

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

*~Agenda Subject to Change~*

**January 17, 2012 at 6:00 PM  
Town of Louisville Municipal Building**

Call to Order	<ul style="list-style-type: none"> <li>▪ Robert McNeil, Chair</li> </ul>
Roll Call and Determination of Quorum	
Public Notice	<ul style="list-style-type: none"> <li>▪ January 6, 2012</li> </ul>
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> <li>▪ December 20, 2011 ..... 1-3</li> </ul>
Financial Reports	<ul style="list-style-type: none"> <li>▪ November 2011 ..... 4-6</li> </ul>
Committee Reports	<ul style="list-style-type: none"> <li>▪ Nominating Committee (Carroll/Murphy)</li> </ul>
Old Business	
New Business	<ul style="list-style-type: none"> <li>▪ Resolution: Procurement Policy (Annual Review) ..... 7-9</li> <li>▪ Resolution: Investment Policy (Annual Review)..... 10-16</li> </ul>
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency  
Minutes of December 20, 2011 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:03 PM by Chairman Robert McNeil.

Roll Call/Determination of Quorum: Mssrs. McNeil, Murphy, Carroll and Strait attend. NYPA's Michael Huvane joins the meeting via conference call, while NYPA's Karen White is also in attendance. The quorum is recognized.

Public Notice: Public notifications were sent December 9, 2011 to, at a minimum: St. Lawrence County's newspapers designated for the publication of local laws and other matters required by law to be published; additional local media sources and websites.

Approval of Minutes: Strait/Carroll motion to accept the October 18, 2011 regular meeting minutes and the October 27, 2011 minutes from joint IDALDC and SLRVRA meeting. Accepted.

Financial Report: Mrs. Gilbert reviews the September and October 2011 financials. Carroll/Murphy motion to accept the financials as presented. Accepted.

Old Business:

Power Contract: Attorney Gustafson advises the board of a recent phone conversation with Vincent Esposito and Judith McCarthy of NYPA during which Attorney Gustafson was informed that an updated power agreement will be provided to him. Attorney Gustafson notes that once the draft is ready, the SLRVRA and IDALDC committee will begin its work. In response to a question posed by Mr. Carroll, Attorney Gustafson states he expects the draft will be available for the full boards to review in January. Attorney Gustafson reminds the members that there are a number of new players working on developing this contract. He mentions the process is starting over and both parties are working hard to come up with what could be an acceptable contract. The draft will come to the SLRVRA board after the committees have accepted the final draft.

New Business:

Nominating Committee Assignments: Chairman McNeil appoints Mr. Carroll and Mr. Murphy to serve as committee members and asks that they have board recommendations ready for the next meeting.

Resolution: Adopting Whistleblower Policy and Procedures. Carroll/Strait motion to accept. Passes unanimously.

Resolution: Authorizing Adjustments to the SLRVRA 2011 Budget. Carroll/Murphy motion to accept. Passes unanimously.

*Mr. Burns enters the meeting at 6:09 PM.*

The 2012 Meeting Schedule is adopted.

Staff Report:

Community Development & Environmental Improvement Program: Mr. Kelly updates the group, noting of the nine (9) projects awarded, three (3) have been funded at this time. The other six (6) projects have submitted formal requests to extend the use of funds. Mr. Kelly recommends allowing a six (6) month

extension for projects to be completed. He mentions that projects that will not be completed in this time frame will be revisited again. Mr. Strait motions that a resolution be drawn up which addresses the guidelines for the extension of funding. Mr. Murphy seconds the motion. All in favor. Mr. Kelly reminds the group that \$622,000 has been allocated for the CD&EIP Process for 2012. He advises the group to begin the application process after the start of the New Year and allow applications to be submitted through March 1, 2012. The 2012 process will be streamlined to follow the 2011 process and funding announcements will be made in April 2012. By moving up the timeline, the organizations awarded funding should have more time to complete their projects before the end of the year, potentially reducing the need for requests for extension of funds. The same application format and fee structure will apply.

