Warren County Board of Supervisors

RESOLUTION NO. 326 OF 2026

RESOLUTION INTRODUCED BY SUPERVISORS ETU, CROCITTO, CONOVER, MADAY, BRUNO, STROUGH AND RUNYON

ADOPTING THE WARREN COUNTY INVESTMENT POLICY

RESOLUTION AMENDED FROM THE FLOOR

WHEREAS, the Risk and Safety Committee recommended, and the Finance & Budget Committee agreed to approve, the Warren County Investment Policy and recommended that the same be advanced to the Board of Supervisors for consideration and adoption, now, therefore, be it

RESOLVED, that the Warren County Investment Policy, annexed hereto as Schedule "A," be and the same is hereby adopted as the official policy for Warren County, and be it further

RESOLVED, that any and all prior Warren County Investment Policies, Resolutions or parts thereof inconsistent with the annexed Warren County Investment Policy are hereby rescinded and repealed effective August 19, 2026, and be it further

RESOLVED, that the Warren County Investment Policy will automatically be incorporated into the Warren County Risk and Safety Manual which was adopted by the Warren County Board of Supervisors on January 16, 2026.

“SCHEDULE A”

WARREN COUNTY INVESTMENT POLICY

I. Purpose, Scope, and Authority

This Investment Policy (“Policy”) sets forth the investment objectives, standards, and procedures governing the management of public funds of the County of Warren (the “County”). This Policy shall be effective upon adoption by the County Board of Supervisors (the “Board”) and shall remain in effect until amended or superseded pursuant to State preemption or Board resolution.

This Policy is adopted to ensure the prudent and systematic investment of County funds in a manner that safeguards principal, provides liquidity to meet operating needs, and achieves a reasonable return within statutory constraints. This Policy is adopted pursuant to Section 10, 11, and 39 of the General Municipal Law and applies to all money and other financial resources available for investment by the County.

This Policy is adopted pursuant to and in conformity with the General Municipal Law which governs local government investment policies, permissible investments, and deposits/collateral requirements. The County is limited to highly secure, short-term instruments to ensure maximum liquidity and preservation of principal. Except for cash in certain restricted and special funds, the County shall consolidate cash balances from all funds to maximize potential investment earnings. Investment income earned shall be allocated to the various funds based upon their respective participation and in accordance with generally accepted accounting principles.

II. Definitions

Chief Fiscal Officer: The County Treasurer as duly authorized by Statue.

Depositaries: An independent, legally mandated entity (often a bank) responsible for the safekeeping of assets, monitoring cash flows, and overseeing compliance for investment funds to protect investors.

Eligible Security: A financial instrument - typically government bonds, high-quality corporate debt, or cash - deemed acceptable by law, regulation, or a clearing corporation to serve as collateral, margin, or investments for banks that must meet specific government quality and liquidity standards, such as being freely tradable, rated by approved services, or guaranteed by a government entity as set forth in General Municipal Law Section 10.

Investment: An investment is the commitment of money, capital, or resources with the expectation of generating income, profit, or appreciation over time. It generally involves acquiring assets (like stocks, real estate, or debt) or, in business law, funding ventures to secure a financial return rather than mere consumption.

Security Market Value: The current, objective price at which it can be bought or sold in a competitive market, typically determined by the most recent closing price, the mean between bid/ask prices, or a volumeweighted average reflecting the fair market price at a specific, often regulated, date.

Pro-rate Portion of Financial Securities: The allocation of dividends, interest, shares, or liabilities proportionally based on an investor's percentage ownership or a specified ratio.

Additionally, the terms "public funds," "public deposits," "bank," "trust company," "eligible securities," "eligible surety bond," and "eligible letter of credit" shall have the same meanings as set forth in General Municipal Law Section 10.

III. Objectives

1. The primary objectives of the local government's investment activities are:

   a. To conform to all state and federal laws regarding public funds as stated in the General Municipal Law and guidelines issued by the Office of the NYS Comptroller;
   b. To adequately safeguard principal (safety). Preservation of principal is a critical objective of the County's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio, and mitigates both credit risk and interest rate risk;
   c. To provide sufficient liquidity to meet all operating requirements (liquidity). The County's investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated; and
   d. To obtain a reasonable rate of return (yield). The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs as forecasted by internal cash flow models. Return on investment shall be of secondary importance compared to the safety and liquidity objectives.

2. To achieve these objectives, the County will structure its investment decisions according to the maturity horizons of its funds which shall be continually evaluated through a liquidity analysis of both historical and projected cash flows.

