

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
TSASC, INC.**

April 28, 2016

A meeting of the Board of Directors (the “Board”) of TSASC, Inc. (the “Corporation”) was held on April 28, 2016 at approximately 2:03 p.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following members of the Committee or their alternates were present:

Alan Anders	- alternate for Dean Fuleihan, Director of Management and Budget of The City of New York (the “City”)
Michael Stern	- alternate for Scott M. Stringer, Comptroller of the City; and
Raymond Majewski	- alternate for Melissa Mark-Viverito, Speaker of the City Council

constituting a quorum of the Board. Kathy Blyn served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation and employees of various agencies of the City of New York.

The meeting was called to order by Mr. Anders.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Board held on September 11, 2015. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was approved.

WHEREAS, the Board of Directors of TSASC, Inc. has reviewed the minutes of its meeting held on September 11, 2015; it is therefore

RESOLVED, that the minutes of the meeting of the Board of Directors held on September 11, 2015 be, and they hereby are, adopted.

Approval of Independent Auditor Contract

The second item on the agenda was approval of a contract with the firm of Marks Paneth LLP (“Marks Paneth”) to serve as the independent auditor for the Corporation. The representatives of Marks Paneth who were attendance left the meeting room. A motion was made and seconded to consider the resolution set forth below with respect to the contract. Mr. Anders explained that approval has been recommended by the Audit Committee of the Corporation subsequent to a request for proposals process. He noted that six proposals had been received. There being no discussion and no objections, the resolution was proposed. The representatives of Marks Paneth returned to the meeting room.

WHEREAS, pursuant to a request for proposals for independent auditors, the selection committee of TSASC, Inc. (the “Corporation”) has selected the firm of Marks Paneth LLP; and

WHEREAS, the Audit Committee has recommended the retention of Marks Paneth LLP as the Corporation’s independent auditors; it is hereby

RESOLVED, that the staff of the Corporation is to enter into an agreement with Marks Paneth LLP to serve as independent auditor for the Corporation’s financial statements for the fiscal years ending June 30, 2016, 2017, and 2018, with one one-year extension at the discretion of Management to cover the audit of the Corporation’s financial statements for the fiscal year ending June 30, 2019, which agreement shall contain such other terms and conditions which are not inconsistent with this resolution as the staff of the Corporation shall determine, and which agreement shall provide for compensation not to exceed the following rates:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Audit	\$ 14,000	\$14,500	\$15,000	\$15,500

Special Projects (per hour)

Position	FY 2016	FY 2017	FY 2018	FY 2019
Partner	\$300	\$310	\$320	\$330
Manager	\$170	\$175	\$180	\$185
Senior	\$140	\$145	\$150	\$155
Associate	\$110	\$115	\$120	\$125
Special	\$225	\$230	\$235	\$240

ists				
------	--	--	--	--

Approval of Budget

The third item on the agenda was approval of a budget for the Corporation for fiscal year 2017. A motion was made and seconded to consider the resolution set forth below with respect to the budget (a copy of which was included in the packet provided to the Directors). Mr. Anders explained that pursuant to the Public Authorities Law the Corporation must submit a budget to various officials and he briefly described the contents of the budget. Mr. Anders briefly discussed a settlement relating to cigarettes sold on Native American reservations that will result in increased revenues in future years. There being no discussion and no objections, the resolution was approved.

WHEREAS, TSASC, Inc. (the “Corporation”), pursuant to Section 2801(2) of the Public Authorities Law (the “PAL”), is required to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at least sixty days before the commencement of its fiscal year, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year; and

WHEREAS, the Corporation is also required, pursuant to the PAL, Section 2800(2)(a)(14) to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at a minimum a four-year financial plan, including (i) a current and projected capital budget, and (ii) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance;

WHEREAS, the Board of Directors of the Corporation has reviewed the budget information and financial plan attached hereto and found it to be satisfactory; it is therefore

RESOLVED, that the Board of Directors of the Corporation approves the budget information and financial plan as attached hereto.

Approval of Directors and Officers Insurance

The fourth item on the agenda was approval of the procurement of Directors and Officers Liability Insurance. A motion was made and seconded to consider the resolution set forth below with respect to such insurance. A brief discussion ensued. There was no further discussion and, there being no objections, the resolution was approved.

