**Capital District Youth Center, Inc.**

**Board Meeting**

Wednesday, July 18, 2018

Capital District Regional Planning Commission

1 Park Place, Suite 102

Albany, NY 12205

**Members Present:** Lucille McKnight, Kristin Swinton, Laura Bauer, Steve Bayle, Craig Warner, Barbara Mauro

**Members Present**

**Via Video Conference:** Samantha Miller-Herrera

**Members Absent:** William Connors, Scott Bendett

**Staff:** Mark Castiglione, Time Canty, Donna Reinhart

**Presiding:** Barbara Mauro, President called the meeting to order at 8:30am.

**Amendment to the July 18, 2018 Agenda**

**Action Taken**

Kristin Swinton made a motion to add the revised 2018 Lease Agreements and 2018 Use Contracts to the agenda and Steve Bayle seconded. The motion was approved unanimously.

**1. Welcome & Introduction of Guests**

Lucas Jacobs from Berkshire Farm, Karim Abdul-Matine, Facility Director, Robert Ryan from Harris Beach and Alan Walther and Jamie Cote from Bonadio & Co. LLP were in attendance.

**2. Approval of May 16 and June 12, 2018 Meeting Minutes**

The minutes were distributed before the meeting and no changes were made.

**Action Taken**

Craig Warner made a motion to approve the May 16 and June 12, 2018 meeting minutes and Steve Bayle seconded. The motion was approved unanimously.

**3. Financial Statement through June 30, 2018**

The financial statement represents activities through June 30, 2018. Revenues are at 37% and expenses are at 43%. Revenue is tracking significantly under budget due to low utilization. Through June, CDYCI has deficit of $173,234.

There was a special meeting held on June 12 to increase the per diem rate effective June 1, 2018 to $978.43, an increase of $225.40 from the March 2018 revised rate of $753.03. The revised per diem rate is based on an annual utilization rate of 50%. It is anticipated that the revenue from the new rate will help close the gap on the current deficit. Expenses will increase towards the end of the year when 9.5 full time employees are anticipated to be hired and trained to operationalize the facility to accept AOs.

At the last meeting Mark informed the Board that OCFS announced they are working on the implementation of a new billing process which would eliminate the per diem rate entirely. The new process would be a quarterly reimbursement based on actual expenses incurred for individual youth. This new process has been delayed until January 2019.

**Action Taken**

Lucille McKnight made a motion to approve the financial statement and Steve Bayle seconded. The motion was approved unanimously.

**4. Facility Usage: June 2018**

The facility was operating in June at 53.3% which is significantly lower than 2017 at 81.4%. Year to date utilization is at 51.7%; lower than 2017 at 81.4%. Karim informed the Board that there are 5 youth in the facility today.

The low utilization continues through June, however Mark anticipates an increase once RTA youth enter the facility after October 1.

**5. Revised Reconciliation**

The original reconciliation calculation did not factor in the Capital Reserve amount of $29,453.95. With Operations revenue of $2,827,526.30 including the Unused Bed Days from Oneida County, plus the meal subsidy income and interest revenue, the total revenue from all sources equaled $2,918,636.68. With total expenditures equaling $2,455,876.44, 2017 ended with a surplus of $462,760.24.

At the last meeting, the Board elected to delay the reimbursement to the counties through the end of 2018.

**Action Taken**

Lucille McKnight made a motion to approve the amended 2017 Reconciliation and Laura Bauer seconded. The motion was approved unanimously.

**6. 2017 Audit**

A copy of the draft FY-2017 Audit Report prepared by The Bonadio Group was sent out prior to the meeting for review.

Alan Walther and Jamie Cote went over the Audit Report with the Board. Alan informed the Board that 2017 audit is following the GASB reporting process, which is a different process from previous years. Included in the Audit Report are a Required Communications letter and the Independent Auditor’s Report providing information related to the audit. There were no material adjustments in the audit. CDYCI received the highest level of assurance from Bonadio.

**Action Taken**

Laura Bauer made a motion to accept the 2017 Audit and Craig Warner seconded. The motion was approved unanimously.

