

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

-Agenda Subject to Change-

**January 15, 2013 at 6:00 PM
Town of Louisville Municipal Building**

Call to Order	<ul style="list-style-type: none"> ▪ Robert McNeil, Chair
Roll Call and Determination of Quorum	
Public Notice	<ul style="list-style-type: none"> ▪ January 2, 2013
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> ▪ December 18, 2012..... 1-4
Financial Reports	<ul style="list-style-type: none"> ▪ November 2012..... 5-7
Committee Reports	<ul style="list-style-type: none"> ▪ Nominating Committee (Carroll/Strait)
Old Business	
New Business	<ul style="list-style-type: none"> ▪ Resolution: Authorizing Expenditures of \$80,000 for Repairs and Improvements to Lots 18 & 19 8 ▪ Resolution: Procurement Policy (Annual Review) 9-11 ▪ Resolution: Investment Policy (Annual Review)..... 12-18
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency
Minutes of December 18, 2012 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:05 PM by Chairman McNeil.

Roll Call/Determination of Quorum: Msrs. McNeil, Murphy, Burns and Strait attend. Mr. Carroll joins the meeting at a later time. NYPA Representative 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 7, 2012 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. Notification also sent to other local media sources and websites.

Presentations: None. At the recommendation of Mr. Strait, the group observes a moment of silence out of respect for the young children and educators who lost their lives last week in the Connecticut school shooting.

Approval of Minutes: Burns/Murphy motion to accept the November 13, 2012 regular meeting minutes. The minutes are accepted unanimously.

Financial Report: Tom Plastino, Chief Financial Officer for the St. Lawrence County Industrial Development Agency presents the October 2012 financial report. Strait/Burns motion to accept the October 2012 financials. The report is accepted unanimously.

Committee Reports: None

Old Business: None

New Business: None

Staff Report:

2012 Community Development & Environmental Improvement Program ("CDEIP"): Mr. Kelly reports that 8 of the 12 awards have been fully funded, while the other 4 grantees have requested an extension to their grant agreement. Mr. Kelly proposes the group consider a 6 month extension for projects to be completed.

2011 CDEIP: Mr. Kelly reports that 6 of the 9 grants awarded are funded. Although the remaining 3 have requested extensions due to unforeseen circumstances, each is making progress.

Mr. Strait motions to grant a 6 month extension to those companies requesting additional time to complete their projects. Mr. Burns seconds the motion. The extensions are accepted unanimously.

The 2013 RVRDA meeting schedule is approved, continuing with the 3rd Tuesday of the month.

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

Resolution: Authorizing Adjustments to the RVRDA 2012 Budget. Burns/Carroll motion to accept. The resolution is accepted unanimously. Mr. Plastino reviews adjustments to the 2012 Budget, citing end of year adjustments as standard practice due to unforeseen events. Discussion ensues around the carry over of certain expenses appropriated on two separate occasions. Mr. Plastino references conversations with a representative of PMHV and Co., the accounting firm appointed by the IDA-LDC, advising the RVRDA follow this protocol. Mr. McNeil requests feedback from Mr. Plastino once he receives the recommendations of the audit team in January, upon completion of the 2012 audit. Mr. McNeil notes this request will serve as a means of ensuring the ongoing consistency within the financial statements.

Mr. Carroll enters the meeting at 6:19 PM

In detail, Mr. Kelly reviews the end of the year summary of activities involving economic development progress directly related to both the efforts of the RVRDA and IDA. Highlights include the Ansen Corporation Line of Credit, the leasing of 9,000 sf within the Lot 19 Building to Fockler Industries, LLC, the funding assistance provided for the construction of the first Canton Industrial Park building, the restructuring of our loans with Slic Network Solutions, the Community Development and Environmental Improvement Program, our ongoing marketing efforts and the securing of a power contract between the Power Authority and the Massena Electric Department.

Mr. Kelly distributes a piece from the NNY Special Report section located in the Ottawa Business Journal which demonstrates just one of the many efforts aimed toward marketing Canadian businesses.