St. Lawrence County Economic Enhancement Committee: Mr. Kelly notes Mr. Burns is the Chairman of the Committee which has recommended providing \$167,000 in training funds through Tribal Compact monies. The proposal was based in part on the RVRA plan for utilizing some of the monetized power for training purposes.

Both the North Country Dairy and SLIC loans closed this month to reflect a total of \$1.6 million in funds lent via the St. Lawrence County Industrial Development Agency Local Development Corporation and the St. Lawrence River Valley Redevelopment Agency.

Structural Wood is close to scheduling a closing date, pending the principal "Key Man" life insurance requirement. Mr. Kelly asks for a modification to the original loan resolution enabling an assignment of an existing life insurance plan in place of the Key Man policy required in the original resolution. Motion to accept the modification is made by Strait/Burns and passes unanimously.

Data Centers: Mr. Kelly advises the group of an announcement made recently at Clarkson University where IBM has partnered with the University and Beacon Institute to house a research facility and green data center. IDA staff are in continual contact with Clarkson and will work with them to see what role the IDA/RVRA may play as the project moves forward.

Lots 18 & 19 (Massena Industrial Park): Mr. Kelly notes a company is developing a business plan which may include locating in one of the two buildings. We should know more in the 1<sup>st</sup> quarter of 2012.

Citec Marketing Initiative: Tom Plastino presents a marketing initiative proposal to the group, outlining a strategic plan for combining Canadian marketing efforts into one organized fashion which would be sponsored by Clarkson University, The St. Lawrence County Industrial Development Agency Local Development Corporation, NYSTAR and The St. Lawrence River Valley Redevelopment Agency. Mr. Plastino notes CITEC executed a marketing contract with Clarkson University to market the North Country Business Incubator (Peyton Hall) to Canadian customers. As part of this initiative, CITEC would like to work with a number of local development partners (as well as Clarkson) to market the County's various advantages (including employment incentives and the low cost electrical power allocation from NYPA to the RVRA) in Canada in a more disciplined fashion. Mr. Plastino explains the availability of reimbursement opportunities through National Grid's Strategic Economic Development Outreach Program for half of the first year's startup funding. Additionally, as CITEC is a not-for-profit corporation with NYS, the state will subsidize the costs of CITEC's economic development consulting services. Due to time constraints in submitting an application, Mr. Plastino asks for the board's approval to consider incorporating CITEC's proposal into their 2012 marketing plan, so that National Grid's application for funding can be completed and submitted before year end. Discussion ensues around the fee structure and opportunity for duplicating marketing resources already in place. Mr. Plastino emphasizes the Canadian marketing efforts must be organized across the board and coordinated in a professional manner as to not overload the Canadian customer with information from various sources.

Mr. Kelly adds that the IDA LDC is interested in marketing to companies from Montreal to Toronto and there needs to be a more aggressive, sustained, orderly process to bring over these prospects. Mr. Kelly views this proposal as a way to accelerate what we are currently doing in Canada and a way to get a higher value with our investment. This approach should lead to more companies visiting our buildings and other privately owned buildings throughout the county. Strait/Burns motion to move forward with the initiation and for Mr. Plastino of CITEC to begin the application process for funding with National Grid. Passes unanimously.

#### Public Comment

Jason Clark:

Addresses use of funds for the awarded Community Development and Environmental Improvement Process.

- Questions if request for extension for use of funds will be granted
- Clarifies the use of the \$65,000. States all requested funds for the first phase of the project have been received. Would like to know if the money can be used to help initiate engineering costs in addition to construction costs.

Pat Carroll:

Asks what format was determined for the amount of money Clarkson University will pay versus what the SLRVRA will pay for CITEC marketing services in Canada? Mr. Plastino responds with a summary of the discussion between CITEC and Clarkson University.