**7. Approval of New Furniture Purchase Orders**

At the last meeting the Board authorized Mark to engage the Dormitory Authority of the State of New York in a procurement services contract for the purchase of furniture for the facility. It was determined by SCOC and the Albany County Sheriff during a walkthrough of the facility that the existing furniture which is original to the facility presents a safety hazard to youth and staff. Therefore, as a condition of SSD certification, all common area furniture in the secure portion of the building must be replaced.

The following three Purchase Orders have been issued by DASNY:

* NYS Dept of Correctional Services for $12,884.80
* Moduform for $3,856.05
* Eminence Group/Colecraft for $20,811.79

Purchase Orders for Allsteel, Norix, and Cornilleau are being finailized and should be issued shortly. The bulk of the cost will be for the Allsteel Furniture. The total budget for the furniture is $142,000.00. Estimated delivery for the furniture is scheduled for the week of August 8 with completion by September 14, 2018. There has been some discussion with Albany County regarding auctioning off the existing furniture once the new furniture is delivered. The existing furniture will be stored until it can be auctioned off.

That revenue from the existing furniture will go into the operating cost of the facility and back to the counties.

Mark is requesting Board approval for both the current and pending purchase orders for a total not to exceed $167,000.

**Action Taken**

Lucille McKnight made a motion to approve the current and pending purchase orders of a total not to exceed $167,000 and Kristin Swinton seconded. The motion was approved unanimously.

**8. Approval of Agreements and Contracts**

Mark distributed copies of the 2018 amended use contracts for Albany, Rensselaer, Saratoga and Schenectady; Referring County Use Contracts and new contracts for counties without previous contract with CDYCI. The change to the 2018 contracts is the increase in the number of reserved beds to reflect the operation of a 24 bed facility between October 1, 2018 through December 31, 2018. The amended contracts add language related to Specialized Secure Detention, Adolescent Offenders, and language related to insurance. The Operator Agreement with Berkshire Farm, County Use Contracts and an amendment to the current agreements must be in place by October 1, 2018.

Bob Ryan provided a draft of the 2019 amended lease agreements for the Board to review. The draft 2019 lease agreements do not need to be executed prior to October 1, 2019, however Mark is seeking Board approval to distribute the following to the counties for review and discussion:

* Albany County master Lease (Albany County as landlord, CDYCI as tenant)
* Leaseback to Albany County (CDYCI as Landlord and Albany as Tenant)
* Rensselaer Lease
* Saratoga Lease
* Schenectady Lease

At a meeting on Monday, July 16, 2018 with OCFS, CDYCI was informed that after January 1, 2019 the process of billing a claim will go to a reimbursement base. We will have to set up a process by which the participating counties contribute to operations expenses for the first quarter then CDYCI will be reconciling with participating counties and the counties will be submitting for reimbursement based on actual expenses.

**Action Taken**

Lucille made a motion to approve the revised Lease Agreements and Steve Bayle seconded. The motion was approved unanimously.

Steve Bayle made a motion to approve the new Operator Agreement with Berkshire Farm and Kristin Swinton seconded. The motion was approved unanimously.

Kristin Swinton made a motion to approve the amendment to the 2018 use contracts reflecting a change in reserved bed days and Laura Bauer seconded. The motion was approved unanimously.

Craig Warner made a motion to authorize the Chief Administrator to distribute the 2019 draft amended lease agreements to the counties for discussion and Kristin Swinton seconded. The motion was approved unanimously.

**9. Specialized Secure Detention Budget and Rate**

It is uncertain at this point the approach CDYCI can take with expenses related to RTA and AOs. The state is proposing a new process beginning January 1, 2019 that would reimburse counties for actual expenses on a rolling basis. All expenses would need to be assignable to either individual JD/JO or AO youth and submitted quarterly to the state. CDYCI would no longer be able to charge a rate based on budgeted expenses, creating a significant cashflow problem. Mark is still in discussions with OCFS and they have pledged to remain flexible and to work on a solution that would enable CDYCI to maintain cashflow while limiting the cash outlay from the counties.

