



## **FINANCE COMMITTEE MEETING**

**March 21, 2023**

**Time: 12:00 p.m.**

**CityPlace Building, 50 West Main Street, Rochester, 14614**

1. Call meeting to order
2. Approval of Minutes of February 28, 2023 (p. 2)
3. Fee Schedule (p. 3)
4. Review Finance Committee Charter (p. 4)
5. Review Policies and Procedures
  - a. Investment and Deposit Policy (p. 5)
6. Discussion of Finance Committee Self-Evaluation (p. 13)
7. Other Business
8. Adjournment



**DRAFT**  
**FINANCE COMMITTEE MEETING MINUTES**  
**February 28, 2023**

Time & Place: 11:15 a.m. City Place, 50 West Main Street

Board Present: A. Burr, L. Bolzner, R. King, T. Milne

Also Present: A. Liss, R. Baranello, Esq., R. Finnerty, G. Genovese, A. Clark

Chair Burr called the meeting to order at 11:15 a.m.

On motion by T. Milne, second by R. King, all aye, minutes of the October 18, 2022 meeting were approved.

The committee reviewed the current accounts and balances and discussed an investment plan. G. Genovese recommended that some of the current cash be invested in either an interest bearing savings account, Treasury Bills, or Certificates of Deposit. After discussion, the committee recommends issuing an RFP for a financial advisor. The committee also requested that the Investment and Deposit Policy be revised to limit balances in non-interest bearing accounts.

There being no further business to discuss, on motion by T. Milne, second by R. King, all aye, the meeting of the Finance Committee was adjourned at 11:57 a.m.



### Fees

Transaction Type	Fees
<p>Lease/Leaseback</p> <p>Including any/all of the following:</p> <ol style="list-style-type: none"> <li>1. PILOT Agreement</li> <li>2. Sales Tax Exemption</li> <li>3. Mortgage Tax Exemption</li> </ol>	<p>Application Fee: non-refundable \$350.00</p> <p>IDA Fee: .75% of the total project cost</p> <p>Legal Fee: .33% of the IDA fee. Minimum fee of \$4,000.</p>
<p>Sales Tax Exemption and/or Mortgage Tax Exemption</p>	<p>Application Fee: non-refundable \$350.00</p> <p>IDA Fee: .50% of the total project cost</p> <p>Legal Fee: .33% of the IDA fee. Minimum fee of \$4,000 if transaction includes mortgage recording tax exemption. Minimum fee of \$750 if transaction is sales tax exemption only.</p>
<p>Bond: Taxable or Tax-Exempt with Lease/Leaseback</p> <p>Including any/all of the following:</p> <ol style="list-style-type: none"> <li>1. PILOT Agreement</li> <li>2. Sales Tax Exemption</li> <li>3. Mortgage Tax Exemption</li> </ol>	<p>Application Fee: non-refundable \$350.00</p> <p>IDA Fee: 1.25% of the total project cost</p> <p>Legal Fee: .33% of the IDA fee.</p> <p>Designated Bond Counsel fee is based on the complexity and amount of the transaction.</p>
<p>Bond: Taxable or Tax-Exempt</p>	<p>Application Fee: non-refundable \$350.00</p> <p>IDA Fee: 1.00% of the total project cost</p> <p>Legal Fee: .33% of the IDA fee.</p> <p>Designated Bond Counsel fee is based on the complexity and amount of the transaction.</p>

**COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY**  
**FINANCE COMMITTEE CHARTER**

**Purpose**

The purpose of the finance committee shall be to oversee the financial affairs of the Agency, to review proposals for the issuance of debt and review and make recommendations to the Board about the financial affairs and policies of the Agency.

**Composition of Committee and Selection of Members**

The finance committee shall consist of at least three members of the board of directors who are independent of agency operations. The Agency's board will appoint the finance committee members and the finance committee chair. Finance committee members shall be prohibited from being an employee of the agency or an immediate family member of an employee of the agency. In addition, finance committee members shall not engage in any private business transactions with the agency or receive compensation from any private entity that has material business relationships with the agency, or be an immediate family member of an individual that engages in private business transactions with the agency or receives compensation from an entity that has material business relationships with the agency.

