

Alfonso L. Carney, Jr., Chair: Welcome, it's a pleasure to welcome Members and staff and any guests we may have. There are certain notifications that must be read into the transcript and the General Counsel is with us, he will take care of that now and then we will move on. Michael?

Michael E. Cusack, General Counsel: Thank you Mr. Chairman. On March 7, 2020, Governor Cuomo declared a disaster emergency in the State of New York due to the outbreak of the novel coronavirus, or COVID-19. Pursuant to Governor Cuomo's subsequent Executive Order 202.1 dated March 12, 2020, as extended most recently by Executive Order 202.72, today's regular meeting of the Board of Directors of the Dormitory Authority of the State of New York, or DASNY, is being conducted telephonically and by video conference.

Executive Order 202.1, as extended, provides in relevant part, that Article 7 of the Public Officers Law, known as the Open Meetings Law, is suspended through December 3, 2020 to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings, and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed.

At the time of the Board mailing, Staff anticipated an extension of Executive Order 202.1 to encompass today's Board meeting. For the record, I'd like to confirm that Governor Cuomo signed Executive Order 202.72 on November 3, 2020, continuing the suspension of the Open Meetings Law for an additional 30-day period through and including December 3, 2020.

The location of today's Conference Call and Video Conference Board Meeting is designated as the DASNY Headquarters, 515 Broadway, Albany, New York, where I am located. Notice of this meeting has been posted in the standard locations that are publicly accessible. Notice has also been posted prominently on the DASNY.org public website. In accordance with Executive Order 202.1 (as extended) and the DASNY Bylaws, an audio and video recording of today's meeting will be accessible from DASNY's website (www.dasny.org) not later than two business days after the close of the meeting, and today's proceedings will also be transcribed and posted as soon thereafter as is reasonable and practicable under the circumstances. I will now turn the meeting over to my colleague, Kim Ellis, who will conduct a roll call. Thank you, Mr. Chairman.

Chairman Carney: Thank you, Mr. General Counsel. Kim, please.

Kimberly A. Ellis, Chief Financial Officer: Thank you Mr. Chair. For the record, we have the following Board Members present at today's meeting:

Board Members:

Alfonso L. Carney, Jr., Esq., Chair – Present
John B. Johnson, Jr., Vice Chair – Present
Beryl L. Snyder, J.D., Secretary of the Board – Present
Jonathan H. Gardner, Esq., Board Member – Present
Joan M. Sullivan, Board Member – Present
Gerard Ronski, Esq., Board Member – Present

Janice McKinnie, Board Member – Present

Brian Cechnicki, Designated Representative of the Interim Commissioner of Education, Board Member (*ex officio*) – Present

Tracy Raleigh, Designated Representative of the Commissioner of Health, Board Member (*ex officio*) – Present

Adrian Swierczewski, Designated Representative of the Director of the Budget, Board Member (*ex officio*) – Present

In addition, from staff we have the following in addition to myself:

Reuben R. McDaniel, III, President and Chief Executive Officer

Paul G. Koopman, Vice President

Michael E. Cusack, Esq., General Counsel

Portia Lee, Managing Director, Public Finance and Portfolio Monitoring

Stephen D. Curro, Managing Director, Construction

Caroline V. Griffin, Chief of Staff

Kathy D. Ebert, Senior Director, Internal Audit

Michael L. Johnson, Director, Diversity and Inclusion

Deborah K. Fasser, Director, Strategic Communications and Business Development

Ricardo Salaman, Managing General Counsel

Dena T. Amodio, Assistant General Counsel

Matthew T. Bergin, Director, Public Finance

Karen E. Ehlinger, Manager, Internal Control Analysis

Li Xu, Manager, Accounting

Gerard E. Klauser, Senior Financial Analyst

Maria T. Carrasco, Public Finance Fellow

Reuben R. McDaniel, III, President and Chief Executive Officer: We have a special guest, I see. Is that the Paul Williams? It looks like his picture.

