

WARREN TOBACCO ASSET SECURITIZATION CORPORATION

Kevin B. Geraghty, President
1340 State Route 9, Lake George, NY 12845

Warren Tabaco Asset Securitization Corporation

Annual Finance/Audit Committee Meeting: November 7th, 2025

Agenda

1. Call to Order & Approval of Agenda
 - a. Confirm quorum (2 out of 3)
 - b. Approve meeting agenda
 - c. Agree to capture Audit & Finance Committee Minutes, separate from Annual Meeting Minutes go forward
2. Approval of July 8, 2024 Board Minutes, including Committee actions
3. Chair's Opening Remarks (Jim Brock):
 - a. Overview of Committee's Annual Responsibilities
 - b. Summary of key financial priorities and audit timeline
4. Committee Member Reports (Frank Thomas, Christine Norton)
5. Committee Composition & Recruitment:
 - a. 2024:
 - i. Chair: Jim Brock
 - ii. Members: Frank Thomas, Christine V. Norton (formerly Mike Swan)
 - b. 2025/2026:
 - i. Identify potential new members (note: Frank Thomas is retiring at the end of 2024)
 - ii. Nomination recommendation(s)
 - iii. Reappointments and term renewals
6. Financial Results
 - a. Presentation and approval of the 2024 year-end financial statements
 - i. Drescher & Malecki's review of the W-TASC financials resulted in another unqualified opinion, with no opportunities for improvement identified
 - ii. It is the recommendation of the Vice President and W-TASC Attorney that the Committee accept the Independent Audited Financial Statements as presented, and recommend same to the Board

- b. Results of 2024 Public Authority Reporting Information System (PARIS) Reporting
 - i. It is the recommendation of the Warren County Treasurer/W-TASC Vice President, the W-TASC Public Accountants and the W-TASC Attorney to approve the 2024 PARIS Reporting and direct the Warren County Treasurer to certify and submit the PARIS Report as required by law.
 - ii. Reports submitted:
 - 1. Independent Auditors Report on Compliance with the NYS PAL
 - 2. W-TASC Annual Report on Measurement
 - 3. W-TASC Assessment of Effectiveness of Internal Controls
 - 4. W-TASC Annual Report on Operations and Accomplishments
 - 5. PARIS Annual Report
 - 6. PARIS Financial Documents
 - 7. PARIS Budget & Financial Plan
 - 8. PARIS Investment Report
 - 9. PARIS Procurement Report
- 7. Annual Budget, Approval of Donation of Monies and Written Consent of release of W-TASC residual income to Warren County
 - a. Resolution to adopt the 2025 W-TASC Annual Budget and Board approval recommendation
 - b. Review of Resolution No. 199 of 2022: Accepting and Expressing Appreciation to the Warren Tobacco Asset Securitization Corporation for the Donation of Monies (\$30K)
 - c. Review of Resolution No. 556 of 2005: Authorizing Securitization of Future Residual Payments Flowing from Fifty Percent (50%) of the Tobacco Revenues Securitized on August 8, 2001 and Authorizing County Officials to Act and Execute Documents
 - i. 2025 Written Consent of The Controlling Trustees of W-TASC Residual Trust
 - 1. Needs to be signed by 2024 Elected Officers
 - 2. Once this document is signed, Warren County will receive \$329K representing 50% of the W-TASC 2024 residual revenue

8. Policies & Governance

- a. Annual review of key financial and audit related policies:
 - i. Code of Ethics & Financial Disclosure Policy
 - 1. James Brock: To Be Completed
 - 2. Frank Thomas & Christine Norton: Completed
 - ii. Acknowledgement of Fiduciary Responsibility
 - iii. Prohibition of Credit
 - iv. Investment Policy
 - v. Procurement Policy
 - vi. Defense & Indemnification
 - vii. Whistleblower
 - viii. Compensation, Reimbursement and Time & Attendance
 - ix. Travel & Expense Policy

9. Review of W-TASC Committee Charter to PARIS Best Practice/Model Charter and consider the following revisions:

- a. Expand Purpose
- b. Include Powers of the Audit Committee
- c. Should the Committee consist of 1 (currently) or 3 (PARIS Best Practice) members of the Board of Directors
- d. One Committee Member shall be a financial expert, whose name shall be disclosed in the annual report of the Corporation
- e. Meeting requirements vs. current practice
- f. Responsibilities to include special investigations and whistle blower policies
- g. Appoint, compensate and oversee the independent auditors...and pre-approve all audit services...
- h. Appoint an internal audit function
- i. Include special investigations and other responsibilities of the Audit Committee

10. Action Item & Next Steps

- a. Assign follow ups or policy revisions
- b. Confirm next meeting schedule

11. Old Business (reviewed & re-approved in the 2024 Annual Meeting)
 - a. Board Member Roles & Responsibility Reference Materials
 - i. Public Authorities Law Role & Responsibilities of Board Members
 - ii. Authorities Budget Office Recommended Guidance
 - b. The following historical documents are now posted on the W-TASC Website for review at your pleasure:
 - i. Mission Statement
 - ii. Organizational Structure
 - iii. By-Laws
 - iv. Certificate of Incorporation
 - v. Public Authorities Law
 - vi. AIG Director's & Officer's Insurance

12. Adjournment

WARREN TOBACCO ASSET SECURITIZATION CORPORATION

ANNUAL BOARD MEETING MINUTES JULY 8, 2024

Members present:

Kevin B. Geraghty, President
James Brock
Christine Norton
Frank Thomas
Michael Wild

Others Present:

Amanda Allen, Clerk of the Board
Kara Lais, Attorney
Robert Lynch, Deputy Treasurer
Corey Sveinsson-Skobel, Auditor, Drescher & Malecki, CPA
David Strainer, Queensbury Supervisor At-Large

Members absent: None

Please note, the following contains a summarization of the meeting of the July 3, 2024 Personnel, Administration & Higher Education Committee; the meeting in its entirety can be viewed using the following links:

Warren County website - <https://warrencountyny.gov/WTASC>

Warren County's YouTube Channel - <https://www.youtube.com/watch?v=Tay0H-1r9qQ>

All members being present, President Geraghty called the meeting to order at 10:07 a.m.

Review of the Annual Board Meeting Agenda commenced, as follows:

1. Election of officers – motion was made by Mr. Brock, seconded by Mr. Wild and carried unanimously to elect the following slate of officers:
 - President/Chief Executive Officer – Kevin B. Geraghty
 - Vice President – Christine Norton
 - Treasurer/Chief Financial Officer – Robert Lynch
 - Secretary – Frank Thomas
2. Approval of 2023 Annual Meeting Minutes – motion was made by Mr. Wild, seconded by Mr. Thomas and carried unanimously to approve the minutes of the April 21, 2023 Annual Board Meeting, as provided.
3. Approval of Annual Budget –
 - a. 2024 W-TASC Annual Budget - Motion was made by Mr. Wild, seconded by Mr. Thomas and carried unanimously to approve the 2024 Warren Tobacco Asset Securitization Corporation (W-TASC) Annual Budget.
 - b. 2024 W-TASC Donation of Monies to Warren County.
 - c. Review of Resolution No. 556 of 2005.

Ms. Norton provided an overview of Warren County Resolution No. 199 of 2022, *Accepting and Expressing Appreciation to the Warren Tobacco Asset Securitization Corporation for the Donation of Monies*, which related to the \$30,000 donation W-TASC made to Warren County annually, as well as Warren County Resolution No. 556 of 2005, *Authorizing Securitization of Future Residual Payments Flowing from Fifty Percent (50%) of the Tobacco Revenues Securitized on August 8, 2001 and Authorizing County Officials to Take Action and Execute Documents*, advising that once written

WARREN TOBACCO SECURITIZATION CORPORATION – ANNUAL MEETING**JULY 8, 2024****PAGE 2 OF 3**

consent of the controlling trustees of W-TASC residual trust was signed by the 2024 elected officers, Warren County would receive \$361,000 representing 50% of the W-TASC 2023 residual revenue.

Returning to Item 3b, Motion was made by Mr. Brock, seconded by Mr. Wild and carried unanimously to approve of the 2023 W-TASC donation of monies in the amount of \$30,000 to Warren County.

4. Results of 2023 Audited Financial Statements - Members reviewed results of 2023 Audit of Financial Statements provided in agenda packet independently; members were apprised by Corey Sveinsson-Skobel, *Certified Public Auditor for Drescher & Malecki*, that the results reflected a clean audit. Motion was made by Mr. Thomas, seconded by Mr. Wild and carried unanimously to accept the Independent Audited Financial Statements, as presented.
5. Results of 2023 Public Authority Reporting Information System (PARIS) Reporting –
 - a. Motion was made by Mr. Thomas, seconded by Mr. Wild and carried unanimously to approve the 2023 W-TASC PARIS reporting and direct Robert Lynch, as Treasurer and Chief Financial Officer, to certify and submit same as required by law. *Note: subsequent to the meeting it was determined that the PARIS report should be certified and submitted by Ms. Norton, as Warren County Treasurer, rather than by Mr. Lynch.*
 - b. Reports submitted – the following reports were included in the agenda packet for member review:
 - i. Independent Auditors Report on Compliance with NYS PAL;
 - ii. W-TASC Annual Report on Measurement
 - iii. W-TASC Assessment of Effectiveness of Internal Controls;
 - iv. W-TASC Annual Report on Operations and Accomplishments;
 - v. PARIS Annual Report;
 - vi. PARIS Financial Documents;
 - vii. PARIS Budget & Financial Plan;
 - viii. PARIS Investment Report; and
 - ix. PARIS Procurement Report.
 - c. Resolution of 2024 W-TASC Mission Statement – Motion was made by Mr. Brock, seconded by Mr. Thomas and carried unanimously to approve of the W-TASC Mission Statement, as presented in the form adopted on March 5, 2020, and retain same with no alterations.
 - d. Organizational Structure – Agenda packet included a copy of the W-TASC Organization Chart; Members were advised that President Geraghty would serve as “Sole Member”, while Mr. Brock, Ms. Norton, Mr. Thomas and Mr. Wild would serve as members of the Board of Directors and Mr. Lynch would serve as an Officer. Motion was made by Mr. Wild, seconded by Mr. Thomas and carried unanimously to approve of the W-TASC organizational structure as presented in the Organizational Chart provided.
 - e. Appointment of Audit and Governance Committee Members – Members elected to retain the same membership on both the Audit and Governance Committees, with the only changes being to assign Mr. Thomas to fill the positions previously filled by former Member Craig Leggett. A motion to this effect was made by Mr. Brock, seconded by Mr. Thomas and carried unanimously to approve of the appointments to both Committees.
6. Old Business – Ms. Norton reviewed this item, advising that the following historical documents were available for review on the W-TASC page of the Warren County website:
 - i. By-Laws;
 - ii. Certificate of Incorporation;
 - iii. Public Authorities Law;

WARREN TOBACCO SECURITIZATION CORPORATION – ANNUAL MEETING***JULY 8, 2024******PAGE 3 OF 3***

- iv. AIG Directors & Officers Insurance – to be posted at a later date. There is a \$5 million policy in place, which will be posted when received.
7. Discussion Items – Ms. Norton spoke briefly of the following:
- a. Overview of W-TASC to be presented to Warren County Board of Supervisors;
 - b. Reduction in W-TASC annual revenue awards due to increase in vaping; and
 - c. Status of two Bonds.
8. Adjournment – there being no further business to come before the W-TASC, on motion made by Mr. Brock, seconded by Mr. Thomas and carried unanimously, President Geraghty adjourned the meeting at 10:31 a.m.

Respectfully submitted,
Frank Thomas, Secretary

**WARREN TOBACCO ASSET
SECURITIZATION CORPORATION**
(A Component Unit of the County of Warren, New York)
*Basic Financial Statements and Required
Supplementary Information for the
Year Ended December 31, 2024
and Independent Auditors' Reports*

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A COMPONENT UNIT OF THE COUNTY OF WARREN, NEW YORK)
Table of Contents
Year Ended December 31, 2024

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
 Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet—Governmental Funds	11
Reconciliation of the Balance Sheet—Governmental Funds to the Government-wide Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds to the Government-wide Statement of Activities.....	14
Notes to the Financial Statements	15
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25

DRESCHER & MALECKI LLP

2721 Transit Road, Suite 111
Elma, New York 14059
Telephone: 716.565.2299
Fax: 716.389.5178

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors
Warren Tobacco Asset Securitization Corporation:

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities and the major fund of Warren Tobacco Asset Securitization Corporation ("WTASC"), a component unit of the County of Warren, New York, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise WTASC's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of WTASC, as of December 31, 2024, and the respective changes in its financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* ("GAS"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WTASC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WTASC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WTASC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WTASC's ability to continue as a going concern for a reasonable period of time.

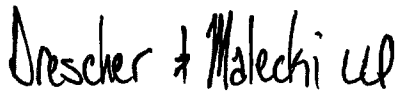
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2025 on our consideration of WTASC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering WTASC's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Drescher & Malecki LLP". The signature is written in a cursive, flowing style.

March 24, 2025

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A COMPONENT UNIT OF THE COUNTY OF WARREN, NEW YORK)
Management's Discussion and Analysis
Year Ended December 31, 2024

As management of the Warren Tobacco Asset Securitization Corporation ("WTASC"), a blended component unit of the County of Warren, New York (the "County"), we offer readers of WTASC's financial statements this narrative overview and analysis of the financial activities of WTASC for the fiscal year ended December 31, 2024. We encourage readers to consider the information contained in this analysis in conjunction with additional information that we have furnished in WTASC's financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- Total government-wide liabilities of WTASC exceeded its government-wide assets by \$5,775,865 at December 31, 2024. This compares to WTASC's total government-wide liabilities exceeding government-wide assets by \$5,627,935 at December 31, 2023.
- WTASC's net position decreased by \$147,930 during the year ended December 31, 2024.
- At the close of the current fiscal year, WTASC's governmental fund reported fund balance of \$512,834, an increase of \$17,292 in comparison with the prior year. All of the fund balance is restricted for debt service.
- WTASC's total Tobacco Settlement Bonds decreased by \$235,000 as a result of principal payments made during the year, while Subordinate Turbo Capital Appreciation Bonds ("CABs") increased by \$349,433 as a result of annual net interest accretion.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to WTASC's basic financial statements. WTASC's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-wide financial statements—The *government-wide financial statements* are designed to provide readers with a broad overview of WTASC's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of WTASC's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of WTASC is improving or deteriorating.

The *statement of activities* presents information showing how WTASC's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 9-10 of this report.

Fund financial statements—A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. WTASC, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds—*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources*, available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

WTASC maintains one individual governmental fund, the Debt Service Fund.

The basic governmental fund financial statements can be found on pages 11-14 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15-24 of this report.

Government-Wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of WTASC, liabilities exceeded assets by \$5,775,865 at December 31, 2024, as compared to \$5,627,935 at December 31, 2023. Table 1, shown below, presents the condensed statements of net position for WTASC at December 31, 2024 and December 31, 2023.

Table 1—Condensed Statements of Net Position

	December 31,	
	2024	2023
Current assets	\$ 1,288,610	\$ 1,323,233
Total assets	1,288,610	1,323,233
Current liabilities	6,732	7,858
Noncurrent liabilities	7,057,743	6,943,310
Total liabilities	7,064,475	6,951,168
Net position	\$ (5,775,865)	\$ (5,627,935)

A portion of WTASC's net position, \$900,722 and \$909,388 at December 31, 2024 and 2023, respectively, represents resources that are subject to external restrictions on how they may be used. Therefore, the unrestricted deficit totals \$6,676,587 and \$6,537,323 at December 31, 2024 and December 31, 2023, respectively. The unrestricted net position deficit must be financed by future operations. The deficit results from long-term operations that are greater than currently available resources.

At December 31, 2024, total WTASC assets were \$1,288,610, compared to \$1,323,233 at December 31, 2023. The largest asset held by WTASC is the tobacco settlement revenue receivable due from New York State totaling \$775,776 and \$827,691 at December 31, 2024 and December 31, 2023, respectively. WTASC reported no noncurrent assets at December 31, 2024 or December 31, 2023.

Total liabilities at December 31, 2024 were \$7,064,475, compared to \$6,951,168 at December 31, 2023. The largest portion of the liabilities was net outstanding debt totaling \$7,057,743 and \$6,943,310 at December 31, 2024 and 2023, respectively.

During the current year, net position for governmental activities decreased \$147,930 from the prior fiscal year for an ending net position of \$(5,775,865). The statement of activities presents revenues earned and expenses incurred by WTASC. Table 2, shown below, presents the condensed statements of activities for the years ended December 31, 2024 and 2023.

