

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 9:30 a.m. on Wednesday, March 13, 2024.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Gerard Ronski, 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 Ronski, Esq. – Finance Committee Chair
Alfonso L. Carney, Jr. – Finance Committee Member

Finance Committee Members Absent

Janice McKinnie—Finance Committee Member

Other Board Members Present – NYCO

Lisa Gomez – Board Chair
Beryl L. Snyder, Esq. – Board Member
Robert Rodriguez – Board Member

Other Board Members Present - Albany

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*)

Other Board Members Absent

Joan M. Sullivan – Board Member
Wellington Chen– Board Member
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
Sara Potter Richards, Managing Director, Executive Direction
Matthew Moore, Deputy General Counsel
Ricardo Salaman, Deputy General Counsel

Dena Amodio, Associate General Counsel
Jenilee Flinton, Director, Internal Audit
Geoffrey Arnold, Director, Budget & Operations
Jerry Brouillette, Director, Information Services
Deborah Fasser, Director, Strategic Communications & Business Development
Craig Schreivogl, Director, Portfolio Management
Stephen Kosier, Assistant Director, Public Finance
David Ostrander, Assistant Director, Public Finance
Gregory Maisenbacher, Manager, Internal Control Analysis
Dave Byam, Senior Systems Specialist
Amanda Nazario, Confidential Legal Assistant
Lori Huelle, Executive Assistant
Meghan Cyr, Administrative Assistant

Bond Counsel Present:

Melissa C. Bennett, Esq., Barclay Damon LLP (*Via Zoom*)
Robert M. Drillings, Esq., BurgherGray LLP (*Via Zoom*)

Members of the public also joined via Zoom.

PUBLIC SESSION

Finance Committee Chair Gerard Ronski called the meeting to order and welcomed Members and Staff. The Minutes of the February 14, 2024 Finance Committee Meeting were unanimously approved.

Finance Committee Charter – Annual Review

The Finance Committee Members confirmed that they have reviewed the Finance Committee Charter and unanimously agreed that no changes or revisions are needed.

School Districts Revenue Bond Financing Program - Single Approval Transaction Summary

Mr. Kosier stated that the Finance Committee is being asked to recommend to the Full Board the issuance of multiple series of School Districts Revenue Bond Financing Program bonds in an amount not to exceed \$1,500,000,000 to be sold through multiple negotiated offerings. He further stated that proceeds from the bonds may be used to refinance Bond Anticipation Notes (BANs) of various New York State School Districts, finance new money projects on behalf of various New York State School Districts, and to refund bonds previously issued by DASNY through the School Districts Revenue Bond Financing Program.

Mr. Kosier informed the Committee Members that the School Districts have the option of issuing their own general obligation bonds or participating in the DASNY pooled program. He explained that when School Districts issue their own general obligation bonds, they receive building aid based on a statewide average interest rate, which, if lower than a School District's actual cost of borrowing, can negatively impact the amount of building aid received by a School District for a project.

Mr. Kosier further explained that when School Districts issue through the DASNY pool, they receive building aid based on the actual rate achieved for that DASNY bond series. Therefore, the building aid received for a project financed through the DASNY pool more accurately reflects the School District's actual cost of borrowing.

Mr. Kosier informed the Committee Members that since the first issuance under the program in 2002, DASNY has issued over \$8.8 billion in bonds on behalf of 359 school districts across the State. Of the \$8.8 billion, \$6.6 billion was issued for BAN refinancing and new money and \$2.2 billion was issued to refund prior DASNY School Districts Revenue Bond financing program bonds.

Mr. Kosier stated that staff is requesting authorization to meet School Districts' demand for a new money and BAN refinancing pool closing in June. He further stated that, while no refunding is anticipated at this time, bonds could be issued later in 2024 to refund outstanding DASNY bonds pending market conditions and School District demand. Mr. Kosier noted that the 2023 issuance was the largest ever under this program at nearly \$1.1 billion and provided long-term financing for 88 school districts. He stated that based on initial feedback from the School Districts' financial advisors, a similar sized pool is expected in 2024.

Mr. Kosier reported that the structure and security features are the same as previous School District pools and consist of semi-annual payments to be made pursuant to Financing Agreements backed by the full faith and credit general obligation bonds of the participating School Districts, as well as a Statutory intercept through the State Comptroller of any State aid due to participating School Districts for debt service on the Bonds. He stated that Bond insurance will be considered if available and economically advantageous.

In response to an inquiry from Mr. Rodriguez, Mr. Kosier stated that the \$1.5 billion will be used primarily for BAN refinancing. He further stated that if there is a need for an additional issuance for new money or refunding purposes later in the year in an amount that exceeds the \$1.5 billion authorization, Staff would return to the Board for additional financing authorization. In response to a question from Mr. Ronski, Mr. Kosier confirmed that every project in the pool needs to be approved by the voters of the School District, as well as SED. Mr. Ronski observed that the pooled funding program is especially popular in a rising interest rate environment.

Upon a motion from Mr. Carney and a second from Chair Ronski, the Finance Committee unanimously recommended the approval of the School Districts Revenue Bond Financing Program by the full Board.

The Finance Committee meeting was adjourned at approximately 9:40 a.m.

Respectfully submitted,

Sara P. Richards
Assistant Secretary