

Inc. Village of Hempstead Community Development Agency

Investment and Banking Policies

This investment and deposit policy applies to the investment of all funds and financial resources available for investment and deposit on behalf of the Inc. Village of Hempstead Community Development Agency (CDA). The investment program must be operated in conformance with federal, state, and other legal requirements, including the General Municipal Law (GML), the Public Authorities Law, the Public Authorities Accountability Act of 2005 and all applicable laws of New York State.

The CDA Board of Directors will approve the placement of assets not needed for immediate operations assuring compliance with all contractual requirements and using the principals identified below.

A. Principles:

- 1) **Minimize Risk:** The Board of Directors will define a minimum risk strategy that will be reviewed annually to ensure appropriate discharge of responsibilities to lenders and contractual relationships.
- 2) **Maximize Investment Return:** Within the parameters defined as “minimum risk” funds will be invested at the highest area interest/return available at the time of decision.
- 3) **Support Local Banks and Institutions if Economically Feasible:** ‘Local’ is defined as having a physical presence for customer service within the Incorporated Village of Hempstead.

B. Procedures

- 1) Each quarter, the Commissioner of Community Development or his/her designee will review with the Board of Directors the projected cash needs of the Agency and the assets available, if any, for investment.
- 2) Each quarter, the Board of Directors will provide the Commissioner of Community Development or his/her designee with guidance regarding investment and institutions.
- 3) The Board of Directors will designate a representative to consult with the Commissioner of Community Development or his/her designee between meetings on such matters as investment period timeless and institutional issues.
- 4) The Commissioner of Community Development or his /her designee will contact local institutions as needed to determine the best rate of return for investments.
- 5) The Board of Directors will define a policy for minimizing risk annually.

C. Banking Policy

- 1) The CDA will keep all funds available not already invested in a federally insured bank.
- 2) **Support Local Banks if Economically Feasible:** All assets kept in bank accounts will be in banks as defined as local. “Local” is defined as having a physical presence for customer service within the Inc. Village of Hempstead.