

**Capital District Youth Center, Inc.**

**Board Meeting**

Wednesday, January 16, 2019

9:00am

1 Park Place, Suite 102

Albany, NY 12205

**Members Present:** Lucille McKnight, Barbara Mauro, Steven Bayle, Samantha Miller-**Herrera** Kristin Swinton, Scott Bendett,

Present via GotoMeeting: Craig Warner, William Connors

**Others Present:** Kevin Cannizzaro, (Albany County Legislature Majority Counsel), Kurtis Kennedy (Albany County Legislature) Michael McLaughlin, (Albany County Executive's Office), Richard Riccio, (Berkshire Farms)

**Members / Others Absent:**, Lauer Bauer

**Staff:** Mark Castiglione, Amy Weinstock.

**Presiding:** Lucille McKnight, President, called the meeting to order at 9:00 am.

**1. Welcome & Introductions**

President McKnight welcomed everyone to the meeting.

**2. December 19, 2018 Meeting Minutes**

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

**Actions Taken**

Barbara Mauro made a motion to approve the meeting minutes and Scott Bendett seconded. The motion was approved unanimously.

**3. Financial Statement through December 31, 2018**

The financial statement represents activities through December 31, 2018. The revenues are estimated at 98% through 12 months with total expenses at 85%. There is an approximate \$72,000 surplus. Financials for both Secure Detention (SD) and Specialized Secure Detention (SSD) have been moved to separate books and banks.

**PIONEER: SD SEFCU : SSD**

The SSD overall budget was at a deficit of \$96,000 (Revenues were \$410,200 and expenses were \$505,969). Some of the expenses were one time start up costs at \$46,621.

**Action Taken**

Barbara Mauro made a motion to approve the financial statement and Scott Bendett seconded. The motion was approved unanimously.

#### 4. Facility Usage through December 31, 2018

Started the year on a high note, then there was a steady decrease of utilization, followed by an upswing in October thru the end of the year.

The SD facility was operating in December at 57.6% . That is a ~~46.9% increase~~ <sup>an 8.9% decrease</sup> from last year. Total for SD 2018 the usage was down 32% compared to 2017.

The SSD facility was operating in December at 21.4%. Total for SSD 2018 usage was 14.6%.

*There were no admissions in October so* That facility was only in use November and December of 2018. Also included is the gender percentage which was 27% female and 73% male for December.

The 2018 revised SD Per Diem rate is based on the annual utilization rate of 50%. The 2018 SSD rate is based on utilization rate of 42%. The SD per diem rate for the first five months of the year was based on a 75% utilization rate.

It was requested that somewhere in the report a footnote be added notating the counties that are sending children to the facilities.

#### 5. Facility Operation/Agency Report

Richard Riccio provided the Board with the Facility Operation / Agency Report. OCFS has visited twice and had positive reports throughout their inspections. The State Commission of Corrections is also pleased with the building improvements. There will be more regular visits from them in the future.

The facility is running with the required number of staff members, however they are looking to hire skilled nurses for the facility. Perhaps an email can be sent from different Counties to organizations announcing these job openings. **OCFS Administrative and RTA Updates (Memo 19-03)**

CDYCI is waiting for clarification from OCFS regarding per diem rates. Responding to repeated requests from Mark Castiglione for information on administrative changes related to billing and claiming, OCFS hosted a call on December 21, 2018. Representatives of the CDYCI counties, CDYCI Counsel Bob Ryan, and Michael McLaughlin from the Albany County Executive's office attended the call.

We were informed that CDYCI will no longer be able to set per diem rates and that OCFS will set them for us based on budget lines and costs they approve and are submitted by CDYCI in the SSOP system for Secure Detention (SD) and Specialized Secure Detention (SSD). OCFS stated that state law prohibits any entity other than OCFS from setting per diem rates. They also mentioned that CDYCI costs for counsel <sup>may</sup> not be an eligible cost for reimbursement. Further, we will be unable to charge any surcharges (ie: \$10 to outside user counties, amount that funds our capital reserve account, or prior to 2017 debt service). We have traditionally netted those costs from the eligible reimbursable rate, since they are not reimbursable.

