

Fiscal Year 2025 Budget and Five-Year Plan (Cash Basis)

July 01, 2023 - June 30, 2028

		Actual						
		Unaudited	Adopted	Modified ²	Proposed			
		FY 2023	FY 2024	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Receipts:</u>								
Operating Receipts:								
Pledged:								
Tobacco Settlement Revenue (TSR) ¹	\$	73,896	\$ 68,675	\$ 63,736	\$ 58,961	\$ 51,717	\$ 51,017	\$ 50,419
Investment earnings		2,524	2,000	3,904	2,500	500	500	500
Sub-total		76,420	70,675	67,640	61,461	52,217	51,517	50,919
Unpledged:								
Tobacco Settlement Revenue (TSR) ¹		123,688	114,948	106,681	98,688	86,564	85,391	84,390
Investment earnings		180	-	-	-	-	-	-
Sub-total		123,868	114,948	106,681	98,688	86,564	85,391	84,390
Total Receipts		200,288	185,623	174,321	160,149	138,782	136,908	135,309
<u>Disbursements:</u>								
Transfers to Trust - Unpledged TSR		123,868	114,948	106,681	98,688	86,564	85,391	84,390
Debt Service:								
Principal payments		27,835	29,050	29,050	30,385	25,135	26,585	26,830
Interest payments		48,297	46,905	46,905	45,453	43,934	42,677	41,348
Sub-total		76,132	75,955	75,955	75,838	69,069	69,262	68,178
Administrative		513	579	643	630	641	651	652
Total Disbursements		200,513	191,482	183,279	175,156	156,274	155,304	153,220
<u>Excess (deficiency) of Receipts over Disbursements</u>								
	\$	(225)	\$ (5,858)	\$ (8,958)	\$ (15,007)	\$ (17,492)	\$ (18,396)	\$ (17,911)
Cash Equivalent and Investment Holdings: ³								
Beginning Balance	\$	82,091	N/A	\$ 81,866	\$ 72,908	\$ 57,900	\$ 40,408	\$ 22,012
Ending Balance	\$	81,866	N/A	\$ 72,908	\$ 57,900	\$ 40,408	\$ 22,012	\$ 4,101
Senior Reserve Balance				48,000	48,000	48,000	48,000	48,000
Subordinate Reserve Balance				10,178	0 ⁴	0 ⁴	0 ⁴	0 ⁴

¹ Projections of TSRs in each of FY 2025 through FY 2028 assume a rate of decline based on the Menthol Ban Alternative 2 Forecast as defined in the Golden State Tobacco Securitization Corporation Official Statement dated December 8, 2022, with certain modifications. Additionally, the projections reflect a credit adjustment based on 165.9 million Tribal NPM Packs sold. The credit adjustment of 165.9 million Tribal NPM Packs underpinned the TSRs received in FY 2021 and FY 2022 and was stipulated by the New York State Attorney General to continue to underpin the TSRs to be received in FY 2023 and FY 2024. This analysis will be revisited thereafter. Actual TSRs are expected to differ from these projections and may be higher or lower based on various factors, including actual consumption and the results of future independent investigator determinations with respect to Tribal NPM Packs sold.

² Modified FY 2024 budget includes actual amounts from July 1, 2023 through April 18, 2024, and projected April 19 through June 30, 2024.

³ Cash Equivalent and Investments are included at cost.

⁴ The realization of assumptions discussed in Footnote 1 will result in TSASC's inability to meet its subordinate debt service funding requirements starting on June 1, 2025 in FY 2025 through FY 2028 unless additional revenues are received in excess of the assumed amounts above. TSASC continues to explore options including refinancings.

TSASC, Inc.

Fiscal Year 2025 Administrative Budget (Cash Basis)

Description	Adopted	Actual	Favorable vs	Adopted	Actual	Projected	Proposed	Proposed
		Disbursements	(Unfavorable)		Disbursements	Disbursements	Modified	
	FY 2023	FY 2023	%	FY 2024	7/1/23 - 4/18/24	4/19/24 - 6/30/24	FY 2024	FY 2025
Management Fees (Salaries & Benefits)	\$ 205,000	\$ 153,192	25.27	\$ 205,000	\$ -	\$ 266,500	\$ 266,500	\$ 245,000
Overhead (Rent, Telephone, etc.)	50,000	49,075	1.85	50,000	-	51,000	51,000	51,000
Audit Fees	15,000	17,000	-13.33	15,500	13,500	2,000	15,500	16,000
Insurance Fees	271,153	271,153	0.00	275,000	277,640	-	277,640	285,000
Trustee Fees	670	670	0.00	2,500	2,000	-	2,000	2,500
Legal Fees	7,000	2,563	63.39	7,000	4,059	2,941	7,000	7,000
Arbitrage Consultant	2,500	1,250	50.00	1,500	1,250	-	1,250	1,500
Rating Agency Fees	20,000	20,000	0.00	20,000	20,000	-	20,000	20,000
Other Administrative	2,000	-	100.00	2,000	-	2,000	2,000	2,000
Total	\$ 573,323	\$ 514,903	10.19%	\$ 578,500	\$ 318,449	\$ 324,441	\$ 642,890	\$ 630,000