

**MINUTES OF THE REGULAR MEETING
OF THE
FINANCE COMMITTEE
September 29, 2015**

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September 29, 2015

Minutes of the regular meeting of the New York Power Authority's Finance Committee held at the Authority's offices at 123 Main Street, White Plains, New York at approximately 10:10 a.m.

Members of the Finance Committee present were:

Tracy B. McKibben, Chairperson
John R. Koelmel
Jonathan F. Foster

Terrance P. Flynn - Excused

Also in attendance were:

Eugene L. Nicandri	Trustee
Anthony Picente, Jr.	Trustee
Gil Quiniones	President and Chief Executive Officer
Justin Driscoll	Executive Vice President and General Counsel
Robert Lurie	Executive Vice President and Chief Financial Officer
James Pasquale	Senior Vice President – Economic Development and Energy Efficiency
Karen Delince	Corporate Secretary
Brian McElroy	Treasurer
Lorna Johnson	Senior Associate Corporate Secretary
Sheila Baughman	Senior Assistant Corporate Secretary
James Levine	Assistant General Counsel – Finance and Bonds
Bruce Van Dusen	Counsel, Hawkins Delafield & Wood LLP
Peter Prunty	Director - Infrastructure
Jaijah Gottor	Lead Network Analyst – Infrastructure
Glenn Martinez	Senior Network Analyst – Infrastructure

Chairperson Tracy McKibben presided over the meeting. Corporate Secretary Delince kept the Minutes.

Introduction

Chairperson Tracy McKibben welcomed committee members and the Authority's senior staff to the meeting. She said the meeting had been duly noticed as required by the Open Meetings Law and called the meeting to order pursuant to Section B(4) of the Finance Committee Charter.

1. **Adoption of the September 29, 2015 Proposed Meeting Agenda**

Upon motion made and seconded the agenda for the meeting was adopted.

2. **Approval of the Minutes**

The Minutes of the Committee's Regular Meeting held on July 29, 2014, were approved.

3. Issuance of the Series 2015 Revenue Bonds

The Treasurer submitted the following report:

"Below is a summary of the actions to be put before the Board of Trustees at the September 29, 2015 meeting in connection with the issuance of the Series 2015 Revenue Bonds ("Series 2015 Bonds"). The Committee is requested to recommend adoption by the Board of Trustees of the related resolutions.

A. 2015 BONDS

The staff of the Authority proposes the issuance of the Series 2015 Bonds, in an aggregate principal amount not to exceed \$80 million, for the purpose of (i) refunding up to \$74.590 million of the Authority's Series 2006 A Revenue Bonds; and (ii) pay the costs of issuance of the Series 2015 Bonds.

The Series 2015 Bonds would be issued as senior lien revenue bonds under the Authority's General Resolution Authorizing Revenue Obligations, adopted February 24, 1998, as amended and supplemented. The Authority proposes to issue the Series 2015 Bonds either as fixed rate or variable rate bonds or a combination thereof.

The purpose of the 2015 plan of finance is to produce present value savings on debt service.

B. THE RESOLUTIONS

A summary of the principal terms of the resolutions to be put before the Board of Trustees for consideration is set forth below:

1) Tenth Supplemental Resolution

Adoption of the Tenth Supplemental Resolution Authorizing Series 2015 Revenue Bonds ("Tenth Supplemental Resolution"), which authorizes the issuance of the Series 2015 Bonds, in an aggregate principal amount not to exceed \$80 million, to refund the Authority's Series 2006 A Revenue Bonds and pay the costs of issuance of the Series 2015 Bonds.

2) 2015 Bonds

- a) The sale of the Series 2015 Bonds to one or more underwriters as may be selected by the Chairman, President and Chief Executive Officer, Executive Vice President and Chief Financial Officer or Treasurer from the prequalified underwriting pool approved by the Trustees at their July 29, 2014 Board meeting, at such prices as any such officer may accept and as will be in compliance with the requirements of the Tenth Supplemental Resolution is authorized.
- b) The Chairman, President and Chief Executive Officer, Executive Vice President and Chief Financial Officer or Treasurer and other specified officers are authorized to execute a Contract of Purchase, providing for the sale of the Series 2015 Bonds to such underwriters, a Continuing Disclosure Agreement with The Bank of New York Mellon relating to the Series 2015 Bonds and miscellaneous other documents and instruments.
- c) The Chairman, President and Chief Executive Officer, Executive Vice President and Chief Financial Officer or Treasurer and other specified officers are authorized to approve the issuance of the Preliminary Official Statement and final Official Statement relating to the Series 2015 Bonds.

3) Registrar and Paying Agent

The Bank of New York Mellon is appointed as Registrar and Paying Agent for the Series 2015 Bonds.

RECOMMENDATION

For the reasons stated, I recommend approval of the above-requested action by adoption of the resolution below.”

Mr. Brian McElroy, Treasurer, presented highlights of staff’s recommendation to the Committee. In response to a question from Chairperson McKibben, Mr. Lurie said many of the bonds are at lower interest rates or not callable as yet; therefore, for economic reasons, they cannot be refinanced at this time. Also, staff tends to compare those bonds to the ones being refunded. However, staff will provide the full picture of the Authority’s overall debt maturities to the Committee.

