

FINANCE COMMITTEE CHARTER
OF
THE TOWN OF HUNTINGTON
LOCAL DEVELOPMENT CORPORATION

Purpose

Pursuant to Article IV, Section 3 of the By-Laws of The Town of Huntington Local Development Corporation (the “TOH LDC”), the purpose of the Finance Committee is to oversee the TOH LDC's debt and debt practices and to recommend policies concerning the TOH LDC’s issuance and management of debt.

Duties of the Finance Committee

It shall be the responsibility of the Finance Committee to:

- Review proposals for the issuance of debt by the TOH LDC and to make recommendations concerning those proposals to the board of directors (the “Board”).
- Make recommendations to the Board concerning the level of debt and nature of debt issued by the TOH LDC.
- Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the TOH LDC, and to oversee the work performed by these individuals and firms on behalf of the TOH LDC.
- Meet and request information from TOH LDC staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.
- Retain, at the TOH LDC’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 TOH LDC and its subsidiaries.
- Annually review the TOH LDC’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 TOH LDC's Board as to how it has discharged its duties and met its responsibilities as outlined in the By-Laws and this Charter.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with this Charter, and request Board approval for any proposed changes.

Composition of Committee and Selection of Members

The Finance Committee shall consist of not less than three (3) members of the Board, who shall serve either as ex officio members pursuant to Article III, Section 2(a) of the By-Laws of the TOH LDC (as amended) or as independent members and shall constitute a majority on the Committee. The TOH LDC'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 its chair, but not less than twice a year. The Committee must meet prior to any debt issuance planned to be undertaken by the TOH LDC.

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.

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

Review the TOH LDC's Annual Budget

The Finance Committee shall:

- Review the TOH LDC's proposed annual operating budget as presented by TOH LDC 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 TOH LDC's compliance with its adopted budget during the fiscal year (actual verses estimated budget), on a quarterly basis.

Oversee the TOH LDC's Investments

The Finance Committee shall:

- Annually review the TOH LDC's investment policy and evaluate the allocation of assets.
- Review and recommend to the Board approval of the TOH LDC's annual investment report.
- Annually review the TOH LDC's audit of investments, as provided by its independent auditors.
- Recommend to the Board the selection of investment advisors.
- Monitor the economic performance of the TOH LDC's pension plans.

Assess the TOH LDC's Capital Requirements and Capital Plan

The Finance Committee shall:

- Assess the financial requirements of the TOH LDC's capital plans. The assessment is to include current and future capital needs, a justification as to why any proposed 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 items.

Review Financial and Procurement Thresholds

The Finance Committee shall:

- Review and make recommendations to the Board regarding any proposed procurements submitted to the Committee for the TOH LDC's procurement officer.
- Review and recommend changes to the TOH LDC's thresholds for procuring goods and services and procurement policy.
- Review and recommend changes to the TOH LDC's uniform tax exemption policy, allowing tax exemptions.
- Review and recommend changes to the TOH LDC's fee schedules.
- Review the scope and terms of the TOH LDC's insurance policies and liability coverage, on an annual basis.