



**NEW YORK STATE OLYMPIC REGIONAL DEVELOPMENT AUTHORITY**

**Resolution # 432**

**RESOLUTION COMMITTING CAPITAL AND GRANTING  
APPROVAL FOR THE PRESIDENT & CEO TO ENTER INTO  
AGREEMENTS FOR ORDA 2021-2022 PROGRAM OF INSURANCE**

At a meeting of the Board of Directors of the Olympic Regional Development Authority (ORDA) held on September 22, 2021, the Chair offered the following resolution:

**WHEREAS**, pursuant to Public Authorities Law § 2611 (15), ORDA is authorized “[t]o procure insurance against any loss or liability in connection with the use, management, maintenance and operation of the participating Olympic facilities and/or Belleayre Mountain ski center, in such amounts and from such insurers, subject to public bidding as it deems desirable”; and

**WHEREAS**, ORDA uses, manages, owns, maintains, and operates both real and personal property assets at its venues which require insurance coverage to protect the interests of ORDA and the people of the State of New York, and to comply with its legal obligations under, among other things, its agreements with other State and local entities, the Lake Placid Olympic Museum, and the United States Olympic and Paralympic Committee; and

**WHEREAS**, ORDA enters into annual insurance agreements to satisfy its obligations in this regard, which agreements will expire on September 30, 2021; and

**WHEREAS**, as a result ORDA desires to enter into proposed agreements for the 2021-2022 annual purchase of insurance coverage for Comprehensive General Liability (CGL), Umbrella, Property/Inland Marine, Equipment Breakdown, Crime, and Auto; and

**WHEREAS**, the proposed policies will be billed to ORDA in five separate sets of premiums: (1) CGL and Property/Inland Marine; (2) Equipment Breakdown; (2) Umbrella; (3) Crime; and (4) Auto; and

**WHEREAS**, the proposed cost of the premium for the policy that includes CGL and Property/Inland Marine will exceed \$250,000.00, with the costs of the premiums for Equipment Breakdown, Umbrella, Crime, and Auto each falling below \$250,000.00; and

**WHEREAS**, the term of the proposed agreements shall be one year each, commencing on October 1, 2021 and expiring on September 30, 2022; and

**WHEREAS**, the policies are recommended following a competitive process conducted by ORDA’s insurance representative in multiple insurance markets, through a process that was designed to obtain the best insurance products for ORDA’s interests at the most competitive prices available under the circumstances; and

**WHEREAS**, the ORDA Executive Committee, whose responsibility it is to recommend to the Board of Directors an adequate program of insurance for ORDA, has recommended the

approval of the proposed agreements based on the Committee's thorough review and consideration of the process, products, and prices offered as a result of the competitive process described above; and

**WHEREAS**, based on the recommendation of the Executive Committee, the President & CEO has requested that the Board commit the requisite capital to enter into the proposed agreement for the purchase of the CGL and Property/Inland Marine insurance coverage for 2021/2022; and

**WHEREAS**, pursuant to ORDA's By-Laws, Art. VI § 2, which requires that the President & CEO obtain Board approval prior to entering into agreements the value of which will be in excess of \$250,000.00 or more over the life of the contract, the President & CEO has requested authority to enter into the proposed agreement;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby authorizes the expenditure of funds and commits the capital for the proposed agreement for the purchase of the CGL, Property/Inland Marine insurance coverages, as is described more fully herein; and

**BE IT FURTHER RESOLVED** that, the Board of Directors hereby authorizes the President & CEO to enter into the proposed agreement under the circumstances described above.

