

The Dormitory Authority of the State of New York Finance Committee Meeting was held by videoconference technology among DASNY's Offices in New York City, 28 Liberty Plaza, New York, New York; 515 Broadway, Albany, New York; and 6047 Transit Road, East Amherst, New York at 4:20 p.m. Tuesday, May 9, 2023.

**CALL TO ORDER / ROLL CALL**

The Meeting was called to order by Gerard Ronski, Finance Committee Chair, at 4:20 p.m. and a quorum was declared present.

The following Board Members and Staff were present:

**Finance Committee Members Present--NYCO**

Gerard Ronski, Esq., Finance Committee Chair  
Alfonso L. Carney, Jr., Board Chair, Committee Member

**Finance Committee Members Absent**

Janice McKinnie, Finance Committee Member

**Other Board Member Present – NYCO**

Beryl Snyder, Board Member

**Other Board Members Present--Albany**

Joan M. Sullivan, Board Member  
Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)

**Staff Members Present**

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  
Charlie Williams, Managing Director, Executive Direction  
Sara Richards, Chief of Staff  
Ricardo Salaman, Deputy General Counsel  
Jerry Brouillette, Director, Information Services  
Matthew Bergin, Director, Public Finance  
Craig Schreivogl, Director, Portfolio Monitoring  
Alex Sirdine, Senior Financial Analyst  
Amanda Nazario, Confidential Legal Assistant

**PUBLIC SESSION**

Committee Chair Ronski called the Meeting to order. The Minutes of the April 11, 2023 Finance Committee Meeting were reviewed and approved.

**PIT/Sales Tax Revenue Bond Program—Single Approval Financing**

Mr. Bergin stated that the Committee is being asked to recommend to the full Board the issuance of multiple series of tax-exempt and/or taxable, fixed and/or variable rate bonds for new money, refunding or tender purposes, issued at one or more times in an amount not to exceed \$4.5 billion. He informed the Committee Members that the new money bonds may be issued with a term of up to 30 years with the exception of bonds issued to finance MTA capital projects, which may have a term of up to 50 years as authorized in the FY 2024 Enacted Budget. Mr. Bergin stated that the State would like the flexibility to issue the proposed bonds under either the Personal Income Tax Revenue Bond Program and/or the Sales Tax Revenue Bond Program and this authorization is expected to cover two transactions.

Mr. Bergin stated that approximately \$2.1 billion of bond proceeds are for new money projects and may include the funding or reimbursement related to the Department of Corrections and Community Supervision; Economic Development Projects and/or Grants; various environmental initiatives; Health Care Grants; The Division of Homeland Security and Emergency Services; The Office of Information and Technology Services; Libraries and other SED programs; MTA Transportation Facilities; New York Power Authority energy project loan refinancings; the Office of General Services; The Office of Mental Health (“OMH”), the Office for People with Developmental Disabilities (“OPWDD”) and the Office of Addiction Services and Supports (“OASAS”); State University of New York Educational Facilities; and State and Municipal Facilities Grants. Mr. Bergin noted that of the \$2.1 billion for the new money projects, the only prospective costs are those incurred for MTA projects. The remaining proceeds will be utilized to reimburse the State.

Mr. Bergin informed the Committee Members that the bond proceeds will also cover refunding in the amount of approximately \$1.3 billion as well as the tender of certain bonds issued under various State supported debt programs. He stated that investor participation is currently unknown with respect to the tender bonds, although DASNY expects to target approximately \$1.1 billion. He stated that both the refunding and the tender will provide debt service savings to the State. Mr. Bergin noted that the Board is being asked to rescind the \$2.75 billion authorization from November.

Mr. Bergin stated that security for the PIT bonds includes 50% of the receipts from the New York State personal income tax, 50% of the employer compensation expense tax, and 50% of the receipts from imposition of the pass-through entity tax which are all deposited into the Revenue Bond Tax Fund (“RBTF”). He further stated that security for the Sales Tax Revenue Bond Program includes a set aside of two cents of the State’s four percent sales tax pursuant to statute and deposited in the Sales Tax Revenue Bond Tax Fund.

Mr. Bergin informed the Committee Members that for the fiscal year ending March 31, 2024, the debt service coverage on all outstanding State Personal Income Tax bonds is projected to be 7.1 times total debt service and the debt service coverage on all outstanding Sales Tax bonds is

projected to be 8.2 times total debt service. He stated that the expected ratings of either program are Aa1/AA+\AA+.

Mr. Carney inquired why the \$2.75 billion authorization approved last fall is being rescinded. Mr. Bergin explained that for tracking purposes, since we did not issue bonds in connection with the fall authorization, it is preferable to have this authorization tied to the upcoming issuance of bonds rather than tying the upcoming issuance to two different authorizations (Fall 2022 and Spring 2023).

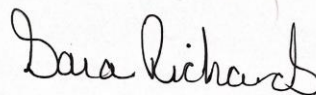
Mr. Ronski asked for a brief explanation of the flow of funds for the set aside of tax revenue. Mr. Bergin explained that for the PIT program, the money is deposited into the revenue bond tax fund and for the sales tax bond program, the money is deposited into the sales tax revenue bond tax fund. Mr. Bergin stated that the Department of Taxation and Finance verifies that the funds are properly accounted for.

Mr. Ronski asked Mr. Bergin to explain more about the MTA green bonds. Mr. Bergin explained that specific investors that are looking for green bonds to finance certain types of cleaner energy projects. He further explained that the green bonds will be marketed to those investors who wish to invest in projects that will lower the carbon footprint. Mr. Ronski asked whether the maximum 50-year useful life is established by statute and Mr. Bergin replied in the affirmative. Mr. Bergin noted that although the maximum term is 50 years, it could be shorter as it is dependent upon the useful life of the assets being financed. He stated that the funding is prospective and therefore not all of the projects have been identified at this time.

The Finance Committee Members agreed unanimously to recommend full Board approval of the PIT/Sales Tax Revenue Bond Single Approval transaction at tomorrow's meeting.

The Finance Committee meeting was adjourned at approximately 4:35 p.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Sara Richards". The signature is written in a cursive style and is positioned above the printed name and title.

Sara P. Richards  
Assistant Secretary