

# MUNIPRO, INC.

## *Investment Policy*

Adopted: January 16, 2008  
Readopted: October 28, 2008  
Readopted: October 28, 2009  
Readopted: December 15, 2010  
Readopted: February 24, 2016

MUNIPRO, Inc. (the Corporation) is a Not-For-Profit Corporation pursuant to Section 402 of the Not-For-Profit Corporation Law of the State of New York. Excess monies, not needed for immediate payment of bills shall be invested to earn a safe return. The following shall constitute the Investment Policy of the Corporation required pursuant to Public Authorities Law.

### 1. Objectives.

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|--------------|--|
| a. Safety    | Funds must not be lost to MUNIPRO.   |
| b. Liquidity | Appropriate amounts must be available for operations.                                |
| c. Yield     | The highest market rate available (other conditions being equal) is to be solicited. |

### 2. Deposit of Monies.

All monies of the Corporation from whatever source derived shall be deposited forthwith in a bank or banks designated by the Board of Directors and, to the extent practicable, consistent with the cash requirements of the Corporation, all such money shall be deposited in interest bearing accounts.

### 3. Authorized Investment Institutions.

The Board authorizes the use of all commercial banks or trust companies (not savings banks or associations), located and authorized to do business in New York State, for placing investments.

### 4. Authorized Investment Instruments

The Board authorizes the following types of investment instruments for investing MUNIPRO monies with commercial banks or trust companies located and authorized to do business with Monroe County:

- a. Savings Accounts
- b. NOW Accounts
- c. Money Market Deposit

Accounts

- d. Super NOW Accounts
- e. 7 to 31 Day Accounts
- f. Certificates of Deposit
- g. Repurchase Agreements
- h. US Treasury Bonds, Bills, Notes
- i. Obligations of the United States and the State of New York and any obligations of any municipality and school district authorized within the state.
- j. Other investment instruments as may be approved by the Office of the State Comptroller from time to time.

#### 5. Delegation of Authority for Investing MUNIPRO Money

The Board hereby delegates the authority to make day-to-day investment decisions, within the guidelines and limitations of this policy, to the Director of Finance –Town of Greece.

#### 6. FDIC Insurance and Collateralization

The primary objective of this policy is to enhance the safety and availability of any MUNIPRO monies invested. This objective is partially met by FDIC insurance for the first \$100,000 of checking account deposits and an additional \$100,000 for time or savings account deposits with any one specific commercial bank or trust company (12 Code Federal Regulations 330.8).

Any amounts exceeding the FDIC insurance limit, as presently set or subsequently revised, are to be insured to MUNIPRO by requiring a pledge of appropriate collateral by the bank or trust company winning the bid for investment. Where appropriate, all investments must be bid specifying “with third party collateral” (or “with collateral” if the third party arrangement is not available from the designated banks).

##### a. Collateral:

1. Collateral shall be delivered to the trust department of the issuing bank, the Corporation, or a custodian bank with which, where practical, MUNIPRO has entered into a written custodial agreement. The market value of collateral shall at all times equal or exceed 102% (one hundred and two) of the principal amount of the certificate of deposit. Collateral shall be monitored no less frequently than monthly, and market value shall mean the bid or closing price as quoted in the Wall Street Journal or in another recognized pricing service.
2. Securities purchased through a repurchase agreement shall be valued to market at least monthly.
3. Collateral shall not be required with respect to the direct purchase of obligations of New York State, obligations of the United States, and

obligations of Federal agencies, the principal and interest of which are guaranteed by the United States Government.

b. Delivery of Securities:

1. Repurchase Agreements. Every repurchase agreement shall provide for deposit of the investment proceeds with the issuing bank or trust company only upon its delivery of collateral obligations of the United States to the trust department of the custodian bank designated by MUNIPRO or in the case of a book-entry transaction, when the obligations of the United States are credited to the custodian's Federal Reserve Bank account. The issuing banks shall not be entitled to substitute securities without prior written approval of MUNIPRO. Repurchase agreements shall be for periods of 30 (thirty) days or less. The trust department or the custodian bank shall confirm all transactions in writing to insure that MUNIPRO's ownership of the securities is properly reflected on the records of the trust department of the custodian bank.
2. Deposit of the investment proceeds shall be made by or on behalf of MUNIPRO for obligations of New York State, obligations, the principal and interest of which, are guaranteed by the United States, United States obligations, certificates of deposit, and other purchased securities upon the delivery thereof to the trust department or the custodian bank or, in the case of a book-entry transaction, when the purchased securities are credited to the custodial bank's Federal Reserve Bank account. All transactions shall be confirmed in writing.

c. Written Contracts:

Where practical, written contracts are to be completed for repurchase agreements, certificates of deposit and custodial undertakings. With respect to the purchase of obligations of the United States, New York State, or other government entities, etc., in which monies may be invested, the interests of MUNIPRO will be adequately protected by conditioning payment on the physical delivery of purchased securities to the trust department, the Corporation or custodian, or in the case of a book-entry transaction, on the crediting of purchased securities to the custodian's Federal Reserve Bank account. All purchases will be confirmed in writing to MUNIPRO.

7. Transfer Funds

MUNIPRO specifically authorizes the designated officials to use electronic transfer of funds, among the approved investment institutions to assist in obtaining "federal funds" enhanced interest rates. Each such transfer shall be specifically identified in the original

entry as a “wire transfer” and subsequently supported by the bank confirmation notice to provide an audit trail.

#### 8. Safekeeping

MUNIPRO specifically authorizes the designated officials to turn over the physical custody of certificates of deposit and other evidence of investments for “safekeeping” possession to the winning bank to facilitate access to funds at maturity and to eliminate having live certificates in MUNIPRO offices.

#### 9. Written Reports

All investments shall be documented in written reports to the Director of Finance –Town of Greece, for subsequent presentation to the Board of Directors, outlining the details of each investment and the bids received thereon. All reports are kept on file in the Finance Department for inspection and review.