

**COUNTIES OF WARREN AND WASHINGTON
CIVIC DEVELOPMENT CORPORATION (WWCDC)**

5 Warren Street, Suite 210
Glens Falls, New York 12801

Tel. (518) 792-1312
website: www.warren-washingtonida.com

TO: Bruce Ferguson, Joseph LaFiura and Matt Simpson
Executive/Governance Committee Members
COUNTIES OF WARREN AND WASHINGTON
CIVIC DEVELOPMENT CORPORATION

FROM: Bud Taylor, Chairman

DATE: February 6, 2017

The **Executive/Governance Committee** of the Counties of Warren and Washington Industrial Development Agency will hold their meeting on:

Date: Wednesday, February 15, 2017 **immediately following the IDA Committee meeting at 9:00 am**

Location: FitzGerald Morris Baker Firth PC
16 Pearl Street, Glens Falls, NY.

cc: **All WWCDC Members**
Kara I. Lais, Esquire (with attachments)
Amanda Allen, Warren County Board Clerk (with agenda)
Debra Prehoda, Washington County Board Clerk (with agenda)
Maury Thompson, The Post Star (with agenda)

**COUNTIES OF WARREN AND WASHINGTON
CIVIC DEVELOPMENT CORPORATION**

INTERNAL CONTROLS PROCEDURES:

ACCOUNTS PAYABLES:

All invoices are entered by the Office Administrator into Quickbooks for payment. Checks are prepared by the Office Administrator for signature by the Treasurer (Chairman or Vice Chairman in his absence).

All payables are listed on the CDC Board Meeting Agenda.

Upon approval by the Board, the Treasurer of the Corporation signs the checks and reviews the accompanying invoice, signing off on vouchers or invoices when indicated.

Any checks from the main operating account that are greater than \$600.00 require signatures by two officers.

Exception: Occasionally, because of due dates and resulting late payment charges, checks may be prepared, signed by the Treasurer and disbursed before the monthly Board meeting. In this case, the payment should still be noted on the agenda for approval by the Board at the following meeting.

BANK RECONCILIATIONS:

The Office Administrator performs the bank reconciliations on all accounts through Quickbooks. The resulting reconciliation report and bank statement are given the Treasurer for review and sign off every month.

PROJECTS – JOB COUNTS:

The number of full time jobs for each current project is given the Chairman of the Audit & Finance Committee and should be reviewed by the Committee on an annual basis. This information is based on the surveys submitted by the developers to the Corporation at each year end.

PARIS REPORTING:

The Office Administrator inputs all appropriate information required by the PAAA of 2005 and PARA of 2009 at year end. This website requires several screens of information be input regarding policies and projects of the Corporation. All information is reviewed at year end by the Corporation's retained independent accountant.

The Office Administrator is responsible for keeping the Corporation's website compliant with all PAAA and PARA regulations.

INTERNAL FINANCIAL REPORTS:

Three reports are given each month to all the Board Members regarding the financial status of the Agency as follows: Balance Sheet, Monthly P & L and Actual vs Budget P & L. The reports are directly generated from the Quickbooks software.

As approved by the CDC Executive Committee at the Meeting February 10, 2015.

**THE COUNTIES OF WARREN AND WASHINGTON
CIVIC DEVELOPMENT CORPORATION**

INVESTMENT POLICY

I. SCOPE

This investment policy applies to all moneys and other financial resources available for investment on behalf of The Counties of Warren and Washington Civic Development Corporation (the "Corporation") or on behalf of any other entity or individual.

II. OBJECTIVES

The primary objectives of the Corporation'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 requirement (liquidity); and
- to obtain a reasonable rate of return (yield).

III. DELEGATION OF AUTHORITY

The Corporation's responsibility for administration of the investment program is delegated to the Treasurer who shall administer 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.

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 Corporation to act 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 property execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DIVERSIFICATION

It is the policy of the Corporation to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

VI. INTERNAL CONTROLS

It is the policy of the Corporation for all moneys collected by any officer or employee of the Corporation to transfer those funds to the Treasurer within five (5) days of receipt, or within the time period specified in law, whichever is shorter.

The Corporation 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 monies shall be designated at the Corporation's annual meeting.

VII. COLLATERALIZING OF DEPOSITS

All deposits of the Corporation, 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" equal to the aggregate amount of deposits from the categories designated in Appendix A to the 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 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; or

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 Corporation 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 Corporation to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Corporation, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Corporation or its depository bank or trust company.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Corporation, will be kept separate and apart from the general assets of the depository 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

The Corporation authorizes the treasurer 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 accounts;
- 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 Local Finance Law ' 24.00 or ' 25.00 with approval of the State Comptroller) by any municipality, school district or district corporation other than the Corporation;
- Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies 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.

All investment obligations shall be payable or redeemable at the option of the Corporation 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 Corporation within two years of the date of purchase.

XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Corporation shall designate financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with any such financial institution or dealer. All financial institutions with which the Corporation conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Corporation. 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.

XII. PURCHASE OF INVESTMENTS

The Corporation shall contract for the purchase of investments:

1. Directly, including through a repurchase agreement, from an authorized trading partner.
2. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the Corporation.

All purchased obligations, unless registered or inscribed in the name of the Corporation, 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 Corporation by the bank or trust company.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Corporation, will be kept separate any 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 Corporation 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.

Adopted by resolution: February 21, 2012

THE COUNTIES OF WARREN AND WASHINGTON
CIVIC DEVELOPMENT CORPORATION

PROCUREMENT POLICY

ARTICLE I. SCOPE AND PURPOSE.