Table 2—Condensed Statements of Activities

	Year Ended December 31,	
	2024	2023
General revenues	\$ 709,197	\$ 871,781
Expenses—governmental activities	(496,101)	(488,172)
Transfer to County	(361,026)	(418,581)
Change in net position	(147,930)	(34,972)
Net position—beginning	(5,627,935)	(5,592,963)
Net position—ending	<u>\$ (5,775,865)</u>	<u>\$ (5,627,935)</u>

Total general revenues for the years ended December 31, 2024 and 2023 were \$709,197 and \$871,781, respectively. Revenues for the years ended December 31, 2024 and 2023 consisted of \$670,137 (94.5 percent) and \$842,118 (96.6 percent), respectively, of tobacco settlement revenues, and \$39,060 (5.5 percent) and \$29,663 (3.4 percent), respectively, of interest earnings.

A summary of sources of revenues for the years ended December 31, 2024 and December 31, 2023 is presented below in Table 3.

Table 3—Sources of Revenues

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
Tobacco settlement revenues	\$ 670,137	\$ 842,118	\$ (171,981)	(20.4)
Interest earnings	39,060	29,663	9,397	31.7
Total revenues	<u>\$ 709,197</u>	<u>\$ 871,781</u>	<u>\$ (162,584)</u>	<u>(18.6)</u>

Total expenses and transfers to the County for the years ended December 31, 2024 and 2023 were \$857,127 and \$906,753, respectively. Expenses for the years ended December 31, 2024 and 2023 consisted of \$435,851 (50.9 percent) and \$428,624 (47.3 percent), respectively, of interest and fiscal charges, and \$60,250 (7.0 percent) and \$59,548 (6.6 percent) respectively, of general government support expenses incurred in connection with the operations of the WTASC. In addition, WTASC transferred \$361,026 (42.1 percent) and \$418,581 (46.1 percent) to the County during the years ended December 31, 2024 and 2023, respectively.

A summary of expenses and transfers for the years ended December 31, 2024 and December 31, 2023 is presented below in Table 4.

Table 4—Expenses and Transfers

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
General government support	\$ 60,250	\$ 59,548	\$ 702	1.2
Interest and fiscal charges	435,851	428,624	7,227	1.7
Transfer to County	361,026	418,581	(57,555)	(13.8)
Total expenses and transfers	<u>\$ 857,127</u>	<u>\$ 906,753</u>	<u>\$ (49,626)</u>	(5.5)

Financial Analysis of Governmental Funds

As noted earlier, WTASC uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds—The focus of WTASC’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing WTASC’s financing requirements.

At December 31, 2024, WTASC’s Debt Service Fund reported fund balance of \$512,834, an increase of \$17,292 in comparison with the prior year. All of the fund balance is restricted for debt service. The increase in fund balance of \$17,292 is a result of tobacco settlement revenues and interest earnings exceeding general government support, debt service costs, and transfers to the County. Principal and interest in the amount of \$322,544 were paid during the year.

Debt Administration

Long-Term Debt—As of December 31, 2024, WTASC had \$1,405,000 of Tobacco Settlement Bonds outstanding and Subordinate Turbo CABs outstanding of \$5,652,743, which are reported in the statement of net position.

During the year ended December 31, 2024, WTASC made principal payments of \$235,000 on its Tobacco Settlement Bonds, while its Subordinate Turbo CABs had annual interest accretion of \$349,433, as compared to principal payments made in the amount of \$270,000 on its Tobacco Settlement Bonds and interest accretion of \$327,855 on its Subordinate Turbo CABs during the year ended December 31, 2023. Additional information on WTASC’s long-term debt can be found in Note 4 to the financial statements.

Requests for Information

This financial report is designed to provide a general overview of WTASC's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Warren Tobacco Asset Securitization Corporation, c/o Warren County, 1340 State Route 9, Lake George, New York 12845.

**** THIS PAGE INTENTIONALLY LEFT BLANK ****

BASIC FINANCIAL STATEMENTS

**** THIS PAGE INTENTIONALLY LEFT BLANK ****

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Statement of Net Position
December 31, 2024

	<u>Primary Government Governmental Activities</u>
ASSETS	
Current assets:	
Restricted cash and cash equivalents	\$ 512,834
Due from New York State	<u>775,776</u>
Total assets	<u>1,288,610</u>
LIABILITIES	
Current liabilities:	
Accrued interest payable	6,732
Noncurrent liabilities:	
Tobacco Settlement Bonds payable	1,405,000
Subordinate Turbo CABs payable	<u>5,652,743</u>
Total liabilities	<u>7,064,475</u>
NET POSITION	
Restricted for debt service	900,722
Unrestricted	<u>(6,676,587)</u>
Total net position	<u>\$ (5,775,865)</u>

The notes to the financial statements are an integral part of this statement.

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Statement of Activities
Year Ended December 31, 2024

Functions/Programs	Expenses	Net (Expenses) and Changes in Net Position
		Primary Government Governmental Activities
Primary government:		
Governmental activities:		
General government support	\$ 60,250	\$ (60,250)
Interest and fiscal charges	435,851	(435,851)
Total primary government	<u>\$ 496,101</u>	<u>(496,101)</u>
General revenues:		
Tobacco settlement revenues		670,137
Interest earnings		39,060
Transfer to County		<u>(361,026)</u>
Total general revenues and transfer		<u>348,171</u>
Change in net position		(147,930)
Net position—beginning		<u>(5,627,935)</u>
Net position—ending		<u>\$ (5,775,865)</u>

The notes to the financial statements are an integral part of this statement.

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Balance Sheet—Governmental Funds
December 31, 2024

	<u>Debt Service</u>
ASSETS	
Restricted cash and cash equivalents	\$ 512,834
Total assets	<u>\$ 512,834</u>
FUND BALANCES	
Restricted for debt service	\$ 512,834
Total fund balances	<u>\$ 512,834</u>

The notes to the financial statements are an integral part of this statement.

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2024

Amounts reported for governmental activities in the statement of net position (page 9) are different because:

Total fund balances—governmental funds (page 11)	\$	512,834
A long-term asset, due from New York State, \$775,776, is not available to pay for current period expenditures and, therefore, is not reported as revenue in the fund statements.		775,776
Certain current and long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
Accrued interest payable	\$	(6,732)
Tobacco Settlement Bonds payable		(1,405,000)
Subordinate Turbo CABs payable		(5,652,743)
		<u>(7,064,475)</u>
Net position of governmental activities	\$	<u>(5,775,865)</u>

The notes to the financial statements are an integral part of this statement.

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds
Year Ended December 31, 2024

	<u>Debt Service</u>
REVENUES	
Tobacco settlement revenues	\$ 722,052
Interest earnings	<u>39,060</u>
Total revenues	<u>761,112</u>
EXPENDITURES	
Current:	
General government support	60,250
Debt service:	
Principal	235,000
Interest	<u>87,544</u>
Total expenditures	<u>382,794</u>
Excess of revenues over expenditures	<u>378,318</u>
OTHER FINANCING (USES)	
Transfer to County	<u>(361,026)</u>
Total other financing (uses)	<u>(361,026)</u>
Net change in fund balances	17,292
Fund balances—beginning	<u>495,542</u>
Fund balances—ending	<u><u>\$ 512,834</u></u>

The notes to the financial statements are an integral part of this statement.

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances—Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities (page 10) are different because:

Net change in fund balances—total governmental funds (page 13)	\$	17,292
--	----	--------

Certain revenues are not recognized in governmental funds because they are not available soon enough after year-end to pay for the current period's expenditures. On the statement of activities, however, revenue is recognized regardless of when it's collected.		(51,915)
---	--	----------

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report interest expense when paid, whereas interest is accrued in the statement of activities. The net effect of these differences in the treatment of long-term debt and the related items is as follows:

Change in accrued interest payable	\$	1,126	
Principal repayments on Tobacco Settlement Bonds payable		235,000	
Accreted interest on Subordinate Turbo CABs payable		(349,433)	(113,307)
Change in net position of governmental activities	\$	(147,930)	

The notes to the financial statements are an integral part of this statement.

**** THIS PAGE INTENTIONALLY LEFT BLANK ****

WARREN TOBACCO ASSET SECURITIZATION CORPORATION
(A Component Unit of the County of Warren, New York)
Notes to the Financial Statements
Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Warren Tobacco Asset Securitization Corporation (“WTASC”) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (the “GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of WTASC’s accounting policies are described below.

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all the nonfiduciary activities of WTASC. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. WTASC reports no fiduciary or business-type activities.

Reporting Entity

WTASC is a special purpose, bankruptcy remote, local development corporation organized under the Not-for-Profit Corporation Law of the State of New York. WTASC is an instrumentality of, but separate and apart from, the County of Warren, New York (the “County”). Although legally separate from the County, WTASC is a component unit of the County. Based on the nature and significance of WTASC’s relationship with the County and the criteria set forth by GASB, WTASC is included within the County’s basic financial statements as a blended component unit.

WTASC was incorporated on July 3, 2001 for the purpose of issuing asset backed bonds in order to provide funds to purchase from the County fifty percent of the County’s right, title and interest under the Master Settlement Agreement (the “MSA”) and the Consent Decree and Final Judgment (the “Decree”) as described herein. WTASC has issued bonds in two series: 1) the New York Counties Tobacco Trust II issued in 2001, and 2) Subordinate Capital Appreciation Bonds issued in 2005.

WTASC was formed to acquire from the County all future rights, title, and interest in 50% of the tobacco settlement revenue (“TSR”) under the MSA with respect to tobacco related litigation among various states and participating manufacturers. The purchase price of 50% of the County’s future rights, title, and interest in the TSR has been financed by the issuance of serial bonds. A residual certificate exists, which represents the entitlement to receive all amounts required to be distributed after payment of debt service, operating expenses, and certain other costs as set forth in the indenture. Payments on the residual certificate from TSR collections are subordinate to payments on bonds and certain other costs specified in the indenture. Excess TSR not required by the Corporation to pay various expenses, debt service, or required reserves with respect to the bonds are transferred to the WTASC Residual Trust (the “Trust”), as owner of the residual certificate. The County is the beneficial owner of the Trust and, thus, the funds received by the Trust will ultimately transfer to the County.

The Board of Directors of WTASC has five members. The Board of Directors of WTASC is comprised of a majority of elected or appointed officials of the County and one independent Director.

The MSA was entered into on November 23, 1998, among the attorneys general of 46 states (including New York), the District of Columbia, the Commonwealth of Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Territory of the Northern Marianas and for the four largest United States tobacco manufacturers: Philip Morris Incorporated, R.J. Reynolds Tobacco Company, Brown and Williamson Tobacco Company and Lorillard Tobacco Company (collectively the “Original Participating Manufacturers” or “OPMs”) in settlement of certain smoking-related litigation and the Decree entered in New York Supreme Court, including the County’s right to receive certain initial and annual payments to be made by the OPMs under the MSA.

On August 8, 2001, WTASC participated in the New York Counties Tobacco Trust II (“NYCTT II”), along with six other New York County Tobacco Corporations. The trust issued \$215,220,000 in aggregate principal Tobacco Settlement Pass-through Bonds Series 2001. On November 15, 2005, WTASC issued subordinate Capital Appreciation Bonds (“CABs”) in various series for the purpose of securitizing additional future tobacco settlement revenues. Net proceeds of the 2005 series amounted to \$1,852,507. The County set these proceeds aside for capital projects. With the issuance of the 2005 CAB, the County is no longer entitled to any residual cash receipts until such time that the 2005 CAB is retired.

In accordance with the Bond Indenture and to the extent contained in the MSA Report, a trapping event has occurred. A Consumption Decline Trapping Event occurs when shipments of cigarettes in or to the 50 United States, the District of Columbia and Puerto Rico as measured under the MSA, are less in any year preceding a deposit date than the amount opposite such year under the “Consumption Decline Trapping Event” definition, which number for the year 2023 was 208,575,354,392. According to the MSA Report, the amount shown as relevant shipments for the year 2023 was less than the shipment amount specified above, and therefore a Consumption Decline Trapping Event has occurred for the year ended December 31, 2024.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about WTASC’s fund. The emphasis of fund financial statements is on the major governmental fund.

WTASC reports the following major governmental fund:

- *Debt Service Fund*—The Debt Service Fund is used to account for the accumulation of resources that are restricted for the payment of principal and interest on long-term obligations of governmental funds as well as the administration of such debt services.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Tobacco settlement revenues are exchange transactions, based on the notion that the payments are made to the settling states in exchange for their agreement to release the tobacco companies from present and future litigation. Under the terms of the MSA, the tobacco companies have agreed to make annual payments in perpetuity. The MSA includes a schedule of projected annual base payments, subject to certain adjustments based on future events or circumstances. The most significant factor affecting the annual payments is a *volume adjustment*, which creates a direct relationship between domestic shipments of cigarettes and the annual payments. Based on the MSA, the tobacco companies have no obligation to make settlement payments until cigarettes are shipped.

The event that results in the recognition of an asset and revenue by a settling government is the domestic shipment of cigarettes (sales). Therefore, WTASC recognizes a receivable and revenue for tobacco settlement revenues when that event occurs. Because annual tobacco settlement revenue payments are based on cigarette sales from the preceding calendar year, WTASC estimates accrued tobacco settlement revenues that derive from sales from January 1 to their respective fiscal year ends. Under the modified accrual basis of accounting, revenue should be recognized to the extent that the event occurs and resources become *available*.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, WTASC considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when the payment is due. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by WTASC.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Restricted Cash and Cash Equivalents—WTASC’s restricted cash and cash equivalents consist of cash on hand, demand deposits, time deposits and short-term, highly liquid investments with original maturities of six months or less from the date of acquisition. Restricted cash and cash equivalents represent amounts to support fund balance restricted for debt service. At December 31, 2024, WTASC does not report any investments; however, when WTASC does have investments they are recorded at fair value in accordance with GASB.

Due from New York State—Represents an estimate of WTASC’s portion of the Master Settlement Agreement and is recorded as revenue in the government-wide financial statements.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2024, WTASC does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At December 31, 2024, WTASC does not have any items for reporting in this category.

Net Position Flow Assumption—Sometimes WTASC will fund outlays for a particular purpose from both restricted (e.g., restricted bond proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is WTASC’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumption—Sometimes WTASC will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. If WTASC must use funds for emergency expenditures it shall expend funds first from funds classified under GASB as nonspendable (if funds become available) then restricted funds. The use of committed and assigned funds as classified by GASB will occur after the exhaustion of available restricted funds. Finally, if no other fund balances are available WTASC will use unassigned fund balance.

Fund Balance Policies—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. WTASC itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of WTASC’s highest level of decision-making authority (WTASC Board). The governing board is the highest level of decision-making authority for the

government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing board (WTASC Board) has by resolution authorized the sole Member to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenses/Expenditures

Program and General Revenues—Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. There are no program revenues in the current year. All tobacco settlement revenue and other internally dedicated resources are reported as general revenues rather than as program revenues.

Tobacco Settlement Revenues—During the fiscal year ended December 31, 2024, WTASC recognized tobacco settlement revenues in accordance with the Master Settlement Agreement. Payments are made according to a set formula based on tobacco sales.

Expenses/Expenditures—General administration costs consist of operating expenses for professional service fees and are paid from revenues. *Direct expenses* are those that are clearly identifiable with a specific function. Indirect expenses have been included as part of the program expenses reported for the various functional activities. Expenditures are recorded on a modified accrual basis of accounting. Payments to the County are recorded when the obligation is incurred.

Transfers Out—Payments to the County for their share of the Tobacco Settlement Revenue are recorded when the obligation is incurred.

Other

Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, deferred outflows of resources, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2024, WTASC implemented GASB Statements No. 99, *Omnibus 2023*; No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*. GASB Statement No. 99 relates to financial guarantees and the classification and reporting of derivative instruments. GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB Statement No. 101 improves reporting related to compensated absences. The implementation of GASB Statements No. 99, 100, and 101 did not have a material impact on WTASC’s financial position or results from operations.

Future Impacts of Accounting Pronouncements—WTASC has not completed the process of evaluating the impact that will result from adopting GASB Statement No. 102, *Certain Risk Disclosures*, effective for the year ending December 31, 2025; and GASB Statement No. 103, *Financial Reporting Model Improvements*; and No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending December 31, 2026. WTASC is, therefore, unable to disclose the impact that adopting GASB Statements No. 102, 103 and 104 will have on its financial position and results of operations when such statements are adopted.

Deficit Net Position—At December 31, 2024, WTASC reported a net position deficit of \$5,775,865. The deficit is caused by long-term obligations that are greater than currently available resources.

Tax Status—The Corporation is exempt from federal income tax under section 501(a) of the Internal Revenue Code (IRC) as an organization described in section 501(c)(3).