CDYCI will be unable to bill outside user counties for their RTA youth using the facility. OCFS stated that since those outside counties do not have any detention costs included in their RTA plans (per OCFS instructions), they have no mechanism to receive state reimbursement for their RTA youth. While not a perfect comparison as RTA youth can be in either SD or SSD facilities,

the SSD use revenue due to CDYCI from outside counties for November and December totaled \$174,800. OCFS indicated that the amounts owed to CDYCI from outside counties would be the obligation of the CDYCI counties. In addition to the RTA plan issue, OCFS cited the fact that these costs were 100% reimbursable as a reason for the change and mentioned a potential double payment problem that they were unable to explain.

Given that CDYCI cannot generate SSD operating revenue from outside counties, participating counties are obligated to fund SSD operations, and CDYCI is unable to include surcharges or other fees on the rate we charge them to use the facility, there is a question on if there is a financial advantage to accepting youth from outside counties.

CDYCI is waiting to hear back from Berkshire's CFO prior to submitting the 2018 SD and SSD numbers into the SSOP system regarding these and the 2019 budgets for the facilities, as there is a significant discrepancy between the numbers they entered for SSD and the SSD budget submitted to CDYCI. OCFS will review the submitted SSOP line items to set our 2018 and 2019 rates.

CDYCI was informed that the budgets need to be identical to the budgets in the RTA plan. With this being the case, edits to the RTA plans will become necessary. One caveat to this requirement is that CDYCI is on a calendar year budget, RTA is on a state fiscal year. Adjustment making will become more challenging.

CDYCI has executed more than twenty agreements since August that allow outside counties to use both SD and SSD facilities. CDYCI agreements with the participating counties, as well as outside counties, are structured to include our historic rate-setting, billing, reimbursement and reconciliation methodology. These agreements will need to be updated to reflect the new allowable process procedures. Some of the contracts may contain valid pieces, but that will have to be determined once the information has been received.

The cost-share relationship, particularly as it relates to the cost-share of expenses incurred prior to financing, are addressed in the municipal cooperation agreement which has been distributed to the counties for action. The agreement also recodifies the counties' commitment to continue to work in partnership through CDYCI.

In an effort to expedite the approval process of a contract modification that would begin schematic design, letters of intent have been distributed to county executive leadership for execution. This was done as an interim step anticipating the eventual execution of the new MCA. To date, only one letter of intent has been received back, from Albany County.

Albany County has approved bonding for a portion of the estimated project costs of 9 million, however, the option to finance the project through DASNY remains pending. DASNY appears to be waiting for some answers that will inform the structure of the aggregate financing and will not discuss scenarios until they have what they need. Given the delay in getting clarity on this option and the delay in executing a contract modification with SMRT, completing the improvements in 2019 is unlikely and starting the project in 2019 is also unlikely.

If a contract is entered with DASNY there are some benefits;

- a. They are contracted with SMRT so we can continue to use them.
- b. They provide construction ~~oversite~~ services.

oversight

- c. They would structure a framework that would allow them to directly intercept money owed to the counties for reimbursement to keep the project funded smoothly.

**7. Other Business**

There was no other business to discuss.

**8. Next Meeting Date**

The next CDYCI Board meeting is scheduled for March 20, 2019 at 9:00am at CDRPC Offices. However, due to the amount of information that may need discussing at that meeting, the time has been changed to 8:30 a.m.

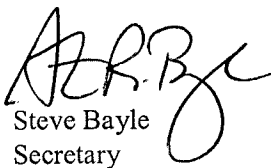
**Adjournment**

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

Respectfully submitted,

Amy Weinstock  
Office Manager

Reviewed and approved by

  
Steve Bayle  
Secretary