Pursuant to Section 2824 of the Public Authorities Law, The Counties of Warren and Washington Civic Development Corporation (the “Corporation”) is required to establish and adopt a procurement policy which will apply to the procurement for goods and services and which goods and services are paid for and used by the Corporation. The primary objectives of this Procurement Policy (the “Policy”) are to assure the prudent and economical use of public monies in the best interests of the taxpayers of the Counties of Warren and Washington, 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.

ARTICLE II. PROCUREMENT PROCEDURE.

1. Procurement Subject to Competitive Bidding. In order to determine if the procurement of goods or services is subject to competitive bidding, the Chairman or an authorized designee shall:
 - a. Use Section 103 of the General Municipal Law as a guide and make an initial determination as to whether the expenditure will be above the limits set forth in said GML Section 103.
 - b. Review the purchase request against prior years= expenditures and shall make a good faith effort to determine whether it is known or can reasonably be expected that the aggregate purchases of a similar nature will exceed the dollar amounts set forth in paragraph (a) of this Section. If so, the procurement will be subject to competitive bidding.

2. Determination. If the procurement is not subject to competitive bidding, as determined in section (1) above, then prior to commencing any procurement of goods and services, the Chairman or an authorized designee shall prepare a written statement setting forth a determination that (a) competitive bidding is not required for such procurement, and, if applicable, (b) such procurement is not subject to the requirements of this Policy. Such written statements shall be maintained in a specially designated file at the Corporation offices and shall also be filed with the purchase order or contract of the goods or services.

3. Procedures for the Purchase of Goods under \$20,000.

- a. \$0.01 - \$999 May be purchased at the discretion of the Chairman or the authorized designee.
- b. \$999 - \$5,000 Upon Corporation approval, may be purchased from the vendor providing the lowest quote after receiving and documenting at least three (3) verbal quotes.
- c. \$5,001 - \$19,999 Upon Corporation approval, may be purchased from the vendor providing the lowest quote after receiving at least three (3) written, faxed, or e-mailed quotes.

4. Procedures for the Purchase of Public Works or Services under \$35,000.

- a. \$0.01 - \$2,000 May be purchased at the discretion of the Chairman or the authorized designee.
- b. \$2,001 - \$10,000 Upon Corporation approval, may be purchased after receiving and documenting at least three (3) verbal quotes.
- c. \$10,001 - \$34,999 Upon Corporation approval, may be purchased after receiving at least three (3) written, faxed, or e-mailed quotes.

5. a. Verbal Quote. The documentation of a verbal quote shall include, at a minimum, the date, item or service desired, price quoted, name of vendor, name of vendor's representative, if any, delivery or service date.

b. Written Quote. The vendor should provide, at a minimum, the date, description of item or details of service, price quoted, name of vendor, contact information, delivery or service date.

c. Award of Contract. Contracts shall be awarded to the lowest responsible vendor whose goods and/or services meet the specifications.

6. Circumstances Justifying an Award to other than Lowest Quote.
 - a. Delivery or service requirements.
 - b. Specification requirements.
 - c. Quality.
 - d. Past vendor performance.
 - e. Unavailability of three (3) or more vendors who are able to provide a quote.
 - f. It is in the best interests of the Corporation to consider only one vendor who has previous expertise with respect to the particular procurement.

When an award is made to a vendor who did not provide the lowest quote, the reason why it is in the best interests of the Corporation must be set forth and justified in writing, by the Chairman or an authorized designee, and maintained in a specially designated file at the Corporation offices and shall also be filed with the purchase order or contract of the goods or services.

ARTICLE III. EXCEPTIONS FROM BIDDING.

1. Emergency. An emergency exists if the delay caused by soliciting quotes would endanger the health, welfare or property of the municipality or of the citizens. With approval of the Chairman, such emergency shall not be subject to competitive bidding or the procedures stated herein. The Chairman shall obtain a verbal quote, at a minimum, which shall be documented and shall also include a description of the facts giving rise to the emergency and that it meets the criteria set forth herein. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

2. Professional Services. This category includes services which require special education and/or training, license to practice or are creative in nature. Examples include: lawyers, doctors, accountants, engineers, artists, etc. The Corporation may seek Requests for Proposals for such services. In its selection, the Corporation should consider cost, experience, expertise, reputation, staffing, location and suitability for the needs of the Corporation. The Chairman shall prepare, in writing, the basis for the selection and the description of the professional service. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

3. Sole Sources. In this situation, there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits compared to other goods and/or services available in the marketplace; no other item provides substantially equivalent or similar benefits; and considering the benefits the cost is reasonable. The Corporation should adopt a resolution describing the goods and/or services and waiving the bidding requirements prior to procurement and should provide evidence that, as a matter of fact, there is no competition available. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

4. True Lease. The Chairman shall obtain written quotes and shall prepare a cost benefit analysis of leasing versus purchasing. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

5. Insurance. The Chairman shall, at a minimum, obtain several verbal quotes, as defined herein. An analysis regarding why a particular selection was made should be prepared and documented. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

ARTICLE IV. **MISCELLANEOUS.**

1. The Corporation shall annually review this Policy.

2. The unintentional failure to comply with the provisions of this Policy and the applicable law shall not be grounds to void action taken or give rise to a cause of action against the Corporation or any director, officer, member or employee thereof.

Adopted by resolution: February 21, 2012.