Ms. Ellis: Oh, I just admitted him. Yes, and Paul Williams.

Paul Williams: I just joined, and I am just observing.

Chairman Carney: Hey Paul, Al Carney. Good to see you.

Mr. Williams: Likewise, good to hear your voice Al.

Chairman Carney: Alright, so we know who's with us. I will commence the Agenda for the meeting. The first item of business, of course, is the review and hopefully the approval of the October 14th meeting transcript. I'll ask for a motion to approve the transcript. Is there motion?

Gerard Romski, Esq., Board Member: I anticipated that, yes, I'll make the motion.

Beryl L. Snyder, J.D., Board Member: I'll second.

Chairman Carney: Beryl, thank you for the second. Rather than asking for ayes around the virtual room, I'll simply say, does any Member object to the approval of the transcript? Hearing no objections, the transcript is approved unanimously. We will go to the second item on the agenda, the Finance Committee report. Mr. Ronski?

Mr. Ronski: Thank you, Mr. Chair. We met yesterday afternoon by way of Zoom, we adopted the meeting minutes from the September meeting of the Finance Committee, since there was no Finance Committee meeting in October, and then we advanced to discuss two Resolutions, the first being Urban Health Plan, Inc. After some excellent discussion and feedback from the Department of Health Representative, our colleague, and recognition that the Department of Health had issued the required Certificate of Need (CON), we recommend that that be approved at today's full Board meeting. We then advanced to discuss the FIT Student Housing Corporation Resolution, and again after some discussion, we also recommend that that be approved at today's full Board meeting. Unless anyone has any questions or concerns, that will conclude my report, Mr. Chair. Thank you.

Chairman Carney: Thank you very much. Let me commend you for what was an excellent discussion yesterday on both financings, but particularly the Urban Health Plan financing. We obviously will go there today as a full Board, but yours was a very good meeting and very good discussion of the two financings. Thank you for doing that for us yesterday. I will move directly then from the Finance Committee Report to the President who will take us through the Resolutions to Proceed.

Mr. McDaniel: Thank you Mr. Chairman. Behind Tab three, you have the Urban Health Plan, Inc. Staff Report with Gerard Klauser presenting. Before he presents, I just want to say thank you to Tracy Raleigh. She worked really hard with our staff to get all the memos together and worked with the Department of Health to get this transaction in the shape it needs to be. So Gerard, with that, please.

Gerard E. Klauser, Senior Financial Analyst: Thank you, Mr. President, Mr. Chairman, Members of the Board, DASNY staff and guests. The Transaction Summary and Staff Report provided to the to the Members is seeking authorization for a Resolution to Proceed for Urban Health Plan, Inc. This will be a fixed and/or variable rate transaction. Tax-exempt and/or taxable bonds will be issued with maturities not to exceed 30 years. This is expected to be a private placement with Preston Hollow Capital with a not-to-exceed amount of \$70 million. There will be two series of bonds, Series 2020A and Series 2020B. The Series B bonds are for a bridge financing, which is expected to be paid down in three years with the proceeds of governmental grants.

This is a new money transaction for a Federally Qualified Health Center (FQHC). The proceeds of the bonds will be used for the construction of a new extension clinic and a brownfield cleanup on a vacant lot located at 1095 Southern Boulevard in the Bronx, New York. The new building will be a 57,000 square foot, six story facility that will include approximately 47,000 square feet of clinical Article 28 space with the remainder for mechanical areas and a parking garage.

Security features will include a mortgage on the property, a pledge of UHP – Urban Health Plan – gross receipts, a Medicaid lockbox and a one-year debt service reserve fund. The bonds will not be rated; UHP, Inc. does not have an underlying rating.

We are in receipt of a term sheet from Preston Hollow Capital that is in alignment with the CON requirements for the financing. Preston Hollow Capital and has done a similar transaction with Richmond Hospital, away from DASNY, and they are a QIB (Qualified Institutional Buyer). Urban Health Plan is a new client, they have not issued debt with DASNY previously.

