

**MINUTES OF THE MEMBER
NIAGARA TOBACCO ASSET SECURITIZATION (NTASC)**

January 18, 2012
10:30 a.m.

Niagara County Legislature Chambers
175 Hawley Street
Lockport, NY 14094

Present: Clyde L. Burmaster
Kyle Andrews
Karen Castle
Sam Ferraro
William McLaughlin
John Ottaviano, Esq.

Absent: Jeff Glatz
William Ross

The Niagara Tobacco Asset Securitization Corporation Annual Meeting was called to order at 10:32 a.m. by President Burmaster.

APPROVAL OF MINUTES:

The minutes of the September 15, 2011 were provided to all Board Members. A motion was made by Sam Ferraro to accept the minutes as presented. Seconded by Kyle Andrews.

Approved: 5 - 0

TREASURER'S REPORT:

The fourth quarter Treasurer's report 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 Sam Ferraro.

Approved: 5 - 0

The Board Members were also presented with the projected estimated 2012 budget. After review of the 2012 budget, due to continuing increases and lack of calls, the Board agreed to discontinue the telephone service for the Corporation and utilize the Treasurer's number for service. Any additional cost to the County would be included in the annual payment from NTASC.

NEW BUSINESS:

1. Election of Officers: A Motion was made by Sam Ferraro for the nomination of Clyde Burmaster as President; William Ross as Vice President; and Karen Castle as Secretary/Treasurer. Kyle Andrews seconded the nominations.
As there were no further nominations, a motion made by William McLaughlin to appoint the nominated candidates: Clyde Burmaster, President; William Ross, Vice President; and Karen Castle Secretary/Treasurer. Seconded by Kyle Andrews.

Approved: 5 - 0

2. Committee Appointments: President Burmaster appointed the following Members to committees:

- a. Audit/Finance Committee: Chair, Kyle Andrews; Vice Chair, William McLaughlin, Jeff Glatz.
- b. Governance Committee: Chair, Samuel Ferraro; Vice Chair, William Ross, Clyde Burmaster.

It is advisable these committees meet at least bi-annually. A motion was made by Sam Ferraro to accept the appointments of President Burmaster. Seconded by William McLaughlin.

Approved: 5-0

3. Appointment (Ratify Appointment) of Attorney for 2012: This matter was tabled until the next meeting. John Ottaviano as Attorney, will continue to perform as such until such time.
4. Appointment of Auditor for 2011 Audit: The Board was informed of two (2) proposals received for 2011 audit services. The first proposal was from Drescher & Malecki to provide audit services for the calendar year 2011 at a cost not to exceed \$9,250 which is a 5.1% decrease from 2010. The second proposal was from Toski, Schaefer & Co. P.C. at a cost of \$8,900 to \$9,500. Toski, Schaefer & Co. P.C. was initially requested to provide a proposal for accounting services including preparation of necessary tax forms. Karen Castle had a telephone conversation with Doug Zimmerman of Toski & Co. who advised her it would be a conflict for Toski & Co. to provide accounting and tax services to NTASC as they have been appointed auditors for Niagara County for 2011 and NTASC is listed as a blended component in the County's financial statement.

A motion was made by Kyle Andrews to appoint Drescher & Malecki as auditors for NTASC for 2011. Seconded by William McLaughlin

Approved: 5-0

5. Appointment of Accountant for 2011: Discussion was had regarding appointment of an accountant for NTASC for the year ending 2011. It was agreed by all members present, the accountant for NTASC should be a Niagara County Business. The matter was tabled by President Burmaster.
6. Resolution to Amend Resolution (7/15/2010) to Pay Down Bonds: There was discussion regarding the resolution approved on 7/15/2010 wherein the Board agreed to buy back "Turbo Bonds". As this was never done due to the timing of the resolution and other obligations of the Corporation, Attorney Ottaviano prepared a resolution to amend the 7/15/2010 resolution to pay down bonds. A copy is attached herewith and made a part hereof these minutes.

A motion was made by William McLaughlin to approve the amended resolution. A roll call vote showed K. Andrews, C. Burmaster, K. Castle, S. Ferraro and W. McLaughlin in favor. Absent was J. Glatz and W. Ross.

Approved: 5-0

7. Authority Budget Office (ABO) Compliance: The Board was informed all members are in compliance with ABO board member training.

OLD BUSINESS:

1. Approval of Annual Payment to Niagara County: After individual consent of each Board Member by telephone or email, it was agreed to pay Niagara County the annual fee of \$40,000 less legal costs associated with the Bank of America Settlement. The net proceeds given to Niagara County on October 28, 2011 was \$34,730.85.
A motion was made by Sam Ferraro to confirm payment Niagara County on October 28, 2011 in the amount of \$34,730.85. Seconded by William McLaughlin.
Approved: 5-0
2. Debt Service Delivery Agreement: The Board was advised of the recent First Amendment to Debt Service Reserve Forward Delivery Agreement wherein all reference to any changes to the short term bond issues of CitiGroup Financial Products, Inc. is omitted. An original document is filed with the original books maintained by the Secretary/Treasurer.
3. Bond Logistix Administration Agent Report: The Board was provided with a copy of the Bond Logistix Administration Agent Report dated December 31, 2011. No comments were made.

4. Evaluation of Board Performance: Board members were presented with the confidential evaluation of board performance forms for completion and return to Karen on or before March 31, 2012 as required by PAAA. Those absent will be sent the evaluation by email.

Next meeting will be scheduled for a date to be announced before March 31, 2012. Motion to adjourn at 11:38 a.m. by Sam Ferraro. Seconded by William McLaughlin.

Approved 5 - 0

Respectfully Submitted,

Karen Castle
Secretary/Treasurer