Mr. Strait asks for a clearer definition of the term “pipeline” of prospects. Mr. Kelly notes that the “pipeline” consists of the firms we are in touch with which have expressed an interest in obtaining information for locating their business to the U.S. Mr. Kelly predicts there are a little fewer than 100 contacts in the pipeline right now. Of that, approximately 45 or so were generated this year. Of the over 40 Canadian companies that were visited, approximately 10 have come back to talk to us. This number does not include those companies that attended the recent cross-border events held in October. Mr. Strait questions the timeframe for continuation of marketing efforts in Canada if the efforts do not yield more positive results. Mr. Huvane responds, stating marketing efforts are a process, in other words, long-term prospecting. Nothing happens instantaneously. Mr. Kelly adds that the procedures for marketing are evolving each year. Mr. Strait asks if it is time to look more south of the state instead of across the border. Mr. Kelly references the piracy regulations not to take prospects from other portions of the state. Mr. Kelly cross references the staff’s marketing efforts in comparison to those in Plattsburgh, which is the closest comparison to what we do, and there appears to be similarities and consistencies between the two county’s marketing efforts. Mr. Kelly cites certain challenges including distance from major cities and infrastructure as issues of contention. What makes us unique he says is the close proximity to the Canadian border. He adds that staff marketed to other areas outside of New York State – for example, New England and that we participate in the Drum Country Business initiative with Fort Drum, the Development Authority of the North Country, and Jefferson and Lewis Counties to market the region outside of our Canadian efforts.

Mr. McNeil asks if there have been any requests for power allocation. Mr. Kelly responds that there have been some initial inquiries, but no formal requests. One business looking at the area recently requested a comparison of power rates. The Chairman also asks if there have been any requests for power from the North Country Economic Development Council. Mr. Kelly says no, that Empire State Development has contacted IDA staff if there is a lead where power is of interest. For example, a Data Center Company was looking for information, so we were contacted.

Mr. Kelly notes that tomorrow, (December 19th), will be the announcement of awards of the Regional Economic Development Council and that the SLC IDA and RVRDA offices will be in the new building located at 19 Commerce Lane beginning January 1, 2013.

Mr. Burns inquires about the status of Building 18 & 19. Mr. Kelly notes that there have been a couple of recent showings of the facilities and we continue to highlight them in our marketing activities.

2013 CDEIP: Mr. Kelly reminds the members of his request last meeting to submit suggestions for the 2013 CDEIP process. Mr. Carroll suggests that not all of the 5% of available funding be allocated for the 2013 award process due to the fact that there are no proceeds derived from the power contract at this time.

2013 CDEIP Application Suggestions: Mr. Plastino lists some of the areas of concern that staff received when talking with applicants and other people who do similar projects ...

- Point Allocation – how do we arrive at the point allocation? Does everyone use the same point system?
- The Agency does not publish a timeline and stick to it.
- Page 2 of last year's RFP lists 7-8 general policy directions for the program that will be given priority when applications are reviewed. Applicants want to know if members seriously consider each of these requirements.
- Make clear that comprehensive reports of money spent and matching money spent are required before reimbursements will be made.
- In-kind awards. How will this match be calculated?
- Should emergency projects be given priority? Should they have a minimum match (some of it cash)? These are urgent need projects, not self-inflicted emergencies. Should issues that need fixing right away be rated higher?
- Clear prohibition of funding projects that ask for funds for routine operations or project management.
- Do letters of support really make a difference? If not, why include as part of the application?

Mr. Kelly suggests that Mr. Strait and Mr. Murphy, the RVRDA subcommittee, interact with the IDA sub-committee and discuss if any of these suggestions should be implemented into the 2013 CDEIP application process.

Mr. McNeil suggests beginning the application process around January 15th, with an application due date of March 15th. The goal will be to decide by May 15th which projects will be granted an award and announce the awards in May in order to allow project completion by the end of 2013. Mr. McNeil notes that the general consensus when reviewing applications should be to place the greatest value on projects that demonstrate job creation. Mr. Carroll states that he would have no problem withdrawing the application process this year. Mr. Strait disagrees and feels it is important to give the money back to the communities as it is not doing any good where it is now with interest rates at an all time low. Mr. Murphy also feels awarding money is important as it will create some jobs at the very least. Mr. McMahan notes that a 5% threshold is simply a threshold – not an annual target. The awards have done goodwill and are worth doing. Mr. Kelly adds that this program is not like any other out there. Some allocations have demonstrated a positive economic impact. With two years of the program behind us, Mr. Kelly feels the program has been very productive with value and added benefit for the area but may have room for improvements. Additionally, Mr. McNeil suggests another joint IDA and RVRDA meeting should be scheduled soon.

