



SCHENECTADY COUNTY CRC

2017 Investment Report

Decisions regarding the investment of the Schenectady County Capital Resource Corporation (the “Corporation”) funds are governed by its enabling statute, State law, and the policies and procedures established by the Board of Directors. Provisions of General Municipal Law and Public Authorities Law further regulate the investment activities of the Corporation.

Investment Objectives

The primary objectives of the Corporation’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).

2017 Operating Funds

Throughout 2017, operating funds were invested in banking institutions designated by the Corporation Board. These traditional bank deposit accounts are insured by the Federal Deposit Insurance Corporation within such limits as were available. To the extent that any deposit balance exceeded such limits, the institutions were required to pledge securities, held by a Third-Party trustee, and maintain values of such pledged assets at not less than 102% of such excess balances at all times. Furthermore, securities that are pledged must conform to those approved by State law and the Corporation’s Investment Policy. In order to monitor compliance with the Corporation’s requirements, trustees provide periodic (at least monthly) reports of daily coverage and securities held on the Corporation’s behalf. These reports are reviewed by management upon receipt and upon request by the Board of Directors and the Fiscal Audit Committee.

Conclusions

The Corporation funds its operating activities by taking a conservative approach to investment. It is management’s opinion that the organization remained in full compliance with the statutory requirements and policies in effect during 2017.

March 23, 2018