IV. Delegation of Authority

1. The Board, pursuant to County Law §450, shall authorize the Chairperson of the Board of Supervisors the authority to execute banking and investment agreements on behalf of the County. The administration of the investment program is delegated to the Chief Fiscal Officer.

2. The Chief Fiscal Officer shall establish internal written procedures, which shall include the operation of the investment program consistent with this Policy. The written financial procedures established shall be reviewed by the Warren County Risk and Safety Committee, the County Attorney, Board of Supervisors, and any committee which has been authorized by the Board.

3. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a database or records incorporating description and amounts of investments, transaction dates and other relevant information and regulate the activities of

subordinate employees.

4. The Chief Fiscal Officer and their staff involved in investment activities shall pursue annual continuing education relating to the investment of public funds, collateralization, cash flow forecasting, and have a working up to date knowledge of applicable state and federal regulations.

V. Role of the Budget Officer

1. The Chief Fiscal Officer shall be guided in their implementation of the investment policy by the Budget Officer.

2. The Chief Fiscal Officer, along with their staff, and the Budget Officer shall meet no less frequently than quarterly and shall review the performance of the County's investment program and future economic forecasts. The Budget Officer shall report to the Board of Supervisors no less than quarterly on such performance.

3. The Risk and Safety Committee shall be responsible for reviewing any proposed changes to this policy and recommending no less than annually, any amendments which determines should be submitted to the County Board of Supervisors for its consideration and adoption.

VI. Prudence and Investment Tolerance

1. 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 County to govern effectively.

2. Investments shall be made with judgment and care in accordance with generally accepted accounting principles and the recommendations of the Office of the NYS Comptroller.

3. All participants involved 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. Disclosure of any conflicts of interests must be made in accordance with Article 18 of the General Municipal Law and the County's adopted Code of Ethics.

4. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and liquidity and sale of securities are carried out in accordance with the terms of this policy.

VII. Diversification

The County shall diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling. The Board of Supervisors 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.

VIII. Internal Controls

1. This Investment Policy adopts and incorporates by reference the terms and conditions of the County's Computer Use Policy or equivalent policy which may be amended from time to time.

2. It shall be the policy of the County for all money collected by any officer or employee of the County to transfer those funds to the County Treasurer within three (3) business days of deposit, or within the time period specified in law.

3. The Chief Fiscal Officer and/or their designee shall be responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments of the County are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with the Chief Fiscal Officer's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

4. Accordingly, the Chief Fiscal Officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

   a. Avoidance of collusion;
   b. Separation of transaction authority from accounting and record keeping;
   c. Custodial safekeeping;
   d. Avoidance of physical delivery securities;
   e. Clear delegation of authority to subordinate staff members;
   f. Written confirmation of transactions for investment and wire transfers; and
   g. A wire transfer agreement with the lead bank and third-party custodian in compliance with the General Municipal Law.

IX. Designated Depositaries

Pursuant to Section 212 of County Law, the following named banks and trust companies that are authorized for the deposit of money, and the maximum amount which may be kept on deposit at any time, are:

Depositary Name	**Maximum Amount**
Arrow Bank National Association	$125,000,000.00
Community Bank	$10,000.00
JP Morgan Chase	$8,000,000.00
M&T Bank	$2,000,000.00
NBT Bank, N.A.	$4,000,000.00

X. Securing Deposits and Investments

In accordance with the provisions of General Municipal Law §10, all deposits of the County, 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 by one or more of the following:

1. By pledge of "eligible securities" with an aggregate "market value" as provided by General Municipal Law §10.

2. A pro rata pledge of pool eligible securities, having in the aggregate a market value at least equal to the aggregate amount of deposits, together with a security agreement as set forth in General Municipal Law §10(3)(a).

3. By an eligible "irrevocable letter of credit" issued by a qualified bank, other than the bank with the deposits, in favor of the County for a term not to exceed ninety (90) days with an aggregate value equal to one hundred forty percent (140%) of the aggregate amount of deposits and the agreed-upon interest, if any. A qualified bank shall be one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three (3) highest rating categories by at least one (1) nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.

4. By an eligible surety bond payable to the County for an amount at least equal to one hundred percent (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 (2) nationally recognized statistical rating organizations.

XI. Safekeeping and Collateralization

Eligible securities used for collateralizing deposits made by officers of the County shall be held by the depositary or a third party bank or trust company subject to security and custodial agreements. The security agreement shall provide that eligible securities (or the pro rata portion of a pool of eligible securities) are being pledged to secure such deposits together with agreed-upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon a default. It shall also provide the conditions under which the securities (or pro rata portion of a pool of eligible securities) held may be sold, presented for payment, substituted or released and the events of default which will enable the local government to exercise its rights against the pledged securities.