Mr. Murphy suggests inviting Clarkson University's 3D Printing & Computer Design people to come in and speak with the members to see how the RVRDA could fit into some of their projects. Mr. McNeil agrees and suggests the group arrange a presentation at the February meeting.

Mr. McMahon notes a recent rate comparison with Quebec Hydro proved this area stacks up well. He mentions another bill comparison will be done with New England to see where our area fits in. Although State and National averages have been given, he suggests we research further. Mr. McMahon feels the group needs to be prepared to better debate questions that will be presented regarding power rate comparisons. Mr. McNeil notes that Mississauga has a group that meets with Rochester people comparing tax rates. He feels Mr. McMahon's approach is a good idea.

Public Comment:

Mark Dzwonczyk:

- Nicholville Telephone and SLIC Network Solutions continue to make positive gains in terms of financial performance.
- Mr. Dzwonczyk mentions his recent appointment to the Clarkson University Board of Trustees. He is the closest trustee to the college in this area. He was asked to assist with tracking economic development, entrepreneurship and innovation in the area. He feels his experience with initiating company start-ups and working through the process of building companies to be profitable could be helpful to the RVRDA and he offers his assistance to the group. Mr. McNeil asks Mr. Dzwonczyk for assistance with arranging a discussion with the Clarkson University 3D Printing & Computer Design folks. Mr. Dzwonczyk agrees and adds that there are a lot of really great things going on at Clarkson University right now.

Executive Session: Carroll/Burns motion for Execution Session at 7:43 PM to discuss the financial history of a particular company.

Return to regular session at 8:05 PM, upon the motion by Burns/Murphy. The meeting is adjourned at 8:05 PM, upon the motion of Burns/Murphy.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at **6:00PM** on Tuesday, January 15th, 2013 at the Town of Louisville Municipal Offices. This will be the board's annual meeting.

St. Lawrence River Valley Redevelopment Agency

Balance Sheet

As of November 30, 2012

	Nov 30, 12
ASSETS	
Current Assets	
Checking/Savings	
201 - Cash Restricted	
201E - 1st Niagara- Money Market	6,880,660.19
201F - KEY - Money Market	5,427,289.30
201G - NBT- Checking	85,371.17
201H - NBT - Money Market	1.00
Total 201 - Cash Restricted	12,393,321.66
202 - Security Deposits	34,000.00
Total Checking/Savings	12,427,321.66
Total Current Assets	12,427,321.66
Fixed Assets	
100 - Massena Lot 18	
100A - Massena Lot 18 - Building	359,800.00
100B - Massena Lot 18 - Depreciation	-1,199.33
Total 100 - Massena Lot 18	358,600.67
101 - Massena Lot 19	
101A - Massena Lot 19 - Building	340,200.00
101B - Massena Lot 19 - Depreciation	-1,134.00
Total 101 - Massena Lot 19	339,066.00
Total Fixed Assets	697,666.67
Other Assets	
Notes Receivable	
485 - N/R - North Country Dairy, LLC	330,518.92
486 - N/R - SLIC Network Solutions	408,519.37
487 - N/R - Structural Wood Corp	138,654.38
488 - N/R - Nicholville Telephone Co	371,440.52
Total Notes Receivable	1,249,133.19
210 - Accrued Interest Receivable	2,941.95
Total Other Assets	1,252,075.14
TOTAL ASSETS	14,377,063.47
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 - Rental Deposits	34,000.00
Total Other Current Liabilities	34,000.00
Total Current Liabilities	34,000.00
Total Liabilities	34,000.00
Equity	
3900 - Net Assets	15,366,107.98
Net Income	-1,023,044.51
Total Equity	14,343,063.47
TOTAL LIABILITIES & EQUITY	14,377,063.47