#### Executive Session:

Carroll/Burns motion for Execution Session at 6:54 PM to discuss the potential acquisition of property. The SLRVRA returns to regular session and adjourns the meeting at 7:25 PM, upon the motion by Murphy/Burns.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at <b>6:00PM</b> on Tuesday, January 17, 2012 at the Town of Louisville Municipal Offices.
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# St. Lawrence River Valley Redevelopment Agency

## Balance Sheet

As of November 30, 2011

	<u>Nov 30, 11</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
201 - Cash Restricted	
201E - HSBC - Money Market	8,336,592.27
201F - KEY - Money Market	5,913,860.80
201G - NBT - Checking	443,671.83
201H - NBT - Money Market	1.00
Total 201 - Cash Restricted	<u>14,694,125.90</u>
202 - Security Deposits	34,000.00
Total Checking/Savings	<u>14,728,125.90</u>
Total Current Assets	14,728,125.90
Fixed Assets	
100 - Massena Lot 18	359,800.00
101 - Massena Lot 19	340,200.00
Total Fixed Assets	<u>700,000.00</u>
<b>TOTAL ASSETS</b>	<b><u>15,428,125.90</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 - Rental Deposits	34,000.00
Total Other Current Liabilities	<u>34,000.00</u>
Total Current Liabilities	<u>34,000.00</u>
Total Liabilities	34,000.00
Equity	
3900 - Net Assets	15,791,062.59
Net Income	-396,936.69
Total Equity	<u>15,394,125.90</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>15,428,125.90</u></b>

## St. Lawrence River Valley Redevelopment Agency

Income	2011 Budget	November-11	YTD	Balance
<b>OPERATING REVENUE- Other</b>				
2409 · Interest Income	100,000.00	3,118.61	39,577.11	60,422.89
2410 · Power Contract Revenue	1,104,000.00	0.00	0.00	1,104,000.00
2412 · Miscellaneous Income(App Fees)	0.00	0.00	2,300.00	(2,300.00)
	<u>1,204,000.00</u>	<u>3,118.61</u>	<u>41,877.11</u>	<u>1,162,122.89</u>
<b>MASSENA INDUSTRIAL BUILDING LOT18</b>				
2422 - MIB18 - Rent	0.00	8,400.00	15,528.94	(15,528.94)
	<u>0.00</u>	<u>8,400.00</u>	<u>15,528.94</u>	<u>(15,528.94)</u>
6486408 · MIB18 - Maintenance Expense	3,000.00	0.00	0.00	3,000.00
6486411 · MIB18 - Insurance Expense	3,500.00	0.00	0.00	3,500.00
6486415 · MIB18 - Cleanup-Repair Expense	10,000.00	0.00	(1,000.00)	11,000.00
6486416 · MIB18 - Utility Expense	4,000.00	0.00	0.00	4,000.00
6486450 · MIB18 - Property Tax Expense	11,000.00	0.00	10,157.58	842.42
6486499 · MIB18 - Miscellaneous Expense	2,000.00	0.00	600.00	1,400.00
	<u>33,500.00</u>	<u>0.00</u>	<u>9,757.58</u>	<u>23,742.42</u>
<b>Total MASSENA INDUSTRIAL BUILDING LOT18</b>	<u>(33,500.00)</u>	<u>8,400.00</u>	<u>5,771.36</u>	<u>(39,271.36)</u>
<b>MASSENA INDUSTRIAL BUILDING LOT19</b>				
6487408 · MIB19 - Maintenance Expense	3,000.00	0.00	0.00	3,000.00
6487411 · MIB19 - Insurance Expense	3,500.00	0.00	0.00	3,500.00
6487415 · MIB19 - Cleanup-Repair Expense	20,000.00	0.00	0.00	20,000.00
6487416 · MIB19 - Utility Expense	6,000.00	0.00	0.00	6,000.00
6487450 · MIB19 - Property Tax Expense	11,000.00	0.00	10,376.86	623.14
6487499 · MIB19 - Miscellaneous Expense	2,500.00	0.00	600.00	1,900.00
<b>Total MASSENA INDUSTRIAL BUILDING LOT19</b>	<u>46,000.00</u>	<u>0.00</u>	<u>10,976.86</u>	<u>35,023.14</u>
<b>Operating Expenditures</b>				
6460411 · Director's & Officer's Insurance	3,000.00	0.00	527.18	2,472.82
6460429 · Contractual Expenses-Other	20,000.00	0.00	16,970.95	3,029.05
6460430 · Contractual Expenses to MED	54,000.00	4,500.00	54,000.00	0.00
6460431 · Contractual Expenses to IDA	300,000.00	0.00	300,000.00	0.00
6460433 · Legal Expense	20,000.00	1,068.00	20,545.46	(545.46)
6460442 · Meeting Expense	500.00	0.00	0.00	500.00
6460443 · Other Travel Expense	4,000.00	0.00	0.00	4,000.00
6460450 · Community Devel. & Improve Projects	800,000.00	0.00	41,079.00	758,921.00
6460499 · Miscellaneous Expense	2,500.00	35.71	485.71	2,014.29
<b>Total RVRA Operating Expenditures</b>	<u>1,204,000.00</u>	<u>5,603.71</u>	<u>433,608.30</u>	<u>770,391.70</u>
<b>Total Revenue</b>	\$ 1,204,000.00	\$ 11,518.61	\$ 57,406.05	\$ 1,146,593.95
<b>Total Expenditures</b>	\$ 1,283,500.00	\$ 5,603.71	\$ 454,342.74	\$ 829,157.26
<b>Net Income</b>	\$ (79,500.00)	\$ 5,914.90	\$ (396,936.69)	\$ 317,436.69

