

Adopted: December 1, 2015

Revised:

INVESTMENT AND DEPOSIT POLICY
OF THE
GLENVILLE LOCAL DEVELOPMENT CORPORATION (GLDC)

Except as otherwise prohibited or regulated by federal or state law, or regulation, or by court order, the Chairperson , the Treasurer or their designees, shall temporarily invest funds of the Glenville Local Development Corporation (the "Corporation"), not required for immediate expenditure, in certain acceptable investment instruments as outlined in the guidelines and procedures set forth below. The following objectives, listed in order of priority, shall be followed in the investing of such funds:

1. To provide a level of liquidity to insure the availability of funds for payment to meet obligations of the Corporation or for disbursement otherwise required.
2. To minimize the amount of funds uninvested.
3. To minimize the risk of any potential loss or devaluation of funds invested.
4. To earn a maximum rate of return on funds invested, within the limitations as to types of investments permitted under this policy and the provisions of New York General Municipal Law.

GUIDELINES AND PROCEDURES:

1. Funds to Be Invested

To the extent the Corporation has funds beyond that which are necessary to meet current obligations or for disbursement otherwise required, such funds shall from time to time be invested in acceptable investment instruments.

2. Acceptable Investment Instruments

1) Acceptable investment instruments for the investment of funds are as follows:

- a) Certificates of Deposit issued by a bank or trust company authorized to do business in New York State, provided however, that such Certificates of Deposit shall be payable within such time as the proceeds shall be needed to meet expenditures for which such monies were obtained, and provided further that such certificates of deposit be secured in the same manner as provided for securing deposits of public funds by Subdivision 3 of Section 10 of the New York General Municipal Law.
- b) Time Deposit Accounts in a bank or trust company authorized to do business in New

York State, provided however, that such Time Deposit Accounts shall be payable within such time as the proceeds shall be needed to meet expenditures for which such monies were obtained and provided further that such time deposit accounts be secured in the same manner as is provided for securing deposits of public funds by Subdivision 3 of Section 10 of the New York General Municipal Law.

- c) Obligations of agencies of the federal government if principal and interest is guaranteed by the United States.
- d) Obligations of the State of New York.
- e) Secured third party notes, liens and/or letters of credit

2. Investment Records,

- a) Issuer name, address, contact information
- b) Certificate numbers, account numbers, cost of acquisition
- c) Access codes (if applicable)
- d) Redemption dates

3. Timing of Investments

The Chairperson or Treasurer shall maintain a portfolio of all investments specifying the amount, issuer, maturity and location of the underlying document. Investments shall generally mature or otherwise be available for sale or redemption without penalty at such times as funds invested are required for payment to meet obligations of the Corporation, or are otherwise required for disbursement.

4. Collateral Requirements

- 1) Certificate of Deposits and Time Deposit Accounts shall be fully secured to the maximum amount set by the Federal Deposit Insurance Agency.
- 2) Certificate of Deposits and Time Deposit Accounts with principal value in excess of the amount insured by the Federal Deposit Insurance Corporation, shall be fully secured by eligible securities as that term is defined in Section 10 of the General Municipal Law having in the aggregate a market value at least equal to the aggregate amount of the deposits and Third Party Custodial Agreements shall be entered into with the deposit institution.
- 3) Collateral shall be delivered to and held by the Corporation as part of the investment portfolio or be delivered to a custodial bank or trust company with which the Corporation has a Custodial Agreement. Said Custodial Institution shall provide written confirmation to the Corporation of the obligations held in such institutions as collateral for investments of the Corporation.

5. Custodial Institutions

- 1) The Chairperson or the Treasurer shall from time to time, if necessary, enter into contracts with banks or trust companies licensed to do business in New York State to act as custodian of funds owned by the Corporation or of funds pledged as collateral for certificates of deposit or time deposit accounts. Custodians must be member banks of the Federal Reserve Bank or maintain accounts with member banks. A custodial contract shall not be entered into for holding of an investment with the same party from which such investment instrument was acquired without approval of the Corporation. A custodial contract may be entered into with the Trust Department of the seller of the investment instrument provided that the Trust Department is a separate corporate entity.
At the request of the Corporation custodial institutions shall verify collateral held on behalf of the Corporation as property or as collateral for an investment instrument.

