

TOBACCO SETTLEMENT AUTHORITY
Special Meeting

Minutes

June 24, 2024

Board Chair, Ms. Carla DewBerry, called the meeting of the Tobacco Settlement Authority (the “Authority”) to order at 1:05 p.m.

Board members present on the line were Mr. Wolf Opitz, Mr. Ken Vyhmeister, and Ms. Elya Prystowsky.

Authority staff present were Mr. Steve Walker, Executive Director; Ms. Carol Johnson, Assistant Director; Mr. Lucas Loranger, Senior Finance Director; and Ms. Rona Monillas, Program Coordinator.

Also present were Ms. Faith Pettis of Pacifica Law Group; Ms. Christine Ok of U.S. Bank; Mr. Nam Nguyen from the Washington Attorney General’s Office; Mr. Howard Zucker and Mr. Roger Bagley of Hawkins Delafield and Wood; and Mr. Kim Herman, former TSA Executive Director.

Also present via Zoom were Mr. Chris Matika and Mr. David Fisher from the Eide Bailly; and Mr. Cody Field, former Program Assistant to the Authority.

Ms. DewBerry stated that the meeting will be the last board meeting of TSA and is the final step in dissolving the agency. She then handed over the meeting to Mr. Opitz to chair.

Approval of the minutes

The minutes of the August 1, 2023 special meeting were approved as mailed.

**Action Item:
Acceptance of
Final Audit
Report**

Mr. Loranger introduced Mr. Chris Matika to present a summary of the Fiscal Year 2023 Audit Report to the Authority.

Mr. Matika presented the overall results of the audit and highlighted that there are no issues or significant risks identified during the audit.

Mr. Opitz asked for a motion to accept the final audit report. Mr. Vyhmeister made the motion, and it was seconded by Ms. DewBerry. The motion was accepted unanimously, 4-0.

**Action Item:
FY 2020-2023
Accountability
Audit Report**

The item was pulled from the agenda due to the report not being ready.

**Action Item:
Approval of the
Current Financial
Statement**

Mr. Loranger presented the unaudited financial statement of the Authority's General Operating Fund as of May 31, 2024. He highlighted that the cash balance decreased by approximately \$70,000 year over year. The decrease was primarily attributed to the ongoing uncertainty regarding full receipt of the Tobacco Settlement Revenues (TSRs). Consequently, a larger budget was established at that time to ensure that there would be sufficient reserves to cover expenses. As a result, there is no need to request additional funds at present.

Mr. Loranger stated that the accounts payable balance has significantly increased compared to last year, mainly due to legal expenses associated with the TSA's dissolution process.

Mr. Opitz asked for a motion to approve the current financial statement. Mr. Opitz made the motion, and it was seconded by Ms. Prystowsky. The motion was approved unanimously, 4-0.

**Invoice for
Services**

Mr. Loranger stated that invoices from the Housing Finance Commission covering April 2023 through May 2024, have been approved for payment by the Board Treasurer, Mr. Opitz.

**Action Item:
Resolution
#24-01**

Mr. Walker presented Resolution #24-01 concerning approval of the Sale, Assumption and Dissolution Agreement and dissolution of the Tobacco Settlement

Authority.

Mr. Walker gave details and outlined the process regarding the dissolution of the TSA.

Ms. DewBerry made the motion to approve Resolution #24-01, and it was seconded by Mr. Opitz. The motion was approved unanimously, 4-0.

**Public
Comment**

Mr. Opitz asked if there were any comments from the public.

Mr. Kim Herman, former Executive Director of TSA, thanked all the Board members and staff who served the TSA over the years.

Mr. Cody Field, former program assistant of the TSA, congratulated the Board members, staff, and Finance team for this major accomplishment.

Adjournment

Mr. Opitz adjourned the meeting at 1:33 p.m.

Ms. Carla DewBerry, Chair