2. CASH AND CASH EQUIVALENTS

WTASC’s investment policies are governed by New York State statutes. All deposits are carried at fair value. Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit not covered by Federal deposit insurance (“FDIC”). WTASC has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligation that may be pledged as collateral. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

At December 31, 2024, WTASC’s cash and cash equivalents consisted of the following:

	Debt Service Fund
Deposits	\$ 84,957
Money market funds	427,877
Total	<u>\$ 512,834</u>

Deposits—All deposits of cash in the bank are carried at fair value, and are classified by custodial credit risk at December 31, 2024 as follows:

	Bank Balance	Carrying Amount
FDIC insured	<u>\$ 84,957</u>	<u>\$ 84,957</u>

Cash Equivalents—Cash equivalents held by WTASC include money market accounts with a maturity date within three months of year end. These cash equivalents are carried at amortized cost.

Restricted Cash and Cash Equivalents—WTASC reports restricted cash and cash equivalents in the Debt Service Fund of \$512,834 for future debt service payments.

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, WTASC’s deposits may not be returned to it. As noted above, by New York State statute all deposits in excess of FDIC insurance coverage must be collateralized. At December 31, 2024, WTASC’s deposits were FDIC insured.

Custodial Credit Risk—Cash Equivalents—For cash equivalents, this is the risk that, in the event of the failure of the counterparty, WTASC will not be able to recover the value of its cash equivalents or collateral securities that are in the possession of an outside party. For cash equivalents, this is the risk that in the event of a bank failure, WTASC’s cash equivalents may not be returned to it.

Interest Rate Risk—As a means of limiting its exposure to fair value losses arising from fluctuating interest rates, it is WTASC’s practice to generally limit investments to 180 days or less.

3. RECEIVABLES

Due from New York State—Represents amounts owed to WTASC for tobacco settlement revenue earned in 2024. WTASC has accrued \$775,776 within the government-wide statements only, as it is only recognized on the full accrual basis of accounting.

4. LONG-TERM DEBT

In 2001, WTASC issued \$5,540,000 of the New York Counties Tobacco Trust II Tobacco Settlement Pass-Through Bonds, Series 2001 (“Series 2001 Bonds”) pursuant to an indenture dated as of August 8, 2001.

The debt service payments include serial bond principal and super sinking term bond payments and are payable solely from pledged tobacco settlement revenue and investment earnings on amounts on deposit.

According to the terms of the required amortization payments, WTASC is required to make annual debt service payments through 2043, with interest ranging from 5% to 6%. Under the terms of the flexible amortization payments, WTASC can make debt service payments that allows for increased payments and a final maturity of June 1, 2025 for the super sinker payments. The flexible amortization payments are dependent upon the extent of actual collections from the TSR payments and availability of funds. The term bond structuring planned payment in 2025 is \$1,405,000. WTASC is able to make a higher super sinker principal payment to the extent TSR funds are available.

On November 15, 2005, WTASC participated in New York Counties Tobacco Trust V (“NYCTT”), along with 23 other New York County Tobacco Corporations, and issued Tobacco Settlement Pass-Through Bonds—Subordinate Turbo CABs in various series for the purpose of securitizing additional future tobacco settlement revenues. The proceeds of these bonds, \$1,852,507, were used to purchase tobacco settlement rights from the County. The issuance had four components and payments on the Subordinate Turbo CABs were subordinate to the Series 2001 Term Bonds.

Changes in Series 2001 Tobacco Settlement Bonds for the year ended December 31, 2024 are as follows:

Description	Year of Maturity	Yield	Beginning Balance 1/1/2024	Additions	Deletions	Ending Balance 12/31/2024	Amounts* Due Within One Year
2001 Tobacco Settlement Bonds	2025	various	<u>\$ 1,640,000</u>	<u>\$ -</u>	<u>\$ 235,000</u>	<u>\$ 1,405,000</u>	<u>\$ 1,405,000</u>

*Actual amounts due within one year may vary based on the receipt of TSRs and WTASC’s ability to make the payment of principal and interest, as referenced in Note 6.

WTASC debt service requirements, based upon planned principal payments, for Tobacco Settlement Bonds, Series 2001 are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	<u>\$ 1,405,000</u>	<u>\$ 40,394</u>	<u>\$ 1,445,394</u>
Total	<u>\$ 1,405,000</u>	<u>\$ 40,394</u>	<u>\$ 1,445,394</u>

Subordinate Turbo CABs—Interest on the Subordinate Turbo CABs is compounded semi-annually on June 1 and December 1, but is not payable until bond maturity. Interest accretes until both principal and accreted interest are paid. Future interest accretion has been recorded as bond discount and amortized as the current interest accretes. The accreted interest on the Subordinate Turbo CABs is reflected within the Subordinate Turbo CABs payable liability.

A summary of the Subordinate Turbo CABs net bond balance activity for the year ended December 31, 2024 follows:

	Interest Rate	Original Principal	Beginning Balance 1/1/2024	Annual Net Interest Accretion	Turbo Redemption Payments	Ending Balance 12/31/2024
Subordinate	6.00% -					
Turbo CABs	7.15%	<u>\$ 1,852,507</u>	<u>\$ 5,303,310</u>	<u>\$ 349,344</u>	<u>\$ -</u>	<u>\$ 5,652,654</u>

Redemption of the Subordinate Turbo CABs as outlined in the New York Counties Tobacco Trust V Tobacco Settlement Pass-Through Bonds, Series 2005 official statement totals \$1,852,507 with interest rates ranging from 6.00% to 7.15%. During the year ended December 31, 2024, WTASC did not make any redemption payments.

Any debt service amounts not paid in accordance with the Subordinate Turbo CABs redemption payments schedule will be due and payable on the following maturity dates:

Series 2005 S1	June 1, 2038
Series 2005 S2	June 1, 2050
Series 2005 S3	June 1, 2055
Series 2005 S4A	June 1, 2060

5. NET POSITION AND FUND BALANCE

The government-wide financial statements utilize a net position presentation. Net position is categorized as restricted and unrestricted components.

- ***Restricted for Debt Service***—This category restricts a portion of net position for payment of the debt service obligations of WTASC. At December 31, 2024, the balance of this restriction was \$900,722.
- ***Unrestricted Component of Net Position***—This component represents net position of WTASC not restricted for any other purpose.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation. At December 31, 2024, WTASC reported \$512,834 of fund balance restricted for debt service that must be used toward the future repayment of bonded debt.

As of December 31, 2024, WTASC reported no nonspendable, committed, assigned, or unassigned fund balances.

6. CONTINGENCIES

The ability of WTASC to meet debt service payments of bonds is contingent upon the receipt of TSRs. TSRs are principally dependent upon future levels of domestic consumption. A significant decline in the overall consumption of cigarettes could have a material adverse effect on the payments by the OPMs under the MSA and the amounts available to WTASC to make payments of principal and interest on their bonds.

Certain smokers, smokers' rights organizations, consumer groups, cigarette importers, cigarette distributors, cigarette manufacturers, Native American tribes, taxpayers, taxpayers' groups and other parties have filed actions against some, and in certain cases all, of the signatories to the MSA. In the event of an adverse court ruling in such types of litigation, Bondholders could incur a complete loss of their investment.

Additionally, the OPMs are also exposed to liability from various lawsuits including individual lawsuits, class action lawsuits and health care cost recovery litigation. Ultimately, the outcome of these and any other pending or future lawsuits is uncertain. One or more adverse judgment could result in delays in, or reductions of amounts available for, payments on the bonds.

7. RELATED PARTY TRANSACTIONS

As outlined in Note 1, WTASC's excess TSR that is not required to pay various expenses, debt service, or required reserves with respect to the bonds is transferred to the County on an annual basis. WTASC transferred excess TSR to the County in the amount of \$361,026 for the year ended December 31, 2024.

The County provides WTASC with administrative services. The cost of these services has been included as general government support expenses on WTASC's statements of activities. WTASC paid the County \$30,000 for administrative expenses for the year ended December 31, 2024.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 24, 2025, which is the date the financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

* * * * *

DRESCHER & MALECKI LLP

2721 Transit Road, Suite 111
 Elma, New York 14059
 Telephone: 716.565.2299
 Fax: 716.389.5178



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
 OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
 OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
 STATEMENTS PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
 Warren Tobacco Asset Securitization Corporation:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities and the major fund of Warren Tobacco Asset Securitization Corporation ("WTASC"), a component unit of the County of Warren, New York, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise WTASC's basic financial statements, and have issued our report thereon dated March 24, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered WTASC's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of WTASC's internal control. Accordingly, we do not express an opinion on the effectiveness of WTASC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether WTASC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of WTASC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering WTASC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in black ink that reads "Drescher & Malecki LLP".

March 24, 2025

DRESCHER & MALECKI LLP

2721 Transit Road, Suite 111
Elma, New York 14059
Telephone: 716.565.2299
Fax: 716.389.5178



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SECTION 2925(3)(f) OF THE
NEW YORK STATE PUBLIC AUTHORITIES LAW**

To the Board of Directors
Warren Tobacco Asset Securitization Corporation:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Warren Tobacco Asset Securitization Corporation ("WTASC"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise WTASC's basic financial statements, and have issued our report thereon dated March 24, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that WTASC failed to comply with Section 2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended December 31, 2024. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding WTASC's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

Drescher & Malecki LLP

March 24, 2025

**WARREN TOBACCO ASSET SECURITIZATION CORPORATION
ANNUAL REPORT ON MEASUREMENT
PER SECTION 2824-a OF THE PUBLIC AUTHORITY LAW
2024**

Warren Tobacco Asset Securitization Corporation performance measures:

- 1. Complied with the Public Authorities Accountability Act.**
- 2. Assured that all current Corporation Board members have acknowledged that they have read and understood the mission of the Corporation.**
- 3. An annual review and affirmation of the Corporation's membership and board structure was undertaken.**
- 4. An annual review and affirmation of policies regarding Board appointment of the Corporation, along with articulation of the respective roles of each was undertaken.**

**WARREN TOBACCO ASSET SECURITIZATION CORPORATION
ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROLS
PER SECTION 2800(90 OF THE PUBLIC AUTHORITY LAW
2024**

Warren Tobacco Asset Securitization Corporation accomplishments:

- 1. There were no identification of material weaknesses or instances of non-compliance with provisions of laws, regulations, contracts and grant agreements required to be reported under Government Auditing Standards during the audit by the External auditors in the internal controls of the corporation.**

**WARREN TOBACCO ASSET SECURITIZATION CORPORATION
ANNUAL REPORT ON OPERATIONS AND ACCOMPLISHMENTS
PER SECTION 2800 OF THE PUBLIC AUTHORITY LAW
2024**

Warren Tobacco Asset Securitization Corporation accomplishments:

- 1. Successful audit with no findings.**
- 2. Paid debt due on a timely basis.**

 PARIS Public Authorities Reporting Information System	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A

Governance Information (Authority-Related)

Question	Response	URL (if Applicable)
1. Has the Authority prepared its annual report on operations and accomplishments for the reporting period as required by section 2800 of PAL?	Yes	https://www.warrencountyny.gov/WTASC
2. As required by section 2800(9) of PAL, did the Authority prepare an assessment of the effectiveness of its internal controls?	Yes	https://www.warrencountyny.gov/WTASC
3. Has the lead audit partner for the independent audit firm changed in the last five years in accordance with section 2802(4) of PAL?	Yes	N/A
4. Does the independent auditor provide non-audit services to the Authority?	Yes	N/A
5. Does the Authority have an organization chart?	Yes	http://warrencountyny.gov/sites/default/files/WTASC/Paris%20Annual%20Report/WTASC%20Board%20Org%20Chart.pdf
6. Are any Authority staff also employed by another government agency?	Yes	Warren County
7. Has the Authority posted their mission statement to their website?	Yes	https://www.warrencountyny.gov/sites/default/files/WTASC/Paris%20Annual%20Report/WTASC%20Mission%20Statement.12.14.20.pdf
8. Has the Authority's mission statement been revised and adopted during the reporting period?	Yes	N/A
9. Attach the Authority's measurement report, as required by section 2824-a of PAL and provide the URL.		https://www.warrencountyny.gov/WTASC



Annual Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025

Status: UNSUBMITTED

Certified Date: N/A

Governance Information (Board-Related)

Question	Response	URL (If Applicable)
1. Has the Board established a Governance Committee in accordance with Section 2824(7) of PAL?		N/A
2. Has the Board established an Audit Committee in accordance with Section 2824(4) of PAL?		N/A
3. Has the Board established a Finance Committee in accordance with Section 2824(8) of PAL?		N/A
4. Provide a URL link where a list of Board committees can be found (including the name of the committee and the date established):		
5. Does the majority of the Board meet the independence requirements of Section 2825(2) of PAL?		N/A
6. Provide a URL link to the minutes of the Board and committee meetings held during the covered fiscal year		
7. Has the Board adopted bylaws and made them available to Board members and staff?		
8. Has the Board adopted a code of ethics for Board members and staff?		
9. Does the Board review and monitor the Authority's implementation of financial and management controls?		N/A
10. Does the Board execute direct oversight of the CEO and management in accordance with Section 2824(1) of PAL?		N/A
11. Has the Board adopted policies for the following in accordance with Section 2824(1) of PAL?		
Salary and Compensation		N/A
Time and Attendance		N/A
Whistleblower Protection		N/A
Defense and Indemnification of Board Members		N/A
12. Has the Board adopted a policy prohibiting the extension of credit to Board members and staff in accordance with Section 2824(5) of PAL?		N/A
13. Are the Authority's Board members, officers, and staff required to submit financial disclosure forms in accordance with Section 2825(3) of PAL?		N/A
14. Was a performance evaluation of the board completed?		N/A
15. Was compensation paid by the Authority made in accordance with employee or union contracts?		N/A
16. Has the board adopted a conditional/additional compensation policy governing all employees?		

 PARIS Public Authorities Reporting Information System	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A

Board of Directors Listing

Name	Brock, James	Nominated By	Local
Chair of the Board	No	Appointed By	Local
If yes, Chair Designated by		Confirmed by Senate?	No
Term Start Date	1/1/2023	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2023	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

Name	Geraghty, Kevin B	Nominated By	Other
Chair of the Board	Yes	Appointed By	Other
If yes, Chair Designated by	Elected by Board	Confirmed by Senate?	No
Term Start Date	1/1/2023	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	Ex-Officio	Complied with Training Requirement of Section 2824?	Yes
Title	Chairman Board of Supervisors	Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?	No	Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	Yes
Designee Name		Ex-Officio	Yes



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

Name	Thomas, Frank	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	No
Term Start Date	1/1/2024	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	Ex-Officio	Complied with Training Requirement of Section 2824?	Yes
Title	Chairman of the Finance Committee	Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?	No	Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	Yes
Designee Name		Ex-Officio	Yes

Name	Wild, Michael	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	No
Term Start Date	1/1/2023	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	Ex-Officio	Complied with Training Requirement of Section 2824?	Yes
Title	Chairman of Personnel Committee	Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?	No	Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	Yes
Designee Name		Ex-Officio	Yes

	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

Staff Listing

Name	Title	Group	Department/ Subsidiary	Union Name	Bargaining Unit	Full Time/ Part Time	Exempt	Base Annualized Salary	Actual salary paid to the Individual	Overtime paid by Authority	Performance Bonus	Extra Pay	Other Compensati on/Allowanc es/Adjustme nts	Total Compensati on paid by Authority	Individual also paid by another entity to perform the work of the Authority	If yes, Is the payment made by a State or local governme nt
Geraghty, Kevin B	President/Chief Executive Officer	Executive				PT	Yes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Yes	Yes
Lynch, Robert	Treasurer/Chief Financial Officer	Executive				PT	Yes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Yes	Yes
Norton, Christine	Vice President	Executive				PT	Yes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Yes	Yes
Thomas, Frank	Secretary	Executive				PT	Yes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Yes	Yes



Annual Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025

Status: UNSUBMITTED

Certified Date: N/A

Benefit Information

During the fiscal year, did the Authority continue to pay for any of the above mentioned benefits for former staff or individuals affiliated With the Authority after those individuals left the Authority?