We've worked closely with our colleagues at the Department of Health, resulting in a CON approval for the project. The DOH review and approval letter endorsing the transaction is in hand. With DOH, we conducted an extensive review of cash flows for the project under the worst-case scenario. UHP's payor mix is Medicaid-heavy, and as an FQHC the Medicaid reimbursement rates are enhanced, or higher. The review of the cash flows resulted in favorable revenue projections and debt service coverage statistics to support the cash flows.

This is a well-established health care provider in this region with several facilities which they've successfully operated since 1974. Urban Health Plan holds a 31% market share; its competitors are Community Healthcare Network with approximately 19% and Bronx Care Health System which is about 15%. The State Department of Health and City Council of New York are fully supporting this project with grant funds totaling approximately \$20 million.

Staff recommends that the Board adopt a Resolution to Proceed for a 30-year bond issue in an amount not to exceed \$70 million on behalf of the Urban Health Plan, Inc. Mr. Chairman?

Chairman Carney: Mr. Klauser, thank you very much. Would you take a second and explain the three-year bridge financing just for the record?

Mr. Klauser: Of course. I mentioned the grant proceeds, and those proceeds will be used primarily for the Series B bonds. The expectation is that those proceeds will come in and we may not even need to issue the 2020B bonds if the timing of those proceeds is efficient and less than that time frame. Or, if they draw the bond proceeds down as result of the timing of the building, then they will hold on to the grant proceeds and the bonds can be redeemed with those grant proceeds within a three-year time frame. So the Series B bonds are drawdown bonds; they will not be issued right off the bat, but they will be issued as the project moves forward. And if the timing of the grants come in, then they would use the grant money as opposed to the bond proceeds.

Portia Lee, Managing Director, Public Finance and Portfolio Monitoring: Gerard, can you talk about the worst-case scenario on the grants?

Mr. Klauser: Yes. I mentioned the cash flow projections that we've done. With the Department of Health, we requested that the banker provide us with some cash flows as if the \$15 million or the \$20 million of grant proceeds did not come in. Those cash flow projections were favorable. I think that there was debt service coverage from 2.5 to 3.5. So they were able to demonstrate that the revenues generated from this facility would be sufficient to carry the debt service if the grant proceeds did not ever come in.

Chairman Carney: Thank you very much, Gerard. Let me say, before I ask for a motion to approve the Resolution, to our member Tracy Raleigh, your memorandum was very thorough and although I said this on the record yesterday, I'll say it now, we are very grateful that you and your staff took the time to literally, in writing, walk us through this transaction. It is, in my personal view, an extraordinary opportunity for DASNY to do what DASNY was designed to do, and that is to provide financing for this underserved community at a time when, as the New York Times headline this morning suggests, for example, the virus is raging. So thank you for a very thorough job, Tracy. And thank you for representing the Department of Health and the excellent work you do on this Board. If there are any questions for Tracy, certainly this is the time to ask them. Hearing none, may I have a motion please to approve the transaction?

Tracy Raleigh, Board Member: Al, thank you and I so move.

Chairman Carney: Well, thank you, Tracy. Thank you very much. Is there a second?

Joan M. Sullivan, Board Member: Second.

Chairman Carney: Joan, thank you very much. Are there any objections to the approval of the Resolution which approves the transaction? Hearing none, the motion as seconded is approved unanimously. Thank you all very much. Mr. President.

Mr. McDaniel: Thank you Mr. Chairman. Behind Tab four is the FIT Student Housing Corporation transaction to be presented by Matt Bergin. Before he presents, I just want to say that FIT housing is an issue, very similar to our SUNY Dorm transaction, where the bonds are really secured by dorm revenues. However, in this case, FIT has backed up that obligation, just like one of us might do for one of our children. Our staff was very proactive in reviewing all of their debt and they recognized that FIT, given the COVID situation, might want to look at restructuring. We spend a lot of time with financial advisors and others to structure this transaction. So I just applaud Portia and Matt and their team for the work they did on this transaction. Really good, proactive work on behalf of FIT. With that, Matt?

