



ANDREW M. CUOMO
Governor

JOSEPH RUGGIERO
Executive Director

RICHARD A. GERENTINE
Chairman

Finance Committee

Meeting Agenda
December 15, 2016

Finance Committee Members

Roderick Dressel, Chairman
Richard Gerentine
Diane Jablonski

- I. Adopt the Minutes of the September 15, 2016 Committee of the Whole Meeting
- II. Review Annual Report on Committee Activities
- III. Other Business:
- IV. Adjourn

New York State Bridge Authority Finance Committee Meeting Minutes of September 15, 2016

The New York State Bridge Authority's Finance Committee met, in a joint meeting with the Audit Committee as a committee of the whole at the Authority's Headquarters in Highland, New York, at 3:07 p.m. on September 15, 2016.

In addition to Finance Committee Chairman Roderick Dressel, Committee members Richard Gerentine and Roger Higgins, those in attendance were as follows:

Diane Jablonski
Harry Stanton
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.

Upon a motion made by Chairman Dressel and seconded by Mr. Gerentine the minutes of the June 16, 2016 meeting was approved unanimously.

As Committee agendas were the same, the Audit Committee and Finance Committee conducted their meetings in concert.

Mr. Ruggiero, with the assistance of Mr. Wright & Mr. Bushek reviewed the Authority's 2017-2021 Capital Plan, 2017 Budget and Financial Plan, and made a presentation that outlined the work planned for the next five years as well as reviewed the Authority's procedures for developing the Capital Plan. Mr. Ruggiero noted that the full Board of Commissioners will consider adoption of the Capital Plan at its meeting later this afternoon.

Mr. Bushek presented the Budget and Financial Plan for 2017 – 2020 to the committees prior to asking for full Board approval at the November 17th meeting. Mr. Bushek stated that the Plan will be available for public inspection and comment at all of our facilities for the thirty days required by the regulation. It will also be made available to the public on the Authority's website. Following discussion and any changes by the committees at the September 15th meeting and/or the Board at its November 17th meeting, the Board will be asked to consider a resolution approving the Budget and Financial Plan 2017-2020 at its November 17th meeting. The Committee approved the 2017 Budget and Financial Plan to be sent to the Board for its approval at its November Meeting.

Mr. Bushek reviewed the Operating Budget and Bridge System Net Revenues indicating as required by §2801 of the Public Authorities Law and §7.13 of the Bond Resolution, the Authority must submit its operating budget and bridge system net revenues to certain government officials and the Trustee for the bondholders, respectively. A summary of the forecast and the explanation of the differences between the Operating Budget and Bridge System Net Revenues were discussed.

Upon a motion made by Chairman Higgins, seconded by Mr. Jablonski, the Operating Budget & Bridge System Net revenues was accepted unanimously and will be sent to the full Board with both Committees' recommendation for adoption.

Mr. Bushek presented the 2016 Internal Audit Plan and Engagement Letter to the committees from Troconi, Segarra & Associates. Based on achieving the objectives identified within the engagement letter to support the Authorities program to evaluate the effectiveness of internal controls, the Internal Auditor has developed the Audit Plan. The audit plan builds upon the previously provided audit plans given to the Audit Committee based on three year cycles that began in 2011.

Upon a motion made by Chairman Higgins, seconded by Mr. Stanton, the 2016 Internal Audit Plan and Engagement letter was accepted unanimously and will be sent to the full Board with both Committees' recommendation for adoption.

Mr. Bushek indicated to the Committee that in July 2016, the Authority advertised a Request for Proposal (RFP) for Independent Account Services and received two proposals for three one year contracts from the following: EFPR Group (Formerly Toski & Co.) \$16,900 all three years totaling \$50,700, The Bonadio Group \$32,700 years 1 & 2 \$34,220 year 3 totaling \$99,620. This year EFPR has also agreed to engage a sub-contractor to meet the Authority's MWBE goals. Based on satisfaction with the Authority's prior audits and the cost, Mr. Bushek recommended the Audit Committee and the Board award the contract BA-2016-OA-001PS to EFPR Group.

Upon a motion made by Chairman Higgins, seconded by Mr. Stanton, the committee recommended award of BA-2016-OA-001PS Independent Account Services to EFPR Group to the full Board.

Having no other business, the meeting adjourned at 3:45 pm.

ANNUAL REPORT OF THE FINANCE COMMITTEE TO THE BOARD OF THE NEW YORK STATE BRIDGE AUTHORITY

Overview

Below is an outline of the Finance Committee charter requirements and the activities performed to meet those requirements. This summary will serve as the Finance Committee review of its own activity for the year 2016.

Meetings

The Finance Committee conducted meetings either itself or in conjunction with the Audit Committee on March 17, 2016, June 16, 2016, September 15, 2016, and December 15, 2016. This meets the charter requirement to have at least one meeting each quarter.