No

Board Members

Name	Title	Severance Package	Payment for Unused Leave	Club Member-ships	Use of Corporate Credit Cards	Personal Loans	Auto	Transportation	Housing Allowance	Spousal / Dependent Life Insurance	Tuition Assistance	Multi-Year Employment	None of these Benefits	Other
Brock, James	Board of Directors												X	
Geraghty, Kevin B	Board of Directors												X	
Thomas, Frank	Board of Directors												X	
Wild, Michael	Board of Directors												X	

Staff

Name	Title	Severance Package	Payment for Unused Leave	Club Member-ships	Use of Corporate Credit Cards	Personal Loans	Auto	Transportation	Housing Allowance	Spousal / Dependent Life Insurance	Tuition Assistance	Multi-Year Employment	None of these Benefits	Other
------	-------	-------------------	--------------------------	-------------------	-------------------------------	----------------	------	----------------	-------------------	------------------------------------	--------------------	-----------------------	------------------------	-------



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

Subsidiary/Component Unit Verification

Is the list of subsidiaries, as assembled by the Office of the State Comptroller, correct?	Yes
Are there other subsidiaries or component units of the Authority that are active, not included in the PARIS reports submitted by this Authority and not independently filing reports in PARIS?	No

Name of Subsidiary/Component Unit	Status
-----------------------------------	--------

Request Subsidiary/Component Unit Change

Name of Subsidiary/Component Unit	Status	Requested Changes
-----------------------------------	--------	-------------------

Request Add Subsidiaries/Component Units

Name of Subsidiary/Component Unit	Establishment Date	Purpose of Subsidiary/Component Unit
-----------------------------------	--------------------	--------------------------------------

Request Delete Subsidiaries/Component Units

Name of Subsidiary/Component Unit	Termination Date	Reason for Termination	Proof of Termination Document Name
-----------------------------------	------------------	------------------------	------------------------------------



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Status: UNSUBMITTED

Fiscal Year Ending: 12/31/2024

Certified Date: N/A

Summary Financial Information**SUMMARY STATEMENT OF NET ASSETS**

			Amount
Assets			
Current Assets			
	Cash and cash equivalents		\$512,834.00
	Investments		\$0.00
	Receivables, net		\$775,776.00
	Other assets		\$0.00
	Total current assets		\$1,288,610.00
Noncurrent Assets			
	Restricted cash and investments		\$0.00
	Long-term receivables, net		\$0.00
	Other assets		\$0.00
	Capital Assets		
		Land and other nondepreciable property	\$0.00
		Buildings and equipment	\$0.00
		Infrastructure	\$0.00
		Accumulated depreciation	\$0.00
		Net Capital Assets	\$0.00
	Total noncurrent assets		\$0.00
Total assets			\$1,288,610.00
Liabilities			
Current Liabilities			
	Accounts payable		\$0.00
	Pension contribution payable		\$0.00
	Other post-employment benefits		\$0.00
	Accrued liabilities		\$6,732.00
	Deferred revenues		\$0.00
	Bonds and notes payable		\$7,057,743.00
	Other long-term obligations due within one year		\$0.00
	Total current liabilities		\$7,064,475.00
Noncurrent Liabilities			



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

	Pension contribution payable		\$0.00
	Other post-employment benefits		\$0.00
	Bonds and notes payable		\$0.00
	Long term leases		\$0.00
	Other long-term obligations		\$0.00
	Total noncurrent liabilities		\$0.00
Total liabilities			\$7,064,475.00
Net Asset (Deficit)			
Net Assets			
	Invested in capital assets, net of related debt		\$0.00
	Restricted		\$900,722.00
	Unrestricted		(\$6,676,587.00)
	Total net assets		(\$5,775,865.00)

SUMMARY STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

			Amount
Operating Revenues			
	Charges for services		\$0.00
	Rental and financing income		\$0.00
	Other operating revenues		\$670,137.00
	Total operating revenue		\$670,137.00
Operating Expenses			
	Salaries and wages		\$0.00
	Other employee benefits		\$0.00
	Professional services contracts		\$25,108.00
	Supplies and materials		\$0.00
	Depreciation and amortization		\$0.00
	Other operating expenses		\$35,142.00
	Total operating expenses		\$60,250.00
Operating income (loss)			\$609,887.00
Nonoperating Revenues			
	Investment earnings		\$39,060.00
	State subsidies/grants		\$0.00
	Federal subsidies/grants		\$0.00
	Municipal subsidies/grants		\$0.00
	Public authority subsidies		\$0.00



Annual Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025

Status: UNSUBMITTED

Certified Date: N/A

	Other nonoperating revenues		\$0.00
	Total nonoperating revenue		\$39,060.00
Nonoperating Expenses			
	Interest and other financing charges		\$435,851.00
	Subsidies to other public authorities		\$0.00
	Grants and donations		\$0.00
	Other nonoperating expenses		\$361,026.00
	Total nonoperating expenses		\$796,877.00
	Income (loss) before contributions		(\$147,930.00)
Capital contributions			\$0.00
Change in net assets			(\$147,930.00)
Net assets (deficit) beginning of year			(\$5,627,935.00)
Other net assets changes			\$0.00
Net assets (deficit) at end of year			(\$5,775,865.00)

 PARIS Public Authorities Reporting Information System	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A

Current Debt

Question		Response
1.	Did the Authority have any outstanding debt, including conduit debt, at any point during the reporting period?	Yes
2.	If yes, has the Authority issued any debt during the reporting period?	No

New Debt Issuances

PARIS Public Authorities Reporting Information System	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A

Schedule of Authority Debt

Type of Debt			Statutory Authorization(\$)	Outstanding Start of Fiscal Year(\$)	New Debt Issuances(\$)	Debt Retired (\$)	Outstanding End of Fiscal Year(\$)
State Obligation	State Guaranteed						
State Obligation	State Supported						
State Obligation	State Contingent Obligation						
State Obligation	State Moral Obligation						
Other State-Funded	Other State-Funded						
Authority Debt - General Obligation	Authority Debt - General Obligation						
Authority Debt - Revenue	Authority Debt - Revenue						
Authority Debt - Other	Authority Debt - Other		0.00	1,640,000.00	0.00	235,000.00	1,405,000.00
Conduit		Conduit Debt					
Conduit		Conduit Debt - Pilot Increment Financing					
TOTALS			0.00	1,640,000.00	0.00	235,000.00	1,405,000.00



Annual Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025

Status: UNSUBMITTED

Certified Date: N/A

Real Property Acquisition/Disposal List

This Authority has indicated that it had no real property acquisitions or disposals during the reporting period.

 PARIS Public Authorities Reporting Information System	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A

Personal Property

This Authority has indicated that it had no personal property disposals during the reporting period.

 PARIS Public Authorities Reporting Information System	
Annual Report for Warren Tobacco Asset Securitization Corporation	Run Date: 05/22/2025
Fiscal Year Ending: 12/31/2024	Status: UNSUBMITTED
	Certified Date: N/A

Property Documents

Question		Response	URL (if Applicable)
1.	In accordance with Section 2896(3) of PAL, the Authority is required to prepare a report at least annually of all real property of the Authority. Has this report been prepared?	No	
2.	Has the Authority prepared policies, procedures, or guidelines regarding the use, awarding, monitoring, and reporting of contracts for the acquisition and disposal of property?	No	
3.	In accordance with Section 2896(1) of PAL, has the Authority named a contracting officer who shall be responsible for the Authority's compliance with and enforcement of such guidelines?	No	N/A



Annual Report for Warren Tobacco Asset Securitization Corporation
Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025
Status: UNSUBMITTED
Certified Date: N/A

Grant Information

This Authority has indicated that it did not award any grants during the reporting period.



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

Loan Information

This Authority has indicated that it did not have any outstanding loans during the reporting period.



Annual Report for Warren Tobacco Asset Securitization Corporation

Run Date: 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

Bond Information

Name of Recipient of Bond Proceeds	County of Warren	Bond Interest Rate	7.85
Address Line1	1340 State Route 9	Last Year Bonds Expected to be Retired	2060
Address Line2		Amount of Bond Principal Retired during the Reporting Year	
City	LAKE GEORGE	Amount of Bond Principal Retired Prior to Reporting Year	0
State	NY	Current Amount of Bonds Outstanding	\$37,750,000.00
Postal Code	12845	Purpose of Project Requiring the Bond Issuance	Land Preservation/Resource Conservation/Recreation
Plus4		Was the Bond Issuance Expected to Result in New Jobs Being Created?	No
Province/Region		If yes, How Many Jobs Were Planned to be Created?	
Country	United States	If yes, How Many Jobs Have Been Created to Date?	
Amount of Bonds Issued	\$37,750,000.00	Have the Bonds Been Fully Retired?	
Date Bonds Issued	11/29/2005		

Name of Recipient of Bond Proceeds	County of Warren	Bond Interest Rate	6
Address Line1	1340 State Route 9	Last Year Bonds Expected to be Retired	2043
Address Line2		Amount of Bond Principal Retired during the Reporting Year	235000
City	LAKE GEORGE	Amount of Bond Principal Retired Prior to Reporting Year	3900000
State	NY	Current Amount of Bonds Outstanding	\$1,405,000.00
Postal Code	12845	Purpose of Project Requiring the Bond Issuance	Land Preservation/Resource Conservation/Recreation
Plus4		Was the Bond Issuance Expected to Result in New Jobs Being Created?	No
Province/Region		If yes, How Many Jobs Were Planned to be Created?	
Country	United States	If yes, How Many Jobs Have Been Created to Date?	
Amount of Bonds Issued	\$5,540,000.00	Have the Bonds Been Fully Retired?	No
Date Bonds Issued	8/8/2021		



Annual Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025
Status: UNSUBMITTED
Certified Date: N/A

Additional Comments



Certified Financial Audit for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025
 Status: RESUBMIT
 Certified Date : N/A

Financial Documents

Question	Response
1. Attach the independent audit of the Authority's financial statements.	N/A

URL (If Applicable)	Attachments
https://www.warrencountyny.gov/WTASC	Attachment Included

Question	Response
2. Has the Authority's independent auditor issued a management letter to the Authority in connection with its audit of the Authority's financial statements?	No

URL (If Applicable)	Attachments

Question	Response
3. Has the Authority's independent auditor issued a Report on Internal Controls Over Financial Reporting to the Authority?	No

URL (If Applicable)	Attachments

Question	Response
4. Attach any other communication required or allowed by government auditing standards issued by the Comptroller General of the United States to be issued by the Authority's independent auditor in connection with its annual audit of the Authority's financial statements.	

URL (If Applicable)	Attachments

Additional Comments

Budget Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2026

 Run Date: 05/22/2025
 Status: UNSUBMITTED
 Certified Date: N/A
Budget & Financial Plan**Budgeted Revenues, Expenditures, And Changes in Current Net Assets.**

		Last Year (Actual) 2024	Current Year (Estimated) 2025	Next Year (Adopted) 2026	Proposed 2027	Proposed 2028	Proposed 2029
REVENUE & FINANCIAL SOURCES							
Operating Revenues							
	Charges For Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Rental And Financing Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other Operating Revenues	\$670,137.00	\$775,000.00	\$775,000.00	\$775,000.00	\$775,000.00	\$775,000.00
Non-Operating Revenues							
	Investment Earnings	\$39,060.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
	State Subsidies/Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Federal Subsidies/Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Municipal Subsidies/Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Public Authority Subsidies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other Nonoperating Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Proceeds From The Issuance Of Debt	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total revenues and financing sources		\$709,197.00	\$800,000.00	\$800,000.00	\$800,000.00	\$800,000.00	\$800,000.00
EXPENDITURES							
Operating Expenditures							
	Salaries And Wages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other Employee Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Professional Services Contracts	\$25,108.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
	Supplies And Materials	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other Operating Expenses	\$35,142.00	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00
Non-Operating Expenditures							
	Payment Of Principal On Bonds And Financing Arrangements	\$235,000.00	\$535,000.00	\$0.00	\$0.00	\$0.00	\$0.00
	Interest And Other Financing Charges	\$200,851.00	\$9,775.00	\$0.00	\$0.00	\$0.00	\$0.00
	Subsidies To Other Public Authorities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Capital Asset Outlay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Grants And Donations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other Nonoperating Expenses	\$361,026.00	\$195,225.00	\$740,000.00	\$740,000.00	\$740,000.00	\$740,000.00
Total expenses		\$857,127.00	\$800,000.00	\$800,000.00	\$800,000.00	\$800,000.00	\$800,000.00
	Capital Contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Excess (Deficiency) Of Revenues And Capital Contributions Over Expenses		(\$147,930.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



Budget Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2026

Run Date: 05/22/2025
Status: UNSUBMITTED
Certified Date: N/A

The authority's budget, as presented to the Board of Directors, is posted on the following website: <https://www.warrencountyny.gov/WTASC>

Additional Comments



Investment Report for Warren Tobacco Asset Securitization Corporation

Run Date : 05/22/2025

Fiscal Year Ending: 12/31/2024

Status: UNSUBMITTED

Certified Date: N/A

Investment Information

Question		Response	URL (If Applicable)
1.	Has the Authority prepared an Annual Investment Report for the reporting period as required by Section 2925 (6) of PAL?	No	
2.	Are the Authority's investment guidelines reviewed and approved annually?	Yes	
3.	Did the Authority have an independent audit of investments as required by Section 2925(3)(f) of PAL?	Yes	https://warrencountyny.gov/WTASC
4.	Has the Authority's independent auditor issued a management letter to the Authority in connection with its annual audit of investments?	No	

Additional Comments



Procurement Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025
 Status: UNSUBMITTED
 Certified Date : N/A

Procurement Information:

Question	Response	URL (If Applicable)
1. Does the Authority have procurement guidelines?	Yes	https://www.warrencountyny.gov/WTASC
2. Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	No	
3. Does the Authority allow for exceptions to the procurement guidelines?	No	
4. Does the Authority assign credit cards to employees for travel and/or business purchases?	No	
5. Does the Authority require prospective bidders to sign a non-collusion agreement?	Yes	
6. Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?	Yes	
7. Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-j(2)(a) of the State Finance Law, "The Procurement Lobbying Act"?	Yes	
8. Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-j(10) of the State Finance Law?	No	
8a. If Yes, was a record made of this impermissible contact?		
9. Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-j(9) of the State Finance Law?	Yes	



Procurement Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025
 Status: UNSUBMITTED
 Certified Date : N/A

Procurement Transactions Listing:

1. Vendor Name	Drescher & Malecki, LLP	Address Line1	2721 Transit Road Suite 111
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	ELMA
Award Date	2/14/2022	State	NY
End Date		Postal Code	14059
Fair Market Value		Plus 4	
Amount	\$10,655.00	Province/Region	
Amount Expended For Fiscal Year	\$10,655.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Audit Services

2. Vendor Name	Marsh USA Inc	Address Line1	6500 Sheridan Drive Suite 114
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Non Contract Procurement/Purchase Order	City	WILLIAMSVILLE
Award Date		State	NY
End Date		Postal Code	14221
Fair Market Value		Plus 4	
Amount		Province/Region	
Amount Expended For Fiscal Year	\$5,142.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Directors and officers insurance renewal



Procurement Report for Warren Tobacco Asset Securitization Corporation

Fiscal Year Ending: 12/31/2024

Run Date: 05/22/2025
Status: UNSUBMITTED
Certified Date : N/A

Additional Comments

WARREN TOBACCO ASSET SECURITIZATION CORPORATION

Kevin B. Geraghty, President
 1340 State Route 9, Lake George, NY 12845

Warren Tabaco Asset Securitization Corporation

Annual Budget
 November 7, 2025

Operating Revenue:	<u>\$65,000</u>	
Operating Expenses:		
Corporate Audit:	\$11,000	
Legal Services:	\$ 400	
Officers Insurance:	\$ 5,200	
Wire Transfer Fees:	\$ 2,800	
Warren County Treasurer		
Administrative Fee:	<u>\$30,000</u>	
Total Revenue & Expenses:	<u>\$65,000</u>	<u>\$49,400</u>
Excess (Deficiency) of		
Revenue Over Expense:	<u>\$ 15,600</u>	

Warren County Board of Supervisors

RESOLUTION No. 199 OF 2022

RESOLUTION INTRODUCED BY SUPERVISORS LEGGETT, THOMAS, BRUNO, MERLINO, RUNYON, DIAMOND AND DRISCOLL

**ACCEPTING AND EXPRESSING APPRECIATION TO THE WARREN TOBACCO ASSET
SECURITIZATION CORPORATION FOR THE DONATION OF MONIES**

RESOLVED, that the Warren County Board of Supervisors hereby accepts the donation from the Warren Tobacco Asset Securitization Corporation in the sum of Thirty Thousand Dollars (\$30,000) annually for a Tobacco settlement reached between the United States and the tobacco companies, and be it further

RESOLVED, that the Warren County Board of Supervisors expresses thanks and appreciation to the Warren Tobacco Asset Securitization Corporation for the donation.

