

DUTCHESS TOBACCO ASSET SECURITIZATION CORPORATION

Minutes To The Audit Committee Meeting

Held On March 26, 2021

A meeting of the Audit Committee of the Board of Directors of Dutchess Tobacco Asset Securitization Corporation (the “Corporation”), a local development corporation organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, was duly called to order at 10:05am at 22 Market Street, Poughkeepsie, New York:

Attending via virtual Teams Meeting:

Caroline E. Blackburn, President of the Corporation
Michael Betros, Director
Jerome Simonetty, Director
Heidi Seelbach, Treasurer of the Corporation
Carl A. Widmer, Partner, Drescher & Malecki,

Not in attendance: Thomas Myers, Legal Counsel,
Orrick, Herington & Sutcliff, LLP,

Ms. Blackburn, as President, opened the meeting.

Ms. Blackburn led a brief review of the committee charter. There were no questions with respect to the charter at the conclusion of the review.

Ms. Blackburn and Ms. Seelbach indicated that there were no matters known to them (other than the annual audit of the Corporation’s financial affairs) relating to internal controls, compliance, risk assessment practices, special investigations, whistleblower policies, discretionary funds or any other issues related to the financial practices of the Corporation that the Audit Committee should review.

Mr. Widmer led a brief review of the basic financial statements of the Corporation for the period ended December 31, 2020, the report with respect thereto to Drescher & Malecki LLP., the Corporation’s independent auditors, and

the accompanying management discussion and analysis (collectively, the “Financial Statements”), all of which were presented to those in attendance. No issues of note were identified. Ms. Seelbach indicated that the report was relatively straight forward and then proceeded to review the budget. The Auditors briefly reviewed with the committee the Corporation’s financial statements.

Ms. Blackburn asked if there were any matters that should be brought to the attention of the audit committee, including any matters relating to internal controls or compliance with legal or contract requirements. No such matters were noted by the Auditors.

Ms. Blackburn asked if there were any questions for the Auditors from members of the audit committee to the 2020 audit. There were no questions.

On motion duly made and seconded, the 2020 Financial Statements were unanimously approved by the members of the Audit Committee.

On motion duly made and seconded, the committee members authorized the President and Treasurer to post on the Corporation’s website, as contemplated by the ABO guidance document relating to internal controls assessment, a statement in substantially the following form:

This statement certifies that management has reviewed and assessed the internal control structure and procedures of the Dutchess Tobacco Asset Securitization Corporation for the year ending December 31, 2020. This assessment found the Corporation’s internal controls to be adequate without the identification of any deficiencies requiring corrective action plans.

Ms. Blackburn then noted that the Audit Committee is obligated to appoint, compensate and oversee the activities of the Corporation’s independent auditors.

Ms. Blackburn asked the Treasurer to briefly report on the status of the engagement of Drescher & Malecki (“DM”).

Ms. Seelbach reported that DM had been engaged for audits for fiscal years 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 under arrangements negotiated for both the County and the Corporation. Ms. Seelbach reported that she was very satisfied with the work that DM had done for the Corporation and the County and recommended that, if the County extended DM’s engagement for another year, the engagement with the Corporation should also be extended another year.

After discussion, it was moved and seconded that the engagement of DM be extended for the 2021 audit provided that the County also determined to extend DM’s engagement for the County Audit.

There being no further business, upon motion duly made, seconded and unanimously adopted the meeting was adjourned at 10:27am.

DATED: March 26, 2021



Caroline E. Blackburn, President, DTASC