

AGENDA
FOR
ONONDAGA TASC MEETING
MAY 10, 2016

1. OPEN MEMBER MEETING
 - PRESENTATION OF MEMBER RESOLUTION ACKNOWLEDGING AND ELECTING DIRECTORS
 - ACKNOWLEDGE THE APPOINTMENT OF THE CONTROLLING TRUSTEES OF THE TASC RESIDUAL TRUST
2. ADJOURN MEMBER MEETING
3. OPEN BOARD OF DIRECTORS MEETING
 - DISCUSSION REGARDING CURRENT STATUS OF THE REFINANCING OF ALL OR A PORTION OF THE CORPORATION'S OUTSTANDING BONDS
 - APPROVAL OF 2015 MINUTES
 - ANNUAL REVIEW AND APPROVAL OF (I) MISSION STATEMENT AND PERFORMANCE MEASURES; (II) INVESTMENT POLICY; AND (III) DISPOSITION OF PROPERTY GUIDELINES
 - APPOINTMENT OF AUDIT AND FINANCE COMMITTEE AND GOVERNANCE COMMITTEE MEMBERS
 - ELECTION OF OFFICERS
 - PRESENTATION AND APPROVAL OF ANNUAL AUDIT
 - PRESENTATION AND APPROVAL OF ANNUAL REPORT
 - APPROVAL OF BUDGETS
 - OTHER MATTERS
 - ACKNOWLEDGMENT OF FIDUCIARY DUTIES BY DIRECTORS
 - ANNUAL BOARD EVALUATIONS
4. CLOSE BOARD OF DIRECTORS MEETING
5. RE-OPEN MEMBER MEETING
 - ADOPT MEMBER RESOLUTION RATIFYING ACTIONS OF BOARD OF DIRECTORS
6. CLOSE MEMBER MEETING

**MINUTES OF
THE BOARD OF DIRECTORS
OF
ONONDAGA TOBACCO ASSET SECURITIZATION CORPORATION**

May 10, 2016

After due notice, a meeting of the Board of Directors of the Onondaga Tobacco Asset Securitization Corporation, (the "Corporation") was called to order at the County Executive's Conference Room, 14th floor, 421 Montgomery Street, Syracuse, New York at 1:30 p.m., on May 10, 2016. Present were Munesh Patel, Esq. and Todd Miles, Esq. of Harris Beach PLLC, Gregg Evans and Keeley Hines from the Bonadio Group, Steven Morgan, Lori Pietruniak, Ned Flynn (via conference call) and the following directors:

William Fisher
Robert Durr
Casey Jordan
David H. Knapp
Eugene Cella

A discussion of the Amended and Restated Purchase Agreement, Consent and Release was held. Todd Miles, Esq. noted that the December 14, 2015 resolution authorizes signature of the Amended and Restated Purchase Agreement, Consent and Release without further action required.

There being a quorum of directors present, upon motion duly made and seconded, the following resolutions were approved.

RESOLVED, that the Minutes relating to the 2015 Annual Meeting and any subsequent minutes of the Board of Directors adopted in 2015, as presented at the meeting, are hereby approved.

RESOLVED, that the Public Authorities Reform Act of 2009 ("PARA") requires that the Mission Statement and Performance Measures be annually reviewed and approved by the Corporation and therefore the Corporation hereby determines that no changes are required to the Mission Statement and Performance Measures and that the same is hereby approved; and

FURTHER RESOLVED, that the Public Authorities Accountability Act of 2005 ("PAAA") requires that the Investment Policy be annually reviewed and approved by the Corporation and therefore the Corporation hereby determines that no changes are required to the Investment Policy and that the same is hereby approved; and

FURTHER RESOLVED, that the PAAA requires that the Disposition of Property Guidelines be annually reviewed and approved by the Corporation and therefore the Corporation hereby determines that no changes are required to the Disposition of Property Guidelines and that the same is hereby approved.

RESOLVED, that the Public Authorities Reform Act of 2009 ("PARA") requires each of the Audit and Finance Committee and the Governance Committee to be comprised of at least three (3) independent members who shall constitute a majority on such committee and pursuant to the advice of the State's Authorities Budget Office, which has stated that such committee can be made up of ex-officio directors, therefore each of the Audit and Finance Committee and the Governance Committee shall be comprised of the Independent Director and the two (2) Ex-Officio Directors of the Corporation as follows:

Audit and Finance Committee:

William Fisher
Casey Jordan
Eugene Cella

Governance Committee:

Robert Durr
David H. Knapp
Eugene Cella

RESOLVED, that the following persons are elected to serve in the offices set forth next to their names until their respective successors are elected and shall qualify or until their earlier resignations and shall enter upon the discharge of their duties as provided in the By-laws of the Corporation.:

NAME:

TITLE:

Steven Morgan
Lori Pietruniak
Robert Durr

President¹
Treasurer²
Secretary

RESOLVED, that the Independent Auditor's Report for the fiscal year ended December 31, 2015, as prepared by Bonadio & Co., LLP in the form presented at the meeting, is hereby approved; and

¹ The President being deemed to be the chief executive officer of the Corporation.

² The Treasurer being deemed to be the chief financial officer/comptroller of the Corporation.

RESOLVED, that the 2015 Annual Report, which is to be filed with (i) the New York State Authority Budget Office via the Public Authorities Reporting Information System, and (ii) the appropriate local officials, is hereby approved as presented.

RESOLVED, that the budget for fiscal year ending December 31, 2016 and the proposed budgets for fiscal years ending December 31, 2017 through December 31, 2020, as presented and amended at the meeting, are hereby approved and the Board ratifies the actions of the officers and directors consistent with each such budget and any payments made thereunder prior to the date of this meeting; and the Board hereby further approves any expenditures made in 2015, so long as the expenditure is consistent with previous year's budget amounts and the Board hereby further approves submission of the budget on or before November 1 pursuant to Section 2801 of PAL.