Warren County Board of Supervisors

RESOLUTION NO. 556 OF 2005

Resolution introduced by Monroe and Gabriels

**AUTHORIZING SECURITIZATION OF FUTURE RESIDUAL PAYMENTS
FLOWING FROM FIFTY PERCENT (50%) OF THE TOBACCO REVENUES
SECURITIZED ON AUGUST 8, 2001 AND AUTHORIZING COUNTY
OFFICIALS TO TAKE ACTION AND EXECUTE DOCUMENTS**

RESOLVED, that Warren County securitize future residual payments (2016 to 2031) of tobacco revenues, that the County is not currently receiving and that will be available following the payment of bonds from the prior securitization, for an up-front payment (currently estimated at One Million Eight Hundred Twenty-Two Thousand Ninety Eight Dollars (\$1,822,098)), and with the understanding that securitization does not, in any manner, affect the annual unsecuritized revenues the County currently receives for Fifty Percent (50%) of the tobacco revenues that the County did not previously securitize in 2001, and be it further

RESOLVED, that the County shall use the funds for a qualifying Capital Project, to be selected in the near future, or at such time as may be required by any agreements and/or representations necessary in connection with the tobacco securitization financial proceedings, and be it further

RESOLVED, that the Chairman of the Board, the County Treasurer, the County Attorney, and the Commissioner of Administrative & Fiscal Services be, and hereby are, authorized to take such action, make such representations, and execute such documents on behalf of the County as may be necessary to further the process of securitizing the future residual payments due and owing in connection with the Fifty Percent (50%) of tobacco revenue securitized on or about August 8, 2001:

**WRITTEN CONSENT
OF
THE CONTROLLING TRUSTEES
OF
WARREN TASC RESIDUAL TRUST**

The undersigned, being at least a majority of the Controlling Trustees of the Warren TASC Residual Trust, a Delaware business trust formed and existing under the Delaware Business Trust Act, in accordance with Section 4.3 of the Amended and Restated Declaration and Agreement of Trust dated as of August 1, 2001, hereby consent to the following resolutions and the actions specified herein without a meeting of the Controlling Trustees:

WHEREAS, the Controlling Trustees are parties to that certain Amended and Restated Declaration and Agreement of Trust, dated August 8, 2001 (the "Trust Agreement"), by and among Warren Tobacco Asset Securitization Corporation (the "Corporation"), Wilmington Trust Company, as Delaware Trustee, Frank Thomas, as Trustee, Michael Wild, as Trustee, and Christine Norton, as Trustee, pursuant to which the Delaware Trustee established an Eligible Deposit Account entitled the TASC Residual Trust Distribution Account (the "Distribution Account");

WHEREAS, Manufacturers and Traders Trust Company (the "M&T Bank"), has received a payment relating to the Residual Certificate, which payment is currently held in the Collection Account under the Indenture between the Corporation and M&T Bank, as Trustee, dated as of August 1, 2001;

WHEREAS, M&T Bank is required to forward such payment by wire transfer to the holder of the Residual Certificate to be deposited into the Distribution Account and, upon satisfaction of the terms of the Trust Agreement, the Delaware Trustee will be instructed to transfer amounts from the Distribution Account as provided below;

WHEREAS, the registered owner of the Residual Certificate is Warren TASC Residual Trust;

WHEREAS, under the Trust Agreement such payment is required to be deposited;

WHEREAS, the Distribution Account is under the sole dominion and control of the Controlling Trustees;

WHEREAS, the Delaware Trustee, pursuant to Section 6.3 of the Trust Agreement, has no duty or obligation to manage, make any payment with respect to, register, record, sell, dispose of, or otherwise deal with the Residual Certificate, or to otherwise take or refrain from taking any action under, or in connection with, any document contemplated thereby to which it is a party, except as expressly provided by the terms of the Trust Agreement;

WHEREAS, the Delaware Trustee, pursuant to Section 7.1(b) of the Trust Agreement shall not be liable with respect to any action taken or omitted to be taken in accordance with the instructions of the Beneficial Owner;

NOW, THEREFORE, IT IS RESOLVED, that the Controlling Trustees, having sole and complete control over moneys held in the Distribution Account, hereby (i) consent to the deposit by M&T Bank of the payment into the Distribution Account and the subsequent transfer by wire of three hundred twenty-nine thousand, two hundred fifty-eight, and 85/100 Dollars (\$329,258.85) by the Delaware Trustee from the Distribution Account to Glens Falls National Bank & Trust Company, ABA# 021302554, Account # 0000936006, and (ii) confirm that in connection with the foregoing, the requirements of Section 5.2 of the Trust Agreement have been met;

FURTHER RESOLVED, that the Controlling Trustees consent and direct the Beneficial Owner to execute and deliver to the Delaware Trustee an instruction letter in the form attached hereto as Exhibit A.

This Written Consent may be executed in one or more counterparts, each of which shall constitute an original document, but all of which taken together shall constitute but one instruction. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in or by reference in the Trust Agreement.

IN WITNESS WHEREOF, the undersigned, being at least a majority of the Controlling Trustees of the Warren TASC Residual Trust, have executed and delivered this Written Consent as of the _____ day of _____, 2025.

James Brock, as Trustee

Frank Thomas, as Trustee

Christine Norton, as Trustee

Exhibit A

_____, 2025

Wilmington Trust Company,
 not in its individual capacity
 but solely as Delaware Trustee
 Rodney Square North
 1100 North Market Street
 Wilmington, Delaware 19890-0001
 Attention: Corporate Trust Administration

Re: Warren TASC Residual Trust

Ladies and Gentlemen:

We refer to the Amended and Restated Declaration and Agreement of Trust of Warren TASC Residual Trust, dated as of August 1, 2001 (the "Trust Agreement"), among Warren Tobacco Asset Securitization Corporation, Wilmington Trust Company, as Delaware Trustee, and the other trustees named therein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in or by reference in the Trust Agreement.

The undersigned hereby requests and directs you, as Delaware Trustee, to (i) deposit into the TASC Residual Trust Distribution Account (the "Distribution Account") proceeds received by wire transfer from Manufacturers and Traders Trust Company relating to the Residual Certificate and, (ii) forward three hundred twenty-nine thousand, two hundred fifty-eight, and 85/100 Dollars (\$329,258.85) of such proceeds by wire to Glens Falls National Bank & Trust Company, ABA# 021302554, Account # 0000936006.

In order to induce you to take the foregoing action, we hereby agree to indemnify Wilmington Trust Company, its directors, officers, employees, and agents (individually, an "Indemnatee") for, and agree to hold each Indemnatee harmless against, any liability, loss or expense (including, without limitation legal and other professional fees and expenses) incurred by an Indemnatee in connection with or arising out of the taking by Wilmington Trust Company, as Delaware Trustee, of the foregoing requested action, in accordance with Section 8.2 of the Trust Agreement.

Very truly yours,

WARREN TOBACCO ASSET
 SECURITIZATION CORPORATION

By: _____
 Name:
 Title:

Warren County Board of Supervisors

RESOLUTION NO. 353 OF 2022

RESOLUTION INTRODUCED BY SUPERVISORS THOMAS, CONOVER, BEATY, FRASIER, WILD, BRAYMER AND RUNYON

ENACTING LOCAL LAW NO. 2 OF 2022, ENTITLED “A LOCAL LAW AMENDING AND UPDATING LOCAL LAW NO. 6 OF 2021, ‘A LOCAL LAW AMENDING AND UPDATING LOCAL LAW NO. 5 OF 2021, A LOCAL LAW AMENDING AND UPDATING LOCAL LAW NO. 6 OF 2014, WARREN COUNTY ETHICS AND DISCLOSURE LAW’”

WHEREAS, a proposed local law was duly presented to the Board of Supervisors and considered by them, said proposed local law entitled, “A Local Law Amending and Updating Local Law No. 6 of 2021, *‘A Local Law Amending and Updating Local Law No. 5 of 2021, A Local Law Amending and Updating Local Law No. 6 of 2014, Warren County Ethics and Disclosure Law,’*” and

WHEREAS, the Board of Supervisors adopted Resolution No. 317 of 2022, which authorized a public hearing to be held by the Board of Supervisors on the 15th day of July, 2022, in the Supervisors’ Rooms in the Warren County Municipal Center on the matter of the proposed local law, and notice of such public hearing having been duly published and posted as required by law, and said public hearing having been held and all persons appearing at such public hearing desiring to be heard, having been heard, now, therefore, be it

RESOLVED, that the Board of Supervisors of the County of Warren, New York, on this 15th day of July, 2022, does hereby enact and adopt Local Law No. 2 of 2022, as annexed hereto.

RESOLUTION No. 353 OF 2022**PAGE 2 OF 18****COUNTY OF WARREN
LOCAL LAW NO. 2 OF 2022*****“A LOCAL LAW AMENDING AND UPDATING LOCAL LAW NO. 6 OF 2021, ‘A LOCAL LAW AMENDING AND UPDATING LOCAL LAW NO. 5 OF 2021, ‘A LOCAL LAW AMENDING AND UPDATING LOCAL LAW NO. 6 OF 2014, WARREN COUNTY ETHICS AND DISCLOSURE LAW”*****BE IT ENACTED**, by the Board of Supervisors of the County of Warren, New York as follows:

SECTION 1. Title. This Local Law shall be entitled “A Local Law Amending and Updating Local Law No. 5 of 2021, *‘A Local Law Amending and Updating Local Law No. 6 of 2014, Warren County Ethics and Disclosure Law.*”

SECTION 2. Purpose. To update the Financial Disclosure Form included as “Appendix B” in the Warren County Ethics and Disclosure Law intended to ensure that officers and employees of Warren County hold their positions to serve and benefit the public, and not for obtaining unwarranted personal or private gain in the exercise and performance of their official powers and duties. The Board of Supervisors recognizes that, in furtherance of this fundamental principle, there is a need for clear and reasonable standards of ethical conduct. This code of ethics establishes those standards.

SECTION 3. Definitions.

- (a) “Board” means Warren County Board of Supervisors.
- (b) “Code” means this Code of Ethics.
- (c) “Interest” means a direct or indirect financial or material benefit, but does not include any benefit arising from the provision or receipt of any services generally available to the residents or taxpayers of the municipality or an area of the municipality, or a lawful class of such residents or taxpayers. A municipal officer or employee is deemed to have an interest in any private organization when he or she, his or her spouse, or a member of his or her household, is an owner, partner, member, director, officer, employee, or directly, collectively directly or indirectly owns or controls more than fifty percent (50%) of the organization.
- (d) “Municipality” means a county, city, town, village, school district, consolidated health district, county vocational education and extension board, public library, board of cooperative educational services, urban renewal agency, a joint water works system established pursuant to chapter six hundred fifty-four of the laws of nineteen hundred twenty-seven, or a town or county improvement district, district corporation, or other district or a joint service established for the purpose of carrying on, performing or financing one or more improvements or services intended to benefit the health, welfare, safety or convenience of the inhabitants of such governmental units or to benefit the real property within such units, an industrial development agency but shall have no application to a city having a population of one million or more or to a county, school district, or other public agency or facility therein.
- (e) “Municipal officer or employee” means an officer or employee of a municipality, whether paid or unpaid, including members of any administrative board, commission or other agency thereof and in the case of a county, shall be deemed to also include any officer or employee paid from county funds. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer firefighter or civil defense volunteer, except a fire chief or assistant fire chief.

RESOLUTION NO. 353 OF 2022**PAGE 3 OF 18**

- (e) “Relative” means a spouse, child or step-child, or dependent.
- (f) “Spouse” means a husband or wife of the municipal officer or employee unless living separate and apart in contemplation of divorce or formal separation.

SECTION 4. Applicability. This code of ethics applies to the officers and employees of Warren County, and shall replace and supersede all Warren County Code of Ethics, dated 2014 and 2021. The provisions of this code of ethics shall apply in addition to all applicable State and local laws relating to conflicts of interest and ethics including, but not limited to, Article 18 of the General Municipal Law and all rules, regulations, policies and procedures of Warren County.

SECTION 5. Prohibition on use of municipal position for personal or private gain. No municipal officer or employee shall use his or her municipal position or official powers and duties to secure a financial or material benefit for himself or herself, a relative, or any private organization in which he or she is deemed to have an interest.

SECTION 6. Disclosure of interest in legislation and other matters.

- (a) Whenever a matter requiring the exercise of discretion comes before a municipal officer or employee, either individually or as a member of a board, and disposition of the matter could result in a direct or indirect financial or material benefit to himself or herself, a relative, or any private organization in which he or she is deemed to have an interest, the County officer or employee shall refrain from the exercise of discretion in the matter.
- (b) The County officer or employee shall also disclose in writing the nature of the interest. The disclosure shall be made when the matter requiring disclosure first comes before the County officer or employee, or when the County officer or employee first acquires knowledge of the interest requiring disclosure, whichever is earlier.
- (c) In the case of a person serving in an elective office, the disclosure shall be filed with the County Attorney and shall be provided to the Board of Ethics for a proactive review and consultation should a conflict exist within sixty (60) days of the notice being filed. In all other cases, the disclosure shall be filed with the person’s supervisor or, if the person does not have a supervisor, the disclosure shall be filed with the County officer, employee or board having the power to appoint to the person’s position.

SECTION 7. Annual Disclosure.

- 1) Officers and employees required to file. The officers and employees of Warren County as set forth below and more particularly but not necessarily exhaustively set forth on a representative list of such officers and employees annexed and incorporated herein as Appendix “A”, shall be required to sign and file an annual disclosure statement. The form annual disclosure statement is annexed hereto and incorporated herein as Appendix “B”. The Board of Ethics as established under Section 18 hereof shall enforce such filing requirements, and shall have the authority to review the annual disclosure statements and shall do so within sixty (60) days of the filing due date and as needed to determine questions that may arise under this law. All officers and employees shall comply with General Municipal Law Article 18 and any amendments or revisions relative to the filing of financial statements.
 - (a) Elected officials; and
 - (b) The heads of any agency, department, division, council, board, commission, authority or bureau of Warren County and their deputies and other persons authorized to act on their

RESOLUTION No. 353 OF 2022**PAGE 4 OF 18**

- behalf who make policy decisions; and
- (c) Officers and employees who hold policymaking positions, including members of boards, commissions and public authorities of Warren County. A person shall be considered to hold a policymaking position if he or she meets the following criteria, based either on the powers and duties of the position held by the person as set forth in the job description or any applicable law or regulation, or based on the actual duties performed by the person:
 - (1) he or she has been determined to be managerial pursuant to Civil Service Law §201(7) because he or she formulates policy; or
 - (2) he or she is in the non-competitive class under §2.2 of the rules and regulations of the New York State Department of Civil Service, provided that the person holds a position that is designated in any applicable rules and regulations promulgated by the county civil service commission or County Personnel Officer pursuant to Civil Service Law §20, on the basis that the position requires the performance of functions influencing policy; or
 - (3) he or she exercises responsibilities of a broad scope in the formulation of plans for the implementation of goals or policy for a county agency or acts as an advisor to an individual in such a position, and
 - (d) Officers and employees having discretionary authority with respect to:
 - (1) Contracts, leases, franchises, concessions, permits, or licenses; or
 - (2) The purchase, sale, rental, or lease of real property, personal property, or services, or a contract therefore; or
 - (3) The obtaining of grants of money or loans; or
 - (4) Inspections; or
 - (5) The adoption or repeal of any rule or regulation having the force and effect of law, and
 - 2) Time and place for filing. The annual disclosure statements shall be filed with the office of the County Attorney no later than the 31st of January each year. This filing may be completed electronically or hard copy as a fillable form, with a copy of certification of completion of the Warren County electronic ethics training. A complete list of filings shall be provided to the Board of Ethics members by February 14th of each year. Late or missing submissions shall be followed up on by the Board of Ethics with the assistance of the County Attorney's Office. After ninety (90) days, notification of any outstanding filings shall be sent to the County Administrator and members of the Board of Supervisors. Disclosure statements must be updated during the year as circumstances warrant.

SECTION 8. Recusal and abstention.

- (a) No County officer or employee may directly or indirectly participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting on it, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any private organization in which he or she is deemed to have an interest.
- (b) In the event that this section prohibits a municipal officer or employee from exercising or performing a power or duty:
 - (1) if the power or duty is vested in a municipal officer as a member of a board, then the power or duty shall be exercised or performed by the other members of the board; or
 - (2) if the power or duty that is vested in a municipal officer individually, then the power or duty shall be exercised or performed by his or her deputy or, if the officer does not have a deputy, the power or duty shall be performed by another person to whom the officer may lawfully

RESOLUTION No. 353 OF 2022**PAGE 5 OF 18**

delegate the function.

- (3) if the power or duty is vested in a municipal employee, he or she must refer the matter to his or her immediate supervisor, and the immediate supervisor shall designate another person to exercise or perform the power or duty.

SECTION 9. Prohibition inapplicable; disclosure, recusal and abstention not required.

- (a) This code's prohibition on use of a municipal position (section 5), disclosure requirements (sections 6 and 7), and requirements relating to recusal and abstention (section 8), shall not apply with respect to the following matters:
 - (1) adoption of Warren County's annual budget;
 - (2) any matter requiring the exercise of discretion that directly affects any of the following groups of people or a lawful class of such groups:
 - (i) all municipal officers or employees;
 - (ii) all residents or taxpayers of the municipality or an area of the municipality; or
 - (iii) the general public;
 - (3) any matter that does not require the exercise of discretion.
- (b) Recusal and abstention shall not be required with respect to any matter:
 - (1) which comes before the Warren County Board of Supervisors or standing Committee or Special Committee thereof when a majority of the board's or committee's total membership would otherwise be prohibited from acting by section 8 of this code;
 - (2) which comes before a municipal officer when the officer would be prohibited from acting by section 8 of this code and the matter cannot be lawfully delegated to another person.

SECTION 10. Investments in conflict with official duties.