**SO RESOLVED,**

MOVED BY: Art Lussi

SECONDED BY: Steve Hunt

and

ADOPTED BY the following vote:

- Kelly Cummings
- Bill Beaney
- Frank Cardinale
- Steve Hunt
- Art Lussi
- Diane Munro
- Chris Pushkarsh
- Jeff Stefanko
- Elinor Tatum
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- \_\_\_\_\_

Excused/Abstained:


- Cliff Donaldson (E)
- Andy Lack (E)
- Betty Little (E)
- \_\_\_\_\_
- \_\_\_\_\_

Against:

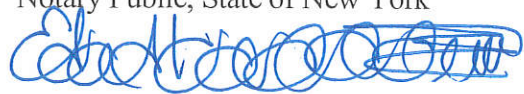
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Renee Fitzgerald, Secretary to the Board, being duly sworn, deposes and says:

The above Resolution # 432 was duly passed by the Board of Directors on September 22, 2021.

Signature   
Title: Secretary to the Board of Directors

Sworn before me this 24<sup>th</sup> day of September 2021  
Notary Public, State of New York



EDWARD KOWALEWSKI, JR.  
Notary Public, State of New York  
No. 02KO4982911  
Qualified in Saratoga County  
Commission Expires June 10, 2023



**NEW YORK STATE OLYMPIC REGIONAL DEVELOPMENT AUTHORITY**

**Resolution # 433**

**RESOLUTION COMMITTING CAPITAL AND GRANTING APPROVAL FOR THE  
PRESIDENT & CEO TO ENTER INTO A UTILITY UPGRADES AGREEMENT FOR  
NYSEG'S ELECTRICAL SUBSTATION TO IMPROVE ELECTRICAL SERVICE AT  
BELLEAYRE MOUNTAIN**

At a meeting of the Board of Directors of the Olympic Regional Development Authority (ORDA) held on September 22, 2021, the Chair offered the following resolution:

**WHEREAS**, pursuant to Section 2611 of the Public Authorities Law, ORDA is empowered to enter into contracts and to execute all instruments necessary or convenient for the conduct of ORDA business, and to do all things necessary, convenient, or desirable to carry out its purposes; and

**WHEREAS**, pursuant to Section 2606 of the Public Authorities Law, ORDA's mission includes the establishment of a comprehensive, coordinated program of activity at its venues that, among other things, will provide economic and social benefits to the communities in which those venues are located; and

**WHEREAS**, pursuant to tariffs on file with the New York State Public Service Commission (PSC), the New York State Electric & Gas Corporation (NYSEG) through its Belleayre Substation provides electrical service to ORDA's Belleayre Mountain ski area located at 181 Galli Road in Highmount, New York; and

**WHEREAS**, the Belleayre Substation is antiquated and undersized for Belleayre Mountain's current electrical needs; and

**WHEREAS**, as a result of these needs ORDA has requested that NYSEG update and expand the electrical service to Belleayre Mountain; and

**WHEREAS**, NYSEG has determined that an upgrade of the Belleayre Substation is required to meet the current and long-range electric demands of Belleayre Mountain as well as other users serviced by the Belleayre Substation, and that this upgrade requires replacing the existing transformer with a 22.4 MVA transformer and replacing the primary fuse with a 115 kV circuit switcher (Electrical Project); and

**WHEREAS**, the estimated cost of the Electrical Project is \$3,750,000.00, with pre-engineering, material procurement and construction taking approximately two years to complete and a portable substation being utilized to provide power throughout the construction period; and

**WHEREAS**, NYSEG's tariffs on file with the PSC mandate that the customers pay for the costs of the Electrical Project; and

**WHEREAS**, ORDA is the largest customer serviced by the Belleayre Substation with electric use in excess of seventy percent (70%) of current capacity; and

**WHEREAS**, the Electrical Project will foster and substantially advance ORDA's statutory purposes and objectives, will ensure that ORDA continues to offer a comprehensive and coordinated program of activities for active use and enjoyment of the Olympic facilities, and will provide unique and meaningful opportunities to improve the physical fitness and athletic and recreational education of the public; and

**WHEREAS**, specifically, an updated and expanded Belleayre Substation will provide Belleayre Mountain with the electric power required for its skiing, snowboarding and snowshoeing operations in the winter season and its beach, gondola rides, mountain biking, hiking, story walk and disc golf operations in the spring, summer and fall; and