Matthew T. Bergin, Director, Public Finance: Thank you, Mr. President and good morning everyone. The Staff Report provided to the Members presents an 18-year term for a bond issue in an amount not to exceed \$39 million on behalf of the FIT Student Housing Corporation. The FIT Student Housing Corporation was created to develop and operate dormitories for FIT and was added to DASNY's statute in 1982. FIT's Board of Trustees also serves as the Board of Directors for the FIT Student Housing Corporation. The project they are considering is the partial refunding and restructuring of DASNY's FIT Student Housing Corporation Insured Revenue Bonds, Series 2007. This will provide near-term debt service relief due to the low occupancy rates which are a result of the pandemic.

We are currently discussing this partial refunding and restructuring of the Series 2007 bonds in the context of providing for three years of debt service relief. This amounts to approximately \$9.7 million of debt service relief annually. Current thoughts are that the debt service on the proposed refunding and restructuring bonds is anticipated to mature between 2035 and 2038, which is after

the 2034 maturity of the Series 2007 bonds. Partial restructuring and refunding of the Series 2007 bonds does not provide aggregate savings on a net present value basis. It is anticipated that the bond issue will be secured by a policy of municipal bond insurance. The bonds will also be secured by a mortgage and a pledge of the room rents of Kaufman Hall, which is the residential facility located at 406 West 31st Street.

The FIT Student Housing Corporation will also continue to have an operating agreement with FIT whereby payments of the debt service will be a general obligation of FIT to the extent of the non-payment of such amounts by the FIT Student Housing Corporation. In addition, it is also anticipated that the bonds will be secured by a debt service reserve fund.

Mr. Chairman and Mr. President, I just want to clarify some of the discussions at yesterday's Finance Committee Meeting. The Series 2007 bonds are not subject to optional redemption prior to maturity and so for the Series 2020 bonds, we are simply funding an escrow that will pay the scheduled principal and interest only on the specific serial bonds being refunded which is expected to be the next three years.

And finally, in looking at the transaction, although we have requested flexibility, we are anticipating this to be a fixed rate, taxable transaction with this restructuring providing near term debt service relief due to the low occupancy rates which are a result of the pandemic. Mr. Chairman.

Chairman Carney: Matt, what do you expect the debt service reserve fund to be as a percentage of the annual obligation?

Mr. Bergin: The way the debt service reserve fund works, it's a parity reserve fund under the Resolution. So it will be funded for maximum annual P&I for both the 2007 bonds, as well as the 2020 bonds. Because the maximum annual debt service increases by about \$1.1 million it's anticipated that we'll have to fund to up the reserve fund to include that additional amount. The debt service reserve fund is looked at in aggregate between the 2007 bonds and the 2020 bonds with the maximum P&I on both series of bonds.

Chairman Carney: I got it. Thank you, Matt. Are there other questions for Matt? Hearing none, may I have a motion, please, to approve the transaction?

Ms. Snyder: I'll move.

Chairman Carney: Beryl, Thank you very much. And who will second?

Janice McKinnie, Board Member: I'll second.

Chairman Carney: Janice, thank you very much. Good to have you on the screen. The motion has been seconded appropriately and if there's no discussion, then I will ask whether there are any objections to the motion as made and seconded. Hearing none, the motion is approved unanimously, the transaction is approved.

Thank you very much and we go on now, I believe, the next item is the Audit Committee Report. Mr. Committee Chairman.

Jonathan H. Gardner, Esq., Board Member: Thank you, Mr. Chairman. The Audit Committee met yesterday. We had a regular meeting to consider the Audit Committee Charter. There were no recommendations. We also heard a report from KPMG on the 2020-21 Audit Plan and they delivered their report efficiently, very helpful. We also heard an Internal Control update from Karen Ehlinger, that's the annual update. We also had an Internal Audit update, and we considered an Internal Audit report. That's my report, there's nothing to recommend to the Board.