## St. Lawrence River Valley Redevelopment Agency Check Register

Type	Date	Ck Num	Name	Memo	Amount
				<b>Beginning Balance for November 2011</b>	<b>\$ 14,722,211.00</b>
Deposit	11/14/2011			Deposit	8,400.00
Check	11/15/2011	1085	Development Authority of North Country	Underwriting Slic & Structural Wood	-1,068.00
Check	11/15/2011	1086	Massena Electric Department	Dec 2011	-4,500.00
Check	11/15/2011	1087	Paetec	Phone Bill	-35.71
Check	11/28/2011	1088	St. Law River Valley Redevelopment Agen	Acct 8002833140	-34,000.00
Check	11/28/2011	1088	St. Law River Valley Redevelopment Agen	Move monies into a tenant security de	34,000.00
Sales Receipt	11/30/2011	25	St Law River Valley Redevelopment Agenc	Move monies from HSBC Bank	-400,000.00
Deposit	11/30/2011		St Law River Valley Redevelopment Agenc	Deposit	400,000.00
Deposit	11/30/2011		NBT	Interest	3.19
Deposit	11/30/2011		HSBC	Interest	2,386.36
Deposit	11/30/2011		Key	Interest	729.06
				<b>Ending Balance for November 2011</b>	<b>\$ <u>14,728,125.90</u></b>

Draft

St. Lawrence River Valley Redevelopment Agency  
 Resolution No. 12-xx-xx  
 January 17, 2012

**ANNUAL REVIEW OF PROCUREMENT POLICY**

**WHEREAS**, the St. Lawrence River Valley Redevelopment Agency (the “Agency”) has put into place written procedures (the “Procurement Policy”) which guide the Agency to procure goods and services in a manner which assures (i) compliance with all applicable provisions of law governing procurements by the Agency, (ii) the acquisition of quality goods and services which meets the Agency’s needs, (iii) fairness and open competition, (iv) the wise and prudent use of the Agency’s resources and (v) the avoidance of favoritism, extravagance, fraud and corruption,

**NOW, THEREFORE BE IT RESOLVED** the St. Lawrence River Valley Redevelopment Agency hereby approves its Procurement Policy (attached).

Move:				
Second:				
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns				
Carroll				
McNeil				
Strait				
Murphy				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/S/

Lori Sibley  
 January 17, 2012

**ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY**  
**PROCUREMENT POLICY**  
**REVIEWED AND APPROVED: JANUARY 17, 2012**  
**RESOLUTION NO. RVR-12-XX-XX**

A. Introduction

1. Scope: In accordance with Article 18-A of the General Municipal Law (the “IDA Act”), Section 104b of the General Municipal Law, and the Public Authorities Accountability Act of 2005, the St. Lawrence River Valley Redevelopment Agency is required to adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of Section 103 of the GML and paid for by the Agency for its own use and account.
2. Purpose: Pursuant to Section 104b of the GML, the primary objectives of this policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of a political subdivision or district, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.
3. Any and all previously-approved Procurement policies of the St. River Valley Redevelopment Agency are hereby rescinded.

