

A Video Conference Meeting of the Finance Committee of the Dormitory Authority of the State of New York (“DASNY”) was held on Tuesday, August 9, 2022 with proceedings commencing at 4:00 p.m.

Call to Order / Roll Call

The Meeting was called to order by Gerry Ronski, Finance Committee Chair at 4:00 p.m. and a quorum was declared present.

The following Board Members and Staff were present:

Committee Members (joining via Zoom):

Gerry Ronski, Finance Committee Chair
Alfonso Carney, Committee Member
Janice McKinnie, Committee Member

Board Members (joining via Zoom):

Beryl L. Snyder, Esq., Board Secretary
Jonathan Gardner, Esq. – Board Member
Joan M. Sullivan – Board Member
Lisa Gomez—Board Member

Staff (joining via Zoom):

Reuben R. McDaniel, III, President and Chief Executive Officer
Paul G. Koopman, Vice President
Kimberly A. Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Ricardo Salaman, Esq., Deputy General Counsel
Sara Potter Richards, Esq., Managing Senior Director, Governance and Administration
Dena Amodio, Esq., Assistant General Counsel
Deborah Fasser, Director, Strategic Communications and Business Development
Karen E. Ehlinger, Manager, Internal Control Analysis
Alex Sirdine, Financial Analyst
Amanda Nazario, Confidential Legal Assistant

APPROVAL OF MAY 10, 2022 FINANCE COMMITTEE MEETING MINUTES

Upon a motion by Mr. Carney and a second by Ms. McKinnie, the Minutes of the DASNY May 10, 2022 Finance Committee Meeting were approved unanimously.

**OFFICE OF CHILDREN AND FAMILY SERVICES (RAISE THE AGE)--
RESOLUTION TO PROCEED**

Ms. Lee thanked the Members for holding a special meeting to consider the financing for this important juvenile justice reform initiative. She then presented the Transaction Report and stated that the Finance Committee is being asked to recommend that the full board adopt a Resolution to Proceed with the issuance of an amount not to exceed \$22,000,000 for a term not to exceed 18 years for the first bond issuance under the Raise the Age Program.

Ms. Lee stated that Albany County will be the first Participant County and sole obligor for this initial issuance, and that additional Counties are expected to participate in the future. She informed the Members that Raise the Age is a major juvenile justice reform initiative that removes 16 and 17-year-old Adolescent Offenders from the adult criminal justice system and places them in age-appropriate settings. The law provides that 16 and 17-year-old Adolescent Offenders must be housed separately from adults in facilities that are preferably located closer to the offender's home and family with the ability to provide services in smaller, closely supervised groups. She stated that the goals of the Raise the Age Program are to reduce recidivism rates and provide for a more fair and equitable justice system.

Ms. Lee stated that the proceeds of the Bonds will finance the costs associated with additions and renovations to the existing Detention Center in Albany County, including adding a secure housing wing to provide an additional 12 beds and support space; creating additional medical, administrative, secure visitation, classroom, and counseling space; an expansion to the secure entrance way and garage to provide sufficient space for intake procedures; an expanded recreation yard; additional parking, and new safety and security features including a fire suppression system, a full coverage security camera system and an upgraded central control unit to control access and egress throughout the facility.

Ms. Lee informed the Committee Members that the bonds will be secured by a pledge of all funds payable by the Office of Children and Family Services ("OCFS") to Albany County (Pledged State Aid Revenues) and a Financing Agreement with Albany County which includes a pre-default intercept of these Pledged State Aid Revenues. The intercept mechanism is a pre-default intercept as the financing agreement payments will be due to the Bond Trustee at least 4 months prior to the debt service payment dates. Ms. Lee noted that because the Pledged State Aid Revenues include a pledge of all funds payable by OCFS to Participant Counties, the debt service coverage is projected to be substantial. Based on recent historical interceptable aid paid to Albany County by OCFS, the projected debt service coverage ratio is expected to be approximately 11.6:1.0.

Ms. Lee stated that in addition to the reimbursement that is provided for debt service associated with capital costs related to Raise the Age and non-Raise the Age facilities, other OCFS reimbursement includes funding related to foster care, social services, independent living, and child welfare services. She informed the Committee Members that Albany County owns the land on which the Detention Facility is located and leases the land to the Capital District Youth Center, Inc. or CDYCI. Ms. Lee explained that CDYCI was created jointly by Albany County, Rensselaer County, Saratoga County and Schenectady Counties as a not-for-profit public

corporation and administers the Detention Facility. She noted, however, that these counties are not obligors on the financing and the financial aid paid to these counties is not subject to intercept. Ms. Lee stated that Albany County is the sole obligor for the Project and will assume full financial responsibility, including its Pledged State Aid Revenues, and the corresponding intercept of such revenues, for Rensselaer, Saratoga, and Schenectady Counties' use of the facility. The Expected Rating based on the intercept is Aa2 by Moody's.

Mr. Carney asked what triggers the pre-default intercept. Ms. Lee replied that the intercept is triggered if payment is not made by the County. Mr. Carney stated that he is proud DASNY is involved in this program and hopes it expands to other counties.

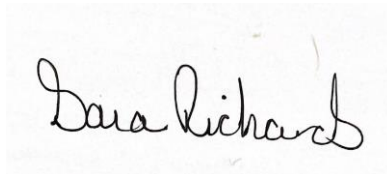
In response to a question from Mr. Ronski, Ms. Lee stated that other counties are in discussion with OCFS and will likely come before the Board in the spring. Ms. Snyder and Ms. Sullivan expressed their support of the program and DASNY's participation in it.

Ms. McKinnie moved to advance the financing to the full Board at the August 10, 2022 Board Meeting. The motion was seconded by Mr. Carney and approved unanimously.

Adjournment

Mr. Carney moved to adjourn the meeting. The motion was seconded by Ms. McKinnie and the meeting adjourned at 4:15 p.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Sara Richards". The signature is written in a cursive style and is centered within a light gray rectangular box.

Sara P. Richards
Assistant Secretary