Chairman Carney: Thank you very much, Mr. Chairman, are there any questions for Chairman Gardner? Hearing none, we have no Resolutions to approve, so we can move on to the next Agenda item, which is the report of the President. Jon, thank you.

Mr. McDaniel: Thank you, Mr. Chairman. And it's good to be with all of you today, I first want to just share a couple of personal stories with each of you. My uncle, back in the '50s, was drafted into the army and served two years and came out and just went on about his life. I have a good friend who served in Vietnam and told stories about how difficult that day-to-day lifestyle was. I have a good friend of mine who served in Iraq, in the Green Zone as an accountant and was never in "harm's way" but said every night the Iraqis would shell around them so that no one could sleep at the compound. And this past weekend, a good friend of mine's son who graduated from the Air Force Academy had a very quick courthouse wedding with his girlfriend, also from the Air Force Academy, so they could be deployed together.

I say all of this to say that I just want to express special gratefulness to all of our veterans as we are in Veterans Day week, particularly those veterans and families of veterans at DASNY. Your service is unbelievable, unparalleled and certainly fully appreciated by all of us. I wanted to highlight that as we begin my President's Report.

Chairman Carney: Mr. President, thank you very much for that. It is an appropriate recognition of our nation's commitment to safety and peace around the world. There's a great deal to be said about that, this is not the place to say it all, but it's a very important note that you make. Thank you.

Mr. McDaniel: Absolutely. Thank you. And then secondly, in order of the names I call, I'd like to have Beryl, Gerard and Chairman Carney gush over their visit to 28 Liberty. Beryl, can you tell us how that went?

Ms. Snyder: I would be thrilled to do it. So I took the subway downtown from the upper west side to our new facility. The subway worked perfectly, it was great, it opens at the very bottom of the building. Steve Curro will verify, if I knew my way around, I wouldn't be wandering the streets looking at my phone, but I was stunned at how much progress they had made and how beautiful not only the area, but the building was. It is state of the art. It is befitting to an organization like ours that does construction and highlights New York State.

I think there will not be a single person that will be disappointed. We could not see the view, but I've been downtown many times before, and it will be stunning. Everything about it, from being a beacon in that area, to people's offices, to the flow, to the safety, I felt extremely safe in there. And I think everyone will be surprised and will welcome every meeting we have there, notwithstanding the extra little subway ride.

Mr. Romski: And how quick were the elevators, Beryl?

Ms. Snyder: I barely knew we got in them! There was room for social distancing – hopefully at some point, I won't even say that word again, I'd love never to say that word again – they were fast, I swallowed a few times and my ears popped, that's about the extent of it. I can't wait until DASNY is there, frankly.

Mr. McDaniel: Thank you, Beryl. Gerry?

Mr. Romski: The only thing that I have to add to that is, I still haven't seen a plaque there, Mr. President.

Mr. McDaniel: Mr. Romski, we will have a full unveiling of the plaque, don't worry about that.

Mr. Romski: But otherwise, I think Beryl hit the mark, your construction team should be credited for their work in this very difficult environment, and I certainly look forward to actually having our first live meeting, hopefully sometime in the spring or maybe even earlier if things go right. I'm sure everyone will be very pleased with the with the results and I thank you for your leadership. I'll send you the photos of your office view after this meeting.

Mr. McDaniel: I'll use that as my background, people will think I'm in the office. Mr. Chairman?

Chairman Carney: Mr. President, I am of the view that we could not have made a better decision. Maybe an equally good decision, but not a better decision. The space is coming together in a way that is, in my view, faster than a speeding bullet. Peter Jackson, the project manager, is doing a terrific job down there, under the leadership, of course, of our Managing Director Steve Curro. The space is just going to be outstandingly beautiful. We were there on a day when it was cloudy and we were high enough up so that we couldn't see anything. But Finance Committee Chairman Romski had photographs of every view from all four points of the space, so that what we couldn't see outside, Gerard actually was able to show us on his iPhone.