**WHEREAS**, the President & CEO has requested that the Board commit the requisite capital for the Electrical Project; and

**WHEREAS**, the Electrical Project will be accomplished through a certain contribution and service agreement to be entered into between ORDA and NYSEG; and

**WHEREAS**, the President & CEO must be ready and have the authority to enter into the contribution and service agreement as part of a continuing effort to provide upgrades and improvements to ORDA facilities that are necessary to ensure the continued success of ORDA; and

**WHEREAS**, pursuant to ORDA's By-Laws, Art. VI § 2, which requires that the President & CEO obtain Board approval prior to entering into contracts, the value of which will be in excess of \$250,000.00 or more over the life of the contract, the President & CEO has requested authority to enter into the proposed contribution and service agreement with NYSEG for the Electrical Project;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby authorizes the President & CEO to invest the necessary capital for expenses related to the Electrical Project as is described more fully herein; and

**BE IT FURTHER RESOLVED** that, the Board of Directors hereby authorizes the President & CEO to enter into a contribution and service agreement with NYSEG under the circumstances described above.

**SO RESOLVED,**

MOVED BY:   Diane Munro  

SECONDED BY:   Art Lussi  

and

ADOPTED BY the following vote:

Kelly Cummings

Bill Beaney

Frank Cardinale

Steve Hunt

Art Lussi

Diane Munro

Chris Pushkarsh

Jeff Stefanko

Elinor Tatum

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Excused/Abstained:

Cliff Donaldson (E)

Andy Lack (E)

Betty Little (E)

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Against:

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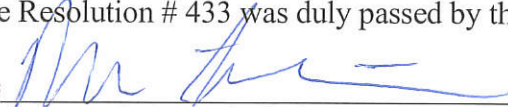
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Renee Fitzgerald, Secretary to the Board, being duly sworn, deposes and says:

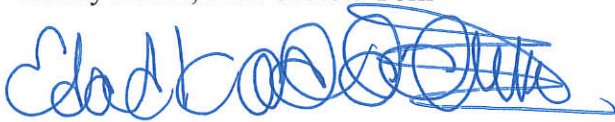
The above Resolution # 433 was duly passed by the Board of Directors on September 22, 2021.

Signature 

Title: Secretary to the Board of Directors

Sworn before me this 24<sup>th</sup> day of September 2021

Notary Public, State of New York



EDWARD KOWALEWSKI, JR.  
Notary Public, State of New York  
No. 02KO4982911  
Qualified in Saratoga County  
Commission Expires June 10, 2023



## NEW YORK STATE OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

**Resolution # 434**

### **RESOLUTION APPROVING AND ADOPTING AN INVESTMENT POLICY AND GUIDELINES**

At a meeting of the Board of Directors of the Olympic Regional Development Authority (ORDA) held on September 22, 2021, the Chair offered the following resolution:

**WHEREAS**, pursuant to Public Authorities Law § 2824 (e), the ORDA Board of Directors is charged with establishing written policies and procedures governing the conduct of ORDA and ORDA personnel, including a policy on investment; and

**WHEREAS**, pursuant to Public Authorities Law § 2925 (1), (3), and in accordance with Part 201 of Title 2 of the Official Compilation of Codes, Rules and Regulations of the State of New York, ORDA is required to develop investment guidelines that meet certain basic requirements; and

**WHEREAS**, ORDA is a State Authority and public benefit corporation; and

**WHEREAS**, ORDA has found and determined that it is both necessary and desirable to amend and update its existing Investment Policy and Guidelines (“Guidelines”); and

**WHEREAS**, annexed hereto and made a part hereof as if fully restated herein, is ORDA’s proposed revised Guidelines; and

**WHEREAS**, in accordance with the Public Authorities Law and applicable regulations, the Guidelines generally contain certain fundamental principles and standards for the administration of an investment program, including but not limited to four basic tenets: legality; safety; liquidity; and reasonable return; and

**WHEREAS**, the ORDA Executive Committee, whose responsibility it is to oversee ORDA’s overall management, operation, policies, practices and procedures necessary for ORDA to conduct its business and accomplish its mission in accordance with its powers and responsibilities as set forth in the Public Authorities Law, has recommended the approval of the proposed revised Guidelines based on the Committee’s thorough review and consideration of said Guidelines;

**NOW, THEREFORE, BE IT RESOLVED**, that after careful consideration and due deliberation, the ORDA Board of Directors hereby approves and adopts the attached Guidelines, effective immediately, which will be posted with Board materials on the ORDA website for access by the public.

