

The NGHP Holding Corporation met in a Regular Meeting at the Dormitory Authority's Albany Office, 515 Broadway, Albany, New York, at 11:20 a.m. on April 10, 2018.

The Meeting was called to order by the Chair. Roll call was taken and a quorum was present. Those Members present and absent for the Meeting were as follows:

Members Present

Alfonso L. Carney, Jr., Chair, Member
John B. Johnson, Jr., Vice Chair, Member
Jonathan H. Gardner, Esq., Member
Gerard Ronski, Esq., Member
Paul S. Ellis, Esq., Member
Tracy Raleigh, Designated Representative of the Commissioner of Health, Member (ex officio)
Joseph Gilchrist, Designated Representative of the Commissioner of Education, Member (ex officio)
Adrian Swierczewski, Designated Representative of the Director of the Budget, Member (ex officio)

Members Absent:

Beryl L. Snyder, Esq., Member
Wellington Z. Chen, Member

Also Present - Dormitory Authority Staff:

Michael T. Corrigan, Vice President
Michael E. Cusack, Esq., General Counsel
Kimberly J. Nadeau, Chief Financial Officer
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring
Stephen D. Curro, Managing Director of Construction
Caroline V. Griffin, Chief of Staff
Larry N. Volk, Senior Director, Portfolio Monitoring
Kay M. Edwards, Esq., Managing General Counsel
Sara P. Richards, Esq., Associate General Counsel
Kathy D. Ebert, Director, Internal Audit
Karen E. Ehlinger, Internal Control Officer
David F. Perritano, Public Information Officer

PUBLIC SESSION

The NGHP Holding Corporation Chair called the Meeting to order. He then asked Mr. Cusack to present the items on the Agenda to the Members.

Election of Officers

Mr. Cusack noted that there are five items on the Agenda today. He directed the Members' attention to first item which is the Election of Officers, noting that there were no changes to the list of Officers from the previous year.

Mr. Ronski moved the adoption of the following entitled resolution:

A RESOLUTION OF THE NGHP HOLDING CORPORATION ELECTING ADDITIONAL OFFICERS OF THE CORPORATION AND RATIFYING ITS RESOLUTION OF MARCH 30, 2011 ADOPTING CERTAIN POLICIES OF THE DORMITORY AUTHORITY

Ms. Raleigh seconded the motion and the Resolution was unanimously adopted.

In response to an inquiry from Mr. Ronski, Mr. Cusack confirmed that the Officers and Directors are included within DASNY's corporate insurance program.

Minutes

Mr. Cusack noted that the next item on the Agenda for their approval is the minutes of the April 11, 2018 Meeting. The Minutes were reviewed and approved.

Mission Statement and Performance Measures and Metrics

Mr. Cusack noted that as is the case with the DASNY Board, NGHP Holding Corporation is required to review annually certain items. He noted that the NGHP Holding Corporation Governance Committee had conducted their annual review of the necessary items at their March 5, 2019 Meeting.

Mr. Cusack directed the Member's attention to the third item on the Agenda and included in the Members' material. He noted that an annual review of the Mission Statement and Performance Measures is required, and indicated that Staff has reviewed this information and recommends no changes at this time.

The Members reviewed the Mission Statement and Performance Measures and concurred with Staff's recommendation, and on a motion by Mr. Ellis seconded by Mr. Ronski, the Mission Statement and Performance Measures were approved unanimously.

By-Laws

Mr. Cusack directed the Members to the NGHP Holding Corporation By-Laws included in the Members' materials, and noted that the By-Laws also require an annual review by the Board. He noted that Staff has also reviewed these materials, and that there are no changes to the By-Laws being recommended at this time.

The Members then reviewed the By-Laws and concurred with Staff's recommendation, and on a motion by Mr. Ellis seconded by Ms. Raleigh, the By-Laws were approved unanimously.

President's Report

Mr. Cusack then referenced the President's Report in the Board materials, and turned the presentation over to Mr. Volk to provide an update to the Members. Mr. Volk stated that it had not been very active year for NGHP Holding Corporation. He stated that there were two items he wished to bring to the Member's attention. He noted that the liquidation trustee who took over ownership of NGHP and was tasked with settling with the creditors, has completed her work and the final order has been entered and that she was discharged. Mr. Volk stated that DASNY had some outstanding residual balance and has received a small payment and assignment of future assets that may accrue. He indicated that there a couple of small account recoveries remain outstanding and we will likely continue to receive additional payments in the future, but again they will be relatively small amounts.

Mr. Volk noted that the larger payment the NGHP receives is from the Health and Hospital Corporation (HHC). He noted that although the lease provides that HHC pay NGHP quarterly, they, in fact, pay annually just before the end of their June fiscal year. He stated that we received payment in June 2018 and expect to receive payment again this year June.

Mr. Volk indicated that the amount of the payments are difficult to verify due to being based upon the rate NGHP receives from Medicaid for depreciation of the North General Hospital building as it existed before improvement. He stated that NGHP provides the subsidiary with documentation on the payment amount for the subsidiary's records. In response to an inquiry from Mr. Ronski, Mr. Volk indicated that the payment is for several million dollars. He further indicated that the subsidiary will continue to receive payments until the bonds paid off, and at that time, the subsidiary will transfer the building to HHC.

Mr. Volk responded to Mr. Ronski's question, indicating that the payment covers operations and insurance, as well as the annual interest-only payment due August 15th of each year, but that the payment is insufficient to cover the annual principal and interest payment on the Bonds. Mr. Volk further indicated that the payment offsets the State's obligation to make payment on the Bonds.

In response to Ms. Raleigh, Mr. Volk noted that the lease is triple net, and that NGHP does carry insurance.

Mr. Ronski moved that the Meeting adjourn, Mr. Gilchrist seconded the motion, and the Meeting adjourned at approximately 11:30 a.m.

Respectfully submitted,

/s/

Michael E. Cusack
Assistant Secretary