Now, that may mean that that our Finance Committee Chairman is a bit obsessive, but it also means that it was a beautiful way to stand in a space, not be able to see a thing and then have somebody actually show us what was going on. Gerry, for your information, Paul Koopman and I have talked about the plaque. I have seen what it's going to look like. We will have a plaque on the wall.

Mr. Romski: Obviously, I was only kidding, Al.

Chairman Carney: Of course you were, but I want you to know that DASNY is working on it.

I was impressed with the safety precautions. We were required to check in on the outside at a table that had been set up not to welcome us, but to usher people into the building. To Beryl's point, you couldn't help but feel that you were in safe space. I suspect it's going to feel that way – now, once it's open, there may not be a table set up outside – but I suspect it's going to be, we're going to feel, as if we are in the right space, in a safe space and I'm really pleased about that. So, Mr. President, and to the Board Members who were there, it was a terrific experience for me. My second trip down. They even took us up to the restaurant, which is called Manhatta, with an "a" at the end. I'm not sure that I'll ever be able to afford to eat there. But the views from there – it's at the top of the mark, at the very top of the building – are just terrific and I had a chance to look at the menu while we were up there, so it's going to be terrific to be in that space and to have access to that opportunity just to go upstairs and eat a terrific meal and enjoy. So, supporting everything that's already been said, we couldn't see the view from your office, Mr. President, but I suspect it's going to be beautiful.

Mr. McDaniel: Thank you, Board Members, for that update. Always better coming from someone who has been there. I will report that we are on schedule and under budget, as we should be.

Mr. Romski: And I think Reuben that Vornado regrets its decision every day even more and more and more.

Mr. McDaniel: I think they do, for sure.

Mr. Romski: If we knew then what we know today, obviously some of the terms might have been different, but, you know, it is what it is.

Mr. McDaniel: Thanks so much. Moving on. So, I know we all have COVID fatigue, but this is no time for us to let up. Between now and January 2nd our offices will have the same work schedules that they have now. We will basically have A days and B days, people coming and going to the office. We did do some work internally in the building in Albany to increase the capacity to allow for 50% capacity as opposed to 25% capacity, just to provide flexibility to people who were moving and needed to get to the office for some reason. But we will be staying remote, for the most part, until the beginning of the year. We will continue to update, but I'm pleased to report that the building is in good shape. We are all staying safe and we just cannot have fatigue, we have to get through this together. So we're moving well on that piece.

We have been spending a lot of time – over the past several months for sure, but some of the past month – doing outreach to various partners and whether they're legislators or heads of organizations or some of our financing partners, we've spent a lot of time doing that. And you would expect as President that I would do that anyway, but what you probably don't know is doing it via Zoom means that our staff has to do a lot more prep work for those meetings. And so they really spend a lot of time making sure that I am prepared because it's not just the casual setting where you meet somebody, you really have to be more focused. And so I just want to thank the staff for all the prep work they do there, and Jeff Gordon and Communications and their team do a good job of getting us all set up electronically so that's been going very, very well.

We have several things coming up. We've got two conferences coming up shortly, including, in December, the MWBE conference. And we're working hard to make sure that both the DASNY panel presentation as well as our virtual booth are really accommodative for our partners to be able to come in, speak with the people they want to speak to, make sure that people like Mike Clay and his group are all available because it is hard during these periods of time for us to engage with some of our smaller minority- and women-owned firms and we want to try to give everyone a chance to be able to be in contact with our staff in whatever way we can in the current environment. So I appreciate everybody's work on that, it's not easy to take and do something virtually but we've done a great job and staff has done a great job there.

In your package you also have the proposed calendar for the 2021 Board Schedule. It's straightforward. Clearly if we have special meetings required you all have been excellent about accommodating that for our clients. But you should have that schedule and if anyone has any specific issues, just send me a quick note and we can address them, if necessary.

John B. Johnson, Jr., Vice Chairman: Excuse me, Reuben. As you're talking about the schedule, I'll just remind you and everybody else that if everything breaks right I'm perfectly willing, health agreeing, to host a meeting up here in northern New York on the St. Lawrence River sometime. So if you want a real COVID break, here's the place.