St. Lawrence River Valley Redevelopment Agency Check Register

Type	Date	Ck Num	Name	Memo	Amount
Beginning Balance for November 2012					\$ 12,774,942.52
Deposit	11/01/2012		North Country Dairy	November payment	14,241.60
Check	11/08/2012	1201	SLC IDA Local Development Corp	North Country Dairy	-7,120.80
Check	11/08/2012	1202	Business Development Corp.	CDEIP Payment - Rail	-1,061.00
Check	11/08/2012	1203	Town of Louisville.	CDEIP Payment	-90,000.00
Check	11/08/2012	1204	Town of Madrid.	CDEIP Payment	-60,000.00
Check	11/14/2012	1205	Town of Lisbon.	CDEIP Payment	-134,000.00
Deposit	11/16/2012		SLIC & Nicholville	Deposit	12,028.96
Check	11/26/2012	1206	Massena Electric Department	Dec monthly payment	-4,500.00
Check	11/26/2012	1207	Paetec	Phone Bill	-39.76
Check	11/26/2012	1208	Village of Massena	Water Bills	-6.50
Check	11/26/2012	1209	Business Development Corp.	CDEIP Payment - I98	-8,721.76
Check	11/27/2012	1210	Village of Waddington.	CDEIP - Civic Center	-70,271.97
Deposit	11/30/2012		HSBC - First Niagara	Interest	1,160.83
Deposit	11/30/2012		Key Bank	Interest	667.25
Deposit	11/30/2012		NBT Bank	Interest	2.29
Ending Balance for October 2012					\$ 12,427,321.66

St. Lawrence River Valley Redevelopment Agency

Income	2012 Budget	November-12	YTD	Balance
OPERATING REVENUE- Other				
2409 · Interest Income	100,000.00	5,198.53	67,483.96	100,000.00
2410 · Power Contract Revenue	870,950.00	0.00	0.00	870,950.00
2412 · Miscellaneous Income(App Fees)	2,500.00	0.00	3,712.50	2,500.00
	<u>973,450.00</u>	<u>5,198.53</u>	<u>71,196.46</u>	<u>973,450.00</u>
MASSENA INDUSTRIAL BUILDING LOT18				
2422 - MIB18 - Rent	102,000.00	0.00	33,600.00	68,400.00
	<u>102,000.00</u>	<u>0.00</u>	<u>33,600.00</u>	<u>68,400.00</u>
6486408 · MIB18 - Maintenance Expense	2,000.00	0.00	62.50	1,937.50
6486411 · MIB18 - Insurance Expense	3,850.00	0.00	3,556.39	293.61
6486415 · MIB18 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6486416 · MIB18 - Utility Expense	0.00	0.00	0.00	0.00
6486450 · MIB18 - Property Tax Expense	11,000.00	0.00	11,089.35	(89.35)
6486499 · MIB18 - Miscellaneous Expense	2,000.00	0.00	16.67	1,983.33
6486500 · MIB18 - Depreciation Expense	0.00	0.00	0.00	0.00
	<u>20,850.00</u>	<u>0.00</u>	<u>14,724.91</u>	<u>6,125.09</u>
Total MASSENA INDUSTRIAL BUILDING LOT18	<u>81,150.00</u>	<u>0.00</u>	<u>18,875.09</u>	<u>62,274.91</u>
MASSENA INDUSTRIAL BUILDING LOT19				
2423 · Rental - MIB LOT19	10,000.00	0.00	5,250.00	10,000.00
	<u>10,000.00</u>	<u>0.00</u>	<u>5,250.00</u>	<u>10,000.00</u>
MASSENA INDUSTRIAL BUILDING LOT19				
6487408 · MIB19 - Maintenance Expense	2,000.00	0.00	140.00	1,860.00
6487411 · MIB19 - Insurance Expense	3,850.00	0.00	1,815.48	2,034.52
6487415 · MIB19 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6487416 · MIB19 - Utility Expense	6,000.00	6.50	124.80	5,875.20
6487436 · MIB19 - Marketing Expense	10,000.00	0.00	0.00	10,000.00
6487450 · MIB19 - Property Tax Expense	11,000.00	0.00	11,326.71	(326.71)
6487499 · MIB19 - Miscellaneous Expense	2,500.00	0.00	16.67	2,483.33
6487500 · MIB19 - Depreciation Expense	0.00	0.00	0.00	0.00
	<u>37,350.00</u>	<u>6.50</u>	<u>13,423.66</u>	<u>23,926.34</u>
Total MASSENA INDUSTRIAL BUILDING LOT19	<u>(27,350.00)</u>	<u>(6.50)</u>	<u>(8,173.66)</u>	<u>(13,926.34)</u>
Operating Expenditures				
6460411 · Director's & Officer's Insurance	3,000.00	0.00	962.28	2,037.72
6460429 · Contractual Expenses-Other	20,000.00	0.00	0.00	20,000.00
6460430 · Contractual Expenses to MED	54,000.00	4,500.00	54,000.00	0.00
6460431 · Contractual Expenses to IDALDC	300,000.00	0.00	300,000.00	0.00
6460433 · Legal Expense	20,000.00	0.00	8,771.73	11,228.27
6460434 · Accounting Expense	3,250.00	0.00	3,300.00	3,250.00
6460442 · Meeting Expense	500.00	0.00	0.00	500.00
6460443 · Other Travel Expense	2,000.00	0.00	367.94	1,632.06
6460450 · Community Devel. & Improve Projects	622,000.00	364,054.73	737,071.73	(115,071.73)
6460499 · Miscellaneous Expense	2,500.00	39.76	468.72	2,031.28
Total RVRA Operating Expenditures	<u>1,027,250.00</u>	<u>368,594.49</u>	<u>1,104,942.40</u>	<u>(74,392.40)</u>
Total Revenue	\$ 1,085,450.00	\$ 5,198.53	\$ 110,046.46	\$ 1,051,850.00
Total Expenditures	\$ 1,085,450.00	\$ 368,600.99	\$ 1,133,090.97	\$ (44,340.97)
Net Income	\$ -	\$ (363,402.46)	\$(1,023,044.51)	\$ 1,096,190.97

