

OSWEGO TOBACCO ASSET SECURITIZATION CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
July 15, 2016 at 1:00 p.m.

MEMBER PRESENT: Fred Beardsley, Oswego County Treasurer (President)

DIRECTORS PRESENT: Fred Beardsley; Kevin Gardner, Chairman of the Legislature; Holly Carpenter; David Mirabito

ALSO PRESENT: Christine Crowley, Fiscal Advisors; Richard Mitchell, County Attorney; Philip Church, County Administrator; Shane Broadwell, Legislator (Residual Trustee); Todd Miles, Harris Beech; Jack Little (Accountant); John Shehadi, Fiscal Advisors; on speaker phone Kevin Coleman, Jeffries

Meeting was called to order at 1:28 p .m.

1. **Adopt Minutes of Last Meeting:** Minutes of December 21, 2015:
Motion made to approve minutes: Kevin Gardner
Second: Holly Carpenter
Vote: Unanimous, motion carried

2. **Review and Approval of Proposed 2016 Bond Refinancing and Related Matters:**
Todd Miles from Harris Beech stated that the closing would take place the third week in August for the bond refinancing. He mentioned that there are seven (7) counties in the pool being sponsored by NYCAT; refinancing bonds at a much lower rate. Oswego and Sullivan counties are the only ones that have borrowed once, others have already refinanced.

Kevin Coleman from Jeffries commented that they have been in deep conversations with S&P and should get final affirmations next week. He is looking to mail them the week of the 25th then there is two (2) week marking period; the closing and funding should take place two (2) weeks after that. David Mirabito asked for the rating from S&P. Mr. Coleman responded that subordinate bonds are at A to B+ then other bonds are triple B rating. Bond funds and insurance companies have mandates they can invest in and Oswego falls within all of those mandates. Mr. Mirabito inquired about the interest rate, nominal yield. Mr. Coleman said the blended rate is just under 4% and as low as 1 ¼%; the longest one is about 4 ½%. Oswego County's outstanding bonds are at 6%. He explained that the residual under the current structure is due 2022, with full amount due in 2023. County Administrator Philip Church asked the full estimated amount in 2023. Mr. Coleman stated it would be about \$2 million; with the new issuance, in 2030 the county will start getting residual back with the full residual in 2041.

Mr. Miles offered a resolution authorizing issuance of the bonds. He noted that page 3 are the findings that are being made; page 4 is delegating to the president the power to do everything to close the transaction; section 5 is authorization for supplemental indenture (2016 supplement); section 6 is authorizing offer circular, disclosure document provided to the rating agencies and interest market; section 7 is approving the contract with the underwriters, delegating to Fred Beardsley to finalize and sign terms on behalf of corporation; section 8 is the obligation to update annual information and disclosures; and section 9 is approval of escrow agreement with the trustee bank.

Motion made to approve the resolution: Kevin Gardner
Second: Holly Carpenter
Vote: Unanimous, motion carried

3. Review and Approval of Post-issuance Compliance Procedures:

Mr. Miles offered "Resolution of the Board of Directors of the Oswego Tobacco Asset Securitization Corporation (The Corporation) Authorizing and Adopting Post Issuance Compliance Policies and Procedures Related to the Corporation's Tax-Exempt Obligations, Such Policies and Procedures Intended to Ensure that the Requirements Imposed Upon the Corporation Pursuant to the Internal Revenue code of 1986, as Amended, Will be Satisfied."

Motion made to approve the resolution: Holly Carpenter
Second: Kevin Gardner
Vote: Unanimous, motion carried

Board President Fred Beardsley inquired about the difference between board members and trustees. Mr. Miles explained that the county sold the right to receive assets to the corporation but retained the right to receive residuals; a mechanism was needed to do that so a residual trust was set up. The three (3) individuals recently appointed (Shane Broadwell, Fred Beardsley, and Kevin Gardner) make sure when the deal closes that the money goes to the county. As Trustees they are approving that the money is transferred to the county. Consenting to changes in indenture and payment of the proceeds.

4. Adjournment:

Motion made to adjourn the meeting: Kevin Gardner
Second: Holly Carpenter
Vote: Unanimous, motion carried
Meeting adjourned at 2:22 p.m.

**OSWEGO TOBACCO ASSET SECURITIZATION CORPORATION
MINUTES OF THE MEETING OF THE CONTROLLING TRUSTEES OF THE
OSWEGO COUNTY RESIDUAL TRUST
July 15, 2016**

The meeting was called to order 2:29 p.m. with all trustees present.

It was explained that at closing Delaware-Wilmington Trust will wire the money to the county accounts. The second document to sign is actually the consent resolution; all three (3) trustees signed and sealed resolutions.

Motion made to adjourn the meeting: Kevin Gardner
Second: Shane Broadwell
Vote: Unanimous, motion carried
Meeting adjourned at 2:39 p.m.