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Ulster County Capital Resource Corporation

FINANCE COMMITTEE CHARTER

This Finance Committee Charter was adopted by the Board of Directors of the Ulster County Capital Resource Corporation, a public benefit corporation established under the laws of the State of New York, on this 13th day of January, 2016.

PURPOSE

Pursuant to Article IV, Section 3 of the Agency's Bylaws, the purpose of the Finance Committee is to oversee the Agency's debt and debt practices and to recommend policies concerning the Agency's issuance and management of debt.

POWERS OF THE FINANCE COMMITTEE

It shall be the responsibility of the Finance Committee to:

- Review proposals for the issuance of debt by the Authority and its subsidiaries and to make recommendations concerning those proposals to the board.
- Make recommendations to the board concerning the level of debt and nature of debt issued by the Agency.
- Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Agency, and to oversee the work performed by these individuals and firms on behalf of the Authority.
- Meet with and request information from Agency staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.
- Retain, at the Agency's expense, such outside counsel, experts and other advisors as the Finance Committee may deem appropriate.
- Review proposals relating to the repayment of debt or other long-term financing arrangements by the Agency and its subsidiaries.

- Annually review the Authority's financing guidelines and make recommendations to the board concerning criteria that should govern its financings. These should include security provisions required for a bond financing undertaking, specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves.

- Report annually to the Agency's board how it has discharged its duties and met its responsibilities as outlined in the charter.

- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

COMPOSITION OF COMMITTEE AND SELECTION OF MEMBERS.

The Finance Committee shall consist of not less than three independent members of the board of directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee. The Agency's board shall appoint the Finance Committee members and the Finance Committee chair. Members shall serve on the committee at the discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

MEETINGS.

The Finance Committee shall meet at such times as deemed advisable by the chair, but not less than twice a year. The committee must meet prior to any debt issuance planned to be undertaken by the Authority.

Members of the Finance Committee are expected to attend each committee meeting, in person or via telephone or videoconference. The Finance Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. A majority of the committee members present or participating through telephone or videoconference shall constitute a quorum.

Meeting agendas shall be prepared prior to every meeting and provided to Finance Committee members along with briefing materials five (5) business days before the scheduled Finance Committee meeting. The Finance Committee may act only on the affirmative vote of a majority of the members or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee. Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

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In addition to these duties and responsibilities, the board may wish to authorize the Finance Committee to perform the following additional duties:

REVIEW THE AGENCY'S ANNUAL BUDGET.

The Finance Committee shall:

- Review the Agency's proposed annual operating budget as presented by Agency's management for the upcoming fiscal year.
- Recommend the annual budget to the board for approval after incorporating necessary amendments
- Monitor and report to the board on the Authority's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on a monthly/quarterly basis.

OVERSEE THE AUTHORITY'S INVESTMENTS

The Finance Committee shall:

- Annually review the Authority's Investment Policy and evaluate allocation of assets.
- Review and recommend to the board approval of the Agency's annual Investment Report.
- Annually review the Agency's audit of investments as provided by independent auditors.
- Recommend to the board the selection of investment advisors.
- Monitor the economic performance of the Agency's pension plans.

ASSESS THE AUTHORITY'S CAPITAL REQUIREMENTS AND CAPITAL PLAN.

The Finance Committee shall:

- Assess the financial requirements of the Agency's capital plans. The assessment is to include current and future capital needs, a justification of why such capital expenditure is required and an explanation of funding sources for capital projects such as grants, issuance of debt or specified pay-as-you-go resources.
- Review the financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and making action recommendations to the board.

REVIEW FINANCIAL AND PROCUREMENT THRESHOLDS.

The Finance Committee shall:

- Review and make recommendations to the board regarding any proposed procurements submitted to the committee by the Agency's procurement officer.
- Review and recommend changes to the Agency's thresholds for procuring goods and services and procurement policy.
- Review and recommend changes to the Agency's Uniform Tax Exemption Policy that includes general provisions for entering into payment-in-lieu-of-taxes (PILOT) agreements and allowing tax exemptions.
- Review and recommend changes to the Agency's fee schedules.
- Review the scope and terms of the Authority's insurance policies and liability coverage on an annual basis.

Re – affmired: January 19, 2022