B. Procurement Policy

1. Items purchased in conjunction with St. Lawrence County purchasing procedures, including New York State contract pricing, shall meet Agency requirements.
2. Goods and services purchased from a department of St. Lawrence County government may also meet Agency requirements.
3. The Agency shall adhere to the following methods of competition for non-bid procurements:

	Verbal Quotes		Written Quotes	Reference Notes
	0	3		
Purchase Contracts Below \$10,000			3	
Under \$500	X			
\$500 - \$2,499		X		
\$2,500 - \$9,999			X	
Purchase Contracts of \$10,000 or more				A, B
Emergencies				C
Insurance				D
Professional Services				E

Reference Notes:

- A: All purchases of over \$10,000 require advertised request for proposals.
- B: All expenditures over \$10,000 require Agency approval even if a budget line item has been previously adopted for such expenditure.
- C: Even in the case of an emergency, public interest dictates that purchases are made at the lowest possible costs, seeking competition by informal solicitation of quotes or otherwise to the extent practicable under the circumstance. Documentation must be made showing the method and extent of competition.

Emergency provisions (goods and services) can be an exception to the RFP and competitive process if they must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety, property or welfare of the Agency.

- D: Insurance coverage is not subject to formal competitive bidding. Requests for Proposals, written or verbal quotations can serve as documentation of the process.
- E: Professional Services involve specialized expertise, use of professional judgment, and/or a high degree of creativity. They are not purchase contracts or contracts for public work, as those phrases are used in the bidding statutes, and therefore are not subject to the competitive bidding procedures. The individual or company may be chosen based on qualifications to include, but not limited to, reliability, skill, education and training, experience, demonstrated effectiveness, judgment and integrity. These qualifications are not necessarily found in the individual or company that offers the lowest price.

Professional or technical services shall include but not be limited to the following:

- Accounting (CPA)
- Architectural / Design Services
- Customized Software Programming Services
- Consultants
- Engineering
- Instructors / Teachers / Training
- Insurance Coverage and/or Insurance Broker
- Investment Management Services
- Laboratory Testing
- Legal
- Medical / Dental Services

Contracts for professional services are made in the best interest of the Agency, utilizing Requests for Quotations (RFQ), Requests for Proposals (RFP) or other competitive process. The process may consider inclusive factors such as price, staffing and suitability for needs, reliability, skill, education and training, experience, demonstrated effectiveness, judgment and integrity, and must include negotiations on a fair and equal basis.

- 3. The Agency shall capitalize all purchases in excess of \$2,500

St. Lawrence River Valley Redevelopment Agency  
 Resolution No. 12-xx-xx  
 January 17, 2012

**ANNUAL REVIEW OF INVESTMENT POLICY  
 AND AUTHORIZATION OF DEPOSITORIES**

**WHEREAS**, pursuant to Title VII of New York State Public Authority Law, the St. Lawrence River Valley Redevelopment Agency (the “Agency”) has established comprehensive investment guidelines (the “Investment Policy”) which detail the Agency’s operative policy and instructions to officers and staff regarding the investing, monitoring and reporting of funds of the Agency and which create a reasonable rate of return to the Agency in accordance with sound investment practices, and

**WHEREAS**, pursuant to the Investment Policy, the Agency “shall maintain a list of financial institutions and dealers approved for investment purposes ...” and

**WHEREAS**, pursuant to the Investment Policy, the Agency must designate “the banks and trust companies authorized for the deposit of moneys up to the maximum amounts” included as Appendix A of the Investment Policy, and

**WHEREAS**, the Agency must, on an annual basis, review and adopt its Investment Policy,

**NOW, THEREFORE BE IT RESOLVED**, the Board, after having reviewed the aforementioned documents, authorizes said policy (attached).

