

Minutes of a meeting of the Broome Tobacco Asset Securitization Corporation
County Executive Conference Room-Edwin L. Crawford County Office Building

Binghamton, New York

January 13, 2016

Meeting of the Member

The meeting was opened at 3:04 PM

President Preston appointed Daniel J. Reynolds as the new Broome County Legislature Chairman to be a member of the Board of the Broome Tobacco Asset Securitization Corporation.

The meeting was closed at 3:05 PM

The Board Meeting of the Broome Tobacco Asset Securitization Corporation was opened at 3:05 PM

Attending

Debbie Preston, President

Daniel J. Reynolds, Vice President, Director

Kim Myers, Minority Leader, Director

Larry Harris, Independent Director

Marie Kalka, Treasurer, Director

John Bernardo, Deputy County Executive

Robert Behnke, County Attorney

Jerome Knebel, Deputy Director, Office of Management and Budget

By Teleconference

Thomas Myers, Counsel, Orrick, Herrington and Sutcliffe

Ben Maslona, Fiscal Advisors and Marketing

Jeanine Caruso, Fiscal Advisors and Marketing

Newly appointed board member Daniel J. Reynolds was nominated as Vice-President by Treasurer Kalka. This motion was seconded by Director Myers and approved unanimously.

President Preston requested that Fiscal Advisors describe the two resolutions before the Board.

Ben Maslona of Fiscal Advisors generally explained the first resolution before the board as approving agreements to have tobacco revenues estimated as well as receive a rating on the transaction.

Estimates of tobacco sales would have to incorporate the consideration of sales on tribal lands.

He explained that there was a breakage fee in each agreement in the case of the transaction not being completed.

The rating is required in order to market the issuance.

Tom Myers of Orrick reiterated that the resolution authorized agreements for the transaction estimated amounts and to attain a bond rating.

The first resolution was moved by Director Harris, seconded by Director Reynolds and approved unanimously.

Ben Maslona of Fiscal Advisors described the second resolution before the Board. He pointed out the several items in the body of the resolution. Summarily he explained the Board was authorizing the issuance of 2016 bonds to allow an exchange of callable bonds issued in 2001 with non-callable bonds and a retirement of long term debt issued in 2005.

Purchase Agreement, Consent and Release forms were included as attachments to the resolution.

He explained that the resolution also authorized the Board President to execute contracts and documents to effectuate the sale of the bonds and any Director to act to effectuate the sale of the bonds. This would remove the difficulties of coordinating board meetings on short notice and speed up the process of the debt issuance.

Director Myers questioned what might come up.

Tom Myers explained that the direction for the sale had been established in prior authorizations and decisions of the board using as an example the \$1,000,000 cash flow to the County through the TASC. Most future issues would be ministerial relating to disclosure documents, final amount of the bonds issued to achieve the goals which would be made based on market conditions. He concluded that there should not be any significant surprises. He expected nothing of a substantive nature citing the release of documents as being a function now being allowable by the President.

Director Reynolds asked about the timeframe of the transaction.

Tom Myers commented on the inherent challenges of a financial transaction involving seven entities.

Jeanine Caruso of Fiscal Advisors commented on the benefit of being able to act quickly when the market can change quickly

Director Reynolds asked where the idea for the authorization to be granted by the Board came from. Tom Myers responded that the idea had occurred during the experience of putting together five prior pools of counties consisting of seven to twenty three counties in various pools.

He pointed out that this had worked well in the past and prior experience was the template for developing the resolution

The second resolution was moved by President Preston and seconded by Treasurer Kalka and voted on by all each director individually by roll call. All Directors voted affirmative

President Preston moved that the meeting be closed this was seconded by Treasurer Kalka and approved unanimously.

The meeting was closed at 3:20.

