

**INVESTMENT POLICY
FOR
THE TOWN OF WINDSOR**

On a Resolution Offered By: Councilman Colwell
Seconded By: Councilman Maslar

IT IS HEREBY RESOLVED BY, the Town Board of the Town of Windsor, County of Broome, State of New York that to conform with all applicable federal, state and legal requirements; to insure the safety and prudent investment of tax payer funds; and to provide sufficient liquidity to meet all operating requirements,

IT IS HEREBY RESOLVED THAT, the **authority** for administration of the investment program is delegated to the Supervisor, 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 data base or records incorporating description and amounts of investments, transaction dates, and other relevant information, and regulate the activities of subordinate employees. 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 Town of Windsor to govern effectively.

IT IS FURTHER RESOLVED, that it is the policy of the Town of Windsor to **diversify** its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

IT IS FURTHER RESOLVED, that the policy for the Town of Windsor for all moneys collected by any officer or employee of the Town is to be transferred to the appropriate Town official within two days for deposit, or, within the time period specified by law.

IT IS FURTHER RESOLVED, that the Supervisor 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.

IT IS FURTHER RESOLVED, by the Town Board that the designation of depositories authorized for the deposit of monies up to the legally permissible maximum amounts are; any such bank or trust company authorized by law to do business in, and having offices in the State of New York.

IT IS FURTHER RESOLVED, that in accordance with the provisions of General Municipal Law Section 10, all deposits of the Town of Windsor, 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:

A. Collateralizing of Deposits.

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by General Municipal Law Section 10, equal to the aggregate amount of deposits from the categories designated in Section C., Permitted Investments of this policy, or
2. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the Town 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, or
3. By an eligible surety bond payable to the Town 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.

B. Safekeeping and Collateralization.

Eligible securities used for collateralizing deposits shall be held by the depository and/or a third party 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 Town, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Town of Windsor or its custodial bank. The custodian agreement shall provide that securities held by the bank or trust company, or agent of and custodian for the Town 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 Town a perfected interest in the securities.

C. Permitted Investments.

As authorized by General Municipal Law Section 11, the Town of Windsor authorizes the Supervisor to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- 1. Special time deposit accounts,
- 2. Certificates of Deposit,

All investment obligations shall be payable or redeemable at the option of the Town of Windsor within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided.

D. Authorized Financial institutions.

The Town of Windsor shall maintain a list of financial institutions approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution. All financial institutions with which the Town conducts business must be credit worthy. Banks shall provide their most recent consolidated Report of Condition (Call Report) at the request of the Town of Windsor. The Supervisor, is responsible for evaluating the financial position and maintaining a listing of proposed depositories, and custodians. Such listings shall be evaluated at least annually.

IT IS HEREBY RESOLVED, that this resolution shall take effect this 4th day of October, 1995.

Vote of the Board:	Super. Urda	Aye	Councilman Ellsworth	Aye
	Councilman Maslar	Aye	Councilman West	Aye
	Councilman Colwell	Aye		

Resolution Adopted, October 4, 1995