Mr. McDaniel: It feels like, fingers crossed, our July meeting could be up there when it's nice and warm and if we have to meet outside, we'll meet outside. Thanks for that offer, John.

Chairman Carney: And Reuben, let me thank John for that offer. We have had a meeting there, it was years back. We were embraced by the people in John's region. It was a terrific experience. I know it was expensive for the Authority at the time. If Paul Williams is still on the phone, he will remember that we had a terrific time, it was a great meeting. And if we can do it again, it would be wonderful.

Mr. McDaniel: Thanks so much, we appreciate that and look forward to it.

Mr. Romski: John, is the Rome train station still open?

Chairman Carney: I knew it was coming!

Mr. Johnson: I think they have special cab service now.

Mr. Romski: Thank you, John.

Mr. McDaniel: I'd like to ask Steve Curro to give us a construction report update, please. Steve?

Stephen D. Curro, Managing Director, Construction: Thank you. I just have to note that what I remember from that meeting was the food. I don't know if the guy caught the fish that day, but that food that night was terrific and I would second, third, and fourth a motion to go to that part of the world and have another Board meeting.

That being said, 28 Liberty, the construction does continue, we are closing in on really the end of the construction phase of that project. There are still a number of tasks to be completed. We've got finish work, floor coverings, and fire- and life-safety systems to finish up installation and testing on. We do anticipate that substantial completion will come, as predicted, this month or early next month, at which time our DASNY folks will swing into action and get our IS systems installed and implemented and any furniture installations in place. So all is pointing to completion of that space per the schedule.

I just want to mention a couple other quick projects, a short report here today. FIT, on the new \$189 million academic building, they finished up with two town hall meetings for the FIT community, which included the faculty and students. They held town hall meetings and invited DASNY to participate. From DASNY we had Paul Goncalves, our construction phase manager, and Jack Martin, our design phase manager, assisting with Q&A at that town hall meeting. There were a significant amount of questions that came from the faculty and the students, as you can imagine. On the positive side, both construction contracts have been signed. So construction is officially underway. And physical construction will start probably in another month or so. So good news there, we anticipate about a three-year schedule on that project.

Lastly, on Moynihan Station, our Code Compliance group is in full-court press mode right now as the contractor there, Skanska, is trying to finish up that project and have some kind of an opening in the near future. We have deployed a couple of full-time staffers down there from our code group, they join one of our term consultants who has represented DASNY throughout the course of that project. And really, the goal is to assist with any observation or fire- and life-safety system testing and to ensure that things are properly constructed, so that we can go forward and issue a TAO. So a large task ahead, but we have boots on the ground down there, we are meeting every Wednesday with them -- "them" being the larger group, the contractor, as well as many of their subcontractors -- to ensure that there is a plan to go forward and try to finish up that space.

And just at a very, very high level, we're still working with Budget Bulletin 1223, which means all our customer agencies continuing to request approval to advance their projects from the New York State Division of Budget. And that concludes my report.

Mr. McDaniel: Thanks, Steve, and I do want to just say that the team we have working at Moynihan Station has really has jumped in and been full-time on site so that we can be a good partner to ESD and the folks who are doing that construction work to get that facility, so important to New York, open on time. So we appreciate your work, Steve, on that project.

Now I'd like to ask Portia Lee to give us an update on Public Finance. Portia?

Ms. Lee: Thanks Reuben. So just a brief market update: total new issue supply is currently about \$421 billion year-to-date, almost 21% higher than supply levels seen at this time last year. Total supply for this holiday-shortened week is expected to be extremely light, at about \$3.3 billion. Tax exempt bond yields rose on Monday as equities surged following the announcement of news on a COVID-19 vaccine.

