

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, 6047 Transit Road, Suite 103, Buffalo, New York, and 515 Broadway, Albany, New York at 9:41 a.m. on Wednesday, December 6, 2023.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Gerard Romski, Finance Committee Chair, at 9:30 a.m. and a quorum was declared present. The following Board Members and Staff were present:

Finance Committee Members Present – NYCO

Gerard Romski, Esq. – Finance Committee Chair
Alfonso L. Carney, Jr. – Finance Committee Member (*Via Zoom*)
Janice McKinnie—Finance Committee Member

Other Board Members Present – NYCO

Lisa Gomez – Board Chair
Beryl L. Snyder, Esq. – Board Member
Wellington Chen– Board Member

Other Board Members Present – Albany

Joan M. Sullivan – Board Member
Kenneth Evans – Designated Representative of the Commissioner of Health, Board Member (*ex officio*)
Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)
Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Staff Members Present

Charlie Williams, Vice President
Stephen Curro, Managing Director of Construction
Kimberly Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Sara Potter Richards, Managing Director, Executive Direction
Matthew Moore, Deputy General Counsel
Ricardo Salaman, Deputy General Counsel
Dena Amodio, Associate General Counsel
Dan Brown, Senior Director, External Relations
Geoffrey Arnold, Director, Budget and Operations
Matt Bergin, Director, Public Finance
Jerry Brouillette, Director, Information Services
Deborah Fasser, Director, Strategic Communications & Business Development

Jenilee Flinton, Director, Internal Audit
Jeffrey Gordon, Director, Communications
Craig Schreivogl, Director, Portfolio Monitoring
Stephen Kosier, Assistant Director, Public Finance
David Ostrander, Assistant Director, Public Finance
Karen Ehlinger, Manager, Internal Control Analysis
John Savona, Project Executive, Construction and CS Administration
Tamika Dunnaway, Senior Human Resources Specialist
Alison Hernandez, Senior Human Resources Specialist
Dave Byam, Senior Systems Specialist
Brittany Stinson, Media & External Relations Officer
Amanda Nazario, Confidential Legal Assistant
Lori Huelle, Executive Assistant

PUBLIC SESSION

Finance Committee Chair Ronski called the meeting to order and welcomed Members and Staff. The Minutes of the November 8, 2023 Finance Committee Meeting were unanimously approved.

Cornell University Transaction Summary

Mr. Ostrander stated that the Finance Committee is being asked to recommend to the full Board the adoption of a Resolution to Proceed for one or more series of tax-exempt and or taxable, fixed and/or variable rate bonds with maturities not to exceed 35 years in an amount not to exceed \$800 Million on behalf of Cornell University. He informed the Members that the Bond proceeds will be used for new money projects, refinancing of taxable debt, and the refunding of DASNY Bonds.

Mr. Ostrander stated that the new money projects total approximately \$255 Million and include various construction, renovation, and deferred maintenance projects located throughout the University system. He explained that the majority of the new money projects will be funded with a combination of bond proceeds, donations, and University equity. Mr. Ostrander informed the Members that the projects include the construction of the Ann S. Bowers Computing and Information Science Building, a new 135,000 square-foot research and teaching facility on Cornell's Ithaca campus. He stated that this facility will bring computer science, information science and data science departments together into one complex. Mr. Ostrander further stated that other projects on the Ithaca campus include construction of Atkinson Hall, a new facility which will house and centralize various health and science programs, as well as a 4-story addition to Thurston Hall to house teaching and research programs for various engineering programs. He informed the Members that Cornell is constructing a new 16-story, 173,000 square-foot facility to house up to 272 medical and graduate students at Weill Cornell Medicine campus in Manhattan. Mr. Ostrander stated that this project will nearly double the existing student residential living space at that campus. Mr. Ostrander noted that there are various other projects at Cornell Tech on Roosevelt Island and other projects located on other Cornell campuses.

Mr. Ostrander informed the Members that the refinancing portion of the transaction will include the refinancing of taxable commercial paper issued by the University as well as taxable loans incurred by the University for capital projects totaling approximately \$228 Million.

Mr. Ostrander stated that the proceeds from the proposed issuance are also expected to be used to refund all or a portion of DASNY's Series 2000A, Series 2000B, Series 2004A, Series 2004B, Series 2019B and Series 2019C, all of which are variable rate.

He explained that the University intends to reduce its exposure to variable rate debt through the proposed transaction by refunding all six series of outstanding bonds with fixed rate bonds. He noted that this portion of the transaction totals approximately \$270 Million.

Mr. Ostrander stated that the outstanding obligations of the University have been assigned a rating of Aa1 from Moody's and AA from S&P. Mr. Ostrander further stated that it is expected that the Loan Agreement will be a general unsecured obligation of the University.

Mr. Ostrander informed the Committee Members that Cornell has experienced positive demand and enrollment in recent years and that Freshman applications increased by 38% over five years reaching 67,846 for fall 2023. He stated that during that same time period, the total FTE enrollment increased by 9.2% for a total headcount of 27,674 for fall 2023. He added that Cornell draws revenue from a variety of different sources including student-generated revenue, State support from the Contract Colleges, and clinical practice revenue from the Medical College. Mr. Ostrander explained that as a result, Cornell's revenue composition is diverse, with only 21% of revenues coming from student-generated sources. He informed the Committee Members that Cornell's balance sheet reflects growing financial resources and liquidity, and that unrestricted net assets increased by 22.2% over five years, from \$3.4 Billion in fiscal year 2019 to \$4.2 Billion in fiscal year 2023.

The Finance Committee Members unanimously agreed to recommend the approval of a Resolution to Proceed with the Cornell University Transaction by the full Board.

The Finance Committee meeting was adjourned at approximately 9:45 a.m.

Respectfully submitted,

Sara P. Richards
Assistant Secretary