Ideally, all members on the finance committee shall possess or obtain a basic understanding of governmental financial reporting and financing.

**Meetings**

The finance committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the finance committee are expected to attend each committee meeting, in person or via telephone or videoconference. The finance committee may invite other individuals, such as members of management, financial or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting agendas will be prepared for every meeting and provided to the finance committee members along with briefing materials 5 business days before the scheduled finance committee meeting. The finance committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

## **Responsibilities**

The finance committee shall:

- Present annually to the agency's board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the committee members' understanding of the role of internal finances, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the agency. The finance committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

The County of Monroe Industrial Development Agency board will ensure that the finance committee has sufficient resources to carry out its duties.

Approved and adopted this 16<sup>th</sup> day of March 2010.  
Approved and adopted this 15<sup>th</sup> day of March 2011.  
Approved and adopted this 20<sup>th</sup> day of March 2012.  
Approved and adopted this 16<sup>th</sup> day of March 2013.  
Approved and adopted this 18<sup>th</sup> day of March 2014.  
Approved and adopted this 17<sup>th</sup> day of March 2015.  
Approved and adopted this 21<sup>st</sup> day of March 2017.  
Approved and adopted this 20<sup>th</sup> day of March 2018.  
Approved and adopted this 19<sup>th</sup> day of March 2019.  
Approved and adopted this 10<sup>th</sup> day of March 2020.  
Approved and adopted this 23<sup>rd</sup> day of March 2021.  
Approved and adopted this 29<sup>th</sup> day of March 2022.

# COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY

## INVESTMENT and DEPOSIT POLICY

### A. Introduction

1. This Policy is adopted pursuant to the provisions of Section 2925 of the Public Authorities Law and shall be reviewed and approved by the Board of Directors at least annually.
2. Scope – This investment and deposit policy applies to all monies and other financial resources available for investment and deposit on its own behalf or on behalf of any other entity or individual.
3. Objectives – The primary objectives of the local government's investment activities are, in priority order:
  - a. to conform with all applicable federal, state and other legal requirements (legal);
  - b. to adequately safeguard principal (safety);
  - c. to provide sufficient liquidity to meet all operating requirements (liquidity); and
  - d. to obtain a reasonable rate of return (yield).
4. Prudence – All participants in the investment process and all participants responsible for depositing the Agency's funds shall seek to act responsibly as ~~eustodians~~stewards of the public trust and shall avoid any transaction that might impair confidence in the Agency to govern effectively.

Investments and deposits 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 and all participants responsible for depositing the Agency's funds shall refrain from personal business activity that could conflict with proper execution of the investment program or the deposit of the Agency's funds or which could impair their ability to make impartial investment decisions.

5. Diversification – It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.
6. Internal Controls
  - a. All money's collected by an officer or employee of the Agency shall be immediately deposited in such depositories and designated by the Agency for the receipt of such funds.



- b. The Agency shall maintain or cause to be maintained a proper record of all book, notes, securities or other evidences of indebtedness held by the Agency for investment and deposit purposes.
  - c. The Agency 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.
7. Designation of Depositories. In accordance with the IDA Act, the Agency shall designate as depositories of its money those banks and trust companies authorized to serve as such pursuant to said law. The deposits shall not exceed \$15,000,000 to any single financial institution. Additionally, deposits in non-interest-bearing accounts shall not exceed \$1,000,000.

## **B. Investment Policy**

1. Permitted Investments. Pursuant to GML Section 11, the Agency is authorized to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:
- a. Special time deposit accounts;\*
  - b. Certificates of deposit;\*
  - c. Obligations of the United States of America;\*\*\*
  - d. Obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America;\*\*\*
  - e. Obligations of the State of New York;\*

\* Special time deposit accounts and certificates of deposit are permitted investments provided that (1) they shall be payable within such time as the proceeds shall be needed to meet expenditures for which the moneys were obtained and (2) they are collateralized in the same manner as set forth in Section VII (C) below for deposits of public funds.

\*\*\* 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.

