

The Dormitory Authority of the State of New York Special Finance Committee Videoconference Meeting was held by 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 9:34 a.m. on Wednesday, August 21, 2024.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Gerard Ronski, Finance Committee Chair, at 9:34 a.m. and a quorum was declared present. The following Board Members and Staff were present:

Finance Committee Members Present

Gerard Ronski, Esq. – Finance Committee Chair – **NYC Office**
Janice McKinnie—Finance Committee Member – **Buffalo Office**

Finance Committee Members Absent

Alfonso L. Carney, Jr. – Finance Committee Member

Other Board Members Present – NYCO

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

Other Board Members Present - Albany

Kent Syverud – Board Member
Kenneth Evans – Designated Representative of the Commissioner of Health, Board Member (*ex officio*)
Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Other Board Members Absent

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

Senior and Presenting Staff in Attendance

Robert J. Rodriguez, President & CEO
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 & Portfolio Management
Sara Potter Richards, Managing Director, Executive Direction
Alex Sirdine, Senior Financial Analyst

Various DASNY Staff Members and Members of the public also joined via Zoom.

PUBLIC SESSION

White Plains Hospital Obligated Group – Resolution to Proceed

Mr. Sirdine stated that the Finance Committee is being asked to recommend that the full Board adopt a Resolution to Proceed with the issuance of one or more series of tax-exempt and/or taxable, fixed and/or variable rate bonds with a maturity not to exceed 30 years in an amount not to exceed \$500,000,000 on behalf of the White Plains Hospital Medical Center. He noted that the Department of Health is supportive of this transaction and the Department's recommendation memo was provided to the Members yesterday.

Mr. Sirdine informed the Committee Members that the proceeds of the Bonds are expected to be used to fund the construction of a 10-story addition to the Hospital's existing inpatient hospital facility, including the expansion of the emergency department, the addition of three new operating rooms, and 144 private inpatient beds. Mr. Sirdine stated that the White Plains Hospital Medical Center is a 292-bed acute care hospital located in the City of White Plains, Westchester County, New York, is a member of the Montefiore Health System, Inc., and serves as its tertiary hub in the Hudson Valley region.

Mr. Sirdine stated that the Hospital has experienced significant growth in recent years and, as a result, has seen its occupancy rate climb to over 95%. He further stated that the proposed project aims to relieve overcrowding and capacity issues the Hospital faces in the emergency department, inpatient units, and surgical suites. He added that the project will further promote collaboration and integration among the Health System's hospital affiliates, some of which are safety-net hospitals serving diverse and underserved populations within the region.

Mr. Sirdine stated that with this proposed expansion, patients have enhanced and expanded access to tertiary care closer to home within the Montefiore Health System. At the same time, the project enables the Montefiore system hospitals to transfer secondary and tertiary level patients to White Plains Hospital instead of other hospitals in New York or New Jersey and further from their homes.

Mr. Sirdine stated that security for the bonds will be one or more Obligations issued under a Master Trust Indenture. He explained that the obligations are expected to be secured by both a security interest in gross receipts of members of the Obligated Group and mortgages on certain facilities of members of the Obligated Group. Mr. Sirdine stated that at the present time, the White Plains Hospital Medical Center is expected to be the sole member of the Obligated Group and the bonds are expected to be rated in the BBB category.

Mr. Sirdine informed the Committee Members that Commercial payors constitute the largest portion of the Hospital payor mix and contribute 60% of the Hospital's gross revenues. He stated that this is followed by Medicare at approximately 30% and Medicaid at approximately 7%. He noted that discharges have increased annually and reached a total of over 21,900 for 2023, approximately 11% above pre-pandemic levels. Mr. Sirdine reported that over the last five years, the Hospital has experienced a 26.4% increase in outpatient visits and this increase in the Hospital's utilization and occupancy has led to an improvement in its financial operating performance. He stated that the Hospital grew its operating revenue by approximately 57% or \$457 million over the last 5 years. Mr. Sirdine further stated that this growth has consistently outpaced operating expenses, resulting in an average annual operating gain of \$57 million

and the Hospital's continuous positive operating performance has resulted in total assets increasing by approximately \$630 million, or 67%, to a reported \$1.6 billion at fiscal year-end 2023. He reported that the Hospital's total liabilities have increased by approximately \$366 million over the same period to \$785 million, giving the Hospital total net assets of \$790 million at fiscal year-end 2023, \$758 million of which are unrestricted.

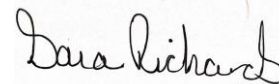
Mr. Evans informed the other Board Members that the Department of Health is very supportive of this project. He stated that the combination of new technology, new equipment and new buildings will improve the overall quality of care within New York's healthcare delivery system and benefit State and its residents.

Mr. Evans stated that DOH intends to remain involved with the development of the Master Trust Indenture Agreement. He explained that DOH wants to fully understand the terms and conditions applicable to the Hospital and its obligated group, of which the Hospital is the sole Member. Mr. Evans informed the Members that he discussed this transaction with the Health Commissioner yesterday, and the Commissioner is also very supportive of the project, subject to Staff involvement in the development of the Master Trust Indenture Agreement.

Upon a motion from Ms. McKinnie and a second from Mr. Ronski, the Finance Committee unanimously recommended the approval of the Resolution to Proceed for the White Plains Hospital Obligated Group by the full Board.

Upon a motion from Ms. McKinnie and a second from Mr. Ronski, The Finance Committee meeting was adjourned at approximately 9:41 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sara Richards". The signature is written in black ink on a white background.

Sara P. Richards
Assistant Secretary