

# ORANGE COUNTY FUNDING CORPORATION

## MINUTES

May 14, 2015

A regular meeting of the Orange County Funding Corporation was convened in public session on May 14, 2015 at 4:07P.M. at the Orange County Business Accelerator in New Windsor, New York.

The meeting was called to order by the Chairman, Robert Armistead, and upon roll being called, the following were:

PRESENT: Robert Armistead, John Steinberg, Mary Ellen Rogulski, Robert Schreibeis, Edward Diana, Stephen Brescia

ABSENT: Henry VanLeeuwen

ALSO PRESENT: James Petro – Executive Director  
Laurie Villasuso – Associate Executive Director  
Kevin Dowd – IDA Attorney  
Russell Gaenzle – Harris Beach  
Rachel Endress – Harris Beach  
Steven Neuhaus – Orange County Executive  
James Walsh – Times Herald Record  
Rabbi Jacob Ferencz – Sheri Torah & VMBR  
Steven Weiss – Sheri Torah & VMBR  
Rochelle Powell – Sheri Torah & VMBR  
David Leno – Sheri Torah & VMBR

Chairman Armistead calls to order the regular meeting of the Orange County Funding Corporation, May 14, 2015. Board consists of six members. There is a quorum.

Review of the prior April 9, 2015 meeting minutes. Motion to approve the minutes as presented made by Rogulski, seconded by Schreibeis. Motion carries with all in favor.

Roll Call taken.

### **Financial Reports and/or Requests for Payment**

Mr. Kleiman reviews the income and expense summary, noting that income YTD is \$118,266, expenses of \$97,113, with revenues exceeding expenses by just over \$21k. He then reviews the bank balances for the OCFC, noting that the OCFC has just over \$618K in total.

He advises that there is a revision to the provided voucher report, and a payment to the Prestige Building Company in the amount of \$2,987.00 is being added. The payment is for the Newburgh Armory Unity Center's Larkin Center Project Expenditure. This brings the payments to \$29,442.26, and the total funds received is \$10,000.00.

Motion made by Rogulski, seconded by Steinberg, that the Board accept the financial reports and authorize OCFC payments and vouchers for May 2015. Open for discussion. Motion carries with 5 ayes and Chairman Armistead abstaining.

### **Sheri Torah, Inc. & Vyoel Moshe Beis Rochel of KJ – Resolution**

Mr. Weiss of the Sheri Torah & VMBR project explains that the project is a school system educating roughly 3K children. There are 3 segments to the project: an existing girls' building and an existing boys' building, each one with roughly 4.5M of taxable debt that they wish to refinance. The third segment is to build a new girls' building, for which they will look to borrow \$4-5M of the \$10M cost. The total request will be up to \$14M for the tax free bonds. The project is in the Town of Monroe.

Mr. Gaenzle asks Mr. Weiss to touch upon the treatment of secular versus non-secular expenditures. Mr. Gaenzle explains to the Board that the Bond Counsel cannot authorize issuance of Bonds that will finance religious purposes. Mr. Weiss agrees and notes that they have undertaken this type of transaction many times in New York State, and are

very familiar with the regulations. Any areas that need to be excluded because of religious worship will be excluded, and the project will abide by all tax issues. He goes on to note that the project will ensure that Harris Beach and the County are fully comfortable.

Ms. Rogulski asks about the request of the Mortgage Recording Tax Exemption, and it is explained that, while the project is exempt from property tax, the project is not exempt from Mortgage Recording Tax. Mr. Gaenzle notes that this transaction is not unlike Mount Saint Mary's College and any other Bond Financing transaction, in which the OCFC is a pure conduit issuer, and neither the OCFC nor the County will be responsible in any way for the debt.

The members discuss the mission of the OCFC, and the co-applicant structure of the application. In addition, Mr. Gaenzle explains that Harris Beach will issue an opinion that the interest is tax exempt for federal income tax purposes. Harris Beach has started their tax due diligence, and is confident there will be no issue going forward.

*[Steinberg exits the meeting]*

Mr. Dowd reads aloud the Sheri Torah & V'yoel Moshe Beis Rochel of KJ initial resolution. Motion made by Brescia, seconded by Schreibeis. Open for discussion. Affirmative votes of all members present resulted in motion carried.

With no further business, meeting called for adjournment by Chairman Armistead, motion made by Brescia, seconded by Rogulski, the time being 4:25 p.m.