- (a) No Warren County officer or employee may acquire the following investments:
 - (1) investments that can be reasonably expected to require more than sporadic (i.e. three to four (3-4) times per year) recusal and abstention under section 8 of this code; or
 - (2) investments that would otherwise impair the person's independence of judgment in the exercise or performance of his or her official powers and duties.
- (b) This section does not prohibit a Warren County officer or employee from acquiring any other investments or the following assets:
 - (1) real property located within Warren County and used as his or her personal residence;
 - (2) less than five percent (5%) of the stock of a publicly traded corporation; or
 - (3) bonds or notes issued by a municipality and acquired more than one year after the date on which the bonds or notes were originally issued.

SECTION 11. Private employment in conflict with official duties.

- (a) No Warren County officer or employee, during his or her tenure as a municipal officer or employee, may engage in any private employment, including the rendition of any business, commercial, professional or other types of services, and including serving as a Board member, consultant, contractor or passive investor of an entity that engages in any business or maintains any relationship with Warren County, provides to or oversees from the County any client referrals or competes with the County when the employment or activity:
 - (1) can be reasonably expected to require more than sporadic recusal and abstention pursuant to sections 8 and 10 of this code;
 - (2) can be reasonably expected to require disclosure or use of confidential information gained

RESOLUTION No. 353 OF 2022**PAGE 6 OF 18**

- by reason of serving as a municipal officer or employee;
- (3) violates section 805-a(1)(c) or (d) of the General Municipal Law; or
- (4) requires representation of a person or organization other than Warren County in connection with litigation, negotiations or any other matter to which Warren County is a party.
- (b) Outside Interest Form. If any Warren County officer or employee or immediate family member is currently or plans to be in the future an employee, Board member, consultant, owner, contractor or even a passive investor of an entity that engages in any business or maintains any relationship with Warren County; provides to or receives from Warren County any client referrals or competes with Warren County, they must fill out an Outside Interest Form in the office of the Warren County Attorney, and a copy of the completed Form must be provided to the Board of Ethics. Annexed hereto and made a part hereof as Appendix "C" is a sample copy of the Outside Interest Form.

SECTION 12. Future employment.

- (a) No Warren County officer or employee may ask for, pursue or accept a private post-government employment opportunity with any person or organization that has a matter requiring the exercise of discretion pending before the Warren County officer or employee, either individually or as a member of a board, while the matter is pending or within the thirty (30) days following final disposition of the matter.
- (b) No Warren County officer or employee, for the two-year period after serving as a Warren County officer or employee, may represent or render services to a private person or organization in connection with any matter involving the exercise of discretion before the Warren County office, board, department or comparable organizational unit for which he or she serves.
- (c) No Warren County officer or employee, at any time after serving as a Warren County officer or employee, may represent or render services to a private person or organization in connection with any particular transaction in which he or she personally and substantially participated while serving as a Warren County officer or employee.

SECTION 13. Personal representations and claims permitted. This Code shall not be construed as prohibiting a Warren County officer or employee from:

- (a) representing himself or herself, or his or her spouse or minor children before Warren County; or
- (b) asserting a claim against Warren County on his or her own behalf, or on behalf of his or her spouse or minor children.

SECTION 14. Use of Warren County resources.

- (a) Warren County resources shall be used for lawful Warren County purposes. Warren County resources include, but are not limited to, municipal personnel, and Warren County's money, vehicles, equipment, materials, supplies or other property.
- (b) No Warren County officer or employee may use or permit the use of Warren County resources for personal or private purposes, but this provision shall not be construed as prohibiting:
 - (1) any use of Warren County resources authorized by law or municipal policy;
 - (2) the use of Warren County resources for personal or private purposes when provided to a Warren County officer or employee as part of his or her compensation; or
 - (3) the occasional and incidental use during the business day of Warren County telephones and computers for necessary personal matters such as family care and changes in work schedule.
- (c) No Warren County officer or employee shall cause Warren County to spend more than is

RESOLUTION NO. 353 OF 2022**PAGE 7 OF 18**

reasonably necessary for transportation, meals or lodging in connection with official travel.

- (d) All Warren County officers and employees shall take a computerized ethics training course. This training provides guidance regarding your outside activities while under County employment. A certification of this training shall be filed with your supervisor annually no later than January 31st or within ten (10) days of employment with Warren County.

SECTION 15. Interests in Contracts.

- (a) No Warren County officer or employee may have an interest in a contract that is prohibited by section 801 of the General Municipal Law.
- (b) Every Warren County officer and employee shall disclose interests in contracts with Warren County at the time and in the manner required by section 803 of the General Municipal Law.

SECTION 16. Nepotism. Except as otherwise required by law:

- (a) No Warren County officer or employee shall induce others to hire a relative of the officer or employee.
- (b) No Warren County officer or employee, either individually or as a member of a board, may participate in any decision specifically to appoint, hire, promote, discipline or discharge a relative for any position at, for or within Warren County or a Warren County board, except:
 - (1) A Department Head may undertake to appoint, hire, promote, discipline or discharge a relative if no other County officer or employee can undertake the action, and the action is undertaken in accordance with the Civil Service Law and Rules promulgated thereunder for competitive positions; or
 - (2) In all other cases, a Department Head may undertake to appoint, hire, promote, discipline or discharge a relative if no other County officer or employee can undertake the action, and the Department Head obtains approval from the Board of Supervisors, which may seek a written advisory opinion from the Board of Ethics, before undertaking the action.
- (c) No Warren County officer or employee may immediately or directly manage and/or supervise a relative in the performance of a relative's official powers or duties. If a Warren County officer or employee would be responsible for the management or supervision of a relative, an alternative supervisory arrangement must be made to manage and supervise the relative; the management and supervision must be undertaken pursuant to Civil Service Law and Rules, if applicable, and any decision to appoint, hire, promote, discipline or discharge must be in accordance with subdivision (b) above.
- (d) Any Warren County officer or employee, or prospective officer or employee, may request a written advisory opinion from the Board of Ethics regarding the implementation of this Section.

SECTION 17. Political Solicitations.

- (a) No Warren County officer or employee shall directly or indirectly to compel or induce a subordinate Warren County officer or employee to make, or promise to make, any political contribution, whether by gift of money, service or other thing of value.
- (b) No Warren County officer or employee may act or decline to act in relation to appointing, hiring or promoting, discharging, disciplining, or in any manner changing the official rank, status or compensation of any Warren County officer or employee, or an applicant for a position as a Warren County officer or employee, on the basis of the giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

RESOLUTION No. 353 OF 2022**PAGE 8 OF 18**

SECTION 18. Confidential Information. No Warren County officer or employee who requires confidential information in the course of exercising or performing his or her official powers or duties may disclose or use such information unless the disclosure or use is required by law or in the course of exercising or performing his or her official powers and duties.

SECTION 19. Gifts.

- (a) No Warren County officer or employee shall solicit, accept or receive a gift in violation of section 805-a(1)(a) of the General Municipal Law as interpreted in this section.
- (b) No Warren County officer or employee may directly or indirectly solicit any gift.
- (c) No Warren County officer or employee may accept or receive any gift, or multiple gifts from the same donor, having an annual aggregate value of seventy-five dollars (\$75) or more when:
 - (1) the gift reasonably appears to be intended to influence the officer or employee in the exercise or performance of his or her official powers or duties;
 - (2) the gift could reasonably be expected to influence the officer or employee in the exercise or performance of his or her official powers or duties; or
 - (3) the gift is intended as a reward for any official action on the part of the officer or employee.
- (d) For purposes of this section, a "gift" includes anything of value, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form. The value of a gift is the gift's fair market value, determined by the retail cost of the item or a comparable item. The fair market value of a ticket entitling the holder to food, refreshments, entertainment, or any other benefit is the face value of the ticket, or the actual cost to the donor, whichever is greater. Determination of whether multiple gifts from a single donor exceed seventy-five dollars (\$75) must be made by adding together the value of all gifts received from the donor by an officer or employee during the twelve-month period preceding the receipt of the most recent gift.
- (e)
 - (1) A gift to a Warren County officer or employee is presumed to be intended to influence the exercise or performance of his or her official powers or duties when the gift is from a private person or organization that seeks Warren County action involving the exercise of discretion by or with the participation of the officer or employee.
 - (2) A gift to a Warren County officer or employee is presumed to be intended as a reward for official action when the gift is from a private person or organization that has obtained Warren County action involving the exercise of discretion by or with the participation of the officer or employee during the preceding twelve months.
- (f) This section does not prohibit any other gift, including:
 - (1) gifts made to Warren County;
 - (2) gifts from a person with a family or personal relationship with the officer or employee when the circumstances make it clear that the personal relationship, rather than the recipient's status as a Warren County officer or employee, is the primary motivating factor for the gift;
 - (3) gifts given on special occasions, such as marriage, illness, or retirement, which are modest, reasonable and customary;
 - (4) unsolicited advertising or promotional material of little intrinsic value, such as pens, pencils, note pads, and calendars;
 - (5) awards and plaques having a value of seventy-five dollars (\$75) or less which are publicly presented in recognition of service as a Warren County officer or employee, or other service to the community; or
 - (6) meals and refreshments provided when a Warren County officer or employee is a speaker or participant at a job-related professional or educational conference or program and the meals

RESOLUTION No. 353 OF 2022**PAGE 9 OF 18**

and refreshments are made available to all participants.

SECTION 20. Board of Ethics.

- (a) There is hereby established a Board of Ethics for Warren County. The Board of Ethics shall consist of five (5) members, a majority of whom shall not be officers or employees of Warren County or a Municipality wholly or partially located in Warren County. One of the five members shall be an appointed officer or employee of Warren County or a municipality located in Warren County and the remaining four members shall be members of the public who are not elected or appointed officers or employees of Warren County or a Municipality located in Warren County. The members of the Board of Ethics shall be appointed by the Board of Supervisors, serve at the pleasure of the appointing authority, and receive no salary or compensation for their services as members of the Board of Ethics. The Board of Supervisors may appoint alternate members for each member who shall serve in the event a member is unable to serve due to illness, unavailability or when a conflict is presented. Alternate members shall serve at the pleasure of the appointing authority and shall receive no salary or compensation for their services as members of the Board of Ethics. The Board of Ethics shall be a "public body" as defined by Public Officers Law § 102(2) and comply with the requirements of the Open Meetings Law Article 7, Public Officers Law.
- (b) A member of the Board of Ethics shall not be an official, officer or committee person of a political party or hold any similar office or title in a political party.
- (c) The Board of Ethics shall render advisory opinions with respect to article 18 of the General Municipal Law and this code. Such advisory opinions must be rendered pursuant to a written request under such rules and regulations as the Board of Ethics may prescribe. In addition, the Board of Ethics may make recommendations with respect to the drafting and adoption of a Code of Ethics, or amendments to the Code of Ethics, upon the request of the Board of Supervisors. The Board of Ethics may accept from the general public or any of its own members a complaint or allegation of conflict of interest or violation of this Code of any officer or employee of Warren County. The Board of Ethics may initiate an investigation upon its own motion or upon receipt of a sworn complaint alleging a violation, and shall have the advice of legal counsel employed by the Board of Ethics, or if none, the municipality's legal counsel.
- (d) The board of ethics may establish such rules and policies that may be necessary for the proper discharge of its duties and may utilize the services of the office of the Warren County Attorney.
- (e) This Ethics and Disclosure Policy shall be reviewed and updated as needed with the new term of each Board, at a minimum of every two years. As such, the members of the Board of Ethics shall serve for the same duration and coincide with the term of the members of the Board of Supervisors. The contact information for the members of the Board of Ethics shall be maintained in the County Attorney's Office.
- (f) Members of the Board of Ethics shall meet at a minimum of twice a year to review disclosure and certifications of training and as needed. Documentation of the meeting date and time shall be provided to the County Attorney and the Board of Supervisors.
- (g) Members of the Board of Ethics shall be appointed for the remainder of the current term within sixty (60) days of the effective date of this Local Law, and they shall comply with the Local Law immediately upon appointment.

SECTION 21. Posting and distribution.

- (a) The Warren County Administrator or his or her designee must promptly cause a copy of this

RESOLUTION No. 353 OF 2022**PAGE 10 OF 18**

Local Law, and a copy of any amendment to this Local Law, to be posted publicly and conspicuously in each building under Warren County's control. The code must be posted within ten (10) days following the date on which the Local Law takes effect. An amendment to the Local Law must be posted within ten (10) days following the date on which the amendment takes effect.

- (b) The Warren County Administrator or his or her designee must promptly cause a copy of this Local Law, including any amendments to the Local Law, to be distributed, electronically or in hard copy, to every person who is or becomes an officer and employee of Warren County, who must acknowledge receipt to their supervisor within ten (10) days. In addition, the outside interest form (Appendix C) must be returned, if applicable, to the County Attorney's Office.
- (c) A copy of this Local Law shall be provided to all new officers and employees within ten (10) days of employment or assuming office, as the case may be.
- (d) Every Warren County officer or employee who receives a copy of this Local Law or an amendment to the Local Law must acknowledge such receipt in writing. Such acknowledgments must be filed with the Clerk of the Warren County Board of Supervisors who must maintain such acknowledgments as a public record.
- (e) The failure to post this Local Law or an amendment to the Local Law does not affect either the applicability or enforceability of the Local Law or the amendment. The failure of a Warren County officer or employee to receive a copy of this Local Law of ethics or an amendment to the Local Law, or to acknowledge receipt thereof in writing, does not affect either the applicability or enforceability of the Local Law or amendment to the Local Law.

SECTION 22. Enforcement. Any Warren County officer or employee who violates this Local Law may be censured, fined, suspended or removed from office or employment in the manner provided by law. Any County officer or employee who is being disciplined for violation of this Local Law must be referred by the officer's or employee's supervisor to the Board of Ethics for an opinion that will be added to the person's personnel file.

SECTION 23. Severability. In the event that any provision of this Local Law shall be determined by a Court of Law to be illegal and/or unenforceable, the Local Law, to the extent the Courts have determined practical shall continue in full force and effect as if the said illegal or unenforceable provision were not contained a part thereof.

SECTION 24. Effective date. This Local Law shall take effect immediately upon filing with the Secretary of State.

RESOLUTION No. 353 OF 2022**PAGE 11 OF 18****APPENDIX “A”**

The following Warren County officers and employees shall file a financial disclosure statement as provided by the Warren County Code of Ethics:

Supervisor, Warren County Board of Supervisors
 Clerk of the Warren County Board of Supervisors
 Deputy Clerk of the Warren County Board of Supervisors
 District Attorney
 Assistant District Attorney
 Public Defender
 Assistant Public Defender
 Warren County Administrator
 Assistant to the Warren County Administrator
 County Auditor
 County Treasurer
 Deputy County Treasurer
 Budget Officer
 Purchasing Agent
 Deputy Purchasing Agent
 Director of Real Property Tax Services
 Deputy Director of Real Property Tax Services
 County Clerk
 Deputy County Clerk
 County Attorney
 Assistant County Attorney
 Director, County Human Resources
 Personnel Officer
 Commissioners of Elections
 Deputy Commissioners of Elections
 Superintendent of Public Works
 Deputy Superintendent Public Works
 Deputy Superintendent Public Works/Operations
 Airport Manager
 Director of Probation
 Sheriff
 Undersheriff
 Lieutenant, Sheriff's Office
 Director of Public Health/Patient Services, Health Services
 Assistant Director Public Health
 Assistant Director Patient Services
 Director, Community Mental Health Services
 Assistant Director of Mental Health
 Commissioner of Social Services
 Deputy Commissioner of Social Services

*RESOLUTION No. 353 OF 2022**PAGE 12 OF 18*

Appendix "A" con't

Social Services Attorney
Assistant Social Services Attorney
Director Countryside Adult Home
Director of Employment and Training
Director of Tourism
Director of Weights & Measures
Director, Office for the Aging
County Historian
Warren County Planner
Associate Warren County Planner
Administrator, Fire Prevention and Building Code Enforcement
Administrator, Self-Insurance
Deputy Insurance Administrator
Director, Veterans' Services Agency
Director of Information Technology
Director, Office of Emergency Services
Fire Coordinator
Executive Director Lake Champlain/Lake George Regional Planning Board
Warren County Coroner
Warren County Medical Examiner
Director, Soil and Water Conservation District
Members of the Board of Ethics

RESOLUTION NO. 353 OF 2022**PAGE 13 OF 18****APPENDIX "B"**

**ANNUAL STATEMENT OF FINANCIAL DISCLOSURE
COUNTY OF WARREN FORM F-100
FOR 20_____**

1. Name and Address

Last Name	Middle Initial	First Name
-----------	----------------	------------

Title

Department or Agency

County Address

County Telephone

2. Does any relative currently work for Warren County? If so, please provide the name(s) of the relative, the name of the County department, the relative's title and the date of hire.

3. Financial Interests.

- a. Business Positions. List any office, trusteeship, directorship, partnership, or other position in any business, association, proprietary, or not-for-profit organization held by you, and your relative, if any, for businesses that are involved with the County or any municipality within Warren County.

