

**NASSAU COUNTY SEWER AND STORM WATER  
FINANCE AUTHORITY**

**2016 BUDGET**

# **NASSAU COUNTY SEWER AND STORM WATER FINANCE AUTHORITY**

## **BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2016**

### **Introduction**

The governing body of the Nassau County Sewer and Storm Water Finance Authority (the “Authority”) herein presents the budget of the Authority for the fiscal year beginning January 1, 2016 (the “2016 Budget”) in accordance with New York State Public Authorities Law §2801[2].

The Authority was established in 2003 by the State of New York (the “State”) under the Nassau County Sewer and Storm Water Finance Authority Act, codified as Title 10-D of Article 5 of the Public Authorities Law of the State (the “Act”), as a public benefit corporation. The State Legislature determined the creation of the Authority to be an effective mechanism to achieve substantial savings to Nassau County (the “County”) for past and prospective sewer and storm water resources capital investments. The Authority has been established for the limited objectives of refinancing outstanding sewer and storm water resources debt issued by or on behalf of the County and financing future County sewer and storm water resources projects. The Authority may issue debt in an amount up to \$350,000,000 for such purposes (exclusive of debt issued to refund or otherwise repay Authority debt).

The County has directed each city and town receiver of taxes to pay all assessments imposed by the County for sewer and storm water resources services directly to the trustee for the Authority’s bonds. The Authority retains sufficient funds to service its debt and pay its operating expenses. Excess funds are remitted to the Nassau County Sewer and Storm Water Resources District (the “District”). The District is responsible for paying for the cost of the County’s provision of sewerage and storm water resources services.

### **Overview of the 2016 Budget**

#### **Revenue (Estimated Receipts)**

The Authority has two sources of funds in the 2016 Budget: County assessments for sewer and storm water resources services, and investment income. From time to time, the Authority may also receive grant funds recovered in connection with County sewer and storm water resources projects, in accordance with the Act.

#### **Assessments**

The Authority receives County assessments for sewer and storm water resources services directly from the receivers of taxes. The levy for such assessments for 2016 is projected to be \$122,864,445.

#### **Investment Income**

The Authority currently invests its cash in money market accounts. The Authority projects that it will earn \$2,000 in investment income in 2016.

## **Expenditures**

### **Contractual Expenses**

The Authority has budgeted \$900,000 for contractual expenses in 2016.

### **Interest Expense**

The Authority projects that its interest expense in 2016 will be \$7,651,295.

### **Principal Payments**

The Authority has \$10,205,000 in scheduled principal payments in 2016.

### **Transfer to the District**

The Authority estimates that it will transfer \$104,110,150 to the District in 2016 in accordance with the Act and the Financing Agreement dated as of October 1, 2014 between the Authority and the County.

## **Capital Construction in the Budget**

The Authority is not authorized under the Act to engage in capital construction.

### **Actual Revenues (Receipts) and Expenditures for the Authority's Last-Completed Fiscal Year (2014), and Projected Revenues (Receipts) and Expenditures for the Authority's Current (2015) and Next (2016) Fiscal Year**

<b>SEWER AND STORM WATER FINANCE AUTHORITY</b>				
<b>EXP/REV</b>	<b>OBJECT</b>	<b>2014 Actual</b>	<b>2015 Projected</b>	<b>2016 Budget</b>
<b>EXP</b>				
	DE - CONTRACTUAL SERVICES	\$191,343	35,000	\$900,000
	FF - INTEREST	7,095,990	6,703,499	7,651,295
	GG - PRINCIPAL	25,160,000	2,940,000	10,205,000
	88 - DEBT ISSUANCE COSTS	1,419,057	0	0
	LQ - TRANSFER TO ESCROW	129,534,855	0	0
	LS60S - TRANSFER OUT TO SSW - CAPITAL	37,783,010		
	LS60S - TRANSFER OUT TO SSW	109,964,275	109,929,479	104,110,150
<b>EXP Total</b>		<b>\$311,148,530</b>	<b>\$119,607,978</b>	<b>\$122,866,445</b>
<b>REV</b>				
	BE - INVESTMENT INCOME	\$3,271	2,200	\$2,000
	BH - DEPT REVENUE (FEDERAL AID)	0	0	0
	R9 - REFUNDED BOND PROCEEDS	157,200,000	0	0
	R1 - BOND PREMIUMS	28,503,669	0	0
	TL - PROPERTY TAX	117,270,940	123,313,570	122,864,445
<b>REV Total</b>		<b>\$302,977,880</b>	<b>\$123,315,770</b>	<b>\$122,866,445</b>
<b>Surplus (Deficit)</b>		<b>(\$8,170,650)</b>	<b>\$3,707,792</b>	<b>\$0</b>