Responsibilities

1. The Finance Committee shall assist the Authority in its oversight of the Authority's long-range financial planning.
The Committee reviewed the Budget and Financial Plan 2017-2020 and sent it to the full Board for approval at its meeting on September 15, 2016.
2. The Finance Committee shall review external debt financing proposals for major construction projects and other types of projects.
No additional debt financing was required in 2016 or during the period covered by the current Budget and Financial Plan 2017-2020. The Finance Committee reviewed the requirements for external debt financing at the September 15, 2016 meeting.
3. The Finance Committee shall review the status of the Authority's external debt position as required, but no less frequently than once a year.
The Committee performed this review through the analysis of the Budget and Financial Plan 2017-2020 which included the Debt Schedule report at its September 15, 2016 meeting.
4. The Finance Committee shall assist the Authority in its oversight and preparation of the annual budget.
The committee performed a review during the September 15, 2016 meeting where, in conjunction with the Audit Committee, it reviewed the Budget and Financial Plan for 2017-2020 and referred the budget to the full Board for approval.

5. Review and assess at least annually the adequacy of the Finance Committee Charter and submit proposed revisions to the Authority for its approval.

The current charter (attached) was adopted during the June 17, 2010 meeting. No further revision was determined necessary during 2016 and this document is evidence of annual review.

6. At least annually, evaluate the Committee's own performance with respect to the requirements of the Charter in such a manner as the Committee deems appropriate.

This outline will serve as an evaluation of the performance outlined in the charter and confirm responsibilities have been carried out for 2016.

Drafted April 7, 2010

NEW YORK STATE BRIDGE AUTHORITY FINANCE COMMITTEE CHARTER

Pursuant to Section 2824(8) of the Public Authorities Law, the New York State Bridge Authority (the "Authority") hereby establishes a Finance Committee, effective April 15, 2010, to oversee the financial policies and financial matters of the Authority.

PURPOSE

The purpose of the Finance Committee is to oversee the Authority's annual budgets and long-range financial planning and to review proposals for the issuance of debt by the Authority and its subsidiaries and make recommendations.

COMPOSITION

The Finance Committee shall be comprised of not less than three (3) independent members, who shall constitute a majority on the Committee, and who shall possess the necessary skills to understand the duties and functions of the Committee. In the event that the Finance Committee has less than three (3) independent members, the Authority Board may appoint non-independent members to the Committee, provided that the independent members must constitute a majority of the members of the Audit Committee.

The members of the Finance Committee shall be individuals who have had extensive expertise dealing with public and/or private sector issues involving accounting, financial analysis, budgeting, and asset and liability management.

In compliance with the guidelines set forth in Section 2825 of the Public Authorities Law, a member shall be deemed "independent" if he or she: (a) is not, and in the past two years has not been, employed by the Bridge Authority or an affiliate in an executive capacity; (b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than fifteen thousand dollars for goods and services provided to the Bridge Authority or received any other form of financial assistance valued at more than fifteen thousand dollars from the Bridge Authority; (c) is not a relative of an executive officer or employee in an executive position of the Bridge Authority or an affiliate; and (d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Bridge Authority or an affiliate.

Drafted April 7, 2010

MEETINGS

The Committee shall meet at least quarterly or more frequently, as necessary. The Committee shall fix its own time and place of meetings and shall prescribe its own rules of procedure. All Committee members are expected to attend each meeting. The Committee will invite Board officers, employees, independent counsel, auditors, accountants, consultants and/or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of all meetings will be prepared.

RESPONSIBILITIES

Where necessary, the Finance Committee shall work in conjunction with the Audit Committee. The Finance Committee will carry out the following responsibilities:

1. The Finance Committee shall assist the Authority in its oversight of the Authority's long-range financial planning.
2. The Finance Committee shall review external debt financing proposals for major construction projects and other types of projects.
3. The Finance Committee shall review the status of the Authority's external debt position as required, but no less frequently than once a year.
4. The Finance Committee shall assist the Authority in its oversight and preparation of the annual budget.

The Finance Committee may, without further action by the Authority, retain any external advisors, attorneys, consultants, and accountants (collectively "Advisors") it deems necessary to carry out the Committee's responsibilities. The Authority will adequately fund the costs and expenses of these Advisors under arrangements that assure the independence of these Advisors.

The Finance Committee shall seek any information it requires from Authority officers or employees, all of whom are directed to fully cooperate with all Committee requests, as well as external parties. The Authority Board shall ensure that the Committee has access to sufficient resources to carry out its responsibilities as hereinafter defined.

PERIODIC REVIEW

As part of its duties to be responsible for oversight of the Authority's annual budgets and long-range financial planning, the Finance Committee shall review and assess at least annually the adequacy of the Finance Committee Charter and will submit proposed revisions to the Authority for its approval.

The Finance Committee shall also at least annually evaluate its own performance with respect to the requirements of the Charter in such a manner as the Committee deems appropriate.

Drafted April 7, 2010

LIMITATION OF COMMITTEE'S ROLE

The Finance Committee is responsible for the duties and functions set forth in this charter, but the Committee's role is oversight and therefore it is not responsible for either the preparation of the Authority's Financial Statements or the auditing of the Authority's Financial Statements. The members of the Committee are not employees of the Authority and are not accountants or auditors by profession. The Executives and Senior Staff of the Authority have the responsibility of preparing the Financial Statements and implementing internal controls, and the outside auditor has the responsibility of auditing the Financial Statements and monitoring the effectiveness of the internal controls, subject, in each case, to the oversight of the Committee described in this charter. The review of the Financial Statements by the Committee is not of the character or quality as the audit performed by the outside auditor. The oversight exercised by the Committee is not a guarantee that the Financial Statements will be free from mistake or fraud. In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible in order to best react to a changing environment.