In the event that the pledged securities are not registered or inscribed in the name of the County, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the County or the custodial bank or trust company. Whenever eligible securities delivered to the custodial bank or trust company are transferred by entries on the books of a federal reserve bank or other book-entry system operated by a federally regulated entity without physical delivery of the evidence of the obligations, then the records of the custodial bank or trust company shall be required to show, at all times, the interest of the County in the securities (or the pro rata portion of a pool of eligible securities) as set forth in the security agreement.

The custodial agreement shall provide that pledged securities (or the pro rata portion of a pool of eligible securities) will be held by the custodial bank or trust company as agent of, and custodian for, the County, will be kept separate and apart from the general assets of the custodial bank or trust company and will not be commingled with or become part of the backing of any other deposit or other bank liability. The agreement shall also describe how the custodian shall confirm the receipt, substitution or release of the collateral and it shall provide for the frequency of revaluation of collateral by the custodial bank or trust company and for the substitution of collateral when a change in the rating of a security causes ineligibility. The security and custodial agreement shall also include all other provisions necessary to provide the County with a perfected security interest in the eligible securities and to otherwise secure the County's interest in the collateral, and may contain other provisions that the Board of Supervisors deems necessary.

1. Eligible securities used for collateralizing deposits shall be held by a third-party bank, subject to security and custodial agreements.

2. The security agreement shall provide that eligible securities are being pledged to secure County 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 shall enable the County to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of Warren County, such securities shall be delivered in a form suitable for transfer or with an assignment in trust to Warren County or its custodial bank.

3. The custodial agreement shall provide that securities held by the bank or trust company, as agent of the custodian for Warren County, shall be kept separate and apart from the general assets of the custodial bank or trust company and shall not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The custodial agreement shall also describe that the custodian shall confirm the receipt, substitution or release for the securities. It shall provide for the frequency of revaluation of eligible of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. It shall include all provisions necessary to provide Warren County with a perfected interest in the securities.

4. The Chief Fiscal Officer, or if one has not been named the County Treasurer, shall maintain an external list of financial institutions authorized to provide investment services to Warren County which shall be reported to the Budget Officer and the Board of Supervisors on at least a quarterly basis. In addition, a list shall be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of Ten Million Dollars ($10,000,000) and at least five (5) years of operation). These may include "primary" dealers of regional dealers that qualify under the Securities and Exchange Commission Rule 15c3-1 (uniform net capital rule).

5. All financial institutions and brokers/dealers who desire to become qualified for investment transactions with the County must supply the following when/where appropriate:

    a. Audited financial statements;
    b. Proof of FIRA - Financial Industry Registration Authority;
    c. Proof of New York State registration;
    d. Completed broker/dealer questionnaire; and
    e. Certification of having and understood and agreeing to comply with this investment policy.

6. An annual review of the fi8nancial condition and registration of qualified financial institutions and broker/dealers shall be conducted by the Chief Fiscal Officer and those reports presented to the Budget Officer and the Board of Supervisors for review and approval.

XII. Permitted Investment

Collateral pledged to secure County deposits and investments shall consist only to the extent and in the manner permitted by Sections 10 and 11 of the General Municipal Law, including, but not limited to the following:

1. As authorized by the General Municipal Law, the Board of Supervisors authorizes the Chief Fiscal Officer to invest money not required for immediate expenditure, for terms not to exceed the County's projected cash flow needs, in the following types of investments:

    a. Special time deposit accounts;
    b. Certificates of deposit;
    c. Obligations of the United States of America;
    d. 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;
    e. Obligations of the State of New York;
    f. Obligations issued pursuant to LFL §24.00 or §25.00 (with approval of the NYS Comptroller) by any municipality, school district or district corporation other than Warren County;
    g. Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general NYS statutes governing such entities or whose specific enabling legislation authorizes such investments;
    h. Certificates of Participation (COPs) issued pursuant to General Municipal Law §109-b;
    i. Certificates and accounts collateralized through a deposit placement program (e.g. Insured Cash Sweep Accounts and/or Certificate of Deposit Account Registry Service);
    j. Obligations of Warren County, but only with any money in a reserve fund established pursuant to General Municipal Law § 6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n;
    k. Cooperative investment agreements with other municipal corporations pursuant to Article 3-A and 5-G of the General Municipal Law, including local government investment pools authorized by law, including, but not limited to NYCLASS and the NY MiniTrust;
    l. No-load money market mutual funds registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, provided such funds are limited to obligations of the United States of America or 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, and are rated in the highest rating category by at least one (1) nationally recognized statistical rating organization; OR
    m. Any other investment authorized by the General Municipal Law and the NYS Comptroller.

