

**Capital District Youth Center, Inc.
Board Meeting**

Wednesday, December 18, 2019

9:00am

1 Park Place, Suite 102

Albany, NY 12205

Members Present: Laura Bauer, William Connors, Kristin Swinton, Lucille McKnight, Steve Bayle, Samantha Miller-Herrera, Craig Warner, Scott Bendett,

Present via GotoMeeting: Michael McLaughlin, (Albany County Executive's Office)

Others Present: Richard Riccio, (Berkshire Farms) Robert Ryan (Harris Beach), Lucas Jacobs, (Berkshire Farm), Del Robinson (Berkshire Farms), Tim Ferrara (Schenectady County Probation Services) Paul Brady, (Schenectady County DSS Commissioner)

Members / Others Absent: Barbara Mauro,

Staff: Mark Castiglione, Amy Weinstock.

Presiding: Lucille McKnight, President, called the meeting to order at 9:07 am.

1. Welcome & Introductions

President McKnight welcomed everyone to the meeting.

2. October 16, 2019 Meeting Minutes

The minutes were distributed before the meeting.

Actions Taken

Kristin Swinton made a motion to approve the meeting minutes and Laura Bauer seconded. The motion was approved unanimously.

3. Financial Statement through September 30th

Attached are the financial statements through November for the Secure Detention and Specialized Secure Detention facilities. Revenues are based on eligible actual care costs as approved by OCFS. The revenue lines currently only reflect amounts due to CDYCI for care costs.

All secure detention costs for vendors are paid from SD accounts. Money from the SSD accounts is transferred to the SD accounts to cover the cost split.

The Year to Date Revenues reflect the billings to the counties for services provided through third quarter. Deficits are a function of quarterly billing and the combined administrative costs of Berkshire and CDYCI have exceeded the cap for admin costs. These admin overages were, however, included in RTA plan care costs approved for 2018 so its likely that will be the case for 2019. There will be a reconciliation with the state at the close of 2020 during which some of this underpayment may be addressed.

The 2017-2018 refund due to the counties is still on our books. We are still working with our auditors to finalize our 2018 audit and are waiting until the reconciliation is reviewed by the state.

Secure Detention (SD)

Berkshire Farm's statement of actual expenses through November 2019 is \$1,856,573.00. Operations Revenues total \$1,538,699.03 reflecting revenue from quarterly billing to the counties. Estimated expenses through September total \$1,915,336.62 bringing the total deficit to 376,266.97. Actual SD expenses through November from Berkshire Farm are also attached. Accounts receivable total \$950,996.74 reflecting amounts billed in Q4 2018 and Q1 – Q3 in 2019.

Specialized Secure Detention (SSD)

Berkshire Farm's statement of actual expenses through November 2019 is \$1,331,136.00. Operations Revenues total \$1,069,729.26 reflecting revenue from quarterly billing to the counties. Estimated expenses through November total \$ 1,440,028.57 bringing the deficit to -370,299.31. Actual SSD expenses through November from Berkshire Farm are also attached. Accounts receivable total \$1,061,711.44 reflecting amounts billed in Q4 2018 (Rensselaer County still owes) and Q1-Q3 in 2019.

Attached are the financial statements through September for the Secure Detention and Specialized Secure Detention facilities. Revenue that will be due to CDYCI and will be booked in September has yet to be calculated. Revenues are based on eligible actual care costs as approved by OCFS. The revenue lines currently only reflect amounts due to CDYCI for care costs.

Capital costs, such as those related to RTA furniture, are not shown on the P&L statement but will be reflected on the Balance Sheet. Since we are treating these purchases as being made on behalf of Albany County, CDYCI will not include the value of such purchases as assets on our balance sheet either.

All secure detention costs for vendors are paid from SD accounts. Money from the SSD accounts is transferred to the SD accounts to cover the cost split.

The Year to Date Revenues reflect the billings to the counties for services provided through second quarter. We have not submitted Q3 expenses and, therefore, have not

been issued a rate so Q3 receivables are not shown. The deficits result from incurring Q3 expenses without revenue in both SD and SSD. In addition, the combined administrative costs of Berkshire and CDYCI have exceeded the cap for admin costs which is also contributing to the deficit. These admin overages were, however, included in RTA plan care costs approved for 2018 so it's likely that will be the case for 2019.

