NEW YORK STATE OF OPPORTUNITY. | Bridge Authority

ANDREW M. CUOMO
Governor

JOSEPH RUGGIERO
Executive Director

RICHARD A. GERENTINE
Chairman

Finance Committee

Meeting Agenda

December 20, 2018

Finance Committee Members

Roderick Dressel, Chairman
Richard Gerentine
Diane Jablonski

I. Adopt the Minutes of the September 20, 2018 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 20, 2018

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 3:08 p.m. on September 20, 2018.

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

Harry Stanton
Roger Higgins
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.

Upon a motion made by Mr. Gerentine and seconded by Ms. Jablonski the minutes of the May 17, 2018 meeting was approved unanimously.

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

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 Mr. Dressel, seconded by Mr. Stanton, 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 Budget and Financial Plan for 2019 – 2022 to the committees prior to asking for full Board approval at the November 15th 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 20th meeting and/or the Board at its November 15th meeting, the Board will be asked to consider a resolution approving the Budget and Financial Plan 2018-2021 at its November 15th meeting. The Committee approved the 2018 Budget and Financial Plan to be sent to the Board for its approval at its November Meeting. Mr. Bushek also mentioned that though it is not a part of the subject plan, he also gave the Committee members the Authority's Business Plan summary through 2036. It reflects projected

revenues, expenses and cumulative fund surpluses supporting the capital program.

Upon a motion made by Mr. Gerentine, seconded by Mr. Stanton, the 2019 Budget and Financial Plan for 2019-2022 was accepted unanimously and will be sent to the full Board with both Committees' recommendation for adoption.

Having no other business, the meeting adjourned at 3:19 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 2018.

Meetings

The Finance Committee conducted meetings either itself or in conjunction with the Audit Committee on March 15, 2018, May 17, 2017, September 20, 2018, and December 20, 2018. 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 2019-2022 and sent it to the full Board for approval at its meeting on September 20, 2018.

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 2018. Additional financing is needed and noted in the Budget and Financial Plan 2019-2022 and will be further evaluated as we approach the projected need in 2020. The Finance Committee reviewed these requirements for external debt financing at the September 20, 2018 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 2019-2022 which included the Debt Schedule report at its September 20, 2018 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 20, 2018 meeting where, in conjunction with the Audit Committee, it reviewed the Budget and Financial Plan for 2019-2022 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 2018 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 2018.

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 posses 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.

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.

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.