

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE SALES TAX ASSET RECEIVABLE CORPORATION**

April 27, 2018

A meeting of the Board of Directors (the “Board”) of the Sales Tax Asset Receivable Corporation (the “Corporation”) was held on April 27, 2018 at approximately 1:48 p.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following Committee members were represented by their designees:

Melanie Hartzog, Director of Management and Budget of The City of New York (the “City”), represented by Alan Anders;

Scott M. Stringer, Comptroller of the City, represented by Michael Stern;

Corey Johnson, Speaker of the City Council, represented by Davis Winslow;

Zachary Carter, Corporation Counsel of the City, represented by Al Rodriguez

Emily Newman, Acting Director of the Mayor’s Office of Operations, represented by George Davis, III; and

Jacques Jiha, Finance Commissioner, represented by Jacqueline Gold, constituting a quorum of the Board. Loran Radovicka served as secretary of the meeting.

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

The meeting was called to order by Mr. Anders.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Board held on September 13, 2017. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was approved:

WHEREAS, the Board of Directors of the Sales Tax Asset Receivable Corporation has reviewed the minutes of its meeting held on September 13, 2017; it is therefore

RESOLVED, that the minutes of the meeting of September 13, 2017 be, and they hereby are, approved.

Approval of Budget

The second item on the agenda was the proposed approval of the Budget of the Corporation. A motion was made and seconded to enter into a discussion of the proposed resolution approving the Budget, a copy of which was in the packet provided to the Directors. Mr. Anders explained that Section 2801(2) of the Public Authorities Law requires that the Corporation submit a budget report to various City and State officials and that such Budget contain estimated and actual receipts and expenditures. Mr. Davis inquired about the increased disbursements in Directors and Officers Insurance in Fiscal Year 2018. A brief discussion ensued. There being no further discussions and no objections, the resolution was approved.

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

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

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

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

Approval of Mission Statement and Performance Measures, and Authorization to Publish Measurement Report

The third item on the agenda was the approval of the Corporation's Mission Statement and Performance Measures, a copy of which was in the packet provided to the Directors. A motion was made and seconded to enter into discussion of the proposed resolution approving the Mission Statement and Performance Measurements. Mr. Anders explained that pursuant to Section 2800 of the Public Authorities Law, the Corporation has previously adopted and amended a Mission Statement and that it is required to annually review such Statement. He noted that there were no proposed changes and that the Measurement Report had been completed. There being no discussion and no objections, the resolution was approved.

WHEREAS, pursuant to Section 2800 of the Public Authorities Law (the "PAL"), the Board of Directors (the "Board") of the Sales Tax Asset Receivable Corporation (the "Corporation") previously adopted a Mission Statement on October 4, 2007 and amended it on March 4, 2011 to add Performance Measures by which the Corporation could evaluate whether its policies and performance meet the stated goals of its Mission Statement, and subsequently amended the Mission statement and Performance measures; and

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

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

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

Approval of Amended Policy on the Procurement of Goods and Services

The fourth item on the agenda was the approval of the Amended Policy on the Procurement of Goods and Services. Mr. Anders explained that the proposed amendment is a recommendation by the Corporation's officers that the Policy be amended to change the dollar amount for procurement contracts for which the Corporation may enter into without prior approval of the Board of Directors or the need for a competitive request for proposals process to \$20,000. A motion was made to approve the resolution set forth. The motion was seconded and, there being no objections, approved.

WHEREAS, pursuant to Section 2824(e) of the Public Authorities Law of the State of New York, the Sales Tax Asset Receivable Corporation (the "Corporation") is required to establish a policy on the procurement of goods and services; and

WHEREAS, the Corporation adopted Policy on the Procurement of Goods and Services (the "Policy") on July 31, 2006 and amended it on April 24, 2009, September 22, 2010 and September 11, 2013; and

WHEREAS, the Corporation's Officers recommend amending Section II(1) of the Policy to change the dollar amount for procurement contracts for which the Authority may enter into without prior approval of the Board of Directors or the need for a competitive request for proposals process; and

WHEREAS, the Governance Committee has reviewed the Policy, as amended, and has recommended the Board of Directors adopt the amended Policy; it is therefore

RESOLVED, that the Board of Directors adopt the Policy as amended and attached hereto.

Approval of Ratification and Extension of Bond Counsel Contract

The fifth item on the agenda was the approval of the ratification and extension of the Corporation's current bond counsel contract. A motion was made and seconded to approve the resolution set forth below relating to such matters. Mr. Anders explained that the Corporation's competitive request for proposals ("RFP") process for bond counsel services is nearly complete and that the Corporation seeks to extend its current bond counsel contract with Nixon Peabody

LLP through June 30, 2018, pending the conclusion of the RFP process. There being no discussion and no objections, the below resolution was approved.

WHEREAS the Board of Directors of the Sales Tax Asset Receivable Corporation (the “Corporation”) previously approved the retention of Nixon Peabody LLP (“Nixon”) to serve as bond counsel to the Corporation; and

WHEREAS, the Corporation’s staff believe it is in the best interest of the Corporation to not have a lapse in bond counsel services while a competitive request for proposals is completed; it is therefore

RESOLVED, that the Board of Directors of the Corporation hereby ratifies and approves the extension of the Corporation’s contract with Nixon for bond counsel through June 30, 2018 at rates not to exceed a rate of \$250 per hour for partners, \$200 per hour for associates with 4 or more years’ experience and counsel, \$150 for associates with less than 4 years’ experience and \$75 for paralegals, plus reasonable expenses.

Ratification and Approval of Directors’ and Officers’ Insurance Contracts

The sixth item on the agenda was the proposed ratification and approval of Directors’ and Officers’ Liability Insurance. A motion was made and seconded to enter into discussion about the proposed approval of the Directors’ and Officers’ Insurance. Mr. Anders explained that such insurance is to be procured from a number of insurance companies and that the insurance would cover directors, members and officers of the Corporation. He noted that the premium cannot exceed \$150,000 annually. There being no discussion and no objections, the resolution was approved.

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

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

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

RESOLVED, that the Corporation hereby approves the procurement of Directors' and Officers' Liability Insurance policies from American International Group ("AIG"), Zurich American Insurance Company ("Zurich"), Liberty Mutual Insurance Company ("Liberty Mutual"), Aspen Insurance ("Aspen" and together with AIG, Zurich, Liberty Mutual, the "Insurers") providing coverage for the period from June 25, 2018 through June 24, 2019 for a fee not to exceed \$150,000.

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

The seventh and final item on the agenda was a presentation by the Audit Committee Chair regarding the Committee's Annual Report and self-evaluation. Mr. Stern, the Chair of the Audit Committee, explained that such Committee is required to perform an annual self-evaluation and review of the work it has done. He described the accomplishments of the Audit Committee and stated that the Audit Committee believes that it has performed in a satisfactory manner.

Adjournment

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


ASSISTANT SECRETARY