2. 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. All financial institutions with which the local government conducts business must be credit worthy. 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 Executive Director or Chairman is responsible for evaluating the financial position and maintaining a listing of proposed depositaries, trading partners and custodians. Such listing shall be evaluated at least annually.

3. Purchase of Investments. The Agency may contract for the purchase of investments:

- a. Directly, including through a repurchase agreement, from an authorized trading partner.
- b. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the GML 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
- c. 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 shall be held pursuant to a written custodial agreement as described in GML Section 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 Agency a perfected interest in the securities.

4. Repurchase Agreements. Repurchase agreements are authorized subject to the following restrictions:



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

### **C. Deposit Policy**

1. Collateralization of Deposits. In accordance with the provisions of GML, 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:

- a. By pledge of "eligible securities" with an aggregate "market value" as provided by GML Section 10, equal to the aggregate amount of deposits from the categories designated in Exhibit A attached hereto.

- b. 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 on nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.

- c. 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. The terms and conditions of any eligible surety shall be approved by the governing board.

2. 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 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 Agency a perfected interest in the securities.

#### **D. Review and Reporting**

1. All investments shall be reviewed by the Board of Directors at least annually.
2. Within one hundred and twenty (120) days after the close of each fiscal year, the board of Directors shall approve an annual investment report. Such report shall include the Policy and any supplemental resolutions, the investment guidelines, the results of an annual independent audit of the investments, the annual investment income record of the County of Monroe Industrial Development Agency and other pertinent information.

Approved and adopted this 20<sup>th</sup> day of June 2006.

Amended, approved and adopted this 20<sup>th</sup> day of March 2008.

Approved and adopted this 16<sup>th</sup> day of April 2009.

Approved and adopted this 16<sup>th</sup> day of March 2010.

Approved and adopted this 15<sup>th</sup> day of March 2011.

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Amended, approved and adopted this 29<sup>th</sup> day of March 2022.

Amended, approved and adopted this \_\_\_\_\_ day of March 2023.



~~A-1~~ **EXHIBIT A**  
**SCHEDULE OF ELIGIBLE SECURITIES**

- (1) 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.
- (2) 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.
- (3) 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 the insurance or guaranty.
- (4) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation or 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.
- (5) 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.
- (6) Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
- (7) Obligations of countries, 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 categories by at least one nationally recognized statistical rating organization.
- (8) Obligations of domestic corporations rated one of the two highest rating categories by at least one nationally recognized statistical rating organization.
- (9) 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.
- (10) 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.
- (11) Zero Coupon obligations of the United States government marketed as "Treasury strips".

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County of Monroe Industrial Development Agency					
Finance Committee Self-Evaluation					
DATE _____		Yes	No	Not Sure	Comments
1	Does the committee have the appropriate number of members? The committee should not be so large that <input checked="" type="checkbox"/> its ability to operate efficiently and effectively is reduced <input checked="" type="checkbox"/> members' ability to raise issues is hampered <input checked="" type="checkbox"/> it is difficult to get a quorum when a time-sensitive issue arises	3			
2	Do committee members have varied backgrounds and bring diverse expertise?	2		1	
3	Are differences of opinion on issues resolved to the satisfaction of the committee?	3			
4	Is the committee charter used as a document to guide the committee in its efforts, and to help guide the committee's agenda?	3			
5	Does the committee advise the full Board as to risk issues it sees in the Governance area?	3			
6	Does the committee consider necessary training to enhance the Board's performance, and keep apprised of the latest corporate governance trends and issues?	3			
7	Does the committee recommend qualifications for new Board members?	3			
8	Does the committee conduct an annual self-evaluation of its performance and report the results to the Board, including recommended charter, policy and other changes?	3			
9	Does the committee interact and communicate with management effectively and appropriately?	3			
10	Is the committee focused and does the committee understand its functions and responsibilities?	3			
11	Does the committee conduct executive sessions in a manner that is respectful to the individual, while at the same time asking tough and necessary questions, evaluating answers, and pursuing issues that might arise?	3			
12	Does the committee communicate at an appropriate level of detail when informing the Board of its actions?	3			