**SO RESOLVED,**

MOVED BY: Frank Cardinale

SECONDED BY: Diane Munro

and

ADOPTED BY the following vote:

Kelly Cummings

Bill Beaney

Frank Cardinale

Steve Hunt

Art Lussi

Diane Munro

Chris Pushkarsh

Jeff Stefanko

Elinor Tatum

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Excused/Abstained:

Cliff Donaldson (E)

Andy Lack (E)

Betty Little (E)

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Against:

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Renee Fitzgerald, Secretary to the Board, being duly sworn, deposes and says:


The above Resolution # 434 was duly passed by the Board of Directors on September 22, 2021.

Signature 

Title: Secretary to the Board of Directors

Sworn before me this 24<sup>th</sup> day of September 2021

Notary Public, State of New York



**EDWARD KOWALEWSKI, JR.**  
Notary Public, State of New York  
No. 02KO4982911  
Qualified in Saratoga County  
Commission Expires June 10, 2023



## **Investment of Corporate Funds Policy and Guidelines**

### **1. OVERVIEW OF INVESTMENT POLICY**

#### **1.1 Purpose and Scope**

This policy sets forth instructions to the officers and staff of the New York State Olympic Regional Development Authority (“ORDA” or the “Authority”) with regard to investments of monies of ORDA and the monitoring and reporting of such investments. The Policy is intended to meet the provisions of the Public Authorities Law (“PAL”) Section 2925, the Office of the State Comptroller’s Investment Guidelines for Public Authorities contained in New York Codes, Rules and Regulations (“NYCRR”) Part 201, Section 201.3, and the provisions of ORDA’s enabling legislation. This policy has been adopted by ORDA’s Board of Directors (“Board”).

#### **1.2 Definitions**

“Authority” or “ORDA” means the New York State Olympic Regional Development Authority, a public benefit corporation of the State of New York, established pursuant to Article 8, Title 28 of PAL.

“Board” means ORDA’s Board of Directors.

“Eligible Banking Institution” means any commercial bank or financial institution whose long-term unsecured debt securities are rated A- or better by S&P, A3 or better by Moody’s, or A- or better by Fitch, and having its principal office within the State, as authorized by the Board.

“Investment Funds” means monies and financial resources available for investment by ORDA.

“Investment Securities” means any or all the investment obligations described in Section 2.2 hereof.

“PAL” means Public Authorities Law.

“State” means the State of New York.

#### **1.3 Management of Investment Program**

##### **1.3.1 Delegation of Investment Authority**

The responsibility for implementing the investment program is delegated to ORDA's Office of Finance.

Investments shall be made in accordance with this policy. ORDA's Office of Finance is responsible for making investment decisions for the Authority and for doing so with the judgment, care, skill, prudence and diligence under the circumstances then prevailing that a knowledgeable and prudent investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. These responsibilities shall include the evaluation of the investment program by monitoring the system of internal controls, verifying relevant matters related to the securities purchased or held as collateral at least semiannually and on an unscheduled basis, determining that the investment results are consistent with the Board's objectives and reviewing any independent audits of the investment program. All ORDA staff participating in the investment process shall act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in ORDA's ability to effectively fulfill its responsibilities. All participants 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.

### **1.3.2 Annual Review and Approval**

ORDA staff involved in the investment process shall review the Investment Policy on an annual basis, or more frequently as required, and shall submit the Investment Policy to the Authority's Executive Committee and Board no less frequently than annually for review and approval as required by the PAL.