Secure Detention (SD)

Berkshire Farm's statement of actual expenses through September 2019 is \$1,344,342.77. Operations Revenues total \$999,131 reflecting revenue from quarterly billing to the counties. Estimated expenses through September total \$1,584,317.44. Actual SD expenses through September from Berkshire Farm are also attached. Accounts receivable total \$787,821 reflecting amounts billed in Q4 2018 and Q1 and Q2 in 2019.

Specialized Secure Detention (SSD)

Berkshire Farm's statement of actual expenses through September 2019 is \$926,719.68. Operations Revenues total \$686,523.78 reflecting revenue from quarterly billing to the counties. Estimated expenses through September total \$ 1,128,273.08. Actual SSD expenses through September from Berkshire Farm are also attached. Accounts receivable total \$722,712.24 reflecting amounts billed in Q4 2018 and Q1 and Q2 in 2019.

Actions Taken

Craig Warner made a motion to approve the financial statement through November 30th and Bill Connors seconded it. The motion was approved unanimously.

4. Approve 2020 Meeting Schedules

The following are proposed dates for the 2020 Board meetings. All the meetings are scheduled for the third Wednesday of the month immediately prior to the CDRPC Commission meeting. Meetings are tentatively scheduled to start at 9:00 AM. The time of each meeting will be noted on the agenda for that meeting.

January 15, 2020
March 18, 2020
May 20, 2020
July 15, 2020
October 21, 2020
December 16, 2020

Action Taken

Kristin Swinton made a motion to approve the 2020 meeting schedule with amendments to year and Laura Bauer seconded it. The motion was approved unanimously.

5. Approve Berkshire Farm Agreement:

Once approved, Lucy will execute the contract with Berkshire Farms with a new billing / claiming structure as attached at the end.

Attached please find Berkshire Farm's new operator agreement. The 2020 agreement term is one year with the option to extend for five years. The new agreement is consistent with the new omnibus agreement approved by the counties.

Board action is requested to authorize the President to execute the 2020 contract with Berkshire Farm upon adoption of the 2020 budgets for Secure Detention and Specialized Secure Detention.

6. Approve 2020 SD & SSD Budget

The Attached is the proposed 2020 CDYCI Budget, the proposed 2020 Operating Budgets for SD and SSD prepared by Berkshire Farm. Starting in 2020, CDYCI will no longer be charging a per diem rate, rather we will bill the four CDYCI counties on a quarterly basis in the manner prescribed in the new intermunicipal agreement. Budget highlights include the following:

2020 Proposed CDYCI Budget

The projected total expenses for 2020 are \$ 5,040,709 an increase 15% from 2019. The Operating Budget submitted by Berkshire Farm is \$ 2,299,877 for SD and 2,266,932 for SSD for a total of \$ 4,566,809 a 12% increase from 2019. Staffing levels are based on operating a 14.5 bed co-ed SD facility and 9.5 bed SSD facility and includes costs associated with providing increased staff to operate the SSD facility according to the regulations.

The Operator Management Fee would remain at 13% of actual expenditures per the contract extension with Berkshire Farm. For 2020, Berkshire is proposing an increase of 3% for front line staff and 2% increase for other staff. They have also proposed an increase to their fringe benefit rate of 1%, from 34% to 35%. In addition, Berkshire needed to replace the medical services provider. The new anticipated arrangement with St. Peter's Health Partners will result in a slight increase to those medical expenses. More details about Berkshire's proposed budget is provided in an attached letter from Luke Jacobs.

The SSD Budget also includes \$284,000 for pre-construction costs. This represents 40% of the estimated preconstruction budget (\$710,000) reflecting amounts that would be owed by Saratoga, Schenectady, and Rensselaer counties to Albany county for pre-construction work. Under the cost share arrangement, CDYCI will serve as the pay agent receiving cost-share funds from Saratoga, Schenectady, and Rensselaer and administering the funds to Albany County.

Cost splits between the two facilities for shared costs are determined by a square footage allocation – 50.88% SD and 49.12% SSD.

Capital Reserve Fund

The Capital Reserve Fund it being used to purchase furniture via the Dormitory Authority of the State of New York (DASNY). The Board approved an initial payment if 167,000 was made to DASNY in 2018 of which, just over \$106,448 was used to purchase common area furniture. Counties have replenished a portion of the reserve fund and an additional amount was transferred to DASNY to cover bedroom furniture replacement. Capital reserve expenditures for RTA are essentially pass through revenues and expenses and, therefore, not included in the 2020 budget or shown on the Profit and Loss statements.