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Resolution No. RVR-13-01-xx
January 15, 2013

AUTHORIZING EXPENDITURES OF \$80,000 FOR REPAIRS AND IMPROVEMENTS TO LOTS 18 & 19

WHEREAS, it is the intent of the St. Lawrence River Valley Redevelopment Agency to develop or re-develop an asset base of marketable and competitive sites and buildings to lease or sell for new business expansions, and

WHEREAS, in furtherance of this goal, the St. Lawrence River Valley Redevelopment Agency ("RVRDA"), through the St. Lawrence County Industrial Development Agency Local Development ("IDALDC"), purchased real property known as Lot 18 (Tax ID# 16.027-4-7) and Lot 19 (Tax ID 16.035-1-15), both located within the Massena Industrial Park, and

WHEREAS, the St. Lawrence County Industrial Development Agency applied through the New York State Consolidated Funding Application process for grant funding for repairs and improvements for these properties, and received notification on December 19, 2012 that it has been awarded up to \$60,000 in reimbursement funding, and

WHEREAS, the investments will enhance the marketability of the sites to new or expanding businesses and thereby promote job creation, and

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency authorizes an allocation of up to \$80,000 of its St. Lawrence River Valley Economic Development funds for repairs and improvements to Lots 18 & 19 in the Massena Industrial Park, and

BE IT FURTHER RESOLVED that this allocation will be utilized to affect the transaction contemplated by this resolution, and

BE IT FURTHER RESOLVED that New York State Empire State Development Corporation funds of up to \$60,000 shall be used to reimburse proportionally the RVRDA expenditures.

Move:				
Second:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
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
01/15/2013

St. Lawrence River Valley Redevelopment Agency
 Resolution No. 13-01-xx
 January 15, 2013

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:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
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 15, 2013

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
PROCUREMENT POLICY
REVIEWED AND APPROVED: JANUARY 15, 2013
RESOLUTION NO. RVR-13-01-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:

- o Accounting (CPA)
- o Architectural / Design Services
- o Customized Software Programming Services
- o Consultants
- o Engineering
- o Instructors / Teachers / Training
- o Insurance Coverage and/or Insurance Broker
- o Investment Management Services
- o Laboratory Testing
- o Legal
- o 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. 13-01-xx
 January 15, 2013

**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:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
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
 01/15/2013

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

INVESTMENT POLICY

REVIEWED AND APPROVED: JANUARY 15, 2013

RESOLUTION NO. RVR-13-01-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 IDA-LDC's 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 IDA-LDC's 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 IDA-LDC's 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 IDA-LDC's 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 IDA-LDC's 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.

APPENDIX A
Authorized Depositories

Depositories Authorized by the St. Lawrence River Valley Redevelopment Agency

- Community Bank, NA
 - Upstate National Bank
 - NBT Bank
 - Key Bank, NA
 - First Niagara Bank
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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."