## **2. INVESTMENT MANAGEMENT OBJECTIVES AND PERMITTED INVESTMENT**

### **2.1 Investment Objectives**

ORDA's primary investment objectives, listed in order of importance, are:

1. To conform with all applicable legal and regulatory requirements;
2. To adequately safeguard investment principal;
3. To provide for portfolio liquidity to meet the needs for which the funds are being held;
4. To earn reasonable rates of return, subject to any applicable requirements imposed by Federal Tax Law; and
5. Maintain procedures that allow for diversification of investment firms used by ORDA and to ensure opportunity for participation by minority and women owned investment firms in investment activity by ORDA and in the activities of investment firms engaged by ORDA to manage or invest funds under the supervision of ORDA.

### **2.2 Permitted Investments**

ORDA, subject to the requirements of Section 3.6 of this policy, may deposit monies with Eligible Banking Institutions, as separately authorized by the Board. Additionally, investments shall be limited to the following types of securities ("Permitted Investments"):

1. **U.S. Treasury & Government Guaranteed** – U.S. Treasury obligations, and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U.S. Government.
2. **Federal Agency/GSE** – Debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency, instrumentality or government-sponsored enterprise (GSE).
3. **Corporates and Other Debt Obligations** – U.S. dollar denominated corporate notes, bonds or other debt obligations issued or guaranteed by a U.S. or foreign corporation, financial institution, non-profit, or other entity.
4. **Municipals** – Obligations issued or guaranteed by any state, territory or possession of the United States, political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government of any U.S. state or territory.
5. **Collateralized Investment Agreements** – Investment agreements or guaranteed investment contract with any financial institution that guarantees repayment of principal and a fixed or floating interest rate for a predetermined period.
6. **Negotiable Bank Deposit Obligations** – Negotiable bank certificates of deposit, deposit notes or other deposit obligations issued by a nationally or state-chartered bank, credit union or savings association, or by a federally or state-licensed branch of a foreign bank or financial institution. No new securities will be purchased in this sector.
7. **Commercial Paper** – U.S. dollar denominated commercial paper issued or guaranteed by a U.S. or foreign corporation, company, financial institution, trust or other entity, including both unsecured debt and asset-backed programs.
8. **Bankers' Acceptances** – Bankers' acceptances issued, drawn on, or guaranteed by a U.S. bank or U.S. branch of a foreign bank.
9. **Insured Bank Deposits** - Interest bearing time certificates of deposit, savings accounts or deposit accounts fully insured by the Federal Deposit Insurance Corporation (FDIC).
10. **Money Market Mutual Funds** – Shares in open-end and no-load money market mutual funds, provided such funds are registered under the Investment Company Act of 1940 and operate in accordance with Rule 2a-7.
11. **Repurchase Agreements** – Permitted provided certain conditions are met:
  - a. Repurchase agreements must only be purchased from banks or trust companies authorized to do business in the State of New York or from broker dealers on the Federal Reserve Bank of New York's list of primary government securities dealers.
  - b. Repurchase agreements shall have a term not to exceed ninety (90) days. Agreements which are "open" (continuing in nature) shall not be made.
  - c. ORDA will execute a master repurchase agreement with each broker dealer which outlines the basic rights of both buyer and seller including:
    - i. The events of default which would permit the purchaser and/or seller to liquidate or purchase the underlying securities;
    - ii. The relationship between parties to the agreement, which should ordinarily be purchaser and seller;
    - iii. A requirement that there be a written contract with the custodial bank outlining the responsibilities of the bank and the parties of the agreement. Such an agreement shall provide, among other things, that the custodial bank will not make payment for the securities until