Board action is requested to approve the 2020 budget.

Actions Taken:

Samantha Miller-Herrera approved the 2020 SD & SSD Budget and Kristin Swinton seconded it. The motion passed unanimously.

7. CDYCI Omnibus Agreement Update

All Counties but Rensselaer have moved to approve their Omnibus agreements. Rensselaer County will be presenting it at the next legislative cycle.

8. Capital Project Update

The schematic design work has still not started. Now that most of the Omnibus agreements are OK that will accelerate the SMRT pre-construction work. There have been no updates from the Dormitory Authority on the funding of the project yet. Alternative methods of financing it may need to be discussed in order to not further delay the project. Bonds are being explored, and until a financing package is created it is unlikely work will begin on this project in 2020.

9. Facility Usage through November 2019.

As tracking youth against the estimated utilization we used to set our per diem rate is now irrelevant, (since we do not set our rate and are provided one based on actual costs) I have updated the presentation of facility usage. The new format shows use by county in SD male, SD female, SSD male and SSD female. Charts for October and November and YTD through December 9 are attached.

There was a request that if a Member County knows that they will be needing a bed that they try to give 24 hour notice to the facility to make room for their juvenile. A discussion was had on providing training to the police and other organizations to remind them this is a good procedure, as well as to update them on any other policy or procedural

changes that have occurred. If no bed is available immediately, a non member County must remove their child within 24 hours to accommodate the member County's request.

10. Waiver Request to SCOC

Since our last meeting, I have submitted an extension request to our variance related to the bedroom furniture. I have requested an extension until May 31, 2020 to allow plenty of time for bedroom furniture installation. In addition, I submitted a waiver request to SCOC related to staffing requirements identified in the operations variance as it relates to the three-bed pod used for females. The variance requires three staff 24/7 if an AO is in the pod and I have requested that the standard ratio of two staff be used. It is attached for your information.

The request for this extension has been approved and extended through April 20th 2020. Their letter is as follows:

The Commission has reviewed your Department's application for a variance with respect to compliance with the provisions of 9 NYCRR section 7320.4(b) and has determined at its December 17, 2019 meeting that the request be approved until April 1, 2020. If the anti-ligature bed project is completed prior to the expiration date, this variance shall be considered null and void.

Pursuant to this variance, the Capital District Juvenile Detention Center is authorized to house youths in the A, B and C Pods under the following conditions (please note the change in conditions #1 and #2 from the Commission's previous approval):

1. There shall be at least two staff members present when the youth are confined in their rooms in the A, B, and C Pods;
2. Supervisory tours shall be conducted at intervals not to exceed 15 minutes when the youth are confined in their rooms; and
3. Daily documented inspections shall be completed at least one per shift to ensure that no alterations (e.g., sheets or clothing tied to bed frames) have been made to the rooms.
4. By January 18, 2020, the facility shall submit to the Commission a status report on the ordering, delivery and placement of the anti-ligature beds.

11. Facility Operation / Agency Report (Berkshire)

The numbers are consistent at the Facility. Only a handful of Out of County Juveniles have been "bumped" to make room for member County Juveniles.

The Facility is now OCFS certified and all approved by SCOC as well.

The Dormitory Authority had a walk through with a construction company who was interested in doing the work for the furniture project. They took a bid off to know the full extent of the work and a proposal should be available by the end of the week.

There is a greater focus on hiring since a case manager and supervisor have both moved on from the Facility. 30 people have been hired this year already to fill gaps in staffing.

The Board will need to OK the new Operations Manual once it's complete and meets SCOC regulations.

12. Other Business

In the end of 2018, CDYCI continued billing the Counties at the rate set by CDYCI, in order to accommodate the amounts being paid by CDYCI. In February of 2019, after the billing had already been completed, OCFS issued a rate lower than the billed rate. A letter was received by OCFS to CDYCI asking to send refunds to the Counties for the over charges. That is being done, however it will further delay the 2017 reconciliations and adjust the 2018 audit that is being done.

13. Adjournment

Samantha Miller-Herrera made a motion to adjourn the meeting and Craig Warner seconded it. The motion was approved unanimously. The meeting adjourned at 9:57.

Respectfully submitted,

Amy Weinstock
Office Manager

Reviewed and approved by

Steve Bayle
Secretary