Also, eligible expenses for reimbursement through the JDAS system would be limited to costs related to the direct care of children and does not include debt service and potentially CDYCI administrative costs. Those “non-care” costs would need to be identified in a county plan and reimbursed under that process. It is still unclear whether a county can submit non-care CDYCI expenses for reimbursement or whether the counties would need to pay CDYCI first then seek reimbursement.

Mark is meeting with OCFS and County DSS representatives on Monday to discuss further.

**10. Waiver/Variance/Certification Requests**

There are about 60 policies and procedures that need to be updated for certification. We also need to provide the state with all the requests listed on the checklist on the Application to Operate A Specialized Secure Detention Facility Form that CDYCI must complete and submit in order to have the State, SCOC and OCFS certify CDYCI to operate a Specialized Secure Detention Facility. Over the last month, Karim has been working on updating the Policy and Procedures Manual for submission to the state and submitted to Mark this week for review.

There is a presentation this Friday from SMRT with their initial facility assessment. In that presentation, they will be giving materials for additional certification needed. In addition, a formal waiver request will be submitted to SCOC and OCFS along with the certification. Based on estimates of the time needed to develop appropriate bid documents for the work and the submissions, we will not be in a position to complete the work prior to October 1, 2018.

The waiver request for the improvements include:

* A waiver to collocate females in the three bed housing unit
* A waiver to change the door swings from swing out to in
* A waiver for a separate visiting room
* A waiver to provide a staffing plan to demonstrate adequate separation of population cohorts in common areas
* A waiver for adequate recreation space
* A waiver for an expanded sally port area
* A waiver for updated cameras and security system

Mark will be submitting the certification and formal waiver request the week of July 16 or 23.

**11. Finance Options**

Bond counsel Joe Scott prepared a summary of options to finance improvements at the facility and anticipated pros/cons. The options include:

* Albany County Water Facility for financing
* Multi County – each county can finance a portion
* Albany County CRC – a public benefit corporation that could serve as a similar role as CDYCI
* Albany County IDA
* CDYCI – very similar to original financing of the facility

CDYCI is still pursuing working with DASNY for financing. DASNY is currently working with OCFS to determine if an aggregate financing for multiple projects across the state is feasible. Once they determine the number of projects that are seeking DASNY financing, they will be in a position to discuss specifics of that option with us.

Mark will continue discussions with DASNY and keep the Board up to date as new information becomes available.

**12. Facility Operation**

Karim informed the Board there are 5 children in the facility today and the utilization continues to be very low. Berkshire Farm is still working on staff recruitment. However, the main issue in getting qualified candidates is the salary that is being offered. Karim does not believe the salary is competitive with other facilities. Another challenge Karim mentioned was getting strong individuals to be able to deal with older, stronger youth in the facility.

Trained staff need to be hired by October 1, 2018 in order to be in compliance with state regulations regarding RTA. Berkshire Farm is in the process of advertising both online and in the newspaper and conducting open interviews. There have been recruitments in all the area community colleges looking for qualified candidates.

Karim announced he will be retiring the beginning of August. Karim has been working at the facility since the facility opened in 1997. Mark and Barbara Mauro commended Karim on behalf of CDYCI for all his hard work and dedication to the facility and wished him well on his retirement.

Rick Riccio will be taking Karim’s place as Facility Director. Mr. Riccio has been working at the facility with Karim for the last year.

**13. Other Business**

It is anticipated that there will need to be a special CDYCI Board meeting set up before October 1 to set a rate if allowed to do so. A doodle poll will be sent out for a special meeting date for either late August or early September.

**14. Next Meeting Date**

The next CDYCI meeting is scheduled for October 17, 2018, however there will likely be a special meeting in September.

**Action Taken**

Lucille McKnight made a motion to adjourn the meeting and Craig Warner seconded. The motion was approved unanimously.

Respectfully submitted,

Donna Reinhart

Office Manager

Reviewed and approved by

Laura Bauer

Secretary