- the bank actually receives them and that the custodial bank takes possession of the securities exclusively for ORDA and that any claims of the custodial bank are subordinate to those of the Authority;
- iv. Procedures which ensure that ORDA obtains a perfected security interest in the securities which are the subject of the agreement;
  - v. The method of computing margin maintenance requirements and providing for timely correction of margin deficiencies or excesses. Specific guidelines regarding margin maintenance should be established, taking in consideration:
    - the size and terms of the transaction;
    - the type of underlying security;
    - the maturity of the underlying security;
    - the capitalization, financial status and type of purchaser and/or seller; and
    - the method by which additional margin will be maintained; and
  - vi. Circumstances, if any, under which substitution of securities subject to the agreement shall be permitted.
- d. ORDA or its custodian must take possession of the securities being purchased by physical delivery or book entry. The custodian must not be the same party that is selling the securities to the Authority.
  - e. A custodial bank must be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of securities to the credit of ORDA. Transfer of securities, whether by book entry or physical delivery, must be confirmed in writing to ORDA by the custodial bank.
  - f. The market value of the securities purchased under a repurchase transaction must be equal to or in excess of the purchase price. The securities must be monitored and additional securities required if market fluctuations cause the market value of the purchased securities to become less than the purchase price.

### **2.3 Authorization of Investments**

Investments must be authorized by ORDA's President/CEO. In the absence of the President/CEO, the Director of Finance is empowered to authorize investments.

### **2.4 Diversification**

ORDA shall diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling. ORDA's Office of Finance shall establish appropriate limits for the amount of investments which can be made with each financial institution or dealer, and shall evaluate this listing at least annually.

## **3. OPERATING PARAMETERS AND CONTROLS**

ORDA has developed the following investment management controls to ensure that its assets are protected against loss, theft and misuse.

### **3.1 Authorized Officers and Employees**

Investment decisions on behalf of the Authority shall be made by ORDA's President/CEO, the Director of Finance, or the external Investment Manager(s) under the supervision of the Director of Finance.

### **3.2 Internal Controls**

ORDA's Office of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that investments are made in accordance with this policy; are protected from loss, theft or misuse; and that transactions are recorded properly.

The organizational structure of ORDA's Office of Finance will provide for a separation of duties between the authorization of investment transactions, the execution of investment transactions and the accounting for investments.

### **3.3 Competitive Selection**

For the purchase of investments over a certain threshold dollar amount as the Office of Finance may specify in writing, ORDA shall use competitive quotations. For each transaction equal to or less than said threshold dollar amount as the Office of Finance may specify in writing, ORDA may use either competitive quotations or negotiated prices. The foregoing shall not apply to the purchase of government securities at initial auction or upon initial offering. A minimum of three quotes shall be obtained and documented from Dealers and/or Banks, except in the purchase of government securities at their initial auction or upon initial offering, and the most favorable quote accepted.

To the extent that ORDA invests in a Securities and Exchange Commission (SEC) registered mutual fund or exchange traded fund whose investment objectives and policies are consistent with this Investment Policy, the selection of a no-load, open-end fund constitutes a competitive selection.

### **3.4 Annual Investment Audit**

An annual independent audit of all investments will be performed by external auditors. ORDA shall comply with all legal and regulatory requirements, including those mandated by the PAL, the NYCRR, and this Investment Policy. The Annual Investment Audit shall:

- Determine whether investment assets are adequately safeguarded; adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of ORDA's investment assets; and a system of adequate internal controls is maintained;
- Determine whether ORDA has complied with applicable laws, regulations, the State Comptroller's investment guideline requirements, such public authority accounting directives as may be issued by the State Comptroller, and the Investment Policy; and
- Be designed to the extent practical to satisfy both the common interest of ORDA and the public officials accountable to others.

The results of the Annual Investment Audit shall be set forth in a report submitted to the

President & CEO, and to ORDA's Board (the "Annual Investment Audit Report") which shall include without limitation:

- A description of the scope and objectives of the audit;
- A statement that the audit was made in accordance with generally accepted government auditing standards;
- A description of any material weakness found in the internal controls;
- A description of any non-compliance with ORDA's own investment policies as well as applicable laws, regulations, the State Comptroller's investment guideline requirements, and such public authority accounting directives as may be issued by the State Comptroller;
- A statement of positive assurance of compliance on the items tested;
- A statement on any other material deficiency or reportable condition as defined by Governmental Auditing Standards identified during the audit not covered above; and
- Recommendations, if any, with respect to amendment of this Investment Policy.

