

**MINUTES OF THE BOARD OF DIRECTOR'S MEETING OF
NIAGARA TOBACCO ASSET SECURITIZATION CORP. (NTASC)**

March 28, 2019
12:00 NOON

Shamus Restaurant
98 West Avenue
Lockport, NY 14094

Present: Clyde L. Burmaster Karen Castle
 Wm. Keith McNall Claude Joerg
 Kyle Andrews Richard Updegrove
 John Ottaviano, Esq.

Erica Handley, Drescher & Malecki
Karl Witmer, Drescher & Malecki

The Niagara Tobacco Asset Securitization Corporation Meeting was called to order at 12:11 p.m. by President Burmaster.

APPROVAL OF MINUTES:

The minutes of the December 13, 2018 meeting were presented to all Board Members. A motion was made by Richard Updegrove to accept the minutes as presented. Seconded by Kyle Andrews.

Approved: 5 - 0

TREASURER'S REPORT:

The Treasurer's report through March 15, 2019 was provided to all Board Members for their review. A motion was made by Kyle Andrews to accept the Treasurer's Report as presented. Seconded by Richard Updegrove.

Approved: 5 - 0

NEW BUSINESS:

- A.) Nomination of Officers: John Ottaviano as a member of the nomination committee with Kyle Andrews, stated he has discussed the officer positions with Kyle Andrews and their consensus was to recommend the re-appointment of the current officer to their respective appointments. A motion was made by Claude Joerg to accept this recommendation. Seconded by Keith McNall.

Approved: 5 - 0

- B.) Election of Officers: A motion was made by Claude Joerg to appoint the following board members to the respective position:

President: Clyde Burmaster
Vice President: Keith McNall
Secretary/Treasurer: Karen Castle

Seconded by Keith McNall

Approved: 5 – 0

C.) Appointment of Committees by President Burmaster

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|---------------------------|--|
| (1) Nomination Committee: | Kyle Andrews, John Ottaviano |
| (2) Audit Committee: | Kyle Andrews, TBD |
| (3) Governance Committee: | Richard Updegrove, Claude Joerg |
| (4) Finance Committee: | Clyde Burmaster, Karen Castle, Kyle Andrews, Claude Joerg, Richard Updegrove |

D.) Karl Witmer and Erica Handley of Drescher & Malecki provided the Board Members with the “draft” audit report for the year ending December 2018 as well as an overview of the trends. The 2018 annual audit was discussed and a motion was made by Richard Updegrove to accept the 2018 Annual Audit as presented. Seconded by Kyle Andrews.

Approved: 5 – 0

E.) The Board Members were advised of the Evaluation of Board Performance and that a summary will be comprised and posted on our website.

F.) Secretary Karen Castle read the Assessment & Effectiveness of Internal Controls as required by the Authority Budget Office (ABP). This report will be posted on our website.

G.) Secretary Karen Castle read the Report-Operations and Accomplishments as required by the Authority Budget Office (ABO). This report will be posted on our website.

H.) Secretary Karen Castle read the Authority Measurement Report as required by the Authority Budget Office (ABO). This report will be posted on our website.

I.) The Board Members were advised there are no changes to the By-Laws and they will remain the same.

J.) The Board Members were told of the complexity of the preparation of the Annual Financial Audit Report, Annual Procurement Report; Annual Financial Report and Annual Investment Report. A copy of these reports was available for the Boards review. A motion was made by Keith McNall to approve the submission of all four of these reports through PARIS. Seconded by Clyde Burmaster.

Approved: 5 – 0

K.) The Board Members were advised of the potential issue of re-evaluation of the arbitrage rebate liability with respect to the 2014 Bond issue. This was brought to your attention by email from Todd Miles of Harris Beach and BLX Group Inc. There are a lot of questions which the Board has regarding this evaluation, including but not limited to, the cost of such evaluation. President Burmaster, Secretary/Treasurer, Karen Castle and attorney John Ottaviano will schedule a conference call with Harris Beach and BLX to discuss our concerns and report back to the Board with further information.

OLD BUSINESS:

None

With no further business, a motion to adjourn was made at 1:21 p.m. by Keith McNall.
Seconded by Kyle Andrews.

Approved: 5 - 0

Respectfully Submitted,

Karen Castle
Secretary/Treasurer