WHEREAS, despite their diligence and good faith, directors and officers of TSASC, Inc. (the “Corporation”) may be subject to potentially large personal financial liability in connection with the Federal securities laws or otherwise arising from their service to the Corporation; and

WHEREAS, Article VI of the Bylaws of the Corporation provides that the Corporation shall indemnify each member, director and officer, to the fullest extent permitted by law; and

WHEREAS, Directors’ and Officers’ Liability Insurance is a prudent supplement to such indemnification; it is therefore

RESOLVED, that the Corporation hereby approves the procurement of Directors’ and Officers’ Liability Insurance policies through Wells Fargo Insurance Services, USA, Inc. from American International Group (“AIG”), Zurich American Insurance Company (“Zurich”), Liberty Mutual Insurance Company (“Liberty Mutual”), Aspen Insurance (“Aspen”) and Chubb Group of Insurance Companies (“Chubb” and together with AIG, Zurich, Liberty Mutual and Aspen, the “Insurers”), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2016 through May 24, 2017; provided that the annual premium payable by the Corporation to the Insurers, plus the brokers fee, will not exceed \$235,000, and said policies shall contain such other terms and conditions not inconsistent with the foregoing which the President or such other officer of the Corporation shall deem necessary, desirable or appropriate and that the President shall be authorized to procure such insurance coverage.

Annual Approval of Mission Statement and Measurement Report

The fifth item on the agenda was the annual approval of the Corporation’s Mission Statement and Measurement Report (copies of which were in the packet provided to the Directors). A motion was made and seconded to consider the resolution set forth below with respect to the Mission Statement and Measurement Report. Mr. Anders explained that pursuant to the Public Authorities Law the Corporation adopted a Mission Statement in 2007 and amended it to add Performance Measures. He noted that no changes have been proposed. A

brief discussion ensued. There being no discussion and no objections, the resolution was approved.

WHEREAS, pursuant to Section 2800 of the Public Authorities Law (the “PAL”), the Board of Directors (the “Board”) of TSASC, Inc. (the “Corporation”) previously adopted a Mission Statement on October 4, 2007 and amended it on March 2, 2011 to add Performance Measures by which the Corporation could evaluate whether its policies and performance meet the stated goals of its Mission Statement, and subsequently amended the Mission statement and Performance measures on April 2, 2013; and

WHEREAS, the Corporation is required to annually review the Mission Statement and Performance Measures and to publish a Measurement Report which utilize the Performance Measures to evaluate whether the Corporation’s policies and performance meet the stated mission of the Corporation; and

WHEREAS, staff of the Corporation have suggested minor changes to the Mission Statement to reflect updated information; and

WHEREAS, the Board has reviewed the Mission Statement and Performance Measures, and the completed Measurement Report, and has found them to be reasonable and accurate; it is hereby

RESOLVED that Board accepts the Mission Statement and Performance Measures as attached hereto and authorizes the completed Measurement Report to be published on the Corporation’s website and submitted to the Authorities Budget Office.

Annual Approval of Policy on the Acquisition and Disposition of Real Property

The sixth item on the agenda was the annual approval of the Corporation’s Policy on the Acquisition and Disposition of Real Property (a copy of which was in the packet provided to the Directors). A motion was made and seconded to consider the resolution set for below with respect to such policy. Mr. Anders explained that the approval of the Policy was recommended by the Governance Committee of the Corporation. There being no discussion and no objections, the resolution was approved.

WHEREAS, TSASC, Inc. (the “Corporation”), on July 31, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the “Public Authorities Law”), adopted a Policy on the Acquisition and Disposition of Real Property; and

WHEREAS, pursuant to Section 2896 of the Public Authorities Law, the Corporation is required annually to review such policies; and

WHEREAS, the Governance Committee has reviewed the attached policy and has recommended its approval; it is therefore

RESOLVED, that the Policy on the Acquisition and Disposition of Real Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Annual Approval of Policy on Disposition of Personal Property

The seventh item on the agenda was the annual approval of the Corporation's Policy on the Disposition of Personal Property (a copy of which was in the packet provided to the Directors). A motion was made and seconded to consider the resolution set forth below with respect to such policy. Mr. Anders explained that approval was required by the Public Authorities Law and that approval has been recommended by the Governance Committee of the Corporation. There being no discussion and no objections, the resolution was approved.

WHEREAS, TSASC, Inc. (the "Corporation"), on July 31, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Disposition of Personal Property; and

WHEREAS, pursuant to Section 2896 of the Public Authorities Law, the Corporation is required annually to review such policy; and

WHEREAS, the Corporation has reviewed the attached policy and has deemed it to be reasonable and appropriate; it is therefore

RESOLVED, that the Policy on the Disposition of Personal Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Presentation by Audit Committee Chair regarding Audit Committee's Annual Report and Self-Evaluation

The eighth and final item on the agenda was a presentation by Mr. Stern, the Chairperson of the Audit Committee, with respect to the Audit Committee's Annual Report and

self-evaluation. Mr. Stern informed the Directors that the Committee believed that it had performed satisfactorily in 2015.

Adjournment

There being no further business to come before the Board, on motion duly made and seconded, there being no objections, the meeting was duly adjourned.



ASSISTANT SECRETARY