The Annual Investment Audit Report shall be filed within ninety (90) days after the close of the Authority's fiscal year with the Office of Budget and Policy Analysis of the Office of the State Comptroller.

### **3.5 Written Contracts and Confirmations**

A written contract and/or a written confirmation shall be required for each investment transaction. However, ORDA shall not be required to enter into a formal written contract if the Authority's oral instructions to its broker, dealer, agent, investment manager/advisor, or custodian with respect to such transactions are confirmed in writing or by written confirmation at the earliest practicable moment.

### **3.6 Safekeeping and Custody**

All Investment Securities purchased by ORDA or held as collateral on deposits or investments shall be held by a third-party custodian who may not otherwise be a party to the investment transaction and with whom the Authority has a written custodial agreement. All securities shall be held in the name of the Authority and will be free and clear of any lien.

All investment transactions will be conducted on a delivery-vs.-payment basis. Payment for investments shall be made only upon receipt by the custodian of the physical security, or in the case of securities in book-entry form, when credited for the custodian's account, which shall be segregated for ORDA's sole use. The custodian shall issue a safekeeping receipt to ORDA listing the specific instrument, rate, maturity and other pertinent information. Monthly, the custodian will also provide reports listing all securities held for the Authority, the book value of holdings, and the market value as of month-end.

The custodian may act on oral instructions from the President & CEO and the Director of Finance. Such instructions are to be confirmed in writing, within one business day, by an authorized signatory of ORDA.

Representatives of the custodian responsible for, or in any manner involved with, the safekeeping and custody process of the Authority shall be bonded in such a fashion as to

protect ORDA from losses from malfeasance and misfeasance. If required by the Director of Finance, appropriate Authority Officials may also be bonded in such a fashion.

All demand deposits, time deposits, and certificates of deposit shall be collateralized for amounts over and above Federal Deposit Insurance Corporation coverage. All collateral shall be Permitted Investments as set out in Section 2. There shall be a written custodial agreement that, among other things, specifies the circumstances under which collateral may be substituted. ORDA should not accept a pledge of a proportionate interest in a pool of collateral. The market value and accrued interest of collateral should, at least, equal the value of the investment and any accrued interest at all times. The recorded value of collateral backing any investment should be compared with current market values (mark-to-market) at the time of the initial investment and monthly thereafter to be certain that it continues to be at least equal to the value of the investment plus accrued interest. The mark-to-market reviews should use “bid” prices from a constant source. Negotiable Bank Deposit Obligations as defined in section 2.2 of this policy are exempt from these collateral requirements.

### **3.7 Notification Concerning Violations of Investment Policy**

If this Investment Policy is violated, the President & CEO shall be informed immediately and advised of any corrective action that should be taken, as well as the implication of such action.

## **4. QUALIFIED FINANCIAL INSTITUTIONS**

### **4.1 Qualifications for Brokers, Dealers and Agents**

The Office of Finance and/or ORDA’s investment manager shall identify broker/dealers that are approved for investment purposes (“Qualified Institutions”) and maintain a list of such approved dealers. Only firms meeting the following requirements will be eligible to serve as Qualified Institutions:

- “Primary” dealers and regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule);
- Registered as a dealer under the Securities Exchange Act of 1934;
- Member in good standing of the Financial Industry Regulatory Authority (FINRA);
- Registered to sell securities in the State; and
- The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) years.

When selecting trading partners, ORDA will also consider the firm’s quality, size, reliability, the Authority’s prior experience with the firm, the firm’s level of expertise and prior experience with respect to the contemplated transactions.

### **4.2 Qualifications for Investment Advisors/Managers**

For the purpose of rendering investment management/advisory services to the Authority, ORDA may qualify any bank or trust company organized under the laws of any state of the United States of America, any national banking association, and any partnership, corporation, or person which is:

- Authorized to do business in the State as an investment manager/advisor; and
- Registered with the SEC under the Investment Advisor Act of 1940 or exempt from registration.

