

**18225**

Date: March 31, 2011

To: Honorable Members of the Board of Acquisition & Contract

From: Ann Marie Berg  
Commissioner, Department of Finance

Re: **Authority to enter into agreements with 1) Greater Hudson Bank, N.A. and its custodian bank, Manufacturers and Traders Trust Company, 2) Mahopac National Bank, and its custodian bank, Tompkins Investment Services, and 3) Sterling National Bank and its custodian bank, Manufacturers and Traders Trust Company, for the deposit of County Funds**

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The County of Westchester maintains relationships with various banks for the deposit of County funds. Pursuant to New York General Municipal Law Section 39, the County is required to have a written investment policy regarding the investment, monitoring and reporting of County government funds. Pursuant to the Investment Policy for the County of Westchester (the "Investment Policy"), when the County deposits funds in banks, such deposits are required to be collateralized. Eligible securities that are used to collateralize the County's deposits in a depository bank are required to be held by a third party custodian bank. While authorized as depository banks in the Investment Policy, Greater Hudson Bank, N.A., Mahopac National Bank and Sterling National Bank, the County currently does not deposit any funds in these banks.

Authority is now requested of your Honorable Board to authorize the County to enter in agreements with Greater Hudson Bank, N.A, Mahopac National Bank and Sterling National Bank, for the deposit of County funds. Authority is also requested to enter into associated tri-party agreements for the custody of the required collateral. The custodian bank for Greater Hudson Bank, N.A. is Manufacturers and Traders Trust Company, the custodian bank for Mahopac National Bank is Tompkins Investment Services and the custodian for Sterling National Bank is Manufacturers and Traders Trust Company. The proposed agreements will commence upon execution by all parties and would be terminable by any of the parties upon written notice. There is no cost to the County.

These agreements serve a valid public purpose in that they enable the County to comply with the requirements of its Investment Policy. The goal of these agreements is to ensure adequate and safe collateralization of County funds. The Department of Finance will receive regular statements for these accounts in order to monitor the banks' performance.

This procurement is exempt from the operation of the Westchester County Procurement Policy pursuant to Section 3(a)(xx).

I recommend approval of the attached proposed resolution.

AMB/JPI

APPROVED BOARD OF ACQUISITION & CONTRACT - 4-21-2011 - JOMARY VIEIRA, SECRETARY

**RESOLUTION**

Upon a communication from the Commissioner of the Department of Finance, be it hereby:

**RESOLVED**, that the County of Westchester is hereby authorized to enter into deposit agreements and tri-party custodial agreements with 1) Greater Hudson Bank, N.A. and its custodian bank, Manufacturers and Traders Trust Company, 2) Mahopac National Bank, and its custodian bank, Tompkins Investment Services, and 3) Sterling National Bank and its custodian bank, Manufacturers and Traders Trust Company, for the deposit of County funds; and be it further

**RESOLVED**, that the agreements will commence upon execution by all parties, will be terminable by any of the parties upon written notice and will be at no cost to the County; and be it further;

**RESOLVED**, that the that the County Executive or his duly authorized designee is hereby authorized to take such action and execute such documents as may be necessary and proper to effect the purposes hereof.

| Account to be Charged/Credited | Fund | Dept. | Major Program, Program & Phase Or Unit | Object/ Sub Object | Trust Account | Dollars |
|--------------------------------|------|-------|--|--------------------|---------------|---------|
|                                | N/A  | N/A   | N/A                                    | N/A                | N/A           | N/A     |
|                                |      |       |  |                    |               |         |
|                                |      |       |  |                    |               |         |

Budget Funding Year(s) N/A Start Date Upon contract execution  
 End Date Upon contract execution

(must match resolution)

Funding Source Tax Dollars \_\_\_\_\_

State Aid \_\_\_\_\_

\$ N/A Federal Aid \_\_\_\_\_

(must match resolution)

Other \_\_\_\_\_