

**NEW YORK LOCAL GOVERNMENT
ASSISTANCE CORPORATION
MINUTES OF FINANCE COMMITTEE MEETING
March 13, 2012, 3:15 p.m.
State Capitol, Albany, New York**

Finance Committee Members Present:

Thomas DiNapoli	Committee Chairperson/Director
Kevin Murray	Director
Marc Shaw	Director (via Telephone)

Also Present:

Patricia Warrington	Office of the State Comptroller
Deborah DeGenova	Office of the State Comptroller
Pat Reale	Division of the Budget
Melissa Pangburn	Division of the Budget
William Storrs	Department of Law
Maureen Madden	Office of the State Comptroller
Henrik Westin	Office of the State Comptroller
Monika Conley	Public Resources Advisory Group (via telephone)
Tom Havel	New York State Senate

FINANCE COMMITTEE MEETING

Committee Chairperson, Tom DiNapoli, called the Finance Committee meeting to order at 3:15p.m.

Mr. DiNapoli noted that the minutes from the June 29, 2011 Finance Committee meeting had been previously distributed and made a motion to approve the minutes. The motion was seconded and the Finance Committee members approved the minutes.

Mr. DiNapoli indicated that the Public Authorities Law requires LGAC to enter into an agreement with the State Comptroller whereby the Comptroller is the "Exclusive Agent" for the sale of Corporation bonds and notes. The current Agreement expired on March 31, 2012 and staff had recommended that an extension of the Agreement be executed through March 31, 2013.

The Committee Members had no questions or comments and Mr. DiNapoli recommended that the proposal be advanced and recommended for approval by the full Board and the Finance Committee members approved the recommendation.

Next, Mr. DiNapoli made reference to a staff memo which recommended that the Corporation approve a fixed rate refunding and the extension of a liquidity agreement in relation to the Series 1995C and 1995E bonds. Mr. DiNapoli mentioned that Helaba currently provides a liquidity agreement for these bonds, but had exercised its right to terminate the facility. He pointed out that a fixed rate refunding of these bonds would eliminate liquidity renewal risk, support cost increases, and interest rate risk. The refunding bonds would most likely be issued under the

subordinate lien in an amount not to exceed \$130,000,000 through a competitive sale. Next Mr. DiNapoli explained that a short-term extension of the liquidity agreement with Helaba was being approved and would be executed if a timely refunding was unable to be completed. This would allow a fixed rate refunding of the bonds to occur once market or other conditions permitted.

The Committee Members indicated they had reviewed the materials provided and as there were no questions or comments, Mr. DiNapoli recommended that the proposal be advanced and recommended for approval by the full Board and the Finance Committee members approved the recommendation.

Next, Mr. DiNapoli referenced a staff memo recommending the Committee approve the extension of the contract with the Corporation's financial advisor, Public Resources Advisory Group, for a term of one year. Mr. DiNapoli pointed out that the extension would be done at predetermined rates that were included as part of the original contract.

The Committee Members indicated they had reviewed the materials provided and as there were no questions or comments, Mr. DiNapoli recommended that the proposal be advanced and recommended for approval by the full Board and the Finance Committee members approved the recommendation.

Lastly, Mr. DiNapoli referenced a staff memo recommending the Committee approve the selection of Hawkins Delafield & Wood LLP ("Hawkins") and Gonzalez Saggio & Harlan LLP ("Gonzalez") as Primary Bond Counsels and Orrick, Herrington, & Sutcliffe LLP ("Orrick") and Bryant Burgher Jaffe ("BBJ") as Secondary Bond Counsels, which received the highest and second highest scores pursuant to a Request for Proposals.

The Committee Members indicated they had reviewed the materials provided and as there were no questions or comments, Mr. DiNapoli recommended that the proposal be advanced and recommended for approval by the full Board and the Finance Committee members approved the recommendation.

After it was determined that there were no further issues to be brought before the Board by the Finance Committee, the Finance Committee Meeting was adjourned.

Date: March 13, 2012

Melissa Pangburn
Assistant Secretary
New York Local Government
Assistance Corporation