present.

On motion made by Ms. Devine, duly seconded by Mr. Halpin, it was unanimously carried to:

**Approve the minutes of the Finance Committee meetings held on March 27, 2017 and March 27, 2018.**

Ms. Vassallo distributed the Authority's 2018 Financing Overview prepared by Goldman Sachs & Co. LLC.

Mr. Szabo introduced Mr. Carey who discussed the Authority's 2018 Financing Overview at length.

Mr. Carey stated that the bond proceeds that were borrowed in 2016 have basically been expended and there were a number of refinancings that were done.

Mr. Carey further stated that Mr. Szabo, Ms. Vassallo, Mr. Hopkins and himself met with both rating agencies yesterday and had a very good presentation. The matrix is very good because it is all retail based, very low rates (one of the lowest in the Country), and the Authority has been raising rates for the last seven (7) years, which consistently shows that the Authority has very small growth and the system is getting older every year.

Mr. Carey reviewed and discussed the aggregate debt service summary, the forecasted capital expenditures, the Authority's rates are among lowest in the Country, the Authority's operating model under current projections, the 2018 plan of finance, the pro-forma indicative aggregate debt service and financing timeline.

Mr. Komaromi discussed the Resolution prepared by Bond Counsel with the Members. He stated that the Resolution authorizes long-term new money, as opposed to a cash defeasance or any type of refunding. The Resolution is a Supplemental Resolution under the Authority's existing general Resolution and it authorizes a One Hundred Million Dollar Water System Revenue Bond 2018 and it delegates to the Chairman for a final determination, following the format that has been in place since 1994.

Mr. Gaughran asked if anyone had any questions regarding this subject. No one had comments.

A discussion took place regarding the review of documents by the Members.

On motion made by Mr. Halpin, duly seconded by Ms. Devine, it was unanimously carried that the Members be provided information regarding such financial transactions well in advance of the time to take action on such transactions.

At this time, Mr. Gaughran asked for any comments, again stating that no one from the public is present. No comments were made.

On motion made by Mr. Halpin, duly seconded by Mr. Bishop, it was unanimously carried to recommend the approval of the bond issue to the full Board for adoption.

On motion made by Ms. Devine, duly seconded by Mr. Halpin, it was unanimously carried to adjourn the Finance Committee Meeting.

Respectfully submitted by:

Maria Trupia

Executive Assistant/Secretary to the Board

Reviewed by:

Elizabeth Vassallo, Chief Financial Officer