Name	Position	Organization	Local Agency & Nature of Involvement

RESOLUTION No. 353 OF 2022**PAGE 14 OF 18**

- b. Outside Employment. Describe any outside occupation, employment, trade, business, or profession providing more than \$1,000 per year for you, your spouse, and your relative if the outside employment is involved with the County or any municipality within Warren County.

Name	Position	Organization (Name / Address)	Local Agency & Nature of Involvement
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

- c. Future Employment. Describe any contract, promise or other agreement between you and anyone else with respect to your employment after leaving your County office or position, if such agreement is with a person or business involved with the County or any municipality within Warren County.

- d. Investments. Itemize and describe all investments in excess of \$5,000 or five percent (5%) of the value in any business, corporation, partnership, or other assets, including stocks, bonds, loans, pledged collateral, and other investments, for you, or your relative, if such investment is with a business or other entity involved with the County or any municipality within Warren County. List the location of all real estate within the county, or within five (5) miles thereof, in which you or your relative, if any, have an interest, regardless of its value.

Name	Name / Address of Business or Real Estate	Description of Investment
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- e. Other Income. Identify the source and nature of any other income in excess of \$1,000/year from any source not described above, for you and your relative, if any, provided that such income is from a source that is involved with the County or any municipality within Warren County.

RESOLUTION No. 353 OF 2022**PAGE 15 OF 18**

Name	Name / Address of Income Source	Nature of Income
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Interest in Contracts

Describe any interest that you or your relative have in any contract involving the County or municipality within Warren County.

Name	Contract Description
_____	_____
_____	_____
_____	_____
_____	_____

5. Debts.

Describe all debts you or your relative owe to the County or any municipality within Warren County in excess of \$5,000 (eg. outstanding occupancy tax payments or tax liens) as of the date of filing of this statement.

Name of Debtor	Name of Creditor
_____	_____
_____	_____
_____	_____
_____	_____

6. Third-Party Reimbursements.

RESOLUTION No. 353 OF 2022**PAGE 16 OF 18**

Identify and describe the source of any third-party reimbursement for travel-related expenditures of any matter that relates to your official duties. The term "reimbursement" includes any travel-related expenses provided by anyone other than the County for speaking engagements, conferences, or fact-finding events that relate to your official duties.

Source	Description and Amount
_____	_____
_____	_____
_____	_____
_____	_____

7. Gifts and Honorariums.

Has anyone attempted to influence you by giving you gifts aggregating in excess of \$75, received during the last year by you or your relative, excluding gifts from a relative? The term "gifts" includes gifts of cash, property, personal items, payments to third parties on your behalf, forgiveness of debt, honorariums, and any other payments that are not reportable as income.

If yes, indicate:

Source	Description of Gift
_____	_____
_____	_____
_____	_____
_____	_____

The requirements of law relating to the reporting of financial interests are in the public interest and no adverse inference or unethical or illegal conduct or behavior will be drawn merely from compliance with these requirements.

Signature of Reporting Individual

Date

The filer shall provide the Board of Ethics with additional information if requested to do so by the Board of Ethics.

The reporting requirement of this statement is required by New York State Law and the law of Warren County. Improper use of any of the information contained in this statement by any third person or entity in

RESOLUTION NO. 353 OF 2022

PAGE 17 OF 18

violation of privacy or other rights, or to harass or annoy the filer of this statement is separately punishable under the law.

This statement is subject to public disclosure under the New York State Freedom of Information Law (FOIL), but any information in this statement that is deemed exempt from disclosure by New York State law or the laws of Warren County shall be redacted. A FOIL request for information contained in this document will be denied if the information will be used to harass or annoy the filer.

RESOLUTION No. 353 OF 2022**PAGE 18 OF 18****APPENDIX "C"****WARREN COUNTY****Outside Interest Form**

This form is to be filled out if you or any relative is currently or plans to be in the future, an employee, board member, consultant, owner, contractor or even a passive investor of an entity that: (I) engages in any business or maintains any relationship with The County (The County); (ii) provides to, or receives from The County any client referrals, or (iii) competes with The County. The completed form must be submitted to the County Attorney.

Name: _____

Job Title: _____

If not an employee, describe the nature of your relationship with The County:

Describe the nature of your outside activities in any entity that engages in any business or maintains any relationship with The County.

Describe the nature of your outside activities in any entity that provides to, or receives from, The County any client referrals.

Describe the nature of your outside activities in any entity that competes with The County.

Date completed and signature

 Signature

 Date

Date reviewed by Compliance Officer and signature

 Signature

 Date

ACKNOWLEDGMENT OF FIDUCIARY DUTIES AND RESPONSIBILITIES
WARREN - TOBACCO ASSET SECURITIZATION CORPORATION

As a member of the Authority's board of directors, I understand that I have a fiduciary obligation to perform my duties and responsibilities to the best of my abilities, in good faith and with proper diligence and care, consistent with the enabling statute, mission, and by-laws of the Authority and the laws of New York State. The requirements set forth in this acknowledgement are based on the provisions of New York State law, including but not limited to the Public Authorities Reform Act of 2009, Public Officers Law, and General Municipal Law. As a member of the board of directors:

- I. Mission Statement I have read and understand the mission of the Authority; and the mission is designed to achieve a public purpose on behalf of the State of New York. I further understand that my fiduciary duty to this Authority is derived from and governed by its mission. I agree that I have an obligation to become knowledgeable about the mission, purpose, functions, responsibilities, and statutory duties of the Authority and, when I believe it necessary, to make reasonable inquiry of management and others with knowledge and expertise to inform my decisions.
- II. Deliberation I understand that my obligation is to act in the best interests of the Authority and the People of the State of New York whom the Authority serves. I agree that I will exercise independent judgment on all matters before the board. I understand that any interested party may comment on any matter or proposed resolution that comes before the board of directors consistent with the laws governing procurement policy and practice, be it the public, an affected party, a party potentially impacted by such matter or an elected or appointed public official. However, I understand that the ultimate decision is mine and will be consistent with the mission of the Authority and my fiduciary duties as a member of the Authority's board of directors. I will participate in training sessions, attend board and committee meetings, and engage fully in the board's and committee's decision-making process.
- III. Confidentiality I agree that I will not divulge confidential discussions and confidential matters that come before the board for consideration or action.
- IV. Conflict of Interest I agree to disclose to the board any conflicts, or the appearance of a conflict, of a personal, financial, ethical, or professional nature that could inhibit me from performing my duties in good faith and with due diligence and care. I do not have any interest, financial or otherwise, direct, or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of my duties in the public interest.

Signature: _____

Print Name: _____

Authority Name: _____

Date: _____

WARREN COUNTY TOBACCO ASSET SECURITIZATION CORPORATION

A general "Acknowledgement of Fiduciary Responsibility" form can be adapted for various situations, such as serving as a trustee, a corporate board member, or an investment committee member. The form legally documents that an individual understands and accepts their duty to act in the best interests of another party.

For legal validity, the form should be customized by an attorney to comply with the specific laws of your jurisdiction and the requirements of your situation.

Template: General fiduciary acknowledgment form

Acknowledgement of Fiduciary Responsibility

Parties

- **Fiduciary Name:** [Full Name of Individual]
- **Fiduciary Address:** [Street Address, City, State, Zip Code]
- **Capacity:** [e.g., Successor Trustee, Investment Committee Member, Board Director, Personal Representative]
- **Beneficiary/Organization:** [Name of Trust, Organization, or Estate]

Appointment and acceptance

I, [Fiduciary Name], acknowledge my appointment to the role of [Capacity] for [Beneficiary/Organization] as outlined in the governing document dated [Date of Governing Document]. I accept this appointment and the associated duties and responsibilities.

Acknowledgment of duties

By signing this form, I affirm my understanding and agreement to perform my duties in a manner consistent with the following fiduciary principles:

- **Duty of Loyalty:** I will act solely in the best interests of the beneficiaries or the organization, placing their interests above my own. I will avoid conflicts of interest and disclose any potential conflicts to the appropriate parties.

- **Duty of Care:** I will perform my duties with the care, skill, and diligence that a prudent person would use in a similar enterprise. This includes making informed decisions and being knowledgeable about the affairs of the organization or trust.
- **Duty of Good Faith:** I will act honestly and in good faith to advance the interests of the beneficiaries or the organization.
- **Duty to Diversify (for investment fiduciaries):** If my duties involve managing investments, I will diversify the assets to minimize the risk of large losses, unless it is clearly prudent not to do so.
- **Duty of Transparency:** I will maintain accurate records and provide full disclosure of all relevant information to the beneficiaries or other relevant parties as required.

Personal liability

I understand that failure to fulfill my fiduciary duties may expose me to personal liability for any resulting damages.

Signature

I acknowledge that I have read and understand my fiduciary duties and responsibilities as set forth above.

Fiduciary Signature: _____

Printed Name: _____

Date: _____

Notary section

If required, include a section for a witness or notary public to validate the signature.

- On this ____ day of _____, in the year of _____, before me, _____, a notary public, personally appeared _____, known or identified to me to be the person whose name is subscribed to this instrument.

Notary Public Signature: _____

My Commission Expires: _____

WARREN COUNTY TOBACCO ASSET SECURITIZATION CORPORATION

**POLICY PROHIBITING EXTENSION OF CREDIT TO MEMBERS, DIRECTORS,
OFFICERS AND EMPLOYEES**

Pursuant to Section 2824(5) of the Public Authorities Law, the members, directors, officers and employees of the Warren County Tobacco Asset Securitization Corporation (the "Corporation") shall not, directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit or renew an extension of credit, in the form of a personal loan to or for any member, director, officer or employee of the Corporation.

Pursuant to Section 2824 of the Public Authorities Law, this Policy was duly adopted by the Warren County Tobacco Asset Securitization Corporation on _____.

INVESTMENT POLICY
FOR THE
WARREN - TOBACCO ASSET SECURITIZATION CORPORATION (W-TASC)

I. SCOPE

This investment policy applies to all moneys and other financial resources available for investment on behalf of the Warren – Tobacco Asset Securitization Corporation (the "Corporation") or on behalf of any other entity or individual.

II. OBJECTIVES

The primary objectives of the Corporation's investment activities are, in priority order,

- to conform with all applicable federal, state and other legal requirements (legal);
- to adequately safeguard principal (safety);
- to provide sufficient liquidity to meet all operating requirement (liquidity); And
- to obtain a reasonable rate of return (yield).

III. DELEGATION OF AUTHORITY

The Corporation's responsibility for administration of the investment program is delegated to the Treasurer who shall administer the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a data base or records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Corporation to act effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence discretion and intelligence exercise in the management of

their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with property execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DIVERSIFICATION

It is the policy of the Corporation to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

VI. INTERNAL CONTROLS

It is the policy of the Corporation for all moneys collected by any officer or employee of the Corporation to transfer those funds to the treasurer within five (5) days of receipt, or within the time period specified in law, whichever is shorter.

The Corporation is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

The Corporation shall provide for an annual independent audit of its investment practices. This audit may be completed as a component of any other audit of the Corporation provided that the audit complies with the requirements of this section. An audit under this section should be conducted in accordance with generally accepted government auditing standards and should detail:

- The scope and objectives of the Corporation's investments
- Any material weaknesses found in the Corporation's internal controls
- A description of all non-compliance with the Corporation's investment policies or other rules or regulations
- A statement of positive assurance of compliance on the items tested and a statement of any material deficiency or finding, if any.

VII. DESIGNATION OF DEPOSITORIES

The banks and trust companies authorized for the deposit of monies shall be designated at the Corporation's annual meeting.

VII. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law, 10, all deposits of the Corporation, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by GML '10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the policy; or
2. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements; or

3. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims - paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

IX. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by the depository bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure Corporation deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Corporation to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Corporation, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Corporation or its depository bank or trust company.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Corporation, will be kept separate and apart from the general assets of the depository bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

X. PERMITTED INVESTMENTS

As authorized by General Municipal Law, '11, the Corporation authorizes the treasurer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit accounts;
- Certificates of deposit;
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Obligations issued pursuant to Local Finance Law '24.00 or '25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the Corporation;

- Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments.
- Certificates of Participation (COPs) issued pursuant to GML '109-b.
- Obligations of this local government, but only with any moneys in a reserve fund established pursuant to GML "6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6- k, 6-l, 6-m, and 6-n.

All investment obligations shall be payable or redeemable at the option of the Corporation within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Corporation within two years of the date of purchase.

XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Corporation shall designate financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with any such financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent

Consolidated Report of Condition (Call Report) at the request of the Corporation. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers.

XII. PURCHASE OF INVESTMENTS

The Corporation shall contract for the purchase of investments:

1. Directly, including through a repurchase agreement, from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the Corporation.
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the Corporation.

All purchased obligations, unless registered or inscribed in the name of the Corporation, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Corporation by the bank or trust company. Any

obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law Section 10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Corporation, will be kept separate any apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities.

Such agreement shall include all provisions necessary to provide the Corporation a perfected interest in the securities.

XIII. REPURCHASE AGREEMENTS

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- No substitution of securities will be allowed.
- The custodian shall be a party other than the trading partner.

PROCUREMENT POLICY
WARREN – TOBACCO ASSET SECURITIZATION CORPORATION (W-TASC)

SECTION 1. PURPOSE AND AUTHORITY.

This Procurement Policy shall govern the procurement of goods and services paid for by the Corporation for its own use and benefit. Goods and services shall be procured by the Corporation in such a manner so as to assure the prudent and economic use of funds, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.

SECTION 2. PROCUREMENT OF GOODS AND SERVICES.

Each procurement by the Corporation shall be supported by documentation. When an award is made to other than the lowest responsible party, the determination to make the award must be supported by documentation that justifies the award and documents how the award complies with this Policy and the provisions of Section 104-b of the New York General Municipal Law.

SECTION 3. PROCUREMENT METHOD.

The following method of procurement shall be used when required by this Policy in order to achieve the highest quality and savings:

Estimated Amount of Purchase Method Required	
\$1,000 – \$1,999	3 verbal or written quotations
\$2,000 and above	3 written/fax quotations

Number of Proposals or Quotations.

A good faith effort shall be made to obtain the required number of quotations. If the Corporation is unable to obtain the required number of quotations, the Corporation will document the attempt made at obtaining the quotations. In no event shall the failure to obtain the quotations prohibit the procurement.

Documentation.

Documentation is required for each action taken in connection with each procurement.

Documentation and an explanation are required whenever a contract is awarded to other than the lowest responsible bidder. This documentation will include an explanation of how the award will achieve savings or how the bidder was not acceptable. A determination that the bidder is not acceptable shall be made by Executive Director and Corporation Counsel.

SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS ARE NOT IN THE BEST INTEREST OF THE CORPORATION.

Pursuant to Section 104-b(2)(f) of the General Municipal Law, this policy may contain circumstances when, or types of procurement for which, in the sole discretion of the members of

the Corporation, the solicitation of quotations will not be in the best interest of the Corporation. In the following circumstances, it may not be in the best interest of the Corporation to solicit quotations or document the basis for not accepting the lowest bid:

(A) Professional and Contracted Services:

Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Corporation, e.g., legal and accounting services, impact liability issues of the Corporation and its members, including securities liability in circumstances where the Corporation is issuing bonds. These qualifications and the concerns of the Corporation regarding its liability and the liability of its members are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines:

- whether the services are subject to state licensing or testing requirements;
- whether substantial formal education or training and experience is a necessary prerequisite to the performance of the services.

Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); service of a physician; technical services of an architect, engineer or land surveyor; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing, or art work; management of Corporation -owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing or pre-package software.

Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); service of a physician; technical services of an architect, engineer or land surveyor; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing, or art work; management of Corporation -owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing or pre-package software.

(B) Emergency Purchases pursuant to Section 103(4) of the General Municipal Law: Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public. This section does not preclude alternate quotations if time permits.

(C) Goods or Services Under \$1,000.

The time and documentation required to purchase through this Policy may be more costly than the item itself and would therefore not be in the best interests of the Corporation. In addition, is it not likely that such minimal contracts would be awarded based on favoritism.

(D) Buy Local.

Reasonable preference will be given to making purchase from Warren County businesses.

SECTION 5. POLICY REVIEW.

The statute requires that the Policy must be reviewed by the Corporation annually. Any amendments will be approved by the Corporation's Board of Directors.

WARREN COUNTY TOBACCO ASSET SECURITIZATION CORPORATION

DEFENSE AND INDEMNIFICATION POLICY

In accordance with Section 2824 of the Public Authorities Law, the Warren County Tobacco Asset Securitization Corporation (the “Corporation”) adopts the following defense and indemnification policy (the “Policy”):

The Corporation shall indemnify and hold harmless the officers and members from and against all costs, losses, liabilities and damages paid or accrued by an officer or member acting in his capacity in connection with the Corporation, to the fullest extent permitted by Article 18A of the New York State General Municipal Law and any other applicable laws of the State of New York.

