

# UNITED NATIONS DEVELOPMENT CORPORATION

## Minutes of a Meeting of the Finance Committee

Held at 535 Madison Avenue, 35<sup>th</sup> Floor  
New York, New York

On March 13, 2019 at 2:45 p.m.

The following members of the Finance Committee, representing a quorum, attended the meeting: George Klein, Chairman, Samuel Natapoff and Joseph Rutigliano. Robert Cole, Jorge Ortiz and Loida Diaz de Jesus (UNDC); Sander Lehrer (McLaughlin and Stern); Renee Boicourt (Lamont Financial Services); Sonia Toledo (Frasca and Associates); Martin Hammond and Samantha Plunkett (PFM Asset Management) also attended the meeting.

The Chairman presided and Loida Diaz de Jesus acted as secretary for the meeting. The Chairman called the meeting to order at 2:45p.m.

### **Minutes of the Meeting of March 8, 2018**

The Chairman asked the Committee to consider for approval the minutes of the Finance Committee meeting held on March 8, 2018, in the form previously distributed. On motion made and seconded, the minutes of the March 8, 2018 meeting were unanimously approved.

### **2019 Refunding Bonds**

Mr. Cole reported that the Corporation continued to work with its financing team, led by underwriters Goldman Sachs as senior manager and Morgan Stanley as co-senior manager, with Ramirez (MWBE firm) and Drexel Hamilton (a service-disabled veteran's firm) as co-managers, on the issuance of new bonds to refund the Corporation's outstanding 2009 Refunding Bonds, Series A. Mr. Cole reviewed his memorandum to the Finance Committee of March 7 on this subject, reporting that the 2019 Refunding Bonds, Series A, would be issued in April 2019 with a principal amount of approximately \$45 million and a final maturity of July 1, 2026 (matching the maturity

of the 2009 Bonds). He advised that the proceeds from issuance of the 2019 Bonds would be held in escrow and would be used to refund the Corporation's 2009 Bonds as of July 1, 2019. Mr. Cole reported that the Corporation's debt service was expected to be reduced by approximately \$1.6 to \$2.1 million per year between 2019 and 2026.

Mr. Cole stated that the Board would be asked to consider and approve the transaction at the Board meeting, with representatives of the financing team in attendance to provide updates and to answer questions.

### **PFM Asset Management - 2018 Annual Investment Report**

Mr. Hammond reviewed the PFM 2018 Annual Investment Report, as provided to the Committee prior to the meeting. Mr. Hammond advised that the Corporation's investments complied with the Corporation's Investment Guidelines, the bond indenture for the 2009 Bonds and New York State investment requirements applicable to public authorities. He reported that the Corporation's investments remained exclusively in U.S. Treasury securities, consistent with guidance from the Finance Committee and the Board of Directors.

Mr. Hammond advised that PFM recommends that the Corporation consider investing a portion of its funds in short-term high-quality commercial paper. The Committee requested a memorandum from PFM on this subject for consideration at the Board meeting on March 27.

### **UNDC Annual Investment Report for 2018**

Mr. Cole reviewed the Corporation's Annual Investment Report for 2018, which would be submitted to New York State by March 31, 2019. The Committee approved the Corporation's Annual Investment Report for 2018, in the form previously provided to the Committee members, and recommended its approval by the Board at the March 27 meeting.

Mr. Cole recommended changes to the Corporation's Investment Guidelines that would add Fitch as a permissible rating agency for purposes of possible future investments by the Corporation

in commercial paper and banker's acceptances. He advised that the Board would be asked at the March 27 meeting to amend the Corporation's Investment Guidelines to reflect such changes.

**Other Business**

There being no other business, the meeting was adjourned at 3:30 p.m.

/s/ Loida Diaz de Jesus  
Acting Secretary