Responding to a question from Authority Chairman Koelmel, Mr. McElroy said the Authority has refinanced more than \$1 billion and currently have approximately \$940 million outstanding; this is now an opportunity for the Authority to refinance those bonds. Mr. Lurie added that if the rates continue to decline, there will be other opportunities for the Authority to refinance those bonds.

The following resolution, as submitted by the Treasurer, was unanimously adopted.

RESOLVED, that the Finance Committee recommends that the Board of Trustees approve the 2015 plan of finance and its related resolutions, as discussed in the foregoing report of the Treasurer, at the Board’s September 29, 2015 meeting.

4. **Next Meeting**

The next regular meeting of the Finance Committee is to be determined.

Closing

Upon motion made and seconded, the meeting was adjourned by the Chair at approximately 10:20 a.m.

Karen Delince

Karen Delince
Corporate Secretary

September 29, 2015

FINANCE COMMITTEE

EXHIBITS

For

September 29, 2015

Meeting Minutes



Issuance of the Series 2015 Revenue Bonds

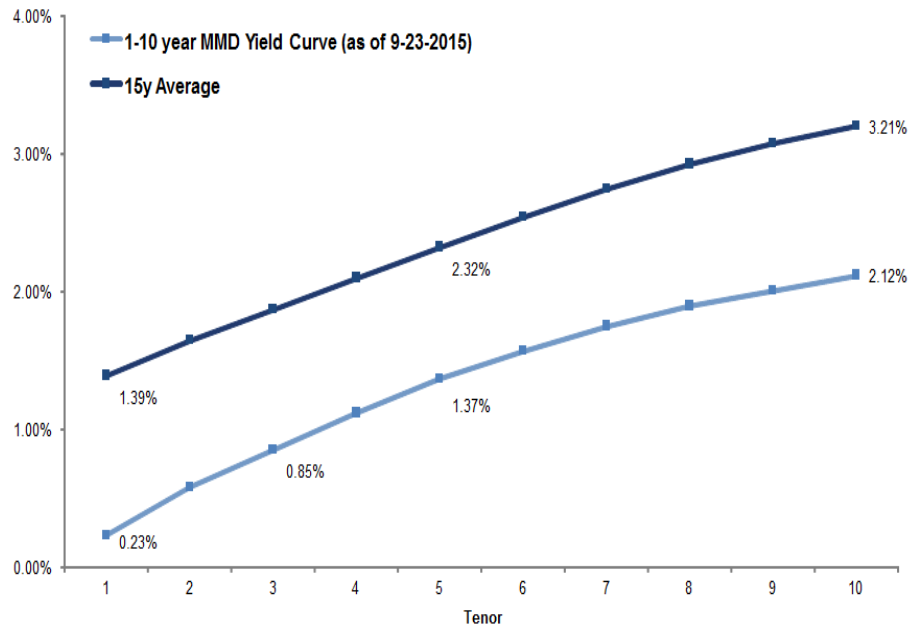
Finance Committee, September 29, 2015

September 29, 2015

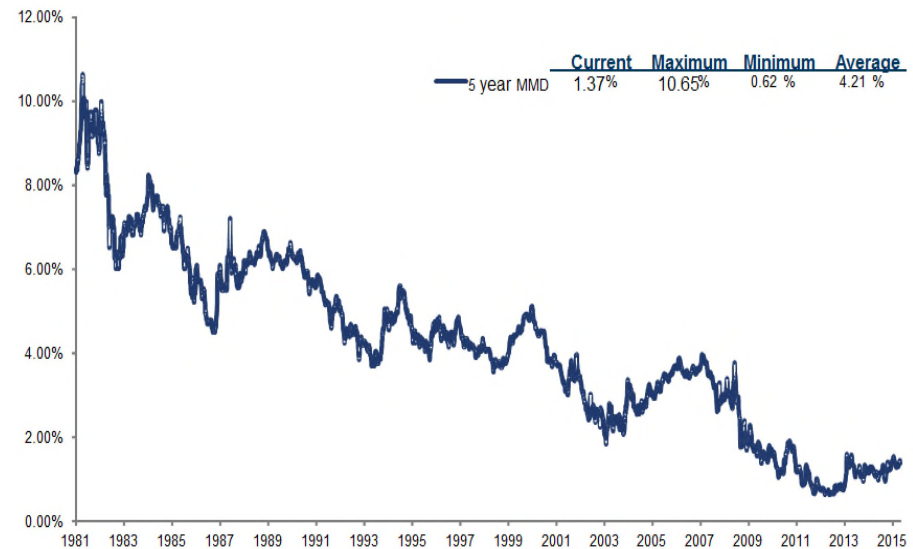
Issuance of the Series 2015 Revenue Bonds

Low interest rates present an opportunity for the Authority to refinance its Series 2006 A Revenue Bonds at significant savings.

MMD Yield Curve (Years 1 – 10)



Historic 5-Year MMD



Issuance of the Series 2015 Revenue Bonds

Refunding Overview ¹

Refunding Type	Current (11/15/2015)
Call Provisions	30 to 45 Days Notice
Par Amount to be Refunded	Up to \$74.590 million
Estimated NPV Savings (\$)	\$7.5 million of Refunded Par
Estimated NPV Savings (%)	10.1% of Refunded Par
Structure	Fixed Rate Serial Bonds

1) *Refunding contingent upon market interest rates at time of pricing*