6. Financial Strength of Institutions

The financial statements of banks and trust companies with which the Corporation transacts investment business, as set forth in the annual reports of such institutions, shall be reviewed annually by the Corporation and, if applicable, its investment advisor to determine the financial strength and or credit worthiness of the institution. The Treasurer of the Corporation shall report the results of such review in the Corporation's annual Investment Report. The report should include a description of the criteria used for the evaluation (e.g. credit rating, independent financial institution ratings).

7. Competition for Acquisition and Sale of Investment Instruments

- 1) The Corporation shall endeavor to insure competition amongst interested and eligible institutions for the acquisition or sale of investment instruments and shall make every reasonable effort to solicit by telephone or other electronic device at least three quotations for every investment transaction except for interim investment instruments which may from time to time be necessary to conduct normal day to day business operations of the Corporation.
- 2) The Secretary of the Corporation shall maintain a digest of all confirmations, correspondence, and/or statements which support investment activity, which will then become a permanent record of the Corporation.

8. Report to be Provided

The Chairperson or the Treasurer shall prepare monthly and annual reports to the members of the Corporation reflecting, as of the last day of such month, an inventory of investment instruments, a listing of investment instruments acquired or redeemed during the month, and a statement of investment income earned for the month and cumulative total interest earned since the beginning of the current fiscal year.

9. Internal Controls to be Maintained

The Corporation shall maintain a system of internal controls as set forth in Schedule A hereto which provides for segregation of duties with respect to investment activities, cash receipts, and accounting.

10. Miscellaneous Provisions

The Chairperson, with the consent and approval of the Directors, may from time to time designate qualified independent contractors, staff or employees to assist in carrying out the provisions of this Policy. Where the Board deems it advisable, the Chairperson will select an investment advisor experienced in the products and services available to organizations of similar structure. Such advisor will make periodic recommendations to the Board on the direction and volatility of markets and advise changes in strategy when appropriate.

11. Intent

It is the intent of the Corporation that this Investment Policy conform to the requirements of the provisions of Sections 10 and 11 of the New York General Municipal Law, as the same may be amended from time to time, and in the event of any inconsistency between these policies and the provisions of those statutes, the statutory provision shall control and be followed to the fullest extent by the Corporation.

INVESTMENT and DEPOSIT POLICY

SCHEDULE A

The following outlines the policy and procedures used by the Corporation to help ensure financial controls.

All incoming mail is opened by the Chairperson or the Vice Chairperson in his/her absence. Invoices and bank account statements are given to the Treasurer for review and approval. After review, the Treasurer returns the invoices and bank account statements to the Chairperson indicating approval.

The Treasurer is responsible for preparing a voucher that accompanies an invoice for payment. This voucher details the date of payment, payee, expense account description and the amount to be paid. The voucher is reviewed and authorized the Chairperson or the Vice Chairperson in his/her absence. Evidence of competitive process is required for procurements in excess of \$500.

Internal transfers between accounts for routine cash management are processed electronically by the Treasurer with authorization by one of the signers on the account. All withdrawals and disbursements shall be authorized by two signers on the account.

All bank accounts shall be reconciled independently on a monthly basis by the bookkeeper and reviewed by the Treasurer. The Treasurer will certify monthly that all banks accounts have been reconciled and balanced with bank statements. Adjusting entries required to balance the account will require approval of a Director other than the Treasurer.

Financial ledgers are available for inspection by the Treasurer and annually by the external independent auditor.

All proposed investments shall be submitted by the Treasurer to the GLDC Board for prior approval. All such approvals shall be recorded in the minutes of the Corporation, including amount, terms, time periods for expiration and termination dates. Any rollover provisions must be individually approved by the Board, no automatic rollover of invested sums will be accepted.