2. All investment obligations shall be payable or redeemable at the option of the County at such times as the proceeds shall be needed to meet expenditures for purpose for which the money 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 County within two (2) years of the date of purchase.

XIII. Authorized Financial Institutions and Dealers

The County shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the County conducts business must be creditworthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the County and thereafter on a quarterly and an annual basis. 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. The Chief Fiscal Officer shall be responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least quarterly and provided to the Budget Officer and the Board of Supervisors.

XIV. Purchase of Investments

1. The County Chairperson of the Board of Supervisors shall be authorized to contract for the purchase of investments:

    a. Directly, including through a repurchase agreement, from an authorized trading partner;
    b. By participation in a cooperative investment program with another authorized government entity pursuant to General Municipal Law Article 3A (Chapter 623 of the Laws of 1998), where such program meets all the requirements set forth and the specific program has been authorized by the Board of Supervisors; or
    c. By utilizing an ongoing investment program pursuant to a contract authorized by the Board of Supervisors.

2. All purchased obligations, unless registered or inscribed in the name of Warren County, 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 County by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law §10.

3. The custodial agreement shall provide that securities held by the bank or trust company, as agent of, and custodian for Warren County, shall be kept separate and apart from the general assets of the custodial bank or trust company and shall not, in any circumstances, be commingled with or become part of the backing of 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 County with a perfected interest in securities.

4. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law Section 10(3)(a). The agreement shall provide that securities held by the bank or trust company, as agent of, and custodian for, the County, will be kept separate and apart from the general assets of the custodial bank or trust company and

will not be commingled with or become part of the backing of any other deposit or other bank liability. The agreement shall also describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to secure the County's perfected interest in the securities, and the agreement may also contain other provisions that the Board of Supervisors deems necessary. The security and custodial agreements shall also include all other provisions necessary to provide the County with a perfected interest in the securities.

5. The Chief Fiscal Officer, when authorized by Board Resolution, may direct the bank or trust company to register and hold the evidence of investments in the name of its nominee, or may deposit or authorize the bank or trust company to deposit, or arrange for the deposit of any such evidence of investments with a federal reserve bank or other book-entry transfer system operated by a federally regulated entity. The records of the bank or trust company shall show, at all times, the ownership of such evidence of investments, and they shall be, when held in the possession of the bank or trust company, at all times, kept separate from the assets of the bank or trust company. All evidence of investments delivered to a bank or trust company shall be held by the bank or trust company pursuant to a written custodial agreement as set forth in General Municipal Law Section 10(3)(a), and as described earlier in this section. When any such evidence of investments are so registered in the name of a nominee, the bank or trust company shall be absolutely liable for any loss occasioned by the acts of such nominee with respect to such evidence of investments.

XV. Repurchase Agreements

Repurchase agreements are authorized subject to the following restrictions:

1. All repurchase agreements must be entered into subject to a Master Repurchase Agreement.

2. Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.

3. Obligations shall be limited to obligations of the United States of America and obligations of agencies of the United States of America where principal and interest are guaranteed by the United States of America.

4. No substitution of securities shall be allowed.

5. The custodian shall be a party other than the trading partner.

XVI. Temporary Investments

The County hereby adopts the regulations promulgated in General Municipal Law Chapter 24, Article 2 Section 11 in accordance with temporary investments made on behalf of the County.

XVII. Reporting

1. Methods.

The Chief Fiscal Officer, or if one has not been appointed, the County Treasurer, shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary shall be prepared in a manner which shall allow the County to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report shall be provided to the Budget Officer, and the Board of Supervisors on at least a quarterly basis and shall include the following:

a. Listing of individual securities held at the end of the reporting period;
b. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity;
c. Average weighted yield to maturity of portfolio on investment as compared to applicable benchmarks including, but not limited to the US Treasury Bill Indices, NYCLASS daily rates, or other benchmarks recognized by the Office of the NYS Comptroller;
d. Listing of investments by maturity date;
e. Percentage of the total portfolio that each type of investment represents; and
f. Portfolio concentration by financial institution.

2. Performance standards.

The investment portfolio shall be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis and reported to the Budget Officer and Board of Supervisors no less than quarterly.

XVIII. Policy Considerations

This policy shall be reviewed and readopted on an annual basis by the Board of Supervisors. Changes to this Policy must be approved by the Risk and Safety Committee and Board of Supervisors prior to any changes being made by the Chief Fiscal Officer.