Move:				
Second:				
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

\_\_\_\_\_  
 Lori Sibley  
 01/17/2012

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

INVESTMENT POLICY

REVIEWED AND APPROVED: JANUARY 17, 2012

RESOLUTION NO. RVR-12-XX-XX

I. SCOPE

This investment policy applies to all moneys and other financial resources available for investment on its own behalf or on behalf of any other entity or individual. This policy shall be reviewed, in its entirety, on an annual basis. Any and all previously-approved Investment policies of the St. Lawrence River Valley Redevelopment Agency are hereby rescinded.

II. OBJECTIVES

The primary objectives of the local government's investment activities are, in priority order:

- To conform with all applicable Federal, State and other legal requirements (legal);
- To adequately safeguard principal (safety);
- To provide sufficient liquidity to meet all operating requirements (liquidity); and
- To obtain a reasonable rate of return (yield).

III. DELEGATION OF AUTHORITY

The governing board's responsibility for administration of the investment program is delegated to the Chief Executive Officer who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a database or records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the St. Lawrence River Valley Redevelopment Agency (hereinafter Agency) to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DIVERSIFICATION

It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling. Should funds exceed FDIC coverage at a specific financial institution, monies will be diversified and not more than 60% of the Agency's total investments will be in any one institution.

VI. INTERNAL CONTROLS

It is the policy of the Agency for all moneys collected by any officer or employee of the government to transfer those funds to the Chief Financial Officer within three (3) days of deposit, or within the time period specified by law, whichever is shorter.

The Chief Financial Officer is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

VII. DESIGNATION OF DEPOSITORIES

The banks and trust companies authorized for the deposit of moneys up to the maximum amounts are listed in Appendix A.

VIII. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law, §10, all deposits of the Agency, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by GML §10, equal to the aggregate amount of deposits from the categories designated in Appendix B to the policy.
2. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
3. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

IX. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by the depository bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Agency or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

X. PERMITTED INVESTMENTS

As authorized by General Municipal Law, §11, the Agency authorizes the Chief Executive Officer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit amounts;
- Certificates of deposit;
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Obligations issued pursuant to LFL §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the Agency;
- Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agency where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments;
- Certificates of Participation (COPs) issued pursuant to GML §109-b;
- Obligations of this local government, by only with any moneys in a reserve fund established pursuant to GML §§6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n.

All investment obligations shall be payable or redeemable at the option of the Agency within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Agency within two years of the date of purchase.

XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Agency shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. No more than 60% of the Agency's total investments may be in any one institution. All financial institutions with which the local government conducts business must be creditworthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Agency. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Chief Financial Officer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Said list of depositories is included as Appendix A.

XII. PURCHASE OF INVESTMENTS

The Chief Executive Officer is authorized to contract for the purchase of investments:

1. Directly, including through a repurchase agreement, from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board.
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Agency by the bank or trust company.

Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

### XIII. REPURCHASE AGREEMENTS

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- No substitution of securities will be allowed.
- The custodian shall be a party other than the trading partner.

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**APPENDIX A**  
**Authorized Depositories**

Depositaries Authorized by the St. Lawrence River Valley Redevelopment Agency

- Community Bank, NA
  - Upstate National Bank
  - NBT Bank
  - Key Bank, NA
  - HSBC Bank USA
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**APPENDIX B**  
**Schedule of Eligible Securities**

- (i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government-sponsored corporation.
- (ii) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.
- (iii) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of insurance or guaranty.
- (iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of such State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.
- (v) Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- (vi) Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- (vii) Obligations of counties, cities and other governmental entities of a state other than the State of New York having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- (viii) Obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization.
- (ix) Any mortgage-related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by bank regulatory agencies.
- (x) Commercial paper and bankers' acceptances issued by a bank, other than the Bank, rated in the highest short term category by at least one nationally recognized statistical rating organization and having maturities of not longer than 60 days from the date they are pledged.
- (xi) Zero coupon obligations of the United States government marketed as "Treasury Strips."