The 10-year and the 30-year triple-A MMD yields both increased by five basis points to .86% and 1.61% respectively. US government bond yields also pushed higher with the 10-year Treasury increasing by 14 basis points to .95% and the 30-year increasing by 16 basis points to 1.75%. Municipal bond funds reported outflows for the week ending November 4 after reporting inflows for the previous week. Since the October Board meeting, the one-year MMD rate increased four basis points, the 10-year decreased nine basis points and the 30-year decreased by 12 basis points. On the Treasury front, the 10- and 30-year Treasury have increased 22 basis points and 24 basis points, respectively, since the last Board meeting. That concludes my report, Mr. President. Thank you.

Mr. McDaniel: Thank you, Portia. And then finally, Kim Ellis, can you give us our Finance report, please?

Ms. Ellis: Thank you, Reuben. As highlighted in the standing Financial Report, we received \$1.3 million in financing fees through September against a budgeted amount of \$2.5 million, which represents no change since last month. The percentage of direct hours charged to public client programs is slightly up at 93.9% against a budget of 92.2%. Our operating expenses are approximately \$2.4 million below budget, primarily driven by personnel costs. We continue to monitor expenses closely and we're seeing savings from travel of approximately \$228,000, training of approximately \$123,000 and legal fees of approximately \$323,000. However, we are seeing increases in insurance which is \$166,000 over projected year-to-date and \$20,000 over budget overall. Budget staff is in the beginning stages of reviewing our year-end projections and working on development of next year's financial plan. At next month's meeting, you'll see an update to the 2020-21 budget and financial plan summary, which will include updated results from 2019-20 and projections on where we expect to end this fiscal year.

One final update from last month's meeting. I just wanted to follow up on discussion with regards to the firms KPMG will be partnering with for the engagement, Long Island Financial Management and Valles Vendiola. I did have an opportunity to have an introductory call with both firms and they are both eager to work alongside KPMG on the upcoming engagement. That concludes my report.

Mr. McDaniel: Thank you very much. Now, we have one final piece of business, Mr. Chairman. It appears that one of the Board Members, Brian Cechnicki, seconded by Joan Sullivan, has a motion for you to host all of us in the restaurant on top of the new building, and I see a unanimous vote. So, you're up.

Chairman Carney: Listen, I was disconnected from the call for a while. I don't quite know why. And I can't get back on to the Zoom portion of the call, so I called in from the telephone. I am thrilled that two of the Members are willing to host us at Manhatta, but I'll warn you right now, it is serious up there.

Mr. McDaniel: Maybe we will just have some sandwiches in my office. Mr. Chairman, that concludes my President's Report. Thanks everyone for participating.

Chairman Carney: And let me ask the question, I was dropped off the Zoom call during Steve's presentation, has everybody else had an opportunity to present?

Mr. McDaniel: Steve, Portia and Kim Ellis.

Chairman Carney: Portia and Kim, please forgive me. I don't know what happened electronically, but I was off and could not get back on; please accept my apology for that. Is there any other business to come for this meeting?

Hearing none, today's New York Times headline says Biden Calls for United Front as Virus Rages, it was a very unsettling headline for me. I don't know what your plans are for the upcoming Thanksgiving holiday, I'm sure everybody's going to do his or her best to be safe. But pay special attention to safety because it's not spiking now, it's raging now, with 111,000 cases a day. This is oppressive, and we simply need to be careful as we move into the holiday season. I wish you all the best, Happy Thanksgiving and we will be back on the phone of course before Christmas with our next meeting. When is our next meeting?

Mr. Cusack: It's going to be on December 9th, and the mailing will be after the holiday either Monday or Tuesday. Thank you.

Chairman Carney: Terrific. Thank you very much, Mike. May I have a motion, please, to adjourn?

Mr. Romski: You got it, Al.

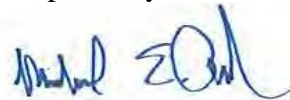
Chairman Carney: Thank you very much. Is there a second?

Ms. Sullivan: Second.

Chairman Carney: Thank you very much, Joan. Without asking for Ayes, unless there is an objection, the meeting is adjourned.

The meeting adjourned at 10:20 a.m.

Respectfully submitted,



Michael E. Cusack
Assistant Secretary