

CRC FINANCE COMMITTEE CHARTER

SECTION 1. PURPOSE. Pursuant to a resolution adopted by the members of Madison County Capital Resource Corporation, (the “Agency”) on May 19, 2011, the Agency approved the creation of a Finance Committee for the purpose of complying with the Public Authorities Accountability Act of 2005 and the Public Authority Reform Act of 2009 (collectively, the “PAAA”). The purpose of the Finance Committee is to (A) review proposals for the issuance of limited obligation (i.e., conduit) debt, and recommend policies concerning the limitation of the Agency’s liability with respect thereto, (B) oversee the Agency’s unlimited (i.e., general obligation) debt and debt practices, and recommend policies concerning the Agency’s issuance and management of such general obligation debt and (C) make recommendations to the board of the Agency about the financial affairs and policies of the Agency.

SECTION 2. DUTIES OF THE FINANCE COMMITTEE. (A) General Duties. It shall be the responsibility of the Finance Committee to:

(1) Review proposals for the issuance of debt by the Agency and its subsidiaries (if any) and to make recommendations concerning those proposals to the members of the Agency (the “Members”).

(2) With respect to conduit debt, seek any information that the Finance Committee requires from Agency staff and project applicants regarding proposals for issuance of conduit debt.

(3) With respect to general obligation debt, (a) seek any information that the Finance Committee requires from Agency staff regarding proposals for issuance of general obligation debt and (b) make recommendations to the Members concerning the level of general obligation debt and the nature of general obligation debt issued by the Agency.

(3) Make recommendations concerning the appointment and compensation of bond/transaction counsel, economic development consultants, investment advisors, trustees, underwriting firms and other professionals used by the Agency in connection with the Agency’s projects, and to oversee the work performed by these individuals and firms on behalf of the Agency.

(4) Meet with and request information from Agency staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the Finance Committee.

(5) Retain and consult with, at the Agency’s expense, such outside counsel, experts and other advisors as the Finance Committee may deem appropriate.

(6) Review proposals relating to the repayment of debt or other long-term financing arrangements by the Agency and its subsidiaries (if any).

(7) Annually review the Agency’s financing guidelines and make recommendations to the Members concerning criteria that should govern its financings. These should include (a) for any bond financing that is a limited obligation of the Agency (i.e., a “conduit debt financing”), provisions limiting the liability of the Agency on such conduit debt financing, if such debt will be publicly offered, the security required for such financing, and the specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves and (b) for any bond financing that is a general obligation of the Agency,

the security required for such financing, and the specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves.

(8) Report annually to the Agency's Members how the Finance Committee has discharged its duties and met its responsibilities as outlined in this charter.

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

(B) Duties Respecting the Agency's Budget. The Finance Committee shall:

(1) Review the Agency's proposed annual operating budget as presented by Agency management for the upcoming fiscal year.

(2) Recommend the annual budget to the Members for approval after incorporating necessary amendments.

(3) Monitor and report to the Members on the Agency's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on at least a semi-annual basis.

(C) Duties Respecting the Agency's Investments. The Finance Committee shall:

(1) Annually review the Agency's investment policy and evaluate allocation of assets.

(2) Review and make recommendations with respect to the Agency's annual investment report.

(3) Annually review the Agency's audit of investments as provided by independent auditors.

(4) Recommend to the Members the selection of investment advisors.

(5) Monitor the economic performance of the Agency's pension plans, if any.

(D) Review of Financial and Procurement Thresholds. The Finance Committee shall:

(1) Review and make recommendations to the Members regarding any proposed procurements submitted to the committee by the Agency's procurement officer.

(2) Review and recommend changes to the Agency's thresholds for procuring goods and services and procurement policy.

(3) 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.

(4) Review and recommend changes to the Agency's fee schedules.

(5) Review the scope and terms of the Agency's insurance policies and liability coverage on an annual basis.

(E) Assessment of the Agency's Capital Requirements and Capital Plan (if any). The Finance Committee shall:

(1) Assess the financial requirements of the Agency's capital plans (if any). 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.

(2) 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 Members.

SECTION 3. COMPOSITION OF COMMITTEE AND SELECTION OF MEMBERS. (A) The Finance Committee shall consist of not less than three "independent members" (as defined in the PAAA) of the board of the Agency, who shall constitute a majority on the Finance Committee. If the board of the Agency has less than three independent members, non-independent members may be appointed to the Finance Committee provided that the independent members constitute a majority of the Finance Committee.

(B) The Agency's Members shall appoint the Finance Committee members and the Finance Committee chair. Finance Committee members shall serve on the Finance Committee at the discretion of the Members of the Agency.

(C) Ideally, all members appointed to the Finance Committee shall possess or obtain a basic understanding of governmental financing sufficient to perform the duties of the Finance Committee.

SECTION 4. MEETINGS. (A) The Finance Committee shall meet at such times as deemed advisable by the chair, but not less than twice a year. The Finance Committee must meet prior to any debt issuance planned to be undertaken by the Agency.

(B) Members of the Finance Committee are expected to attend each committee meeting, in person or via videoconference in accordance with the provisions of the Open Meetings Law. 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 videoconference shall constitute a quorum.

(C) 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.

(D) A report of the Finance Committee's meeting shall be prepared and presented to the Members at its next scheduled meeting following the meeting of the Finance Committee.

(E) Meetings of the Finance Committee are open to the public, and the Finance 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 sessions.