ORDA shall consider the firm's capitalization, quality, size and reliability, the Authority's prior experience with the firm, the firm's level of expertise and prior experience with respect to the contemplated transaction.

Agreements with investment advisors may not provide for the delegation of any duties or responsibilities of ORDA's officers or staff that involve the exercise of judgment or discretion to the advisor. ORDA's Department of Finance or other officer to whom the investment function has been delegated must carefully review recommendations made by an advisor to determine their propriety. Investment advisory services shall be procured pursuant to ORDA's competitive procurement process.

#### **4.3 Qualifications for Custodial Banks**

To be eligible to hold Investment Securities purchased by ORDA or collateral securing its investments, a custodial bank shall be a member bank of the Federal Reserve System or maintain accounts with member banks of the Federal Reserve System to accomplish book-entry transfer of Investment Securities to the credit of the Authority. The custodian should not be the same party that is selling the Investment Securities. To be eligible to perform custodial services, the Director of Finance, or his/her designee, must review the annual financial statements and credit ratings of the proposed custodian bank and based upon such review, affirmatively find that the proposed custodial bank is financially sound. Such determinations of creditworthiness shall be undertaken on a periodic basis as determined by the Director of Finance.

#### **4.4 Ongoing Disclosure**

All brokers, dealers and other financial institutions described in sections 4.1, 4.2, and 4.3 shall be provided with current copies of the Authority's Investment Policy. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the Authority has investment transactions.

#### **4.5 Affirmative Action**

Article 15-A of the Executive Law and 9 NYCRR Part 4.21 regarding affirmative action shall apply with respect to ORDA's investment activities. The Authority shall seek to use minority and women- owned financial firms in the conduct of ORDA's investment activities.

### **5. ANNUAL REPORTING**

Annually, ORDA shall prepare and approve an Investment Report in accordance with the provisions of PAL Section 2925 (6) which shall include the following:

1. This Investment Policy, including a list of resolutions authorizing the issuance of a series of bonds, or any supplement thereto, containing additional or different permitted investments;
2. Amendments to this Investment Policy since the last Investment Report;

3. An explanation of this Investment Policy and amendments;
4. The results of the annual independent audit;
5. The investment income record of ORDA; and
6. A list of total fees, commissions or other charges paid to each investment banker, broker, dealer or other investment advisor, including trustee and custodian fees, since the last Investment Report.

The Annual Investment Report shall be submitted to the Division of the Budget and copies thereof shall be submitted to the Office of the State Comptroller, the Senate Finance Committee and the Assembly Ways and Means Committee. Copies of the Annual Investment Report shall also be made available to the public upon reasonable request.

The Office of Finance shall annually provide the Board with a list of banks, trust companies and broker-dealers with which ORDA is authorized to make investments and with which ORDA has made investments during the preceding year. The Board shall also annually receive a list showing the names of all institutions authorized to serve as trustees and custodians for ORDA and any trustees and custodians considered for new business.

The Office of Finance will provide to ORDA's President & CEO and the Board, a quarterly report detailing any new investments, the inventory of existing investments and the selection of brokers, agents or dealers.

## **6. BANK AUTHORIZATION**

The President & CEO or any authorized designees ("Authorized Persons") are authorized to deposit any ORDA funds in any commercial bank or financial institution whose long-term deposits are rated A- or better by Standard & Poor's Corporation, A3 or better by Moody's Investor Service, Inc. or A- or better by Fitch, Inc. (each such institution referred to herein as the "Bank"), either at its head office or at any of its branches.

Any ORDA funds deposited in the Bank may be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, acceptances, undertakings, wire transfers or other instruments or orders for the payment of money when made, signed, drawn, accepted or endorsed, as applicable, on behalf of the Authority in accordance with the Financial Policies and Procedures of the Authority and its service provider by Authorized Persons.