RESOLVED, that the proper officers of the Corporation are hereby authorized, empowered and directed to do all things, and acts and to execute all documents as may be necessary, or advisable and proper, to carry on the business of the Corporation, for and on behalf of the Corporation.

RESOLVED, that all acts and transactions (if any) of any director or the persons named herein as officers of the Corporation that were taken or made from the date of creation of the Corporation to the date of this resolution are ratified and approved.

The undersigned, being the Secretary of the Corporation, hereby acknowledges and certifies that these are the true, correct and complete minutes of the board meeting held on May 10, 2016.

Robert Durr, Secretary

Onondaga Tobacco Asset Securitization Corporation

Assumes NO Super Sinker Payments

	Budget 2015	Budget 2016	Budget 2017	Budget 2018	Budget 2019	Budget 2020
OPERATING REVENUES:						
Tobacco settlement proceeds	6,750,000	6,675,000	6,650,000	6,625,000	6,600,000	6,575,000.00
Interest income	460,000	460,000	460,000	460,000	460,000	460,000
Total operating revenues	7,210,000	7,135,000	7,110,000	7,085,000	7,060,000	7,035,000

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OPERATING EXPENSES:						
Insurance expense	5,000	5,000	5,000	5,000	5,000	5,000
Audit fee	7,000	7,000	7,000	8,000	8,000	8,000
Legal fees	4,000	4,000	4,000	4,000	4,000	4,000
Trustee fee	8,000	8,000	8,000	8,000	8,000	8,000
Administrative agency fee	30,000	30,000	30,000	30,000	30,000	30,000
Rating agency fee	12,000	12,000	12,000	12,000	12,000	12,000
General and administrative costs	57,000	59,000	61,000	63,000	65,000	67,000
Amortization expense*	27,815	27,815	27,815	27,815	27,815	27,815
Interest - Cash	4,954,806	4,774,281	4,736,481	4,736,481	4,736,481	4,736,481
Interest - Accreted	3,383,293	3,608,815	3,849,459	4,106,247	4,380,267	4,672,683
Interest - Accrued Adjmt	(38,292)	(18,870)	(19,426)	(24,695)	(25,964)	(27,642)
Total operating expenses	8,450,622	8,517,041	8,721,329	8,975,848	9,250,599	9,543,337

INCREASE IN NET DEFICIT (1,240,622) (1,382,041) (1,611,329) (1,890,848) (2,190,599) (2,508,337)

FUND BALANCE/NET DEFICIT - BEGINNING OF YEAR (127,966,981) (129,207,603) (130,589,644) (132,200,973) (134,091,821) (136,282,420)

* Adjmt for change in accounting GASB 65

FUND BALANCE/NET DEFICIT - END OF YEAR (129,207,603) (130,589,644) (132,200,973) (134,091,821) (136,282,420) (138,790,757)

Bonds payable 2001 - Bal Beginning of year	85,975,000	84,875,000	83,615,000	83,615,000	83,615,000	83,615,000
Bonds payable 2005 - Bal Beginning of year	28,525,438	28,525,438	28,525,438	28,525,438	28,525,438	28,525,438
Bond Payment - Principal Cash - during year	(1,100,000)	(1,260,000)	-	-	-	-
Subtotal	113,400,438	112,140,438	112,140,438	112,140,438	112,140,438	112,140,438
Add: Accreted interest - Bal at Year end	25,919,799	29,528,614	33,378,073	37,484,320	41,864,587	46,537,270
Total bonds payable and accreted interest	139,320,237	141,669,052	145,518,511	149,624,758	154,005,025	158,677,708

Cash Flow (With Accreted Interest included) (2,378,914) (2,660,911) (1,630,755) (1,915,543) (2,216,563) (2,535,979)

EXHIBIT A

FORM OF QUALIFIED ANNUAL CERTIFICATION (IF NEEDED)

**CERTIFICATE OF THE CHIEF EXECUTIVE OFFICER
AND THE CHIEF FINANCIAL OFFICER
OF [] TOBACCO ASSET SECURITIZATION CORPORATION**

The undersigned chief executive officer and chief financial officer of [] Tobacco Securitization Corporation, a local development corporation organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, hereby certify, pursuant to subdivision 3 of Section 2800 of the Public Authorities Law, as follows:

The financial information provided within the Annual Report of the [] Tobacco Asset Securitization Corporation (the "Corporation"), dated as of _____, 20__ for the year ended December 31, 20__ (the "Annual Report"), is based on un-audited financials. To the best of my knowledge based upon the un-audited financial statements, the financial information contained within the Annual Report (i) is accurate, correct, and does not contain any untrue statement of material fact, (ii) does not omit any material fact which, if omitted, would cause the financial information to be misleading in light of the circumstances under which the financial information was made and (iii) fairly presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presents in said report.

IN WITNESS WHEREOF, the undersigned chief executive officer and chief financial officer have executed this Certificate as of this _____ day of _____, 20__.

Name:

Title: President (Chief Executive Officer)

Name:

Title: Treasurer (Chief Financial Officer)

EXHIBIT B

FORM OF

**NOTICE OF ANNUAL MEETINGS
UNDER THE OPEN MEETINGS LAW
FOR**

[] TOBACCO ASSET SECURITIZATION CORPORATION

The Sole Member and the Board of Directors of the [] Tobacco Asset Securitization Corporation will be conducting their annual meeting at [: .m.] on [], 20__ at [location], New York. These meetings are annual meetings. This notice is given in order to comply with the Open Meetings Law.

Dated: _____, 20__