A copy of this Policy shall be disclosed to any and all prospective members.

**WARREN COUNTY TOBACCO ASSET SECURITIZATION
CORPORATION**

WHISTLEBLOWER POLICY

ARTICLE I. **PURPOSE AND SCOPE.**

It is the policy of the Warren County Tobacco Asset Securitization Corporation (the "Corporation") to encourage reporting by its officers, directors, members and employees of improper action(s) taken by Corporation officers, directors, members or employees and to protect the Corporation officers, members and/or employees who have reported information concerning acts of wrongdoing, misconduct, malfeasance or other inappropriate behavior by an officer, director, member or employee in accordance with the Corporation's policies and procedures set forth herein. This Whistleblower Policy (the "Policy") is further enacted pursuant to the Public Authorities Accountability Act of 2005, specifically Section 2824 of the Public Authorities Law.

ARTICLE II. **DEFINITIONS.**

1. "Improper action" shall mean any action of an officer, member or employee of the Corporation:

(a.) that is undertaken in the performance of the officer's, director's, member's or employee's official duties, whether or not the action is within the scope of the officer's, director's, member's or employee's employment; and

(b.) that (i) is in violation of any federal, state, or local law, rule or the Code of Ethics; (ii) is an abuse of authority; (iii) is of substantial and specific danger to the public health or safety; (iv) or is a gross waste of public and/or Corporation funds.

"Improper action" shall not include personnel actions, including employee grievances, complaints, appointments, promotions, transfers, assignments, reinstatements, restorations, reemployments, performance evaluations, reductions in pay, dismissals, suspensions, demotions, violations of collective bargaining or civil service laws, alleged violations of labor agreements or reprimands.

2. "Retaliatory action" means any adverse change in the terms and conditions of an employee's employment.

ARTICLE III. REPORTING RESPONSIBILITY.

It is the responsibility of all the officers, directors, members and employees to comply with this Policy and to report violations or suspected violations in accordance with this Policy, the Code of Ethics and any other federal, state or local law.

ARTICLE IV. NO RETALIATION.

No officer, director, member or employee who in good faith reports an improper action shall suffer harassment, retaliation or adverse employment consequence. An officer, director, member or employee who retaliates against someone who has reported an improper action in good faith is subject to discipline up to and including termination of employment or removal as officer and/or member. This Policy is intended to encourage and enable officers, members and employees to raise serious concerns within the Corporation prior to seeking resolution outside the Corporation.

ARTICLE V. PROCEDURES FOR REPORTING.

1. Corporation officers, directors, members and employees who suspect or become aware of improper action(s) should raise the issue first with the Chairman. If requested by the President, the officer, director, member or employee shall submit a written report to the President and the Corporation's counsel, stating in detail the basis for the officer's, director's, member's or employee's belief that an improper action may have or has occurred. Where the officer, director, member or employee reasonably believes the improper action involves the President, the officer, director, member or employee may raise the issue directly with the Vice President.

2. With the assistance of Corporation counsel, the President or the Vice President, as the case may be, shall take prompt action to properly investigate the improper action. The Corporation officers, directors, members and employees involved in the investigation shall keep the identity of reporting officer, director, member or employee confidential to the extent possible, under law, unless the officer, director, member or employee authorizes the disclosure of their identity in writing. After an investigation has been completed, the officer, director, member or employee reporting the improper action shall be advised of a summary of the results of the investigation, except that personnel actions taken as a result of the investigation may be kept confidential.

3. Corporation officers, directors, members or employees who fail to make a good faith attempt to follow the Corporation procedures set forth in this Policy will not be afforded the protection provided by the Corporation in accordance with this Policy.

ARTICLE VI. PROTECTION AGAINST RETALIATORY ACTIONS.

1. Corporation officers, directors and members are prohibited from taking retaliatory action against a Corporation employee because he has, in good faith, reported an improper action in accordance with this Policy.

2. Employees who feel that they have been retaliated against for reporting an improper action should advise the President, in writing, no later than thirty (30) days after the occurrence of the alleged retaliatory action. The President, with the assistance of Corporation counsel, shall take appropriate action to investigate and address complaints of retaliation within thirty (30) days of the written report being filed with the President.

3. If the President does not satisfactorily resolve an employee's complaint that he has been retaliated against in violation of this Policy, the employee may obtain protection under this Policy by providing a written notice to the Vice President and Corporation's Counsel that (i) specifies the alleged retaliatory action and (ii) specifies the relief requested. The Vice President shall take appropriate action to investigate and address the complaint of retaliation within thirty (30) days of the written report being filed with the Vice President.

ARTICLE VII. RESPONSIBILITIES.

The Governance Committee is responsible for implementing the Corporation's Policy for reporting improper actions and for protecting employees against retaliatory actions. This includes ensuring that this Policy is made available to any officer, director, member or employee upon request and is provided to all newly appointed, elected and/or hired employees. Violations of this Policy may result in appropriate disciplinary action, up to and including, dismissal or removal from position of officer or member and employee.

ARTICLE VIII. ACTING IN GOOD FAITH.

Any person filing a complaint concerning an improper action must be acting in good faith and have reasonable grounds for believing that the information disclosed is indicative of an improper action. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

ARTICLE IX. CONFIDENTIALITY.

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

This Policy was duly adopted by the Warren County Tobacco Asset Securitization Corporation on _____.

WARREN COUNTY TOBACCO ASSET SECURITIZATION CORPORATION**COMPENSATION, REIMBURSEMENT AND TIME & ATTENDANCE POLICY****ARTICLE I.** **COMPENSATION OF AND REIMBURSEMENT TO
OFFICERS, DIRECTORS AND MEMBERS**

Pursuant to the policies and procedures of the Warren County Tobacco Asset Securitization Corporation (the "Corporation"), as may be amended from time to time, the officers, directors and members shall receive no compensation from the Corporation for their services as an officer or member, but shall be reimbursed, upon the approval of the majority of the Corporation, for necessary and reasonable expenses incurred in the performance of their duties. Said expenses shall also include travel expenses which shall be reimbursed in accordance with the Travel Policy of the Corporation, as may be amended from time to time.

ARTICLE II. **COMPENSATION OF AND REIMBURSEMENT TO
EMPLOYEES**

The Chief Executive Officer, the Chief Financial Officer, employees and agents of the Corporation shall serve at the pleasure of the Corporation at compensation levels determined and approved by the Corporation, which may be reviewed by the Agency at its discretion from time to time.

Upon approval of a majority of the directors of the Corporation, the Chief Executive Officer, the Chief Financial Officer employees and agents of the Corporation shall be reimbursed, for necessary and reasonable expenses incurred in the performance of their duties. Said expenses shall also include travel expenses which shall be reimbursed in accordance with the Travel Policy of the Agency, as may be amended from time to time.

ARTICLE III. **TIME & ATTENDANCE.**

1. The officers, directors and members of the Corporation shall be available as required to perform the operations and duties of the Agency as set forth in the Public Authorities Law, the General Municipal Law, the Certificate of Incorporation and the Bylaws of the Corporation, as may be amended from time to time.

2. Any employee who excessively exhibits unexcused absenteeism from work and who continuously fails to carry out the responsibilities and duties of said employment may result in termination of employment from the Corporation upon the majority vote of the directors.

Pursuant to Section 2824 of the Public Authorities Law, this Policy was duly adopted by the Warren County Tobacco Asset Securitization Corporation on _____.

WARREN COUNTY TOBACCO ASSET SECURITIZATION CORPORATION**TRAVEL POLICY****ARTICLE I. APPLICABILITY AND PURPOSE.**

This Travel Policy (the "Policy") of the Warren County Tobacco Asset Securitization Corporation (the "Corporation") shall apply to every member of the Corporation and all officers, directors and employees thereof. The purpose of this Policy is to clarify the requirements and procedures relating to travel while on Corporation business. This Policy is adopted in accordance with and pursuant to the Public Authorities Accountability Act of 2005, specifically Section 2824 of the Public Authorities Law.

ARTICLE II. APPROVAL OF TRAVEL.

All official travel for which a reimbursement will be sought must be approved prior to travel by the Corporation's officers, directors, members and employees. The traveler shall submit an estimated budget for the travel for the review and consideration of the President. Provided, however, in the instance where the President will seek reimbursement for official travel, such travel must be authorized, in advance, by the President of the Corporation. For purposes of this Policy, "official travel" shall mean travel carried out while on Corporation business or in furtherance of one's duties and responsibilities with respect to the Corporation.

ARTICLE III. EXPENSES OF TRAVEL.

1. The Corporation will reimburse actual, reasonable and proper expenses related to, but not limited to, meals, travel and lodging that were incurred by any officer, member or employee as a result of the performance of their official duties. Such expenses shall be reasonable in amount and proper in nature and the purpose of the expense shall conform with sound, ethical and legal standards of conduct expected by all Corporation directors, officers, members and employees. For purposes of this Policy, "reasonable" shall be defined as that which enables the individual to live comfortably, but not extravagantly while away from home. Individuals are expected to exercise the care normally exercised while operating on their own funds.

2. All expenses must be clearly and correctly recorded; any unusual items or amounts must be fully explained. Receipts are suggested for all expenditures and are required for all expenditures of \$50.00 or more. It is the traveler's responsibility to report his travel expenses to the President in a responsible and ethical manner, in accordance with this Policy, within thirty (30) days of said travel.

3. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Corporation.

ARTICLE IV. TRAVEL EXPENSES.

1. It is suggested that travelers use their private vehicle for business purposes. The

traveler will be reimbursed at the then current standard mileage rate, as set by the Internal Revenue Service, and will be reimbursed for parking fees and toll charges. If it is less expensive for the traveler to rent a car or use alternative transportation or if it will save time by traveling via alternate transportation, then the traveler may do so and shall be reimbursed for the actual expense incurred. Fines or other expenses incurred as a result of traffic or parking violations are the personal responsibility of the traveler.

2. Lodging will be reimbursed at actual expense which shall be reasonable, comfortable and convenient to the place where business is being conducted. For trips three (3) nights or longer, the cost of such lodging shall be approved in advance.

3. Meals, including gratuities, will be reimbursed at the actual expense incurred, provided such expenses are reasonable considering the location where business is being conducted.

4. Reimbursement for miscellaneous expenses shall be determined on a case by case basis at the time the President reviews the record of expenses, as set forth in Article V, herein.

ARTICLE V. APPROVAL OF TRAVEL EXPENSES.

Once a record of the expenses has been submitted to the President, he shall review and approve of the expenses reported. The President shall ensure that the expenses were necessary to accomplish the Corporation's objectives and that the expenditures were incurred in accordance with this Policy. The President shall sign the report, approving thereof, and present it to the Treasurer for payment to the traveler.

This Policy was duly adopted by the Warren County Tobacco Asset Securitization Corporation (the "Corporation") on _____.

AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Warren Tobacco Asset Securitization Corporation on the 12th day of December, 2012.

Purpose

Pursuant to Article IX, Section 1 of the Corporation's bylaws, the purpose of the audit committee shall be to provide recommendations to the Corporation on the hiring of a certified independent accounting firm, establishing the compensation to be paid to the certified independent accounting firm, and providing direct oversight of the performance of the independent annual audit performed by the certified independent accounting firm.

Composition of Committee and Selection of Members

The audit committee shall be established as set forth in and pursuant to Article IX, Section 1 of the Corporation's bylaws. The audit committee shall consist of at least one (1) members of the Corporation. The Corporation's Board of Directors shall appoint the audit committee members and the audit committee chair.

Audit committee members shall be prohibited from being an employee of the Corporation or an immediate family member of an employee of the Corporation. In addition, audit committee members shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation.

Ideally, all members on the audit committee shall possess or obtain a basic understanding of governmental financial reporting and auditing, including the reporting requirements pursuant to the Public Authorities Accountability Act.

Meetings

The audit committee will meet a minimum of once a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in this charter.

Meeting agendas will be prepared for each meeting and provided to the audit committee members along with associated materials, if any, five (5) business days before the scheduled audit committee meeting. The audit committee will act only on the affirmative vote of a majority of the members at a meeting. Minutes of these meetings will be recorded.

Responsibilities

The audit committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Corporation's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; and (d) miscellaneous issues related to the financial practices of the Corporation.

A. Independent Auditors and Financial Statements

The audit committee shall:

- Review and report upon the financial statement, financing plan and business plan of all applicants seeking financial assistance from the Corporation. Review shall include a cost benefit analysis of the proposed project.
- Recommend for appointment and oversee independent auditors retained by the Corporation and preapprove all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Corporation's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support the Corporation's operations, such as bookkeeping or other services related to the accounting records or financial statements of the Corporation, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and recommend approval of the Corporation's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with the independent audit firm on an as-needed basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Auditors

The audit committee shall:

- Review with the Corporation's Chief Financial Officer, the charter, activities, staffing and organizational structure of the internal audit function.
- Ensure that the internal audit function is organizationally independent from Corporation operations.
- Review the reports of internal auditors, and have authority to review and approve the annual internal audit plan.
- Review the results of internal audits and approve procedures for implementing accepted recommendations of the internal auditor.

C. Internal Controls, Compliance and Risk Assessment

The audit committee shall:

- Review management's assessment of the effectiveness of the Corporation's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

This model Audit Committee Charter reflects current best practices and incorporates the statutory requirements of the Public Authorities Accountability Act. This document is intended for use by public authorities as a guide for formulating and/or revising their own charters. No sample charter can encompass all activities that might be appropriate for a specific authority's audit committee. Given the differences in purpose and resources that exist among public authorities, all the activities identified in this model charter may not be relevant to every authority's audit committee. Therefore, this charter should be modified to address the needs and governing rules of each individual authority.

=====

MODEL AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Board of Directors of the (Name) Authority, a public benefit corporation established under the laws of the State of New York, on this ___ day of (Month, Year).

Purpose

Pursuant to Article __, Section __ of the Authority's bylaws, the purpose of the audit committee shall be to (1) assure that the authority's board fulfills its responsibilities for the authority's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, the independent auditors, the internal auditors, and the board of directors.

Powers of the Audit Committee

It shall be the responsibility of the audit committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by the authority.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from authority employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with authority staff, independent auditors or outside counsel, as necessary.
- Retain, at the authority's expense, such outside counsel, experts and other advisors as the audit committee may deem appropriate.

The (Name of Authority) board will ensure that the audit committee has sufficient resources to carry out its duties.

Composition of Committee and Selection of Members

The audit committee shall be established as set forth in and pursuant to Article __, Section __ of the Authority's bylaws. The audit committee shall consist of at

least three members of the board of directors who are independent of authority operations. The Authority's board will appoint the audit committee members and the audit committee chair.

Audit committee members shall be prohibited from being an employee of the authority or an immediate family member of an employee of the authority. In addition, audit committee members shall not engage in any private business transactions with the authority or receive compensation from any private entity that has material business relationships with the authority, or be an immediate family member of an individual that engages in private business transactions with the authority or receives compensation from an entity that has material business relationships with the authority.

Ideally, all members on the audit committee shall possess or obtain a basic understanding of governmental financial reporting and auditing.

The audit committee shall have access to the services of at least *one financial expert*; whose name shall be disclosed in the annual report of the authority.

The audit committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls and, 5) an understanding of audit committee functions.

Meetings

The audit committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the audit committee are expected to attend each committee meeting, in person or via telephone or videoconference. The audit committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The audit committee will meet with the authority's independent auditor at least annually to discuss the financial statements of the authority.

Meeting agendas will be prepared for every meeting and provided to the audit committee members along with briefing materials 5 business days before the scheduled audit committee meeting. The audit committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

Responsibilities

The audit committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Authority's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; and (e) miscellaneous issues related to the financial practices of the Authority.

A. Independent Auditors and Financial Statements

The audit committee shall:

- Appoint, compensate and oversee independent auditors retained by the authority and pre-approve all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The authority's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support the authority's operations, such as bookkeeping or other services related to the accounting records or financial statements of the authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve the authority's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Auditors

The audit committee shall:

- Review with management and the internal audit director, the charter, activities, staffing and organizational structure of the internal audit function. The audit committee shall have authority over the appointment, dismissal, compensation and performance reviews of the internal audit director.
- Ensure that the internal audit function is organizationally independent from authority operations.
- Review the reports of internal auditors, and have authority to review and approve the annual internal audit plan.
- Review the results of internal audits and approve procedures for implementing accepted recommendations of the internal auditor.

C. Internal Controls, Compliance and Risk Assessment

The audit committee shall:

- Review management's assessment of the effectiveness of the authority's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

D. Special Investigations

The audit committee shall:

- Ensure that the authority has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of the authority or any persons having business dealings with the authority or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

E. Other Responsibilities of the Audit Committee

The audit committee shall:

- Present annually to the authority's board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the authority. The audit committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.