

CARTHAGE INDUSTRIAL DEVELOPMENT CORPORATION

**INVESTMENT POLICY
GUIDELINES AND PROCEDURES**

Adopted November 4/2009

POLICY:

Except as otherwise prohibited or regulated by federal or state law, or regulation, or by court order, The CIDC Board, shall temporarily invest funds of the Carthage Industrial Development Corporation (CIDC), not required for immediate expenditure, in certain acceptable investment *instruments as outlined in the guidelines and procedures as set forth below.* In investing such funds the CIDC Board shall concurrently pursue the following objectives:

1. To provide a level of liquidity to insure the availability of funds for payment to meet obligations of the CIDC or for disbursement otherwise required.
2. To minimize the amount of funds uninvested.
3. To minimize the risk of any potential loss or devaluation of funds invested.
4. To earn a maximum rate of return on funds invested, within the limitations as to types of investments permitted under these policies.

GUIDELINES AND PROCEDURES:

1. Funds to Be Invested

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

2. Acceptable Investment Instruments

- 1) Acceptable investment instruments for the investment of funds are as follows:
 - a) Certificates of Deposit issued by a bank, trust company or Savings and Loan Association authorized to do business in New York State, provided however, that such Certificates of Deposit shall be payable within such time as the proceeds shall be needed to meet expenditures for which such monies were obtained, and provided further that such certificates of deposit be secured.
 - b) Deposit Accounts in a bank, trust company or Savings and Loan Association authorized to do business in New York State, provided however, that such Deposit Accounts shall be payable within such time as the proceeds shall be needed to meet

expenditures for which such monies were obtained and provided further that such time deposit accounts be secured.

- c) *Money Market Accounts issued by a bank, trust company or savings and loan association authorized to do business in New York State, provided however, that such money market account shall be payable within such time as the proceeds shall be needed to meet expenditures for which such monies were obtained, and provided further that such money market account be secured.*

3. Timing of Investments

- 1) The CIDC shall maintain a record of all investments. Investments made by the CIDC shall generally mature or otherwise be available for redemption without penalty at such times as funds invested are required for payment to meet obligations of the CIDC, or are *otherwise required for disbursement.*

4. Collateral Requirements

- 1) Certificate of Deposits, Deposit Accounts and Money Market Accounts shall be fully secured to the maximum amount set by the Federal Deposit Insurance Corporation.
- 2) *Certificate of Deposits, Deposit Accounts and Money Market Accounts with principal value in excess of the amount insured by the Federal Deposit Insurance Corporation, shall be fully secured.*

5. Financial Strength of Institutions

- 1) The financial statements of banks, trust companies and savings and loans with which the CIDC transacts investment business shall be reviewed by the Board from time to time to determine the financial strength and or credit worthiness of the institution.

6. Report to be Provided

- 1) Staff shall prepare monthly and annual reports to the Board of Directors of the CIDC reflecting investment instruments, a listing of investment instruments acquired or redeemed during the month, and a statement of investment income earned since the *beginning of the current fiscal year.*

7. Miscellaneous Provisions

- 1) The CIDC Board from time to time shall designate board members and staff personnel to assist in carrying out the provisions of the Policies Guidelines and Procedures as outlined above.